

May 20, 2026

## SMPP Limited: Change in limits

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating outstanding
Long-term-Fund based – Cash Credit	5.00	5.00	[ICRA]A+ (Stable)
Short-term-Non-fund Based – Bank Guarantee/ Letter of Credit	117.12	190.00	[ICRA]A1+
Long-term/Short-term-Unallocated Limits	127.88	55.00	[ICRA]A+ (Stable)/ [ICRA]A1+
<b>Total</b>	<b>250.00</b>	<b>250.00</b>	

\*Instrument details are provided in Annexure II

### Rationale

This rationale is being released to convey the change in the rated limits as depicted in the table above, based on the latest information received from the entity.

Please refer to the following link for the previous detailed rationale that captures key rating drivers and their description, the liquidity position and rating sensitivities: [Click here](#).

### Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a>
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings ICRA has considered the consolidated financials of SMPP Private Limited which includes entities mentioned in Annexure-III

### About the company

SM Pulp Packaging Limited (SMPP Limited), established in 1985 by Dr. S.C. Kansal, manufactures ballistic protection equipment like bullet proof jackets, helmets, bullet proof shields etc., and combustible cartridge cases (CCC). It is the first entity in India that started manufacturing CCCs indigenously. The company has also supplied kits for the A400 Airbus armoured programme. The company's manufacturing unit is at Palwal (Haryana) with its major clients being the Indian Army, the Ministry of Defence (MoD), paramilitary forces, the state police and other Government departments. SMPP also exports boron carbide ceramic plates and hard armour plates, which is a critical raw material required for light weight bullet proof jackets, to countries, such as France, Saudi Arabia, Israel, Australia, Korea etc.

**Key financial indicators (audited)**

SMPP (Standalone)	FY2024	FY2025*	FY2026^
Operating income	518.5	585.1	774.1
PAT	146.7	174.8	218.3
OPBDITA/OI	35.7%	35.5%	37.0%
PAT/OI	28.3%	29.9%	28.0%
Total outside liabilities/Tangible net worth (times)	0.2	0.1	-
Total debt/OPBDITA (times)	0.0	0.1	-
Interest coverage (times)	229.0	90.7	-

Source: Company, ICRA Research; \* Consolidated audited numbers; All ratios as per ICRA's calculations; Amount in Rs. Crore; PAT: Profit after tax; OPBDITA: Operating profit before depreciation, interest, taxes and amortisation, ^Provisional figures

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

## Rating history for past three years

Current (FY2027)				Chronology of rating history for the past 3 years					
Instrument	Type	Amount rated (Rs. crore)	May 20, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Cash credit	Long term	5.00	[ICRA]A+ (Stable)	Sep 29, 2025	[ICRA]A+ (Stable)	Jun 28, 2024	[ICRA]A+ (Stable)	-	-
Non-fund based	short term	190.00	[ICRA]A1+	Sep 29, 2025	[ICRA]A1+	Jun 28, 2024	[ICRA]A1+	-	-
Unallocated	Long term/short term	55.00	[ICRA]A+ (Stable)/ [ICRA]A1+	Sep 29, 2025	[ICRA]A+ (Stable)/ [ICRA]A1+	Jun 28, 2024	[ICRA]A+ (Stable)/ [ICRA]A1+	-	-

### Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (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) (*)	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 branches of Indian Banks/other similar borrowings	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	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	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.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI

6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) 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 can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

**Disclosure:** SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

## Complexity level of the rated instruments

Instrument	Complexity indicator
Long term – Fund-based – Cash credit	Simple
Short term - Non-fund based – Bank guarantee/Letter of credit	Simple
Long term/Short term - Unallocated limits	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

### Annexure II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Cash credit	NA	NA	NA	5.00	[ICRA]A+ (Stable)
NA	Non-fund based	NA	NA	NA	190.00	[ICRA]A1+
NA	Unallocated	NA	NA	NA	55.00	[ICRA]A+ (Stable)/ [ICRA]A1+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

### Annexure III: List of entities considered for consolidated analysis

Company Name	SMPP Ownership	Consolidation Approach
SMPP Ammunitions Private Limited	100.00%	Full consolidation

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