Caprihans India Limited
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13 August 2026

The Secretary
BSE Limited
Dept of Corporate Services,
Phiroze Jeejeebhoy Tower
Dalal Street
Mumbai - 400001
Scrip Code No: 50948

Sub: Intimation of Credit Rating(s) pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, this is to inform you that Infomerics Valuation and Rating Limited after due consideration, has upgraded the Long Term Rating to IVR BB+/Stable from the previous year's IVR BB/Stable and Short Term Rating to IVR A4+ from the previous year's IVR A4. Additionally, the total rated bank loan facilities were enhanced to Rs. 624.24 Crore from Rs. 610.63 Crore. The outlook on the long-term rating is Stable.

You are requested to take the same on your record.

Thanking you

Yours faithfully,
For Caprihans India Limited

Rajesh P. Likhite
Company Secretary & Compliance Officer
Caprihans India Limited

Adobe Acrobat version: 2025.001.20997

Rajesh P. Likhite
Company Secretary

Encl: As above

Caprihans India Limited

August 12, 2026

Rating Action

Total Bank Loan Facilities Rated	Rs. 624.24 Crore (Enhanced from Rs 610.63 Crore)	Regulator^
Long Term Rating	IVR BB+/Stable (Rating Upgraded)	RBI
Short Term Rating	IVR A4+ (Rating Upgraded)	RBI
^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.		

Refer Annexures for details of facilities/instruments, facility wise lender details, and detailed explanation of covenants.

Note: *None of the Directors on Infomerics Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.*

Rationale

Infomerics Ratings has upgraded the rating on the bank facilities of Caprihans India Limited (CIL) to IVR BB+/ Stable/ IVR A4+. The upgrade is driven by the consistent improvement in operating profitability demonstrated in the last three quarters (starting from December 2025) on account of successful implementation of strategies related to new product development, cost reduction, exit from less profitable product segments and focus on expanding market presence in overseas markets where margins are higher. Infomerics expects the company to maintain operating margins at close to the improved levels observed in Q1FY27, which would result in significantly higher cash flows sufficient to support its large debt servicing requirements.

The rating derives strength from long track record of operations, established market presence, strong domestic and international clientele, and change in business strategy which has improved operating margins. However, the rating strengths are partially offset by elevated debt levels, weak debt coverage indicators and exposure to raw material price volatility.

Outlook: Stable

The stable outlook is on account on expanding client base (especially in overseas markets) which is expected to boost revenues and margins as well as inhouse consumption of base film which has reduced operating costs, ultimately leading to steady growth in cash flows.

Analytical Approach

Approach	Comments
Consolidation/ Standalone	Standalone
Parent/ Group Support	NA

Key Rating Drivers with Detailed Description

Strengths

- **Long track record of operations and established market presence**

  CIL, incorporated in April 1946, is one of India's leading manufacturers of polyvinyl chloride (PVC) films and aluminium foils that are used for packaging of solid dosage pharmaceutical products and other applications. Its long-standing presence in the industry has helped it build strong relationships with customers and suppliers, ensuring business continuity. In FY24, the company strengthened its market presence by acquiring the Pharma Packaging Innovations (PPI) division from its ultimate holding company, Bilcare Limited.

- **Strong domestic and international clientele**

  CIL serves a global customer base, including major pharmaceutical companies across 100+ countries. Domestically, it has a strong presence with offices in key cities like Mumbai, Delhi, Bengaluru, and Chennai. Internationally, CIL exports to markets such as the USA, Europe, UK, UAE, Oman, Saudi Arabia, Bangladesh, Russia, Thailand, Philippines, Turkey, Egypt and Kenya. This extensive reach reinforces its position as a leading player in the pharmaceutical packaging industry.

- **Change in business strategy has improved operating margins from last three quarters**

  CIL has implemented a strategic shift to improve operating margins by expanding into export markets, increasing in-house consumption of base film, and leveraging R&D to develop innovative pharmaceutical packaging solutions that reduce package size and lower costs for clients while improving margins for the company due to reduced raw material costs. The base plastic film produced in its Pune plant is now consumed captively, thereby reducing the need for the Nashik plant to procure the same from outside vendors. Additionally, the company has strengthened its global presence by hiring senior marketing personnel in overseas locations and actively participating in key international pharmaceutical packaging exhibitions in Barcelona (FY24), Frankfurt, and Paris (FY25), demonstrating its commitment to growth despite associated expenses.

