



Press Release

PYRAMID TECHNOPLAST LIMITED (ERSTWHILE PYRAMID TECHNOPLAST PRIVATE LIMITED)

July 04, 2025

Rating Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	77.40	ACUITE A- Stable Reaffirmed	-
Bank Loan Ratings	38.00	-	ACUITE A2+ Reaffirmed
Total Outstanding Quantum (Rs. Cr)	115.40	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has reaffirmed its long-term rating of 'ACUITÉ A-' (read as ACUITE A minus) on the Rs 77.40 Cr. bank facilities and reaffirmed short-term rating of 'ACUITÉ A2+' (read as ACUITE A Two Plus) on the Rs 38.00 Cr. bank facilities of Pyramid Technoplast Limited (ERSTWHILE Pyramid Technoplast Private Limited) (PTL). The outlook is 'Stable'.

Rationale for reaffirmation:

The rating reaffirmation reflects PTL's healthy business risk profile and stable operating performance. Additionally, the rating factors in the company's longstanding relationships with reputed clientele. The company is also increasing its production capacity of Intermediate Bulk Containers (IBC), which are in high demand and may result in further revenue growth in the near to medium term. Furthermore, the rating reflects the company's healthy financial risk profile, supported by low gearing and healthy debt protection metrics.

However, the rating remains constrained by moderately intensive working capital requirements and the highly competitive and fragmented nature of the industry.

About the Company

Pyramid Technoplast Limited (ERSTWHILE Pyramid Technoplast Private Limited) is a multi-product, multi-location polymer processing organization. It has been in business for over two decades, with a successful track record for its best-managed practices in the industry. The company is promoted by the Agarwal family. The company began its operations in 1996-97 with modest commercial production at its first unit in Silvassa, under the name Yash Synthetics Pvt Ltd. It expanded its existing facility and acquired Anmol Monower Plastics Pvt Ltd in 2001. In 2004, all units were merged to form Pyramid Technoplast Ltd, a leading business house in various processing technologies, including blow, injection, and extrusion molding processes. Pyramid Technoplast Limited expanded its product profile and began IBC manufacturing in FY2016 and metal drum production in FY2019. It specializes in manufacturing polymer-based molded products (polymer drums) primarily used by chemical, agrochemical, specialty chemical, and pharmaceutical companies for their packaging needs.. The company is currently headed by Mr. Jaiprakash Bijaykumar Agarwal (Whole-time director), Mr. Madhu Jaiprakash Agarwal (Whole-time director), Ms. Vandana Agarwal (Director), Mr. Bijaykumar Agarwal (Director). The company was listed on the NSE and BSE in August 2023, raising Rs.91.30 crore for 55,00,000 equity shares. Currently, it

has nine strategically situated manufacturing units.

Unsupported Rating

Not applicable

Analytical Approach

Acuité has taken a standalone view of the business and financial risk profile of PTL to arrive at the rating.

Key Rating Drivers

Strengths

- **Long track record of operations and experienced management**

The promoters of PTL have been in the packaging and container industry within the manufacturing domain for over two decades, establishing a strong track record of operations. With this extensive experience, the company is considered one of the leading players in the industry. The company is currently headed by Mr. Jaiprakash Bijaykumar Agarwal (Whole-time Director), Mr. Madhu Jaiprakash Agarwal (Whole-time Director), Ms. Vandana Agarwal (Director), and Mr. Bijaykumar Agarwal (Director). The promoters' extensive experience has enabled the company to establish healthy relationships with reputed customers such as Grasim Industries Limited, Galaxy Surfactants Limited, and Deepak Nitrite Limited. The company also exports its products through deemed exports via third-party participation and supplies to several government departments and companies. Acuité believes that the company will continue to benefit from the promoters' experience and established track record of operations, thereby improving its business risk profile over the medium term.

- **Stable operating performance**

The revenue of the company has shown stable year-on-year growth of 10 percent, reaching Rs.591.34 crore in FY2025, compared to Rs.533.05 crore in FY2024. Furthermore, the operating profit margin ranged between 7.27 percent and 8.95 percent over the last two years, ending FY2025. The clientele of PTL primarily includes reputed names in the chemical industry, which mitigates counterparty credit risk to some extent. The company is also increasing its production capacity of Intermediate Bulk Containers (IBC), which are in high demand and may result in further revenue growth in the near to medium term. Acuité believes that PTL will be able to maintain its operating performance over the medium term due to its diversified customer base and the demand for IBC products.

