Press Release
SRB PAPERTECH PRIVATE LIMITED
October 07, 2025
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	58.11	ACUITE BBB- | Stable | Assigned	-
Total Outstanding Quantum (Rs. Cr)	58.11	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has assigned its long-term rating at **'ACUITE BBB-' (read as ACUITE triple B minus)** on the Rs. 58.11 Crore bank loan facilities of SRB Papertech Private Limited. The outlook is **'Stable'**.

Rationale for rating

The assigned rating draws comfort from the experience of the management in the same line of business and established relationship with customers and suppliers. The rating also factors the company's improving scale of operations, marked by an operating income of Rs.105.23 Cr. in FY2025 as against Rs.62.98 Cr. in FY2024. Moreover, the company has registered revenue of Rs.67.25 Crore till 15th September, 2025. Additionally, EBITDA margin and PAT margin of the company stood at 11.61% and 5.33% respectively in FY2025. The rating further takes into account the moderate financial risk profile as reflected by gearing ratio at 1.49 times as on 31st March 2025 along with interest coverage ratio and debt service coverage ratio at 3.72 times and 1.57 times respectively as on 31st March 2025 as well as adequate liquidity profile supported by sufficient accruals against the debt repayment obligations. However, the above strengths are partly offset by moderately intensive working capital operations marked by GCA days of 139 days as on 31st March, 2025 and working capital limit utilisation at an average of 90.83% in last twelve months ending August, 2025. Acuite also notes that the margins are susceptible to fluctuations in raw material prices and competition from global markets.

About the Company

Jaipur based SRB Papertech Private Limited was incorporated in the year 2017. The company is engaged in the manufacturing of Kraft Paper. Present directors of the company are Mr. Ranjeet Singh Beniwal and Mr. Hoshiyar Singh Jat.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone financial and business risk profiles of SRB Papertech Private Limited to arrive at the rating.

Key Rating Drivers

Strengths

Benefits derived from Experienced Management

SRBPPL was incorporated in 2017 and is engaged in the manufacturing of Kraft Paper which is largely used in corrugated boxes and packaging used in FMCG, Textiles, e-commerce, agricultural produce packaging, consumer durables, etc. The company is managed by Mr. Ranjeet Singh Beniwal having almost a decade of experience in the paper and paper products industry which has benefitted the company to have established relationship with customers and suppliers. Acuite believes that the company will continue to derive benefit from the experience of the management in the same line of business.

Stable Scale of Operations

The company achieved operating income of Rs.105.23 Crore in FY2025 against Rs.62.98 Crore in FY2024 on account of increase in sales volume as well as price realization. Moreover, the company has registered a revenue of Rs.67.25 Crore till 15th September, 2025. In addition, the company is setting up a solar power plant of 1.5 MW, by the end of October, 2025 which will be funded by a mix of promoter contribution and external debt and is expected to help in cost rationalization as well as enhancing the operational efficiency of the company. Furthermore, the company enhanced its production capacity to 74000 MTPA in FY2025 from existing 44000 MTPA which will support to meet the market demand and is expected to improve revenue of the company. Further, the EBITDA Margin of the company stood at 11.61% supported by decrease in raw material procurement costs in FY2025 as compared to the previous year and the PAT Margin stood at 5.33% in FY2025 against 3.59% in FY2024. Acuite expects the scale of operations of the company will improve in near to medium term on account of higher sales volume.

Moderate Financial risk profile

The financial risk profile of the company is moderate marked by tangible net-worth stood at Rs.30.60 Crore as on 31st March 2025 as against Rs.19.35 Crore as on 31st March 2024. The increase in the net-worth is on an account of accretion of profits into reserves and infusion of funds through equity share capital. The capital structure of the company is marked by gearing ratio which stood at 1.49 times as on 31st March 2025 against 2.01 times as on 31st March 2024. Further, the coverage indicators are comfortable reflected by interest coverage ratio and debt service coverage ratio which stood at 3.72 times and 1.57 times respectively as on 31st March 2025 against 2.89 times and 1.27 times as on 31st March 2024. The TOL/TNW ratio of the company stood at 2.13 times as on 31st March 2025 against 2.80 times as on 31st March 2024 and DEBT-EBITDA stood at 2.94 times as on 31st March 2025 against 4.35 times as on 31st March 2024. Acuité expects financial risk profile of the company to remain moderate in near to medium term on account of debt funded ongoing capex.

