

Cool Caps Industries Limited

June 05, 2026

Rating Action

Total Bank Loan Facilities Rated	Rs. 68.44 Crore	Regulator [^]
Long Term Rating	IVR BBB-/Negative (Rating Reaffirmed, Outlook revised to 'Negative' from 'Stable')	RBI
Short Term Rating	IVR A3 (Rating Reaffirmed)	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 revised the outlook on Cool Caps Industries Limited (CCIL) from Stable to Negative, reflecting the expected moderation in the company's profitability over the near term owing to rising raw material costs and a change in revenue mix, with a higher contribution from the relatively lower-margin trading segment. The company witnessed a moderation in its operating performance during FY26 (FY refers to the period from April 1 to March 31), as reflected in the contraction in profitability despite stable revenue growth. The decline in profitability was primarily driven by the increased share of lower-margin trading revenues in the overall business mix, along with a sharp rise in the prices of key raw materials such as polypropylene, biaxially oriented polyethylene terephthalate (BOPET) films, cast polypropylene (CPP) films and plastic granules. The surge in input costs was further aggravated by geopolitical disruptions arising from the escalating tensions in the West Asia region, which adversely impacted supply chains and commodity prices. Going forward, Infomerics Ratings expects continued volatility in raw material prices and an uncertain geopolitical environment may exert pressure on CCIL's profitability and overall business performance over the near to medium term. The ratings, however, continue to derive strength from the extensive experience of the promoters in the packaging industry, the company's diversified product portfolio, and the favourable long-term growth prospects of the domestic packaging industry. These strengths are partially offset by CCIL's leveraged capital structure, average debt service coverage indicators, high off-balance-sheet exposure towards group entities, exposure to supplier concentration risks and susceptibility of margins to fluctuations in raw material and finished goods prices.

Outlook: Negative: Negative outlook is on account of expected moderation in the company's profitability in the near term

Analytical Approach

Approach	Comments
Consolidation/ Standalone	Consolidation IVR has consolidated the consolidated financials of Cool caps Industries Limited (CCIL) with four wholly owned subsidiaries namely Purv Ecoplast Private Limited, Purv Packaging Private Limited, Purv Technoplast Private Limited and Re.Act Waste Tech Private Limited controlled by the same management with operational and financial linkage.
Parent/ Group Support	Not Applicable

List of companies considered for consolidation/combined analysis is given at Annexure 4.

Key Rating Drivers with Detailed Description

Strengths

Moderate capital structure with average debt service coverage indicators

During FY26, CCIL has made equity infusion of ~15.00 crore which has improved the adjusted net worth to Rs.75.37 crore as on March 31, 2026. Despite heavy working capital utilisation, the debt level of the company has come down leading to improvement in overall gearing from 2.38x as on March 31, 2025, to 1.78x as on March 31, 2026. Overall indebtedness marked by TOL/ANTW also improved and stood satisfactory at 2.66x as on March 31, 2026, as compared to 3.78x as on March 31, 2025. Affected by moderation in EBITDA, Total Debt/EBITA continues to remain on a higher side at 4.52x in FY26. Over the years the capital structure of the company remained moderate marked by heavy reliance of the company on external borrowings and Infomerics expects that the capital structure will continue to remain moderate in the near term. The debt service coverage indicators of the company continue to remain average. Despite the marginal increase in finance cost in FY26, affected by the dip in EBITDA, interest coverage ratio has moderated and stood at 2.44x in FY26 as against 2.64x in FY25. Moreover, Total Debt/GCA has also moderated and continues to remain stretched at 8.22 years as on March 31, 2026, as against 7.28 years respectively as on March 31, 2025.

Improvement in product portfolio

The company has added new products like flakes and recycled multilayer shrink films under its product portfolio. Further, from FY24 the company has started liasoning services for diversification into a new revenue source within the broader plastic industry. CCIL is assisting its clients throughout their entire business cycle, from order procurement to final dispatch thereby

trying to enhance customer relationships and exploring new avenues within the plastic value chain and other businesses.

Experience promoters

Mr. Rajeev Goenka is the Promoter cum Chairman and Managing Director of the Company. has nearly three decades of experience in the field of plastic industry in India. He actively looks after the day-to-day operations of the company along with the team of experienced professionals.

Infomerics believes that the group will continue to get support through the promoter's extensive industry experience and established relation with its customers over the medium term.

