

October 12, 2026

Saj Industries Private Limited: [ICRA]A-(Stable)/[ICRA]A2+; assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action	Financial sector regulator [#]
Long term-fund based-Cash Credit	149.50	[ICRA]A-(Stable); assigned	RBI
Short term-Non-fund based-LC/BG	846.00	[ICRA]A2+; assigned	RBI
Long term-fund based-Term Loans	332.53	[ICRA]A-(Stable); assigned	RBI
Long term/Short term-Unallocated limits	1.97	[ICRA]A-(Stable)/[ICRA]A2+; assigned	RBI
Total	1330.00		

*Instrument details are provided in Annexure-1

[#] 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

Rationale

For arriving at the ratings, ICRA has taken a consolidated view of Saj Industries Private Limited (Saj), Sumilon Industries Private Limited (SIPL) and Sumilon Polyester Private Limited (SPL), collectively referred to as the Group, given the common ownership and management, along with strong operational and financial linkages.

The assigned ratings favourably factor in the promoters' extensive experience in the polyester value chain, the Group's established position in the polyethylene terephthalate (PET) chips, packaging films and polyester yarn segments, and its integrated manufacturing operations, which provide control over the value chain and support operational efficiencies. The ratings also derive strength from the Group's forward integration into value-added metallised and coated films, a diversified customer base across domestic and export markets, and long relationships with customers, which lend stability to operations despite the cyclical nature of the industry. The strategic location of its manufacturing facilities, near key raw material suppliers, ports and customer clusters, further supports logistical efficiencies.

The ratings also consider healthy scale-up in operations, improvement in earnings, cash flows and debt metrics in the recent years. The Group is expected to witness healthy double-digit revenue growth in FY2027, driven by higher sales volumes and improved realisations across key product segments. With scale benefits, the operating margins are expected to expand by 100-200 bps from the 8% level in FY2026, also supported by favourable spreads in the PET chips and packaging films segments. The ratings also benefit from the favourable long-term outlook for the packaging industry, driven by increasing demand from FMCG, food and beverages, pharmaceuticals, e-commerce and other consumer-oriented sectors.

The ratings are, however, constrained by the susceptibility of profitability to large foreign exchange rate fluctuations and volatility in raw material prices, particularly purified terephthalic acid (PTA) and monoethylene glycol (MEG), which are linked to crude oil prices. The ratings also consider the inherent competition in the industry, given the presence of large integrated players and many smaller manufacturers, which limits its ability to fully pass on the increase in input costs due to the commoditised nature of the products. The ratings further consider the moderate debt protection metrics, given the debt-funded capital expenditure plans and increasing working capital requirements arising from the scale-up in operations. ICRA also notes the management's plans to reverse merge SPL with Saj in the near-to-medium term as there are no material operations in SPL at present.

The Stable outlook reflects ICRA's expectation that the Group will continue to benefit from its established market position, integrated operations and favourable industry demand outlook, enabling it to maintain a healthy growth in revenues and earnings while preserving an adequate liquidity position and comfortable capital structure over the medium term.

Key rating drivers and their description

Credit strengths

Established track record in the PET chips and packaging films industry – The Group benefits from the extensive experience of its promoters and its established presence across the polyester value chain, with operations spanning PET chips, BOPET films, metallised/coated films and polyester yarns. The integrated nature of its operations provides greater control over the manufacturing process, enhances operational efficiencies and supports business stability. The Group has also developed long relationships with a diversified customer base across domestic and export markets, which enabled it to maintain a strong market position in the PET chips and packaging films segments.

Location-specific advantage from proximity to key suppliers and customers – The Group's manufacturing facilities are strategically located in Gujarat, one of the major petrochemical and packaging hubs in India. The location provides easy access to key raw material suppliers, ports and customer clusters, resulting in logistical efficiencies and lower transportation costs. Proximity to suppliers facilitates timely procurement of raw materials such as PTA and MEG, while access to domestic and export customers supports efficient distribution and strengthens the Group's competitive positioning.

Healthy revenue growth in the past few years – The Group has demonstrated a healthy growth trajectory over the last few years, supported by capacity additions, ramp-up in operations and favourable market conditions. Consolidated operating income increased to around Rs. 2,500 crore in FY2026 from about Rs. 1,600 crore in FY2024, driven by increasing utilisation across key product segments and improved product realisations. Its revenues are expected to witness strong growth in FY2027, supported by higher sales volumes and favourable demand conditions across PET chips and packaging film businesses.

Credit challenges

Margins remain vulnerable to volatility in raw material prices and cyclical nature of the industry – The Group's profitability remains susceptible to volatility in key raw material prices, particularly PTA and MEG, which are closely linked to crude oil price movements. Sharp fluctuations in input costs can exert pressure on the operating margins, especially during periods of heightened market volatility. Further, the packaging films industry is inherently cyclical and is characterised by periodic demand-supply imbalances, which can lead to volatility in product spreads and profitability. The Group also operates in a highly competitive environment, with the presence of several organised and unorganised players, constraining pricing flexibility. These risks are, however, partly mitigated by the Group's integrated operations across the polyester value chain and its ability to pass on the changes in raw material costs to customers for a substantial portion of its product portfolio, thereby limiting the impact of input price volatility on the margins.