Weaknesses

Moderately Intensive Working capital operations

The working capital operations of the company improved yet remained moderately intensive marked by GCA days which stood at 139 days as on 31st March, 2025 as against 158 days as on 31st March, 2024. The high GCA days are on account of higher inventory days which stood at 103 days as on 31st March, 2025 against 108 days as on 31st March, 2024 as the company has to keep high level of inventory due to nature of business. Further, the debtor days of the company stood at 33 days as on 31st March, 2025 against 55 days as on 31st March, 2024 and the creditor days stood at 28 days as on 31st March, 2025 against 77 days as on 31st March, 2024. Acuite expects that working capital operations of the company will remain similar in near to medium term due to nature of business.

Susceptibility of margins to fluctuations in raw material prices and competition from global markets

The paper manufacturers in India are exposed to the risk of volatility in wastepaper prices, given the limited availability of quality fibres and international pricing changes as majority of the waste paper is imported in India. Therefore, the profitability remains susceptible to raw material price fluctuations, however, the company protects its margin through pass through of such changes to its customers. Further, the domestic paper industry is also exposed to intense competition from global players with cheap imports from countries like Indonesia, China, Chile, etc. which affect their sales volumes and price realizations.

Rating Sensitivities

- Sustenance of the profitability margins while scaling up of operations.
- Working capital operations

Liquidity Position

Adequate

The liquidity profile of the company is adequate marked by net cash accruals of Rs.9.07 crore as on 31st March, 2025 against the debt repayment obligations of Rs.4.25 crore in the same period. Going forward, the company is expected to generate enough net cash accruals in the range of Rs.15.00 Cr. to Rs.20.00 Cr. against the debt repayment obligation of upto Rs.5.00 Crore in the next two years. The current ratio of the company stood at 1.10 times as on 31st March, 2025 as against 1.03 times as on 31st March, 2024. The cash and bank balance available with the company stood at Rs.1.13 Cr. as on 31st March, 2025 as against 0.31 times as on 31st March, 2024. Additionally, the company has high reliance on its fund based bank lines to meet its working capital requirement which stood utilised at 90.83% in last twelve months ending August, 2025. Acuité expects liquidity profile of the group to remain adequate in near to medium term supported by sufficient accruals to debt repayment obligations.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	105.23	62.98
PAT	Rs. Cr.	5.60	2.26
PAT Margin	(%)	5.33	3.59
Total Debt/Tangible Net Worth	Times	1.49	2.01
PBDIT/Interest	Times	3.72	2.89

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

None

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. Acuite'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
Bank of Baroda	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE BBB- | Stable | Assigned
Not Applicable	Not avl. / Not appl.	Proposed Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BBB- | Stable | Assigned
State Bank of India	Not avl. / Not appl.	Term Loan	25 Nov 2024	Not avl. / Not appl.	31 Mar 2033	6.32	Simple	ACUITE BBB- | Stable | Assigned
State Bank of India	Not avl. / Not appl.	Term Loan	30 Sep 2023	Not avl. / Not appl.	15 Jul 2032	4.52	Simple	ACUITE BBB- | Stable | Assigned
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	10 Jan 2025	Not avl. / Not appl.	10 Jun 2031	3.05	Simple	ACUITE BBB- | Stable | Assigned
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	10 Jun 2025	Not avl. / Not appl.	10 May 2030	1.00	Simple	ACUITE BBB- | Stable | Assigned
Bank of Baroda	Not avl. / Not appl.	Term Loan	04 Aug 2025	Not avl. / Not appl.	03 Aug 2035	5.00	Simple	ACUITE BBB- | Stable | Assigned
State Bank of India	Not avl. / Not appl.	Term Loan	25 Nov 2024	Not avl. / Not appl.	28 Feb 2029	3.22	Simple	ACUITE BBB- | Stable | Assigned
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	19 Sep 2022	Not avl. / Not appl.	18 Sep 2028	5.00	Simple	ACUITE BBB- | Stable | Assigned

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