

RATING RATIONALE

1 June 2026

Eastern Polycraft Industries Limited

Brickwork Ratings has reaffirmed the long-term and short-term ratings and simultaneously withdrawn the ratings for the Bank Loan Facilities of Rs. 87.10 Crs. of Eastern Polycraft Industries Limited

Particulars:

Facilities**	Amount (Rs. Crs)		Tenure	Rating#	
	Previous	Present		Previous (25 Sep 2025)	Present
Fund Based					
Term loan - Outstanding	0.00	0.00	Long Term	Withdrawal	-
Term loan - Outstanding	18.75	16.89		BWR BBB- /Stable Assignment	BWR BBB- /Stable Reaffirmation/Withdrawal
GECL 1.0 - Outstanding	1.52	0.71		BWR BBB- /Stable Assignment	BWR BBB- /Stable Reaffirmation/Withdrawal
Cash Credit-Sanctioned	0.00	0.00		Withdrawal	-
Cash Credit-Sanctioned	37.00	37.00		BWR BBB- /Stable removal from ISSUER NOT COOPERATING* category/Upgraded	BWR BBB- /Stable Reaffirmation/Withdrawal
Sub Total	57.27	54.60			
Non Fund Based					
ILC/FLC-Sanctioned	0.00	0.00	Short Term	Withdrawal	-
ILC/FLC-Sanctioned	24.50	24.50		BWR A3 removal from ISSUER NOT COOPERATING* category/Upgraded	BWR A3 Reaffirmation/Withdrawal
Forward contract sublimit of ILC	(3.70)	(3.70)			
Bank Guarantee - Sanctioned	8.00	8.00			
Sub Total	32.50	32.50			
Grand Total	89.77	87.10	(Rupees Eighty-Seven Crores and Ten Lakhs Only)		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

** Details of Bank Loan facilities is provided in Annexure-I

*Issuer did not cooperate; based on best available information.

RATING ACTION / OUTLOOK / WITHDRAWAL

Brickwork Rating has reaffirmed the long term and short term ratings for bank loan facilities of Rs 87.10 Crs. Eastern Polycraft Industries Limited at BWR BBB-/Stable/BWR A3 and simultaneously withdrew the rating based on the withdrawal request by the company and NOC certificate from its lender.

The company has requested the withdrawal of ratings by submitting NOC from its lenders and the latest operational and financial information required for the review of ratings. The rating reaffirmation is reflected by the extensive industry experience of the promoter and long operational track record, Moderate financial risk profile, and Moderation in the operating revenues despite improvement in profitability. However, the ratings are constrained by Moderate capital structure, Moderate working capital requirement, and Exposure to a Competitive Industry. The outlook has been retained as stable, as BWR believes that the business risk profile of the Company will be maintained over the medium term. The Stable outlook indicates a low likelihood of a rating change over the medium term.

For assigning the rating, BWR has relied upon the last 3 years of audited financials till FY25, and Provisional FY26 projected financials, FY27 and FY28, and publicly available information, and clarification provided by management.

Withdrawal conforms with the BWR withdrawal policy, and relevant documents are held on record.

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED

The terms of sanction of the rated facilities include standard covenants normally stipulated for such facilities.

KEY RATING DRIVERS

Credit Strengths:-

- **Extensive industry experience of the promoter and long operational track record :**
EPIL is a family-run business and managed by Mr. K. C. Padia, Mr. Vijay Padia, and Mr. Ajay Padia, with more than four decades of experience in the polymer and packaging industry. The company has a long track record of operations of over two decades and has established long-standing relationships with the reputed PSUs and private sector clients such as Indian Oil Corporation Limited (IOCL) and Bharat Petroleum Corporation Limited (BPCL), Haldia Petrochemicals Limited (HPCL), Asian Paints Ltd., NPL Bluesky Automotive Pvt. Ltd. BWR believes that the promoters' extensive industry experience and the company's sustained client relationships will continue to support business stability and growth prospects over the medium term.
- **Moderate financial risk profile:-**
The company's financial risk profile remained moderate, marked by modest net worth and debt protection metrics. The tangible net worth of the company improved to Rs 45.64 Crs in FY26(P) from Rs 41.17 Crs in FY25. Debt protection indicators remain moderate, with an Interest Coverage Ratio (ISCR) of 2.10 times and a Debt Service Coverage Ratio (DSCR) of 1.36 times as of March 31, 2026(P). The Net Cash Accruals to Total Debt ratio stood at 0.17 times, reflecting limited internal accruals relative to the debt level.
- **Moderation in the operating revenues despite improvement in profitability :**
The company's scale of operations witnessed marginal moderation, with operating income declining to Rs 195.41 crore in FY25 from Rs 198.76 crore in FY24, due to lower realizations. During the period April 2025 to March 2026, the company reported revenues of Rs 216.49 crore , indicating a likelihood of continued improvement in revenue for the full year. However,

the addition of a new manufacturing unit at Kharagpur, West Bengal, is expected to support future revenue growth and partially offset the current slowdown. Despite the moderation in revenue, profitability metrics showed improvement. The operating profit margin increased to 11.60% in FY26(P) from 9.80% in FY25, reflecting better cost control and operational efficiencies. Similarly, the Net margin improved slightly to 2.06% in FY26(P) from 1.75% in the previous year, although it remains modest due to higher interest expenses on borrowings and depreciation charges arising from recent capex and borrowings. BWR believes that while revenue may remain modest in the near term, the company's scale of operations is expected to improve over the medium term, supported by the ramp-up of the Kharagpur facility.

