



Press Release
SURAJ LOGISTIX PRIVATE LIMITED
August 01, 2025
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	147.23	ACUITE A- Stable Assigned	-
Bank Loan Ratings	2.77	-	ACUITE A2+ Assigned
Total Outstanding Quantum (Rs. Cr)	150.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has assigned long term rating of '**ACUITE A-(read as ACUITE A minus)**' on the Rs. 147.23 Cr. bank facilities and short-term rating of '**ACUITE A2+ (read as ACUITE A two plus)**' on the Rs. 2.77 Cr. bank facilities of Suraj Logistix Private Limited (SLPL). The outlook is '**Stable**'.

Rationale for rating

The ratings derive comfort from the experience of the promoters and SLPL's established track record in the polymer processing business. It also consider its reputed customer profile like UltraTech Cement Limited, ACC Limited, The Ramco Cements Limited among others, geographic presence PAN India as well as its wide network of distributors for polyvinyl chloride (PVC) pipes and allied products. The group has seen marginal increase in the revenues and operating profitability; healthy financial risk profile; efficient working capital cycle and strong liquidity. However, these strengths are partly offset by stabilisation risk of Padmaja Polypacks Private Limited, by inherent cyclicalities in the cement industry, the offtake from which accounts for a predominant share of revenues derived from the PP and laminated polypropylene (LPP) bags segment and risk of volatility in raw material prices.

About the Company

Jamshedpur based, Suraj Logistix Private Limited (SLPL) was incorporated in 2004. The company is engaged in Woven Polypropylene (WPP) based Packaging, Polyvinyl chloride (PVC) and High-Density Polyethylene (HDPE) Pipes, Fittings and Water Containers to mostly residential buildings and supplies woven PP bags to cement companies (80%-85%) and fertilizer manufacturers (10-15%). The brand names of the company are Flexiplast and Tuffplast. The company has geographic presence in Eastern, Central and Northern India. The annual installed capacity of the company for PVC pipes and tank is 7500 MT and for woven PP bags is 36000 MT. The directors of the company are Mr. Prakash Kumar Khemani and Mr. Deepak Khemani.

About the Group

Padmaja Polypacks Private Limited (PPPL) is a wholly owned subsidiary of SLPL in the business of woven sacks bags based out of Telangana. SLPL took over the company in June 2024 with investment of about Rs. 17 Crore towards plant and machinery. PPPL would only cater to southern India. The annual installed capacity of the company is 7500 MT. The directors of the company are Mr. Prakash Kumar Khemani, And Mr. Deepak Khemani.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

- Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuite has taken consolidated business and financial risk profile of Suraj Logistix Private Limited and Padmaja Polypacks Private Limited due to common management, operational and financial linkages. Corporate guarantee

Key Rating Drivers

Strengths

Experienced promoters along with long track record of operations

The operations of the group are looked after by Mr. Deepak Khemani and Mr. Prakash Kumar Khemani who hold prior experience in this industry. The group has a reputed client base for selling PP and laminated PP bags, which includes Dalmia Cement (Bharat) Limited, Ultratech Cement Limited, ACC Limited, Ambuja Cements Limited among others. They hold long standing relationships with their customers and suppliers. The group also has PAN India presence. Acuite believes that the experienced promoters and healthy relationship with customers and suppliers will help the group going forward.

Steady business performance reflected by revenues and operating profitability

The revenues of the group have increased to Rs. 512.44 Cr. as on March 31, 2025(Prov.) as compared to Rs. 501.56 Cr. as on March 31, 2024 on account of increase in sales of woven sack bags to southern part of India through PPPL. The operating profitability has increased to 6.13 percent as on March 31, 2025(Prov.) as compared to 5.84 percent as on March 31, 2024 on account decrease in costs like power costs. Acuite believes that improving operating efficiencies for the group will entail an overall improvement in the business performance going forward.

Healthy Financial Risk Profile

The financial risk profile of the group is marked by improving net worth, low gearing and comfortable debt protection metrics. The tangible net worth of the group stood at Rs. 195.24 Cr. as on March 31, 2025(Prov.) as compared to Rs. 184.50 Cr. as on March 31, 2024 due to accretion to reserves. The gearing of the group stood at 0.51 times as on March 31, 2025 (Prov.) as compared to 0.58 times as on March 31, 2024. The Total Outside Liabilities/Tangible Net Worth (TOL/TNW) stood at 0.72 times as on March 31, 2025 (Prov.) as compared to 0.91 times as on March 31, 2024. The debt protection metrics of the group remain healthy marked by Interest Coverage ratio of 3.85 times in FY 25(Prov.) and debt service coverage ratio (DSCR) of 2.25 times for March 31, 2025(Prov.). The net cash accruals to total debt (NCA/TD) stood at 0.24 times as on March 31, 2025 (Prov.) as compared to 0.21 times as on March 31, 2024. Acuite believes that the financial risk profile will remain healthy over the medium term, with steady cash accruals and absence of any major debt funded capex plans.