Weaknesses**Moderation in profitability**

On a consolidated basis, CCIL reported a strong growth in total operating income, which increased by ~106% to Rs.554.92 crore in FY26 from Rs.268.40 crore in FY25. However, the substantial increase in revenue did not translate into earnings growth, with EBITDA declining to Rs.29.72 crore in FY2026 from Rs.31.82 crore in FY25. Consequently, the company's operating margin and PAT margin witnessed a sharp contraction to 5.36% and 1.51%, respectively in FY26 from 11.86% and 4.46% in FY25. The decline in profitability was primarily driven by a higher proportion of lower-margin trading revenue in the overall revenue mix and a significant increase in the prices of key petrochemical-based raw materials, including polypropylene, BOPET films, CPP films, and plastic granules. The surge in input costs was influenced by heightened volatility in crude oil-linked commodity prices and supply chain uncertainties emanating from the escalation of the US-Iran conflict and broader geopolitical tensions in the Middle East. The pressure on margins also translated into lower cash generation, with net cash accruals declining to Rs.16.34 crore in FY2026 from Rs.20.19 crore in FY25.

Susceptibility of profitability to volatility in the prices of raw materials and finished goods

The price of petro-products has seen a lot of volatility over the last three years. The price of plastic geraniols, which is one of the main raw materials required for CCIL, has witnessed volatility in the recent past. Similarly, the price realisation also linked to the input prices, where there could be squeezing of margin when the input cost increase is not fully absorbed in the selling prices.

Supplier contraction risk

CCIL high reliance on limited suppliers. Hence non-availability of required raw materials on a timely manner, or quality specifications, might affect the operation of the company.

Liquidity – Adequate

The liquidity of the company is expected to remain adequate in the near to medium term marked by its expected sufficient cash accruals vis-à-vis its debt repayment obligations. However, high average working capital utilization of the company 85-90 % reflects low liquidity buffer. Any unplanned capex and stretch in operating cycle might impact the liquidity of the company.

Rating Sensitivities

Upward Factors

- Substantial and sustained growth in scale of operations with improvement in profitability and cash accrual on a sustained basis and consequent improvement in liquidity
- Improvement in capital structure marked by improvement in Total debt/EBITDA to below 3x and improvement debt service coverage indicators marked by interest coverage to above 4x on a sustained basis

Downward Factors

- Decline in operating income and profitability leading to deterioration in net cash accruals impacting the liquidity
- Any unplanned capex, or substantial increase in working capital borrowings leading to deterioration in the capital structure marked by moderation in Total debt/EBITDA to above 5x and moderation in interest coverage to below 2x.

About the Company:

Cool Caps Industries Private Limited was incorporated on November 20, 2015, as a private limited company and the company began manufacturing of plastic caps and closures in its manufacturing facility at Howrah, West Bengal. Later the name and constitution of the company was changed to Cool Caps Industries Limited (CCIL) as on April 12, 2021, and it is the subsidiary of Purv Flexipack Private Limited which is also an NSE SME listed entity engaged in the distribution of various plastic-based products like Polyester Films, Cast Polypropylene (CPP) films, Plastic granules etc.

CCIL specializes in the manufacture of plastic caps and closures for the packaged drinking water and beverages industry in India. The Company is also engaged in trading of Shrink film and plastic granules. CCIL presently has four manufacturing units – one unit in Howrah, West Bengal, and two units in Kotdwar, Uttarakhand and one at Nalbari (Assam), All the units are fully operational. Furthermore, CCIL has acquired three companies namely, Purv Technoplast Private limited (formerly known as Purv Agro Farms Private Limited), Purv Ecoplast Private Limited and Purv Packaging Private Limited in FY 2020-21 and Re.Act Waste Tech Pvt Ltd in FY23-24 and made them wholly owned subsidiaries. The Company is spearheaded by Mr. Rajeev Goenka (Chairman and Managing Director) and along with other directors.

