RATING RATIONALE

27 Aug 2026

Saibaba Polymer Technologies Pvt Ltd

Brickwork Ratings upgrades the rating to the bank loan facilities of Rs.190.06Cr. and assigns the ratings for the bank loan facilities of Rs.31.54Cr. Of Saibaba Polymer Technologies Pvt Ltd.

Particulars

Facilities**	Amount (Rs. Crs)		Tenure	Rating		Regulator
	Previous	Present		Previous (23-July-2025)	Present	
Fund Based						
Term Loan - Outstanding	11.09	**6.96**	Long Term	BWR BBB+/Stable/Assignment	**BWR A- / Stable / Upgrade**	RBI
Term Loan - Outstanding	3.36	**2.45**		BWR BBB+/Stable/Assignment	**BWR A- / Stable / Upgrade**	RBI
Term Loan - Outstanding	5.31	**3.72**		BWR BBB+/Stable/Assignment	**BWR A- / Stable / Upgrade**	RBI
Term Loan - Outstanding	13.58	**9.61**		BWR BBB+/Stable/Assignment	**BWR A- / Stable / Upgrade**	RBI
Term Loan - Outstanding	9.79	**7.06**		BWR BBB+/Stable/Assignment	**BWR A- / Stable / Upgrade**	RBI
Term Loan - Outstanding	8.33	**8.82**		BWR BBB+/Stable/Assignment	**BWR A- / Stable / Upgrade**	RBI
Term Loan - Outstanding	2.75	**4.15**		BWR BBB+/Stable/Assignment	**BWR A- / Stable / Upgrade**	RBI
Working Capital Term Loan - Outstanding	1.64	**0.29**		BWR BBB+/Stable/Assignment	**BWR A- / Stable / Upgrade**	RBI
Term Loan - Outstanding	-	**5.74**		-	**BWR A- /Stable/ Assignment**	RBI

Cash Credit - Sanctioned Sublimit (Working Capital Demand Loan) -Sanctioned	45.00 -	**60.00** **(36.00)**	Long Term	BWR BBB+/Stable/Assignment	**BWR A- / Stable / Upgrade**	RBI
Working Capital Term Loan - Sanctioned	-	**12.60**		-	**BWR A- /Stable/Assignment**	RBI
Cash Credit - Sanctioned Sub-Limit (Working Capital Demand Loan) -Sanctioned Working Capital Demand Loan -	11.00 (5.00) -	**-** **20.00** **(11.00)**		BWR BBB+ / Stable / Assignment	**BWR A- / Stable / Upgrade**	RBI

Sanctioned Sub-Limit (Cash Credit) - Sanctioned						
Total of Cash credit and WCDL$	11.00	**11.00**				
Purchase Order Funding - Sanctioned	44.00	**53.00**	Short Term	BWR A2 / Assignment	**BWR A2+ / Upgrade**	RBI
Sub Total	**155.85**	**185.40**				
Non Fund Based						
Bank Guarantee - Sanctioned	15.00	**15.00**	Long Term	BWR BBB+ / Stable / Assignment	**BWR A- / Stable / Upgrade**	RBI
Bank Guarantee 2 - Sanctioned	-	**12.00**		-	**BWR A- /Stable/Assignment**	RBI
Bank Guarantee (Backed by FD) - Sanctioned	-	**1.20**		-	**BWR A- /Stable/Assignment**	RBI
Letter of Credit - Sanctioned Sub-Limit (Bank Guarantee) - Sanctioned	5.00 (5.00)	**-**	Short Term	BWR A2 / Assignment	**BWR A2+ / Upgrade**	RBI
Bank Guarantee - Sanctioned Sub-Limit (Letter of Credit) - Sanctioned	-	**8.00** **(5.00)**				
Total of Letter of Credit and Bank Guarantee	5.00	**8.00**				
Subtotal	**20.00**	**36.20**				
Total	**175.85**	**221.60**	**(Rupees Two Hundred Twenty One Crores and Sixty Lakhs only)**			

#Please refer to the BWR website **www.brickworkratings.com** for the definition of the ratings.
**Details of Bank Loan facilities,consolidation or instruments are provided in Annexure
$The sanction terms have been revised wherein, the utilization has been capped at Rs.11Cr.