Efficient Working Capital Cycle

The working capital cycle of the group is efficient as reflected by Gross Current Assets (GCA) of 85 days for March 31, 2025 (Prov.) as compared to 101 days for March 31, 2024. The debtor period stood at 40 days as on March 31, 2025 (Prov.) as compared to 48 days as on March 31, 2024. Further, the inventory days of the company stood at 46 days as on March 31, 2025 (Prov.) and FY2024. The creditors stood at 8 days as on March 31, 2025(Prov.) as compared to 27 days as on March 31, 2024. Acuite believes that the working capital operations of the group will remain at the similar levels over the medium term.

Weaknesses

Susceptibility of profitability margins to fluctuations in prices of raw material and competitive and fragmented nature of operations

The basic raw materials required by the group are plastic granules which is crude oil derivative. The prices of the commodities are subject to volatility in line with those of global crude oil prices. Further, the group is operating in competitive and fragmented nature of industry. There are several players engaged in the Plastic Packaging industry in organized and unorganized sector. Hence, the group might face pricing pressure from other competitors. Acuite believes that the margins are susceptible to volatility in the raw material prices.

Rating Sensitivities

Movement in revenues and operating profitability

Working Capital cycle

Stabilisation of PPPL

Liquidity Position

Strong

The group has strong liquidity marked by net cash accruals of Rs 24.14 Cr. as on FY2025 (Prov.) as against long term debt of Rs. 5.30 Cr. over the same period. The group is entitled to various subsidies from the Government of India under the Amended Technology Upgradation Funds Scheme (ATUFS), and the Government of Jharkhand under Jharkhand Textile and Footwear Policy, 2016, which are likely to support its cash flows, going forward. SLPL received Rs. 6.04 crore and Rs. 2.54 crore of subsidy in FY2024 and FY2025(Prov.), respectively, which supported its profitability and liquidity position. Another Rs. 10-12 Cr. of subsidy is expected in the next two financial years cumulatively. Further, the current ratio stood at 1.67 times as on March 31, 2025(Prov) and March 31, 2024. The cash and bank balances stood at Rs. 0.24 Cr. as on March 31, 2025(Prov) as compared to Rs. 0.20

Cr. as on March 31, 2024. The average fund-based utilization of the company is 67 percent ended May 25. Acuité believes that the liquidity of the group will improve over the near to medium term on account of steady cash accruals and in the absence of any debt funded capex plans.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	512.44	501.56
PAT	Rs. Cr.	10.76	9.34
PAT Margin	(%)	2.10	1.86
Total Debt/Tangible Net Worth	Times	0.51	0.58
PBDIT/Interest	Times	3.85	3.79

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

CRISIL, vide its press release dated October 14th, 2024 had denoted the rating of Suraj Logistix Private Limited as 'CRISIL B/Stable/A4; REAFFIRMED AND ISSUER NOT CO-OPERATING'.

Any Other Information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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: Not Applicable

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.50	Simple	ACUITE A2+ Assigned
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	45.00	Simple	ACUITE A- Stable Assigned
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	9.50	Simple	ACUITE A- Stable Assigned
State Bank of India	Not avl. / Not appl.	Derivative Exposure	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.27	Simple	ACUITE A2+ Assigned
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	48.67	Simple	ACUITE A- Stable Assigned
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	07 Oct 2021	Not avl. / Not appl.	07 May 2028	12.06	Simple	ACUITE A- Stable Assigned
State Bank of India	Not avl. / Not appl.	Term Loan	27 Sep 2024	Not avl. / Not appl.	31 Mar 2027	17.96	Simple	ACUITE A- Stable Assigned
State Bank of India	Not avl. / Not appl.	Term Loan	27 Sep 2024	Not avl. / Not appl.	31 Mar 2028	9.55	Simple	ACUITE A- Stable Assigned
HDFC Bank Ltd	Not avl. / Not appl.	Working Capital Term Loan	07 Jun 2025	Not avl. / Not appl.	07 Nov 2029	4.49	Simple	ACUITE A- Stable Assigned

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr No.	Company Name
1	Suraj Logistix Private Limited
2	Padmaja Polypacks Private Limited

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About Acuité Ratings & Research

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