Key Financial Indicators (Consolidated)

For the year ended/ As on*	31-03-2025	31-03-2026
	Audited	Audited
Total Operating Income	268.40	554.92
EBITDA	31.82	29.72

PAT	11.97	8.36
Total Debt	146.98	134.32
Tangible Net Worth (TNW)	54.46	77.86
EBITDA Margin (%)	11.85	5.36
PAT Margin (%)	4.40	1.50
Overall Gearing (times)	2.83	1.78
Interest Coverage (times)	2.64	2.44

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

Applicable Criteria

[Rating Methodology for Manufacturing Companies](#)

[Rating Methodology for Trading Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Policy on Default Recognition](#)

[Criteria of assigning Rating Outlook](#)

[Complexity Level of Rated Instruments/Facilities](#)

[Criteria of Consolidation of Companies](#)

Status of non-cooperation with previous CRA: NA

Any other information: NA

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 2023-24
					Sep 11, 2025	Feb 13, 2025	Dec 07, 2023
1.	Fund based facilities	LT	55.86	IVR BBB-/Negative	IVR BBB-/Stable	IVR BB+/Positive	IVR BB+/Stable
2.	Non-Fund based facilities	ST	12.58	IVR A3	IVR A3	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 I	-	-	-	May 2028	12.98	IVR BBB-/Negative	NA	RBI	Simple
Term Loan II	-	-	-	July 2030	19.42	IVR BBB-/Negative	NA	RBI	Simple
Bank Term Loan I	-	-	-	Dec 2026	0.31	IVR BBB-/Negative	NA	RBI	Simple
GECL	-	-	-	Dec 2026	1.15	IVR BBB-/Negative	NA	RBI	Simple



Cash Credit I	-	-	-	-	12.00	IVR BBB-/Negative	NA	RBI	Simple
Cash Credit II	-	-	-	-	10.00	IVR BBB-/Negative	NA	RBI	Simple
Bank Guarantee I	-	-	-	-	3.50	IVR A3	NA	RBI	Simple
Bank Guarantee II	-	-	-	-	0.70	IVR A3	NA	RBI	Simple
Letter of Credit	-	-	-	-	2.50	IVR A3	NA	RBI	Simple
Proposed Non-Fund Based	-	-	-	-	5.88	IVR A3	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.

Annexure 2: Facility wise lender details

https://infomericstorage.blob.core.windows.net/uploads/Len_Cool_Caps_5june26_89688c495b.pdf

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

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

Name of the entity	Extent of Consolidation	Rationale for consolidation
Cool Caps Industries Limited	Full	Subsidiaries with common promoters & management. Same line of businesses, Cash flow fungibility
Purv Ecoplast Private Limited	Full	
Purv Packaging Private Limited	Full	
Purv Technoplast Private Limited	Full	
Re.Act Waste Tech Private Limited	Full	

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) *	SEBI
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/Loans from overseas lenders/Loans from Multilaterals	RBI
10	Certificates of Deposit	RBI

11	Fixed Deposits raised by NBFCs, Banks, 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 ~	Refer foot note
15	Issuer Ratings #	Refer foot note
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	SEBI
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)	RBI
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 Press Release(s) subsequent to issuance(s), CRA shall separately capture the rated quantum details along with names of respective regulators.

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.

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

@ 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.

Analytical Contact

Name: Avik Podder

Tel: (033) 46022266

Email: apodder@infomerics.com

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.

Disclaimer: Infomerics ratings are independent opinions on the credit risk of the issue/issuer as of the date they are assigned and do not constitute statements of fact or recommendations to buy, hold or sell securities. The rating reflects Infomerics’ opinion on the relative credit risk of the rated instrument or entity at the time it is assigned. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are based on information and data provided by the issuer or obtained from sources believed by Infomerics to be accurate and reliable. Infomerics does not conduct any audit, due diligence or independent verification of the rated issuer or of the information provided to it unless specifically required under applicable regulatory guidelines. The credit ratings are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities. While reasonable care has been taken to ensure the accuracy of the information herein, it is provided on an ‘as is’ basis and to the maximum extent permitted by law without warranty of any kind. Infomerics makes no representation or warranty, express or implied, regarding the accuracy, adequacy, timeliness, or completeness of any information contained in this report. All entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. Infomerics, or any of its group companies, may have provided other permissible services other than credit ratings to the rated issuer in the ordinary course of business. To the maximum extent permitted by applicable law, in no event shall Infomerics, its affiliates, or their respective directors, officers, shareholders, employees, or agents be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special, or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income, lost profits, or opportunity costs) arising from any use of this report. Any person accessing or using this report shall do so at their own risk. Infomerics shall have no obligation to update, revise or supplement this report after its publication except as required under applicable regulatory guidelines. The ratings and reports issued by Infomerics are intended for use in accordance with applicable laws and regulatory requirements governing credit rating agencies in India.