RATING ACTION / OUTLOOK

Brickwork Ratings upgrades the rating to the bank loan facilities of Rs.190.06Cr. and assigns the ratings for the bank loan facilities of Rs.31.54Cr. Of Saibaba Polymer Technologies Pvt Ltd.

The ratings are positively influenced by factors like the extensive promoter experience over four decades in the industry, reputed client base across both the industries with strong OEMs and B2B tie-ups, strategic location of their manufacturing units to minimize the transportation costs and enhance the supply chain mechanism and improving financial risk profile and expanding capital base.

Whereas, the factors constraining the company's performance primarily stem from exposure to volatility in raw material price sensitivities across both the sectors due to global conditions and intense market competition and susceptibility to regulatory changes.

KEY RATING DRIVERS

Credit Strength:

- **Extensive Promoter Experience and Long Operational Track Record:**

The promoters possess over four decades of industry experience in plastic container manufacturing and rigid packaging also they are penetrating into the Adblue business. This extensive domain expertise has enabled the company to establish deep-rooted relationships with key suppliers and tier-1 corporate clients, supporting long-term operational stability.

- **Reputed Client Base with Strong OEM and B2B Tie-Ups:**

The company benefits from a highly reputed and diversified customer profile across both business verticals. In the Plastic Packaging division, it serves market leaders like Asian Paints, Aditya Birla Group (Grasim), JSW, Kansai Nerolac, and Berger Paints, holding a privileged "Green Channel" vendor status with key clients where products move directly to production lines. In the AdBlue division, it maintains direct OEM supply agreements with major automotive players such as TATA Motors, alongside key B2B fluid brands like Valvoline Cummins and Apar Industries.

- **Strategically Located Multi-Location Manufacturing Network:**

The company operates 7 plastic manufacturing units and 11 decentralized AdBlue blending facilities across India. Establishing plants in close proximity to major anchor clients (e.g., Mahad unit adjacent to Grasim Industries) significantly optimizes freight expenses, shortens transit times, and shields operating margins against liquid logistics overheads.

- **Improving Financial Risk Profile and Expanding Capital Base:**

The financial profile is anchored by consistent internal capital accretion, expanding Tangible Net Worth to Rs.180.53 Cr in FY26 (up from Rs.150.54 Cr in FY25). Financial leverage remains comfortable, with Total Debt/TNW improving to 0.87x in FY26 (from 0.98x in FY25). Debt protection metrics remain adequate, highlighted by an Interest Service Coverage Ratio (ISCR) of 2.97x and Net Cash Accruals to Total Debt of 0.24x in FY26, providing robust balance sheet flexibility.

Credit Risks:

- **Exposure to Volatility in Raw Material Costs:**

The company's cost structure remains highly sensitive to commodity price cycles across both business verticals. Polyethylene and polypropylene (key raw materials for plastic pails) are crude-oil derivatives, exposing margins to global petrochemical price fluctuations. Similarly, technical-grade urea, the primary feedstock for AdBlue, experiences cyclical price volatility and supply-chain shifts. Because raw materials constitute the bulk of operating costs, sharp input price swings can temporarily squeeze operating margins before cost adjustments are passed through to clients.

- **Intense Market Competition and Susceptibility to Regulatory Shifts:**

The plastic packaging sector is highly fragmented with a large presence of unorganized and regional players, placing continuous pressure on pricing power and volume scalability. In the AdBlue division, maintaining universal adherence to strict ISO 22241 purity standards across decentralized hubs remains a critical compliance mandate, as any quality deviation poses severe product liability risks. Additionally, the company faces evolving regulatory requirements such as Extended Producer Responsibility (EPR) mandates and recycling directives alongside long-term demand risks from the potential future adoption of alternative fuel and electric vehicles (EVs) in commercial transport, where diesel engines and SCR technology will remain the dominant powertrain over the medium to long term.