Credit Risks:-

- **Moderate capital structure :**
The company's capital structure remains moderate, as reflected by an increase in overall gearing to 1.62 times in FY26(P) from 1.86 times in FY25. Mainly due to additional debt availed for the establishment of a new manufacturing facility at Kharagpur. The Total Outside Liabilities to Tangible Net Worth (TOL/TNW) ratio also increased to 2.66 times as on March 31, 2026, from 2.87 times as on March 31, 2024, reflecting higher dependence on external borrowings. Brickwork Ratings (BWR) considers the capital structure to be moderate, supported by the expected scale-up in operations and internal accruals from the new unit.
- **Moderate working capital requirement :**
The company's working capital cycle has remained moderate, with a cash conversion cycle of about 50 days over the three years ending March 31, 2026(P). This is due to high inventory levels of 92 to 105 days and receivables of around 52 days. These are partially offset by supplier credit, with payable days ranging from 100 to 109. The company utilises both supplier credit and bank limits to support its working capital needs. The average utilisation of working capital limits has been 79.65% over the past 06 months ended March 2026. Operations are expected to continue being working capital intensive in the medium term.
- **Exposure to a Competitive Industry :**
EPIL operates in a highly competitive and fragmented industry, which has many players in both the organized and unorganized segments of the moulded plastic products sector. This competitive environment puts pressure on prices and limits the company's bargaining power with customers. It may also affect profitability.

ANALYTICAL APPROACH - Standalone

For arriving at its ratings, BWR has applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale).

RATING SENSITIVITIES

Not applicable, as the rated instruments are being withdrawn.

LIQUIDITY INDICATORS - Adequate

The company's liquidity position is adequate. The tangible net worth of the company stood at 45.64 Crores in FY26(P) as compared to Rs 41.17 Crores in FY25. moderate debt protection metrics with ISCR and DSCR at 2.10 times and 1.36 times in FY26(P). The company is marked by adequate net cash accruals of Rs 12.85 Crs and 12.93 Crs to cover CPLTD of Rs 5.86 Crs and 5.77 Crs in FY26(P) and FY27(Projected). The current ratio of the company was moderate at 1.08 times in FY26(P). However, with stabilization of the new unit expected in the next few months, the company is confident that the company's liquidity and current ratio will gradually improve going forward. The gearing ratio is moderately marked at 1.62 times in FY26(P) and is expected to remain moderate at 1.51 times in FY27(projected). The cash and cash equivalents of the company stood at Rs. 0.70 Crores in FY26. The average utilization of working capital limits stands at 79.65% for the past 6 months ending 31 March 2026.

COMPANY's PROFILE

Eastern Polycraft Industries Ltd (EPIL) was incorporated in the year 1997. The company is engaged in the manufacturing of plastic moulded containers using both injection and blow moulding technologies. These products are primarily used in the lubricants, edible oil, paint, and fertilizer industries and fall under the rigid packaging segment. The company is managed by Mr. K.C. Padia, along with his sons, Mr. Vijay Padia and Mr. Ajay Padia, who oversee the day-to-day operations. Eastern Polycraft Industries Ltd currently operates four manufacturing units - two in West Bengal (Bhadreswar and Uluberia) and two in Rajasthan (Bhiwadi). In addition, the company has recently set up its fifth unit (Unit V) at Kharagpur, West Bengal, with commercial operations started in April 2025.

Macro Economic Indicator	Sector	Industry	Basic Industry
Industrials	Services	Industrial Products	Other Industrial Products

ESG Profile

The company demonstrates a Evolving ESG profile based on its environmental, social, and governance practices.

Environmental: Environmental risks are driven by high water usage, waste generation, and reliance on energy-intensive processes, making disclosures on water consumption, waste-management practices, renewable energy share, and emissions levels are particularly critical to its sustainability profile.

Social: Social factors hinge on adherence to labour laws, accident prevention frameworks, and human-capital development, with metrics such as workforce mix, safety performance , and training initiatives offering insights into operational resilience.

Governance: Governance assessment focuses on board independence, committee effectiveness, and robustness of compliance systems, supported by readily available disclosures on board structure, audit mechanisms, and risk-management practices.

