NIKITA
Greentech Recycling Ltd.

Date: September 08, 2026

The Manager
Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Plot No. C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051.

NSE Symbol: NIKITA
ISIN: INE0FLF01015

Sub.: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Enhancement and Re-affirmation of Credit Rating.

Dear Sir/Madam,

This is to inform that, pursuant to Regulation 30(6) read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), **Nikita Greentech Recycling Limited** *(formerly known as Nikita Papers Limited)* **("the Company")**, hereby intimates that **Infomerics Valuation and Rating Ltd.** *(Formerly Infomerics Valuation & Rating Pvt. Ltd.)*, a SEBI registered and RBI accredited Credit Rating Agency **("the Credit Rating Agency"),** has issued a Press Release dated September 08, 2026, in respect of the review of credit ratings assigned to the Company's Bank Loan Facilities.

The Credit Rating Agency has **reaffirmed the existing credit ratings** of the Company while enhancing the total rated Bank Loan Facilities from **Rs. 160.95 Crore to Rs. 227.90 Crore**.

The details of the ratings are as under:

Particulars	Previous Rated Amount (Rs. in Crore)	Revised Rated Amount (Rs. in Crore)	Previous Rating	Revised / Reaffirmed Rating
Total Bank Loan Facilities Rated	160.95	**227.90**	Long Term: IVR BBB/Negative Short Term: IVR A3+	**Long Term: IVR BBB/Negative (Rating Reaffirmed)**; **Short Term: IVR A3+ (Rating Reaffirmed)**

The detailed facility-wise ratings assigned by the Credit Rating Agency are as follows:

Nature of Facility	Amount (Rs. in Crore)	Rating Assigned
Term Loan	4.16	IVR BBB/Negative
Term Loan	20.74	IVR BBB/Negative
Term Loan	40.00	IVR BBB/Negative

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Cash Credit	48.00	IVR BBB/Negative
Cash Credit / WCDL*	40.00	IVR BBB/Negative
Cash Credit / WCDL#	10.00	IVR BBB/Negative
Letter of Credit	20.00	IVR A3+
Letter of Credit / BG / SBLC~	20.00	IVR A3+
Letter of Credit	25.00	IVR A3+
Total	**227.90**	

** WCDL amounting to Rs. 40.00 Crore is the sub-limit of Cash Credit.*
 # WCDL amounting to Rs. 10.00 Crore is the sub-limit of Cash Credit.
~ BG amounting to Rs. 2.00 Crore and SBLC amounting to Rs. 15.00 Crore are sub-limits of Letter of Credit.

Note: *For detailed information and rationale, kindly refer to the enclosed Press Release issued by the Credit Rating Agency.*

The above information shall also be available on Company's website at https://www.nikitagreentechrecycling.com/credit-ratings and website of the Credit Rating Agency at https://www.infomerics.com/pressrelease/nikita-papers-limited.

We request you to take the same on record.

Thanking You.
Yours Faithfully,

For Nikita Greentech Recycling Limited,
(formerly known as Nikita Papers Limited)

DIVAM MITTAL
Digitally signed by DIVAM MITTAL
Date: 2026.09.08 21:21:12 +05'30'

Divam Mittal
Company Secretary & Compliance Officer
ICSI Membership No.; ACS74699

Encl.: as above

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Corp. Office: C-10, Industrial Estate, Panipat Road, Shamli – 247776, Uttar Pradesh, India
CIN No.: L74899DL1989PLC129066
GST No.: 09AAACN0473F1ZO

Nikita Greentech Recycling Limited (erstwhile Nikita Papers Limited)

September 08, 2026

Rating Action

Total Bank Loan Facilities Rated	Rs. 227.90 Crore (Enhanced from Rs. 160.95 Crore)	Regulator^
Long Term Rating	IVR BBB / Negative (Rating Reaffirmed)	RBI
Short Term Rating	IVR A3+ (Rating Reaffirmed)	RBI
^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.		

Refer Annexures for details of facilities/instruments, facility wise lender details, and detailed explanation of covenants.

Note: *None of the Directors on Infomerics Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.*

Rationale

Infomerics has reaffirmed the ratings assigned to the bank facilities of Nikita Greentech Recycling Limited (NGRL) (erstwhile Nikita Papers Limited) on the back of strength from experienced promoters, adequate financial risk profile and coverage indicators, setting up captive power plant and a favourable long-term demand outlook for kraft paper. However, these rating strengths are partially constrained due to Muted topline growth along with a decline in profit in FY26, large working capital requirement and intense competition, in the kraft paper segment and susceptibility of profitability to volatility in waste

paper.

Outlook: Negative

The long-term Negative outlook reflects sharp moderation in profitability during FY26 and the company's inability to achieve the financial projections provided earlier, indicating weaker-than anticipated operational and financial performance.