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

Positive factors:

- Improvement in the Net Margins above 6.00%, supported by higher capacity utilization across newly operational AdBlue facilities.
- Sustained net cash accruals exceeding Rs.50 Cr, leading to further balance sheet de-leveraging and improvement in debt protection coverage metrics.

Negative factors:

- Decline in operating margins below 8.00% on a sustained basis due to unrecovered input cost inflation or due to drop in the volume of sales.
- Significant debt-funded capital expenditure leading to Total Debt/TNW exceeding 1.25x.

LIQUIDITY INDICATORS - Adequate

The Company has Adequate liquidity characterized by sufficient cushion in accruals vis-a-vis repayment obligations and moderate cash balance of Rs.7.22Crore. Its capex requirements are moderate and is expected to be funded through internal cash accruals as it has sufficient headroom. Its bank limits are utilized to the extent of 70-80% supported by above unity current ratio.

ESG Profile

The company demonstrates an Adequate ESG profile based on its environmental, social, and governance practices:

Environmental: Environmental risks are driven by energy-intensive plastic injection moulding, polymer waste handling, and high-purity water usage in AdBlue production. The company mitigates these exposure risks by incorporating 30% post-consumer recycled (PCR) granules into its packaging cycles to comply with Extended Producer Responsibility (EPR) guidelines. Additionally, internal scrap recycling practices achieve near-zero plastic waste by regrinding and reusing 2% of operational scrap directly within the production line. Disclosures on total water consumption, renewable energy share, and direct carbon emissions levels remain key areas for further enhancement.

Social: Social factors hinge on strict adherence to labour laws, factory safety frameworks, and human capital development across its multi-state manufacturing locations. The company maintains standardized safety protocols and operational risk management across its 7 plastic packaging facilities and 11 AdBlue blending hubs. Workforce resilience is supported through regular technical training initiatives and employee safety performance monitoring, with detailed workforce gender diversity disclosures offering further visibility into human capital practices.

Governance: Governance assessment focuses on board oversight, audit compliance, and financial reporting integrity. The company operates under a family-held board structure led by experienced promoters with over four decades of industry track record. Compliance mechanisms are supported by regular financial audits with no auditor qualifications reported and strict compliance with statutory banking covenants. Continued strengthening of board independence and ESG-specific risk management disclosures will further solidify its corporate governance framework.

ABOUT THE ENTITY

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Consumer Durables	Consumer Durables	Plastic Products - Consumer

Saibaba Polymer Technologies Pvt. Ltd (SPTPL) was incorporated in 2014 and it is a part of the Baba Group of Companies which was established by Mr. P. Prabhakar. Baba Group was founded by Shri Pidishetty Prabhaker in the year 1979 in Kattedan industrial area, Hyderabad. With modest investment into metal fabrication packaging industry and became most preferable manufacturer amongst the metal packaging suppliers for all major industries. In the year 2005, the group has ventured into manufacturing of Plastic pails of various ranges to cater to the paint, chemical, lubricants and other allied industries. This Business vertical started the first manufacturing plant in Chennai and added 6 more plants across different states of India to cater to various sectors. Being a leading plastic packaging manufacturer in India, the company has achieved significant scale by serving industry giants like Asian Paints, Aditya Birla Group, JSW, Kansai Nerolac, and Berger Paints. After all these years in serving the packing needs of various industries like paint, lube, chemical etc., In the year 2019, the Group has ventured into a new segment by starting its first and best in class AdBlue manufacturing unit at Hyderabad under forward integration approach as part of our business diversification objectives. This ADBLUE (Diesel Exhaust Fluid) are used in commercial and passenger vehicles with BS6/BS8 engines and are spread out in 11 locations serving oil and OEM's like TATA, Mahindra etc.