- **Healthy financial risk profile**

The financial risk profile of the company continues to remain healthy with healthy net worth, low gearing and healthy debt protection metrics. The net worth of the company stood at Rs.249.23 Cr. and Rs.222.11 Cr. as on March 31, 2025, and 2024 respectively. The improvement in net worth is on account of the accretion of profits in reserves. The gearing of the company stood at 0.22 times as on March 31, 2025, as against 0.09 times as on March 31, 2024. Company's debt protection metrics is comfortable – Interest coverage ratio and debt service coverage ratio stood at 17.34 times and 7.54 times as on March 31, 2025, respectively as against 20.87 times and 4.60 times as on March 31, 2024, respectively. TOL/TNW stood at 0.48 times and 0.37 times as on March 31, 2025, and 2024 respectively. The debt to EBITDA of the company stood at 1.18 times as on March 31, 2025, as against 0.41 times as on March 31, 2024. Acuité believes that the financial risk profile of the company will continue to remain healthy on account of absence of any debt-funded capex plan.

Weaknesses

- **Moderately intensive working capital cycle**

PCL's working capital cycle is moderately intensive marked by Gross Current Assets (GCA) of 114 days in FY2025 as compared to 116 days in FY2024. GCA days mainly led by debtor days. The receivable days stood at 71 days in FY2025 as compared to 68 days in FY2024. Furthermore, Inventory days stood at 41 days in FY2025 as against 44 days in FY2024. Subsequently, the payable period stood at 35 days in FY2025, as against 41 days in FY2024 respectively. Further, the reliance on working capital limits stood moderate marked by average 46 percent utilization of the fund-based limits used over the past six months ending in May 2025. Acuité believes that the working capital management of the company will remain at similar levels over the medium term.

- **Highly competitive and fragmented nature of industry**

The company is operates in highly competitive and fragmented industry. It is exposed to intense competition from several organized and unorganized players operating in the industry. The industry maintains low entry barriers, which may increase competition and resultantly affect the market share of the company. Further, the major raw materials are steel and HDPE granules which are susceptible to price volatility. The HDPE granules are susceptible to crude oil and polymer price volatility.

Rating Sensitivities

- Improving scale of operations while maintaining profitability
- Higher than envisaged debt funded capex plan impacting the financial risk profile
- Elongation in working capital cycle

Liquidity Position: Adequate

PTL generated cash accruals of Rs.34.62 Cr. in FY2025, while its maturing debt obligations stood at Rs.2.26 Cr. during the same period. Going forward, the company is expected to continue to generate adequate net cash accruals against maturing repayment obligations over the near to medium term. Further, the reliance on working capital limits stood moderate marked by average 46 percent utilization of the fund-based limits used over the past six months ending in May 2025. The company maintained unencumbered cash and bank balances Rs.0.62 Cr. and the current ratio stood at 2.13 times as on March 31, 2025. Acuité believes that the liquidity position of the company will remain adequate due to steady cash accruals and buffer available from unutilized working capital limits.

Outlook: Stable**Other Factors affecting Rating**

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	591.34	533.05
PAT	Rs. Cr.	26.67	29.34
PAT Margin	(%)	4.51	5.50
Total Debt/Tangible Net Worth	Times	0.22	0.09
PBDIT/Interest	Times	17.34	20.87

Status of non-cooperation with previous CRA (if applicable)

Not applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
05 Apr 2024	Cash Credit	Long Term	5.70	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Cash Credit	Long Term	13.00	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Cash Credit	Long Term	35.00	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Proposed Long Term Loan	Long Term	23.70	ACUITE A- Stable (Upgraded from ACUITE BBB+ Stable)
	Letter of Credit	Short Term	11.00	ACUITE A2+ (Reaffirmed)
	Letter of Credit	Short Term	27.00	ACUITE A2+ (Reaffirmed)
06 Jan 2023	Letter of Credit	Short Term	11.00	ACUITE A2+ (Assigned)
	Letter of Credit	Short Term	27.00	ACUITE A2+ (Assigned)
	Covid Emergency Line.	Long Term	3.36	ACUITE BBB+ Stable (Assigned)
	Covid Emergency Line.	Long Term	2.35	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	17.00	ACUITE BBB+ Stable (Assigned)
	Cash Credit	Long Term	5.70	ACUITE BBB+ Stable (Assigned)
	Cash Credit	Long Term	13.00	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	0.99	ACUITE BBB+ Stable (Assigned)
	Cash Credit	Long Term	35.00	ACUITE BBB+ Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Axis Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	13.00	Simple	ACUITE A- Stable Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	35.00	Simple	ACUITE A- Stable Reaffirmed
Federal Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.70	Simple	ACUITE A- Stable Reaffirmed
Federal Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.00	Simple	ACUITE A2+ Reaffirmed
Axis Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	27.00	Simple	ACUITE A2+ Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	30 Oct 2032	23.70	Simple	ACUITE A- Stable Reaffirmed

Contacts

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