Analytical Approach

Approach	Comments
Consolidation/ Standalone	Standalone
Parent/ Group Support	Not Applicable

Key Rating Drivers with Detailed Description

Strengths

- **Extensive industry experience of the promoters**

The company promoters & directors are operating in the paper industry for over a 3 decades. The company has also employed competent and experience technical staff to support its operations. The long experience of the promoters in the company has enabled to build strong relation with customers and suppliers.

- **Diversified product profile and geographic coverage:**

The presence of more than three decades in the kraft paper segment has enabled the company to establish healthy relationships with customers. The key clients have been associated for more than two decades. Further, the company caters to various industries, meeting their requirement for packaging material such as corrugated boxes, paper tubes, and paper cones. It has a diversified geographic reach, covering Uttar Pradesh, Punjab, Himachal Pradesh, Uttarakhand, Rajasthan and Madhya Pradesh.

- **Capex undertaken for captive power and plant modernisation to aid topline and profit**

The company has undertaken a capex of Rs. 50 crore to set up its captive power plant, the CD of which is expected to be October 2026. The CPP is expected to lead to annual cost saving of Rs. 12-13 crore. The company is in the process of converting and upgrading its 35-year-old plant (Unit 1) to introduce a value-added product – Absorbent Paper. The cost of the capex is approximately Rs.57.54 crore which will be funded via term loan and internal accrual. The entire capex will be done in FY27, and the company will see its benefit directly on the performance since this is a value-added product and has better pricing than kraft paper. The project is expected to commence in July 2026 and complete in October 2026. The company expected incremental sales from this of Rs. 50 crore for the six months of FY27. The total amount utilised till 31st March'26 is Rs. 97.88 crore as on 31st March'26.

- **Long-term demand outlook for paper remains favourable**

The long-term demand outlook for kraft paper remains favourable, driven by increasing demand from the e-commerce, food and food products, FMCG, textiles, automobile, and pharmaceutical sectors, which bodes well for the company's growth prospects.

- **Adequate financial risk profile and coverage indicators**

The capital structure of the company stood improved due to issue of IPO in FY26. Net worth stood at Rs. 173.20 Cr as on March 31, 2026, as against Rs. 98.58 crore as on March 31, 2025. Also, after adjusted the o/s debtors, the adjusted net worth stood at Rs. 161.63 crore as on 31st March 2026 as against Rs. 141.43 crore as on 31st March 2025. The overall gearing ratio stood at 1.47 times as on March 31, 2026, from 1.26 times in FY25, as on March 31, 2025, due to adjusted net worth in FY26. TOL/TNW increased to 1.92 times as on March 31, 2026, from 1.66 times as on March 31, 2025, due to increase in total debt. Debt protection metrics stood healthy and above unity with ISCR stood at 1.90x in FY26 (3.49x in FY25) and DSCR stood at 1.23x in FY26 (1.86x in FY25).

Weaknesses

- **Muted topline growth with decline in profitability in FY26**

The turnover of the company moderated from Rs. 377.53 crore in FY25 to Rs. 356.63 crore in FY26, due to dip in the price realization from Rs. 31369.32 per MT in FY25 to Rs. 30594.39 per MT in FY26 despite increase in the sales volume from 107888.84 MT in FY25 to 109614.89 MT in FY26. Absolute EBIDTA declined from Rs. 57.64 Cr. in FY25 to Rs. 34.44 Cr. in FY26 and absolute PAT declined from Rs. 23.02 Cr. in FY25 to Rs. 11.14 Cr. in FY26. EBIDTA margin declined from 15.27% in FY25 to 9.66% in FY26 and PAT margin declined from 6.07% in FY25 to 3.04% in FY26. The major decline in the profitability margins was in FY26, primarily due to the sudden emerging war situation by the end of the year. Raw material cost to total operating income increased from ~66% in FY25 to ~68% in FY26. In addition to the increase in the raw material cost, the employee cost has increased from Rs. 6.23 crore in FY25 to Rs. 7.23 crore in FY26, despite revenue declining. The rise was due to hiring certain employee force for the company's upcoming captive power plant. Further, power cost has also increased from Rs. 35.60 crore in FY25 to Rs. 38.73 crore in FY26 primarily due to the rise in the price of diesel

- **Large working capital requirement**

Gross current assets (GCAs) were at a sizeable 336 days as on March 31, 2026, driven by receivables of 122 days. The company maintains an inventory of ~50 - 60 days and extends credit of ~45 days to customers. Payables of ~40-45 days support working capital. Going forward further significant increase in GCA will be a key monitorable.

- **Competition, especially in the kraft paper segment, is intense**

Due to intense competition in kraft paper segment, the players have limited pricing flexibility. Moreover, end users of packaging paper are also price sensitive. This situation is expected to continue over the medium-to long term, as consolidation is unlikely because of unviable capacities. However, the move by the company to product premium quality absorbent paper in its Unit 1 which will undergo modernisation soon will lead to diversification benefit.

