

January 6, 2026

Bericap India Private Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Term loan	49.50	49.50	[ICRA]BBB+ (Stable); Reaffirmed
Long-term/ Short-term – Fund-based/ Non-fund based	111.50	111.50	[ICRA]BBB+ (Stable)/[ICRA]A2; Reaffirmed
Long-term/ Short-term – Interchangeable	(111.50)	(111.50)	[ICRA]BBB+ (Stable)/[ICRA]A2; Reaffirmed
Total	161.00	161.00	

*Instrument details are provided in Annexure-1

Rationale

The ratings reaffirmation for Bericap India Private Limited (BIPL) continues to factor in its established track record in the plastic closures industry and the operational support and financial flexibility it enjoys as a part of the Bericap Group. The company is a wholly owned subsidiary of Bericap Holding GmbH, which has over nine decades of experience in the closures industry. The parent entity has provided technological as well as financial support in the form of equity infusion, when required, towards growth and other funding needs of BIPL. The ratings also consider the company's reputed and established customer base as well as the segmental diversification initiatives undertaken in the recent past. Additionally, its financial profile is characterised by a fairly comfortable leverage and coverage indicators, as reflected by an interest coverage of 6.4 times in FY2025 (PY: 6.2 times), and TD/OPBDITA of 1.5 times as on March 31, 2025 (PY: 1.5 times), supported by healthy profitability and containment of overall debt. The interest coverage and TD/OPBDITA are expected to remain between 6.0-7.0 times in FY2026 and 1.3-1.5 times as on March 31, 2026, respectively.

ICRA notes the sustained slowdown in BIPL's revenue base as the company reported a 7% revenue decline for a second consecutive fiscal in FY2025, with the revenue outlook being muted over the near term (FY2026 and FY2027). Reduced volume offtake from key clients has been the key reason for the revenue contraction and muted revenue outlook. In this context, the segmental diversification initiatives undertaken by BIPL in order to reduce its exposure to the beverages segment remain a key rating monitorable, going forward.

The ratings are still constrained by the working capital-intensive nature of BIPL's business on account of high inventory and debtor levels. Further, its margins are also exposed to volatility in key raw material prices, mainly high-density polyethylene (HDPE) granules, linked to petroleum and crude oil prices. However, the company is able to effectively pass on the raw material price increase to its customers, which provides some comfort against the said risk. With around 90% of its raw materials imported from South Korean and European suppliers, it is exposed to foreign currency fluctuation risk, although the same is factored in the price revisions with customers to an extent. Further, the company operates in a fragmented industry. However, presence of entry barriers provides some comfort. ICRA notes BIPL's operating profit margins are in the comfortable 18-20% bracket, aided by effective price pass-on arrangements with key customers. ICRA expects the company's revenue base to exhibit limited growth in FY2026-FY2027, given the muted volume offtake envisaged from beverage manufacturing customers in the near term. ICRA notes that it has incurred substantial capital expenditure (capex) for foraying into the liquor segment. Accordingly, timely receipt of orders from prospective customers and ramp-up in volumes for the same would be monitored.

The Stable outlook on the long-term rating reflects ICRA's opinion that despite the limited revenue growth envisaged over the near term, BIPL will be able to maintain comfortable profitability and debt metrics, aided by effective pass-on arrangements with customers and containment of debt levels. While segmental diversification initiatives undertaken by the entity (with its foray into liquor segment, for instance) are expected to provide incremental revenue visibility over the medium term, the timely and commensurate returns from these initiatives remain key rating monitorables, going forward.

Key rating drivers and their description

Credit strengths

Strong operational support and financial flexibility from promoter group – BIPL enjoys strong operational support and financial flexibility since it is a part of the Bericap Group, a global conglomerate engaged in manufacturing caps and closures for over 90 years. The Group is spearheaded by Bericap GmbH, Germany, which holds a 100% stake in the company, providing it with operational support and other benefits like extended credit period for supplies and capex liabilities, as well as financial support in the form of equity infusion.

Customer profile characterised by reputed players – The customer profile is characterised by reputed players from diverse industries like beverages, fast-moving consumer goods (FMCG) and lubricant oils. Besides, the company forayed into the liquor segment from CY2023 to attain higher segmental diversification. The presence of reputed players from diversified industries in its clientele provides operational comfort to BIPL's business operations.