KEY FINANCIAL INDICATORS (Standalone)

Key Parameters	Unit	FY 24	FY 25	FY 26
Result Type		Audited	Audited	Provisional
Operating Income	Rs. Crs	516.97	682.70	716.66
EBITDA	Rs. Crs	51.07	69.83	65.69
PAT	Rs. Crs	14.66	28.53	30.08
Tangible Net Worth	Rs. Crs	127.78	150.54	180.53
Total Debt/Tangible Net Worth	Times	0.79	0.98	0.87
Current Ratio	Times	1.34	1.31	1.31

KEY COVENANTS OF THE FACILITY RATED

The terms of sanction of the rated facilities include standard covenants normally stipulated for such facilities, however there are financial covenants by Axis Bank on Current Ratio not below 1.33x, Adj. Gearing Ratio not to exceed 1.50x and ATNW min of Rs.175 Cr. which are met by the company.

STATUS OF NON-COOPERATION WITH PREVIOUS CRA

No ratings with other CRAs.

ANY OTHER INFORMATION

NIL

BRICKWORK RATINGS

RATING HISTORY FOR THE LAST THREE YEARS (including withdrawal & suspension)

Facilities	Current Rating (2026)			2025		2024		2023	
Type	Tenure	Amount (Rs.Crs.)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	LT	114.06	BWR A- / Stable / Upgrade	23Jul2025	BWR BBB+/Stable (Assignment)	-	-	-	-
Fund Based	LT	18.34	BWR A- /Stable/Assignment	-	-	-	-	-	-
FB SubLimit	LT	(47.00)	BWR A- / Stable / Upgrade	23Jul2025	BWR BBB+/Stable (Assignment)	-	-	-	-
Fund Based	ST	53.00	BWR A2+ / Upgrade	23Jul2025	BWR A2 (Assignment)	-	-	-	-
Non Fund Based	LT	15.00	BWR A- / Stable / Upgrade	23Jul2025	BWR BBB+/Stable (Assignment)	-	-	-	-
Non Fund Based	LT	13.20	BWR A- /Stable/Assignment	-	-	-	-	-	-
Non Fund Based	ST	8.00	BWR A2+ / Upgrade	23Jul2025	BWR A2 (Assignment)	-	-	-	-
NFB SubLimit	ST	(5.00)	BWR A2+ / Upgrade	23Jul2025	BWR A2 (Assignment)	-	-	-	-
Grand Total		**221.60**	**(Rupees Two Hundred Twenty One Crores and Sixty Lakhs only)**						

Hyperlink/Reference to applicable Criteria

- General Criteria
- Approach to financial ratios
- Short Term Debt
- Manufacturing Company

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Saibaba Polymer Technologies Pvt Ltd

ANNEXURE-I

Details of Bank Facilities rated by BWR

Name of the Bank	Facilities(Rs.Crs.)	Tenure	Amount (In Rs.Crs)	Complexity Levels
Kotak Mahindra Bank	Term Loans	Long-term	33.36	Simple
	Working Capital Term Loan	Long-term	12.60	Simple
	Working Capital Demand Loan Sub-Limit (Cash Credit)	Long-term	20.00 (11.00)	Simple
	Purchase Invoice Financing	Short-term	53.00	Simple
	Bank Guarantees	Long-term	13.20	Simple
	Bank Guarantee Sub-Limit (Letter of Credit)	Short-term	8.00 (5.00)	Simple
Axis Bank	Term Loans	Long-term	15.15	Simple
	Working Capital Term Loan	Long-term	0.29	Simple
	Cash Credit Sub-Limit (Working Capital Demand Loan)	Long-term	60.00 (36.00)	Simple
	Bank Guarantee	Long-term	15.00	Simple
TOTAL (Rupees Two Hundred Twenty One Crores and Sixty Lakhs only)			**221.60**	

##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 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
Nil	Nil	Nil	Nil

Annexure IV : List of instruments and names of regulators of the instruments

A.	**Rating activities**	
Sr. No.	**Instrument / activity Name**	**Regulator of the instruments**
1	Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	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
11	Fixed Deposits raised by NBFCs,HFCs, FIs	RBI
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 (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
22	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
23	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* 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), Brickwork Ratings India Private 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.

Note: 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.

B	Other Activities	Regulator of the Instruments
1	Monitoring Agencies	SEBI
2	Research activities incidental to rating such as research for Economy, Industries and Companies *	NA

***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.

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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.

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.

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