While the Group has reported a steady improvement in profitability and debt protection metrics over the past two fiscals, its operating margins remain moderate compared to those of larger integrated peers. The scale-up in operations, coupled with debt-funded capital expenditure and elevated working capital requirements, resulted in a moderate capital structure and coverage indicators. Nevertheless, supported by healthy revenue growth, improved cash accrual generation, and gradual debt reduction, the Group's debt coverage metrics have strengthened in recent years and are expected to improve further over the medium term.

Exposed to regulatory and forex risks – The Group imports a significant portion of its key raw materials. While its revenue from exports partly acts as a natural hedge, large fluctuation in foreign currency rates for a longer period can impact profitability and cash flows. In addition, the Group remains exposed to changes in regulations, trade policies and duties governing imports and exports, which could affect demand dynamics, competitiveness and the overall operating performance.

Liquidity position: Adequate

The Group's liquidity position is expected to remain adequate, supported by healthy cash flows from operations of Rs. 120-130 crore in FY2027, driven by the anticipated improvement in the operating performance. The Group had cash and bank balances of over Rs. 8 crore as on March 31, 2026. The average utilisation of the fund-based working capital limits remained comfortable at around 35% during the 14-month period ended in August 2026, providing adequate liquidity cushion, while the non-fund-based limits remained largely utilised, primarily towards import LC requirements. Debt repayment obligations of approximately Rs. 67 crore in FY2027 are expected to be comfortably met through internal accruals. ICRA expects the Group's liquidity profile to remain adequate over the medium term, supported by healthy earnings generation and steady cash flow accruals.

Rating sensitivities

Positive factors – ICRA could upgrade the ratings if the Group demonstrates a sustained improvement in its scale of operations and profitability, leading to a stronger financial risk profile and improvement in debt protection metrics on a sustained basis. The ratings may also be positively impacted by continued generation of healthy cash accruals and efficient working capital management, resulting in a sustained strengthening of the Group's liquidity position.

Negative factors – Pressure on the ratings could arise if there is a significant decline in its scale of operations or a moderation in profitability, weakening its cash flows. An elongation in the working capital cycle or high debt-funded capex, impacting the coverage indicators and liquidity profile materially, could also be a negative rating trigger. Specific credit metrics that could result in ratings downgrade include DSCR below 1.8 times on a sustained basis.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not Applicable
Consolidation/Standalone	ICRA has taken a consolidated view of Saj Industries Private Limited, Sumilon Industries Private Limited and Sumilon Polyester Private Limited

About the company

The Jariwala family-promoted Group, comprising Saj Industries Private Limited (Saj), Sumilon Industries Private Limited (SIPL) and Sumilon Polyester Private Limited (SPL), manufactures polyester-based products and operates across multiple segments of the polyester value chain. The Group manufactures PET chips, BOPET films, metallised/coated films and polyester yarns, and benefits from integrated operations that provide greater control over raw material sourcing, production and value addition.

The Group operates manufacturing facilities in Gujarat with an installed capacity of around 2.7 lakh MTPA of PET chips, 96,000 MTPA of BOPET films, 37,200 MTPA of metallised/coated films and 6,000 MTPA of polyester yarns. The Group caters to a diversified customer base across domestic and export markets, serving end-user industries such as food and beverage packaging, FMCG, pharmaceuticals, textiles and other consumer sectors.

Key financial indicators (audited)

	Consolidated^		Standalone		
Saj Industries Private Limited	FY2025	FY2026*	FY2025	FY2026	H1 FY2027@
Operating income	2,227.5	2,572.9	2,024.0	2,417.9	1,692.4
PAT	18.7	34.8	-4.1	36.0	130.8
OPBDIT/OI	8.7%	7.7%	8.0%	7.7%	11.7%
PAT/OI	0.8%	1.4%	-0.2%	1.5%	7.7%
Total outside liabilities/Tangible net worth (times)	1.9	2.1	2.6	2.7	Not available
Total debt/OPBDIT (times)	3.1	2.5	3.1	2.0	Not available
Interest coverage (times)	2.8	3.3	2.4	3.5	7.3

	SPL		SIPL		
Standalone	FY2025	FY2026*	FY2025	FY2026*	Q1 FY2027
Operating income	163.8	39.7	315.6	292.3	81.3
PAT	6.3	-4.7	16.5	3.5	2.2
OPBDIT/OI	1.0%	-1.2%	9.5%	4.5%	6.0%
PAT/OI	3.8%	-11.9%	5.2%	1.2%	2.7%
Total outside liabilities/Tangible net worth (times)	0.4	0.3	0.9	1.2	Not available
Total debt/OPBDIT (times)	55.8	-85.3	2.2	8.8	Not available
Interest coverage (times)	0.1	Not meaningful	7.3	2.7	2.8

