

May 14, 2026

Shree Ajit Pulp and Paper Limited: 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	140.00	140.00	[ICRA]BBB+(Stable); Outstanding
Long-term Fund-based –Term loan	240.00	235.00	[ICRA]BBB+(Stable); Outstanding
Short-term non-fund based	14.00	10.00	[ICRA]A2; Outstanding
Short-term interchangeable	(101.00)	(248.00)	[ICRA]A2; Outstanding
Total	394.00	385.00	

*Instrument details are provided in Annexure II

Rationale

This rationale is being released to convey the change in the lenders and 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, the liquidity position, environmental and social risks and rating sensitivities : [Click here](#)

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 consolidated financial profile of the company. As on December 31, 2025, SAPPL had one subsidiary and one joint venture, which are enlisted in Annexure III.

About the company

Shree Ajit Pulp and Paper Limited (erstwhile M/s Shree Ajit Pulp and Paper Private Limited), incorporated in March 1995, manufactures different varieties of kraft paper, which find application in the packaging industry, particularly in manufacturing corrugated boxes. The company's production facilities are in Vapi, Gujarat, with an installed manufacturing capacity of 2,02,500 metric tonnes per annum (MTPA).

SAPPL has two group concerns, viz., Shree Samrat Pulp and Paper LLP (Shree Samrat) and Shree Samrudhi Industrial Papers Private Limited (Shree Samrudhi). The company holds a 50% stake in Shree Samrat was, previously involved in manufacturing of low BF kraft paper. However, Shree Samrat's core assets were sold off in FY2023. Shree Samrudhi is a wholly-owned subsidiary, which is intended to act as a marketing arm for SAPPL and remains non-operational at present.

Key financial indicators (audited)

SAPPL, Consolidated	FY2024	FY2025	9MFY2026*
Operating income	294.5	505.5	526.4
PAT	7.9	9.4	20.4
OPBDIT/OI	7.1%	10.1%	12.8%
PAT/OI	2.7%	1.9%	3.9%
Total outside liabilities/Tangible net worth (times)	1.3	1.4	NA
Total debt/OPBDIT (times)	10.9	5.6	NA
Interest coverage (times)	2.8	2.3	NA

Source: Company, ICRA Research; * Unaudited results; All ratios as per ICRA's calculations; Amount in Rs. Crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; NA – Not available

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs crore)	May 14, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Fund Based-Cash Credit	Long Term	140.00	[ICRA]BBB+ (Stable)	Aug 26,2025	[ICRA]BBB+ (Stable)	Mar 21, 2025	[ICRA]BBB+ (Negative)	Aug 10, 2023	[ICRA]A (Negative)
				-	-	-	-	Feb 22, 2024	[ICRA]A- (Negative)
Fund Based-Term Loan	Long Term	235.00	[ICRA]BBB+ (Stable)	Aug 26,2025	[ICRA]BBB+ (Stable)	Mar 21, 2025	[ICRA]BBB+ (Negative)	Aug 10, 2023	[ICRA]A (Negative)
				-	-	-	-	Feb 22, 2024	[ICRA]A- (Negative)
Interchangeable-Others	Short Term	(248.00)	[ICRA]A2	Aug 26,2025	[ICRA]A2	Mar 21, 2025	[ICRA]A2	Aug 10, 2023	[ICRA]A1
				-	-	-	-	Feb 22, 2024	[ICRA]A2+
Non-fund Based-Others	Short Term	10.00	[ICRA]A2	Aug 26,2025	[ICRA]A2	Mar 21, 2025	[ICRA]A2	Aug 10, 2023	[ICRA]A1
				-	-	-	-	Feb 22, 2024	[ICRA]A2+
Unallocated-Unallocated	Short Term	-	-	-	-	-	-	Aug 10, 2023	[ICRA]A1
				-	-	-	-	Feb 22, 2024	[ICRA]A2+

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
Long-term - Fund-based term loan	Simple
Short -term – Non fund based	Simple
Short -term – Interchangeable	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 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	140.00	[ICRA]BBB+ (Stable)
NA	Term loan	FY2026	NA	FY2035	235.00	[ICRA]BBB+ (Stable)
NA	Bank guarantee	NA	NA	NA	10.00	[ICRA]A2
NA	Interchangeable	NA	NA	NA	(248.00)	[ICRA]A2

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	SAPPL ownership	Consolidation approach
Shree Samrat Pulp and Paper LLP	50%	Equity Method
Shree Samrudhi Industrial Papers Private Limited	100%	Full Consolidation

Source: Company

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