Fairly comfortable leverage and coverage indicators – BIPL continues to demonstrate fairly comfortable leverage and coverage indicators, as evident from an interest coverage of 6.4 times in FY2025 (PY: 6.2 times), and TD/OPBDITA of 1.5 times as on March 31, 2025 (PY: 1.5 times), supported by healthy profitability and containment of the overall debt exposure. With no sizeable debt addition envisaged over the near term, it is expected to maintain comfortable leverage and coverage indicators, going forward. The company is expected to fund its capex outlay primarily through internal accruals over the near term, thus limiting its dependence over external borrowings. The interest coverage and TD/OPBDITA are expected to remain between 6.0-7.0 times in FY2026 and 1.3-1.5 times as on March 31, 2026, respectively.

Moderate scale of operations – Owing to slowdown in volume offtake from some of the key clients in the recent past, BIPL reported a 7% revenue decline in FY2025, while registering a modest 3% year-over-year (YoY) revenue growth in 9M CY2025. With revenue generation of Rs. 298.2 crore in FY2025, the company's scale of operations remains moderate. Despite a decline in revenues, BIPL continued to maintain fairly comfortable operating profit margins (OPM) at 19.2% in FY2025 (PY: 20.5%), supported by favourable product mix, with the increasing revenue share from the liquor industry clientele. The effective price pass-on arrangement with the key customers also protects its margins against input cost volatilities to an extent.

Credit challenges

High working capital intensity – BIPL continues to exhibit high working capital intensity due to its high inventory and debtor levels. The company is required to maintain sufficient stock of raw materials, given its high dependence on imports. Nevertheless, effective inventory management initiatives undertaken in the recent past led to a moderation in the inventory holding vis-à-vis the historical trend, which resulted in some reduction in the working capital intensity from 38% (FY2023) to 33% (FY2024) and further to 30% (FY2025). The working capital intensity is expected to remain comparable with the FY2025 level over the near term.

Declining scale of operations over the past two fiscals with muted revenue growth anticipated over the near term – Owing to the muted volume offtake from a few of the key clients from the beverages segment, BIPL reported a 7% revenue decline for a second consecutive year in FY2025. The company's revenues are likely to remain flattish in FY2026, as erratic monsoons and increased competitive intensity with the entry of new players in the beverages industry had some impact on the key beverage clients of BIPL in the present fiscal (FY2026). With this, its revenues are expected to see limited revenue growth over

the near term. The steady ramp-up in the revenues from the newly added liquor segment, therefore, remains crucial for BIPL to maintain its revenue growth momentum in the longer run.

Fragmented industry structure, although presence of entry barriers provides some comfort – The closures industry is highly fragmented, which limits the growth prospects of players. However, entry barriers to the capital-intensive closure business to cater to reputed players provide comfort against the said risk to an extent. Moreover, well-established relationships with reputed clients also ensure revenue visibility through repeat orders.

Exposed to currency movement risks as well as volatility in raw material prices – BIPL is exposed to volatility in raw material prices. High-density polyethylene (HDPE) granules are the key raw materials, and their prices are further linked to petroleum and crude oil prices, which have been showing considerable volatility in the recent past. However, quarterly price revision agreements with key customers mitigate this risk to an extent. Moreover, the company imports a considerable portion of its raw material from overseas suppliers as per the requirements of its key customers, which exposes it to foreign currency movement risks. However, price revisions with customers related to the landed cost of raw materials mitigate this risk to an extent.

Liquidity position: Adequate

BIPL’s liquidity position remains adequate, given moderate cash balances (Rs. 2.9 crore as on March 31, 2025) and adequate buffer from undrawn working capital facilities, which stood at around Rs. 110 crore as on September 30, 2025. The average working capital utilisation continued at a reasonable 43% in FY2025 as well as H1 FY2026. Against these sources of liquidity, the company has limited repayment obligations in the near term (Rs. 12.0 crore in FY2026 and Rs. 2.3 crore in FY2027) and moderate capex outgo of Rs. 30-35 crore annually in the near-to-medium term. ICRA expects net cash accruals of Rs. 45-50 crore from its operations in FY2026. BIPL has sufficient buffer in its liquidity with respect to its debt repayment obligations over the near-to-medium term.