With the new business strategies in place, the company has witnessed a significant improvement in its operating performance from Q3FY26 onwards. Investments in strengthening the marketing network, expanding export markets, and enhancing the product mix have translated into higher revenue, improved realisations, and better operating profitability. Consequently, the company reported improved EBITDA margins of 6.65% in Q3FY26, 9.46% in Q4FY26 and 16.76% in Q1FY27. It reported positive net profit of Rs. 6.31 crore in Q4FY26, further improving to Rs.7.05 crore in Q1FY27. Previously, the dip in EBITDA margin to 0.81% in Q2FY26 (vis-à-vis 5.12% in Q1FY26) is attributed to anti-dumping duty on aluminium foils imported from China, which directly impacted the company. Additionally, CIL was engaged in seed marketing in overseas markets, taking orders at cost to gain market entry.

Weaknesses

- **Elevated debt levels and weak debt coverage indicators**

  CIL's acquisition of the PPI unit of Bilcare Limited significantly increased its debt burden, shifting it from a debt-free entity till FY22 to a highly leveraged one in FY23. The high debt levels have also weakened key financial indicators. The interest coverage ratio remained weak at 0.54x in FY26(A) (FY25: 0.45x), Similarly, the debt service coverage ratio remained below unity at 0.60x in FY26(A) as against 0.48x in FY25(A). However, CIL was able service the debt in FY25 and FY26 from other income comprising largely of proceeds from sale of Thane factory, recovery from old debtors (for which provisions had been made) and recurring cash inflows, including interest earned on bank deposits, income-tax refunds, dividend income, rental income and foreign exchange gains arising from the Company's export operations.

- **Exposure to raw material price volatility**

  The primary raw materials for CIL's products include PVC resin and other petrochemical derivatives, whose prices are subject to global market fluctuations. Price volatility in crude oil and raw materials can lead to increased production costs, which may not always be passed on to clients which are pharmaceutical companies in timely manner, considering that they are much larger entities. This exposes the company to margin pressures, particularly during periods of high input cost inflation.

Liquidity – Adequate

The company's working capital utilization is high, marked by ~96% average utilization of fund-based working capital limits for last 12 months ended March 2026. It expects moderate cushion in cash accrual against its scheduled debt repayment obligation. The current ratio and quick ratio of the company stood at 1.03x and 0.62x respectively as on March 31, 2026. The unencumbered cash and bank balance as on March 31, 2026, is Rs.11.41 crore. The company has repaid Rs. 85.78 crore in FY25 against the scheduled repayment of Rs. 29.15 crore. This includes prepayment of Rs. 57.50 crore loan amount of FY26 and H1FY27. The same was met out of the sale proceeds of the Thane factory.

Rating Sensitivities

Upward Factors

- Growth in scale of operations along with sustenance in EBITDA margins at Q1FY27 levels, translating into a large increase in cash flows
- Significant improvement in coverage ratios

Downward Factors

- Any material reduction in EBITDA margin from Q1FY27 levels translating into lower-than-expected cash flows
- Tightening of liquidity position due to buildup of debtors or otherwise
- Significant increase in borrowing levels resulting in increase in overall gearing above end FY26 levels

About the Company

Caprihans India Limited, incorporated in April 1946, is one of India's leading manufacturers of polyvinyl chloride films and aluminium foils that are used for packaging of solid dosage pharmaceutical products and other applications. The company is engaged in the business of pharmaceutical packaging and manufacturing of rigid and flexible PVC films, PVdC coated films, plastic extruded products, aluminium foils and other allied products. It operates from manufacturing plants located in Taloja, Pune and Nashik in Maharashtra. The company has annual capacity of 62,880 tons. Furthermore, CIL has over 1000 qualified pharma professionals and 200 patents of distinctive solutions awarded.

Key Financial Indicators (Standalone):

For the year ended/ As on*	31-03-2025	31-03-2026	Q1FY2026
	Audited	Audited	Unaudited
Total Operating Income	751.51	710.25	220.11
EBITDA	37.23	40.48	36.88
PAT	-62.28	-48.18	7.05
Total Debt	683.77	624.81	--
Tangible Net Worth (TNW)	418.92	391.78	--
EBITDA Margin (%)	4.95	5.70	16.76
PAT Margin (%)	-8.11	-6.53	3.20
Overall Gearing (times)	1.63	1.60	--
Interest Coverage (times)	0.45	0.54	1.98

**Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company*

Applicable Criteria

Rating Methodology for Manufacturing Sector Companies.