KEY FINANCIAL INDICATORS

Key Financial Indicators	Units	FY 23 -24	FY 24 -25	FY 25 - 26
Result Type		Audited	Audited	Provisional
Operating Revenue	Rs. Crs.	198.76	195.41	216.49
EBITDA	Rs. Crs.	18.93	19.15	25.11
PAT	Rs. Crs.	3.42	3.42	4.47
Tangible Net Worth	Rs .Crs.	37.75	41.17	45.64
Total Debt / Tangible Net Worth	Times	1.61	1.86	1.62
Current Ratio	Times	1.03	1.06	1.08

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY IF ANY:

Not Applicable

ANY OTHER INFORMATION:

ACUITE Rating, vide its press release dated 20 March 2025, has reaffirmed the long-term ratings at ACUITE BBB-/Stable and the Short-term rating to ACUITE A3 for the bank loan facilities of Rs 90 Crs.

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal & suspended]

Facilities		Current Rating (2026)		2025		2024		2023	
Type	Tenure	Amount (Rs.Crs.)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	LT	0.00	-	11 Sep 2024	Withdrawn	11 Sep 2024	BWR B+/Stable (Continues to be in ISSUER NOT COOPERATING* category/ Reaffirmed)	13 Sep 2023	BWR B+ Stable (Continues to be in ISSUER NOT COOPERATING* category/ Downgraded)
Fund Based	LT	17.60	BWR BBB /Stable Reaffirmation/ Withdrawal	NA	BWR BBB /Stable Assignment	NA	NA	NA	NA
Fund Based	LT	37.00	BWR BBB /Stable Reaffirmation/ Withdrawal	NA	BWR BBB /Stable removal from ISSUER NOT COOPERATING* category/Upgraded	NA	NA	NA	NA
Non Fund Based	ST	32.50	BWR A3+ Reaffirmation/ Withdrawal	11 Sep 2024	BWR A3+ removal from ISSUER NOT COOPERATING* category/Upgraded	11 Sep 2024	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/	13 Sep 2023	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/

							Reaffirmed)		NG* category/Reaffirmed)
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Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to financial ratios](#)
- [Short Term Debt](#)
- [Manufacturing company](#)
- [BWR Withdrawal Policy](#)

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Eastern Polycraft Industries Limited

**ANNEXURE I
Details of Bank Loan Facilities rated by BWR**

Name of the Bank	Type of Facilities	Tenure	Amount (Rs.Crs.)	Complexity of the Instrument
BOB	Cash Credit	Long Term	37.00	Simple##
	Term Loan - Outstanding	Long Term	14.18	Simple##
	Term Loan - Outstanding	Long Term	2.71	Simple##
	GECL 1.0 Outstanding	Long Term	0.71	Simple##
	ILC/FLC-Sanctioned	Short Term	24.50	Simple##
	Forward contract sublimit of ILC		(3.70)	
	Bank Guarantee - Sanctioned	Short Term	8.00	Simple##
(Rupees Eighty-Seven Crores and Ten Lakhs Only)			87.10	

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com / [download](#) / [ComplexityLevels.pdf](#). Investors' queries can be sent to info@brickworkratings.com.

**ANNEXURE II
INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS**

Instrument	Issue Date	Amount (Rs.Crs)	Coupon Rate (%)	Maturity Date	ISIN Particulars	Complexity of the Instrument
Nil	Nil	Nil	Nil	Nil	Nil	Nil

**ANNEXURE III
List of entities consolidated**

Name of Entity	% Ownership	Extent of consolidation	Rationale for consolidation
NA	NA	NA	NA

List of Instruments and Regulators

Instrument / Activity	Regulator
Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) 1	SEBI
Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) 1	SEBI
Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) 1	RBI
Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs 2	RBI
External Commercial Borrowings and other similar borrowings	RBI
Certificates of Deposit	RBI
Fixed Deposits raised by NBFC's, Banks, HFCs, Fis	RBI
Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, Fis	MCA
Inter Corporate Deposits/Loans extended by Corporates	MCA
Borrowing programme 3	-
Issuer Ratings 4	-
Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
Listed Security Receipts	SEBI
Unlisted Security Receipts	RBI
Independent Credit Evaluation (ICE)	RBI
Expected Loss Ratings (for Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/Fis)	RBI
Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) 1	Investor-side Regulator

	such as IRDAI, PFRDA 5
Monitoring Agency	SEBI
Research activities, incidental to rating, such as research for Economy, Industries and Companies 6	NA

1. Includes securitisation transactions involving assignee payout, acquirer's payout.
2. Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.
3. 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), BWR shall separately capture the rated quantum details along with names of respective regulators.
4. There is no instrument being rated and hence, Regulator of the Instrument is not applicable.
5. These ratings were assigned during regulatory regime prior to the introduction of SEBI CRA Circular dated Feb 10, 2026, and accordingly, investor side regulators have been included.
6. Permitted by SEBI vide SEBI Master Circular for CRAs

Grievance Management: For any grievances relating to rating of instruments regulated by SEBI, please contact sebigrievance@brickworkratings.com. 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

For any grievances relating to rating of instruments regulated by other FSR (Financial Sector Regulators), please contact grievance@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI]. BWR is the 5th agency to get a credit rating registration in India in 2009 and its corporate office in Bengaluru. It has a country-wide presence with representatives in 150+ locations. Canara Bank is Brickwork's strategic partner and promoter.

Brickwork offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

Disclaimer

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