Rating sensitivities

Positive factors – ICRA could upgrade BIPL’s ratings if the company is able to demonstrate a considerable growth in its top line on a sustained basis, resulting in an improvement in its return indicators, such as return on capital employed (RoCE) above 16% on a sustained basis. A sustained improvement in its working capital cycle will also be a credit positive.

Negative factors – The ratings could be downgraded if the company shows inability to register revenue growth and/or exhibits a steep decline in profitability or any higher-than-anticipated debt-funded capex that leads to deterioration in its credit metrics, such as interest coverage below 3.5 times on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on the standalone financials of Bericap India Private Limited

About the company

The company was incorporated in 2001 as a joint venture between Essel Propack and Germany-based Bericap GmbH (BHG). BHG subsequently bought over the stake from Essel Propack and BIPL became a wholly owned subsidiary of BHG in 2009. It is in the business of manufacturing plastic closures for PET bottles used in carbonated soft drinks (CSD), fruit juices, processed food, edible oil, lube oil, paints and household chemicals. BIPL started production of closures at Murbad district in Thane (Maharashtra) in 2001, and the manufacturing facility was shifted to Talegaon MIDC in Pune district in 2007. The company has a capacity of producing around 8.0 billion closures per annum, with capacity utilisation of 60-65%.

Key financial indicators

BIPL (standalone)	FY2024	FY2025
Operating Income (Rs. crore)	320.1	298.2
PAT (Rs. crore)	10.9	3.3
OPBDIT/OI (%)	20.5%	19.2%
PAT/OI (%)	3.4%	1.1%
Total Outside Liabilities/Tangible Net Worth (times)	0.8	0.7
Total Debt/OPBDIT (times)	1.5	1.5
Interest Coverage (times)	6.2	6.4

Source: BIPL, ICRA Research; 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)	Jan 06, 2026	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Fund-based / Non-fund based	Long term/ Short term	111.50	[ICRA]BBB+ (Stable)/ [ICRA]A2	Dec 06, 2024	[ICRA]BBB+ (Stable)/ [ICRA]A2	Dec 12, 2023	[ICRA]BBB+ (Stable)/ [ICRA]A2	Jan 03, 2023	[ICRA]BBB+ (Stable)/ [ICRA]A2
Fund-based / Non-fund based – Interchangeable	Long term/ Short term	(111.50)	[ICRA]BBB+ (Stable)/ [ICRA]A2	Dec 06, 2024	[ICRA]BBB+ (Stable)/ [ICRA]A2	Dec 12, 2023	[ICRA]BBB+ (Stable)/ [ICRA]A2	Jan 03, 2023	[ICRA]BBB+ (Stable)/ [ICRA]A2
Term loan	Long term	49.50	[ICRA]BBB+ (Stable)	Dec 06, 2024	[ICRA]BBB+ (Stable)	Dec 12, 2023	[ICRA]BBB+ (Stable)	Jan 03, 2023	[ICRA]BBB+ (Stable)

Source: Company

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term/ Short-term – Fund-based/Non-fund based	Simple
Long-term/ Short-term – Interchangeable	Simple
Term loan	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-1: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Term Loan	June 2022	NA	June 2026	49.50	[ICRA]BBB+ (Stable)
NA	Long-term/ Short-term – Fund-based/Non-fund based Facilities	NA	NA	NA	111.50	[ICRA]BBB+ (Stable)/ [ICRA]A2
NA	Long-term/ Short-term – Interchangeable	NA	NA	NA	(111.50)	[ICRA]BBB+ (Stable)/ [ICRA]A2

Source: Company

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

Annexure-2: List of entities considered for consolidated analysis: Not applicable

ANALYST CONTACTS

Jitin Makkar

+91 124 4545368

jitinm@icraindia.com

Kinjal Shah

+91 22 6114 3442

kinjal.shah@icraindia.com

Mythri Macherla

+91 22 6114 3435

mythri.macherla@icraindia.com

Yashowardhan Swami

+91 20 6606 9923

yashowardhan.swami@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



© Copyright, 2026 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.