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs. crore; *provisionals ^consolidated for 3 companies @till September 28, 2026

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current ratings (FY2027)				Chronology of rating history for the past 3 years					
				FY2026		FY2025		FY2024	
Instrument	Type	Amount (Rs. crore)	Oct 12, 2026	Date	Rating	Date	Rating	Date	Rating
Fund based cash credit	Long Term	149.50	[ICRA]A -(Stable)	-	-	-	-	-	-
Non fund based-LC/BG	Short term	846.00	[ICRA]A2+						
Fund based Term Loans	Long Term	332.53	[ICRA]A -(Stable)						
Unallocated	Long term/Short term	1.97	[ICRA]A-(Stable)/[ICRA]A2+						

Complexity level of the rated instruments

Instrument	Complexity Indicator
Fund based cash credit	Simple
Non fund based-LC/BG	Simple
Fund based Term Loans	Simple

Unallocated

NA

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	Financial Sector Regulator#
NA	Fund based cash credit	-	-	-	149.50	[ICRA]A- (Stable)	RBI
NA	Non fund based-LC/BG	-	-	-	846.0	[ICRA]A2+	RBI
NA	Fund based Term Loans	Jan 2021	-	March 2033	332.53	[ICRA]A- (Stable)	RBI
NA	Unallocated	-	-	-	1.97	[ICRA]A- (Stable)/[ICRA]A2+	RBI

Source: Company

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.

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

Annexure II: List of entities considered for consolidated analysis

Company Name	Saj Ownership	Consolidation Approach
Saj Industries Private Limited	-	Full Consolidation
Sumilon Industries Private Limited	-	Full Consolidation
Sumilon Polyester Private Limited	-	Full Consolidation

ANALYST CONTACTS

Jitin Makkar

+91 124 4545368

jitinm@icraindia.com

Srikumar Krishnamurthy

+ 91 44 45964318

ksrikumar@icraindia.com

Gaurav Singla

+91 124 4545366

gaurav.singla@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

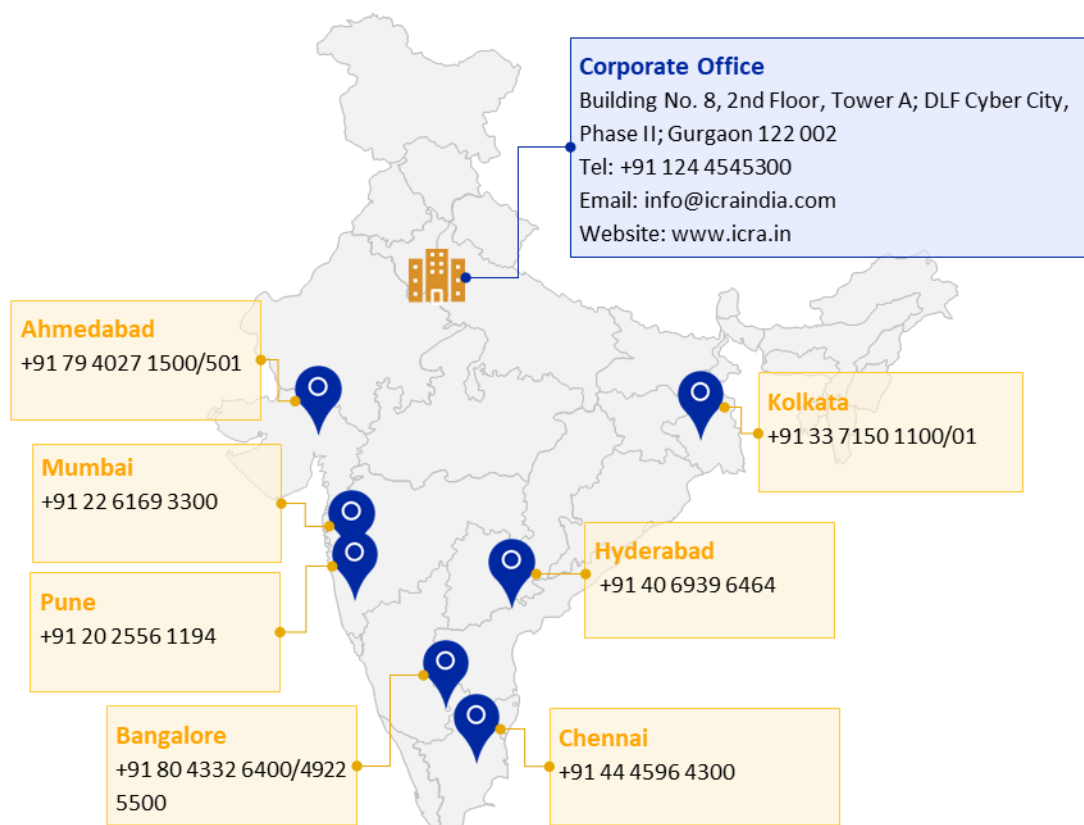


Registered Office

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.