Financial Ratios Implication

Criteria for assigning rating outlook

Policy on Default Recognition

Complexity Level of Rated Instruments/Facilities

Policy on Withdrawal of Ratings

Status of non-cooperation with previous CRA:

CARE Ratings has continued the ratings under Issuer Not Cooperating category via press release dated March 12, 2026, due to unavailability of information for monitoring the rating.

Any other information: None

Rating History for last three years

Sr. No.	Instruments/ Facilities	Current Ratings (Year 2026-27)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in in 2023-24
				date	May 13, 2025	--	--
1.	Fund based facilities	LT	602.49	IVR BB+/ Stable	IVR BB/ Stable	--	--
2.	Non-fund based facilities	ST	21.75	IVR A4+	IVR A4	--	--

Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook	Listing Status	Regulator ^	Complexity Indicator
Term loan	NA	NA	NA	March 2031	385.20	IVR BB+/Stable	NA	RBI	Simple
Term loan	NA	NA	NA	March 2031	90.10	IVR BB+/Stable	NA	RBI	Simple
Term loan	NA	NA	NA	--	0.00*	--	NA	RBI	Simple
Term loan	NA	NA	NA	--	0.00*	--	NA	RBI	Simple
Cash Credit	NA	NA	NA	--	97.69	IVR BB+/Stable	NA	RBI	Simple
Cash Credit	NA	NA	NA	--	1.00	IVR BB+/Stable	NA	RBI	Simple
Overdraft	NA	NA	NA	--	28.50	IVR BB+/Stable	NA	RBI	Simple
Letter of Credit	NA	NA	NA	--	20.00	IVR A4+	NA	RBI	Simple
Bank Guarantee	NA	NA	NA	--	0.25	IVR A4+	NA	RBI	Simple
Forward Contract	NA	NA	NA	--	1.50	IVR A4+	NA	RBI	Simple

^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

**Withdrawn based on No due Certificate.*

The above action has been taken at the request of CIL and 'No Due Certificate' received from the bank who have extended the facility which was rated by Infomerics and 'it is in line with Infomerics' policy of Withdrawal of the rating.

Annexure 2: Facility wise lender details:
https://infomericstorage.blob.core.windows.net/uploads/Len_Caprihans12_Aug26_8c730265a0.pdf

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: NA

Annexure 4: List of companies considered for Consolidated/Combined analysis: NA

Annexure 5: List of activities / instruments and names of regulators

Sr. No.	Instrument / activity Name	Regulator of the instrument
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference Shares	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* $	RBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) *	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI

7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11a	Fixed Deposits raised by NBFCs, HFCs, FIs	RBI
11b	Fixed Deposits raised by Banks	+
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts $	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	+
22	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
23	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
24	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side Regulator such as IRDAI, PFRDA @

Footnotes:

** Includes securitisation transactions involving assignee payout, acquirer's payout.*

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Infomerics Valuation and Rating Limited shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

 # There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.

$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

+ To be finalized following a discussion with the regulatory authorities.

Note: *For activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.*

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About Infomerics

Infomerics Valuation and Rating Ltd. (“Infomerics”) [Formerly known as Infomerics Valuation and Rating Private Limited], a SEBI-registered and RBI-accredited credit rating agency, is dedicated to delivering independent, transparent, and research-driven ratings. Licensed for credit rating operations since 2015, Infomerics has empowered investors with reliable insights to make informed credit decisions. Driven by robust frameworks and methodologies, enriched by sectoral depth, and defined by analytical precision, Infomerics evaluates a wide spectrum of borrowers including MSMEs, large corporates, banks, NBFCs, state governments, municipal bodies, infrastructure projects, REITs, and InvITs— covering the entire range of debt instruments. With a strong pan-India presence anchored by its Head Office in Delhi and Corporate Office in Mumbai, alongside branches in major cities, Infomerics has rapidly expanded its footprint. Its joint venture in Nepal further underscores its growing influence across South Asia. Over the past decade, Infomerics has emerged as a rapidly expanding force in the credit rating space, achieving broad market recognition and building enduring trust among investors, institutions, and issuers.

For more information and definitions of ratings, please visit www.infomerics.com.