

December 26,2025

## Raj Industries: Change in limits

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Fund based – Cash credit	49.00	21.00	[ICRA]A- (Stable); Outstanding
Long-term/ Short term – Fund – based – Cash credit	-	28.00	[ICRA]A- (Stable)/ [ICRA]A2+; Outstanding
Short-term – Non fund Based	118.00	118.00	[ICRA]A2+; Outstanding
<b>Total</b>	<b>167.00</b>	<b>167.00</b>	

\*Instrument details are provided in Annexure-I

### 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 the Key rating drivers and their description, Liquidity position, Rating sensitivities: [click here](#)

### Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">FMCG</a>
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on the standalone financials of Raj Industries

### About the company

Raj Industries, set up in 2007, manufactures and sells toilet soaps, laundry soaps, soap noodles, industrial monocarboxylic fatty acids and related products/byproducts such as pitch, residue and crude glycerine. Its registered office is in Ludhiana (Punjab), while its manufacturing plant is in Nalagarh (Himachal Pradesh). The firm sells soap noodles to soap manufacturers such as ITC Ltd. and Reckitt Benckiser. It also sells toilet soaps under its own brands — Raj, Raj Super White and NJOY. It has launched Saheli brand recently in the detergent category. The current manufacturing capacity for soap noodles and soap stands at 1,10,000 metric tonnes per annum.

### Key financial indicators (audited)

Raj – Standalone	FY2024	FY2025*
Operating income	549.8	622.2
PAT	20.2	26.1
OPBDIT/OI	5.2%	5.2%
PAT/OI	3.7%	4.2%
Total outside liabilities/Tangible net worth (times)	0.9	1.2
Total debt/OPBDIT (times)	2.1	1.1

Raj – Standalone	FY2024	FY2025*
<b>Interest coverage (times)</b>	6.8	6.6

Source: Company, ICRA Research; \*Provisional numbers submitted by the management; All ratios as per ICRA's calculations; Amount in Rs. Crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

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

**Any other information: None**

### Rating history for past three years

Instrument	Current ratings (FY2026)					Chronology of rating history for the past 3 years					
	Type	Amount Rated (Rs Crore)	Dec 26, 2025	FY2026		FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
Cash credit	Long term	21.00	[ICRA]A-(Stable)	Aug 21, 2025	[ICRA]A-(Stable)	Jun 07, 2024	[ICRA]A-(Stable)	Oct 09, 2023	[ICRA]A-(Stable)	Feb 14, 2023	[ICRA]A-(Stable)
				Aug 08, 2025	[ICRA]A-(Stable)	-	-	-	-	Oct 13, 2022	[ICRA]A-(Negative)
Cash credit	Long term/Short term	28.00	[ICRA]A-(Stable)/[ICRA]A2+	-	-	-	-	-	-	-	-
Letter of credit	Short term	110.00	[ICRA]A2+	Aug 21, 2025	[ICRA]A2+	Jun 07, 2024	[ICRA]A2+	Oct 09, 2023	[ICRA]A2+	Feb 14, 2023	[ICRA]A2+
				Aug 08, 2025	[ICRA]A2+	-	-	-	-	Oct 13, 2022	[ICRA]A2+
Loan equivalent risk	Short term	8.00	[ICRA]A2+	Aug 21, 2025	[ICRA]A2+	Jun 07, 2024	[ICRA]A2+	Oct 09, 2023	[ICRA]A2+	Feb 14, 2023	[ICRA]A2+
				Aug 08, 2025	[ICRA]A2+	-	-	-	-	Oct 13, 2022	[ICRA]A2+

### Complexity level of the rated instruments

Instrument	Complexity Indicator
Long term – Cash credit	Simple
Long-term/short-term – Cash credit	Simple
Short term – Letter of credit	Simple
Short term – Loan equivalent risk	Simple

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 I: 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	21.00	[ICRA]A- (Stable)
NA	Cash credit	NA	NA	NA	28.00	[ICRA]A- (Stable)/ [ICRA]A2+
NA	Letter of credit	NA	NA	NA	110.00	[ICRA]A2+
NA	Loan equivalent risk	NA	NA	NA	8.00	[ICRA]A2+

Source: Company

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

**Annexure II: List of entities considered for consolidated analysis – Not Applicable**

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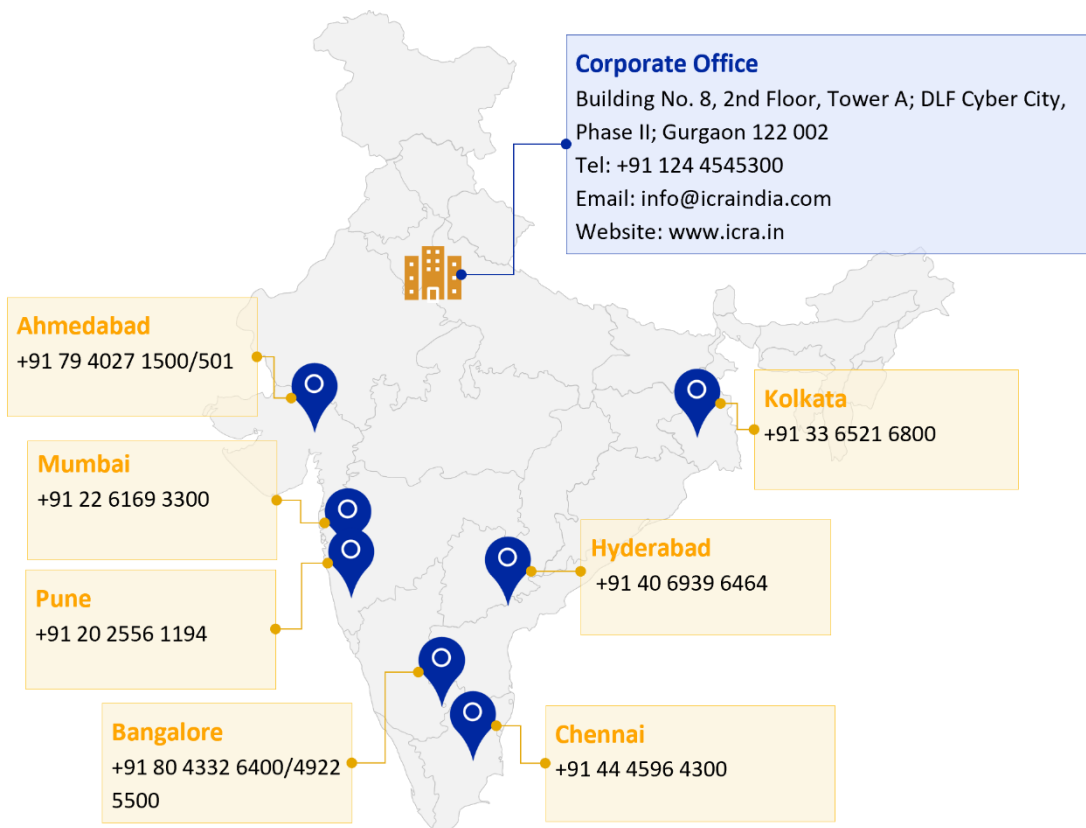
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