- **Profitability susceptible to volatility in wastepaper price**

Wastepaper is the main raw material for kraft paper, constituting around 65-70% of cost of sales, followed by power & fuel cost. Wastepaper is procured mostly through domestic sources. Volatility in prices of wastepaper will have an impact on profitability margins, as it has been in the past.

- **Exposed to project execution risk related to tissue paper and revamping of power plant**

Completion of the project within the envisaged time and cost parameters shall remain crucial for the financial risk profile of the company and shall remain a key monitorable. However, the said risk is mitigated to a certain extent considering the project is finance by equity. Also, the capex is for the setting up power plant, so the stabilisation risk is mitigated to an extent owing to the established track record of promoters.

Liquidity – Adequate

Liquidity is expected to remain adequate in the near to medium term with sufficient accruals and to meet the term debt repayment in the period FY27-FY29. The average fund based utilisation for the past twelve months ending May 2026 was high at ~80%, indicating low liquidity cushion. However, the recent equity capital infusion of Rs. 67.55 crore has significantly enhanced the financial flexibility of the company.

Rating Sensitivities

Upward Factors

- Sustained increase in topline leading to an increase in profit and GCA and improvement in debt to EBITDA to below 3x.

Downward Factors

- More than expected moderation in the scale of operations and/or deterioration in profit margin impacting the liquidity and debt coverage indicators leading to a deterioration in debt to EBITDA.
- Further elongation in working capital cycle leading to a strain on liquidity.

About the Company

Nikita Greentech Recycling Limited is a Public Limited Company (listed) initially incorporated as Private Limited Company on August 18, 1989. It was subsequently converted into a Public Limited Company on June 12, 2003. The Company is engaged in manufacture of kraft paper and has been in existence for more than three decades. The promoter of the company is Mr. Ashok Kumar Bansal.

In 1991, a manufacturing Unit in the name of Nikita Papers Ltd. was established at Industrial Estate, Panipat Road, Shamli (U.P) to manufacture Kraft paper with 30 Tons per Day Capacity. The company has undergone through many expansion & modernizations time to time as per the demand of the market to maintain its standard and the paper quality of the company is well established in the paper market. At present the installed capacity of the company is approx. 133000 MTPA. The company is manufacturing Kraft paper ranging from 120 to 230 GSM with 18-25 Burst Factor (B.F.) ranges.

Key Financial Indicators (Standalone):

For the year ended/ As on*	31-03-2025	31-03-2026
	Audited	Audited
Total Operating Income	377.53	356.63
EBITDA	57.64	34.44
PAT	23.02	11.14
Total Debt	178.49	237.15
Tangible Net Worth (TNW)	98.58	173.20
EBITDA Margin (%)	15.27	9.66
PAT Margin (%)	6.07	3.04
Overall Gearing (times)	1.26	1.47
Interest Coverage (times)	3.49	1.90

**Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company*

Applicable Criteria

Rating Methodology for Manufacturing Companies.

Financial Ratios & Interpretation (Non-Financial Sector).

Criteria for assigning Rating outlook.

Policy on Default Recognition

Complexity Level of Rated Instruments/Facilities

Status of non-cooperation with previous CRA:

Acuite Ratings through its press release dated May 22, 2026 continued the rating of "NGRL" in the 'Issuer Not Cooperating' category on account of inadequate information received from the entity to carry out the review.

Any other information: None

Rating History for last three years

Sr. No.	Instruments/ Facilities	Current Ratings (Year 2026-27)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2026-27	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in in 2023-24
					June 03, 2026	June 24, 2025	-
1.	Fund based facilities	LT	162.90	IVR BBB/Negative	IVR BBB/Negative	IVR BBB/Stable	-
2.	Non-fund based facilities	ST	65.00	IVR A3+	IVR A3+	IVR A3+	-

Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook	Listing Status	Regulator^	Complexity Indicator
Term Loan	-	-	-	August 2028	4.16	IVR BBB/ Negative	NA	RBI	Simple
Term Loan	-	-	-	June 2028	20.74	IVR BBB/ Negative	NA	RBI	Simple
Term Loan	-	-	-	September 2034	40.00	IVR BBB/ Negative	NA	RBI	Simple
Cash Credit	-	-	-	-	48.00	IVR BBB/ Negative	NA	RBI	Simple
Cash Credit	-	-	-	-	40.00*	IVR BBB/ Negative	NA	RBI	Simple
Cash Credit	-	-	-	-	10.00#	IVR BBB/ Negative	NA	RBI	Simple
Letter of Credit	-	-	-	-	20.00	IVR A3+	NA	RBI	Simple
Letter of Credit	-	-	-	-	20.00~	IVR A3+	NA	RBI	Simple
Letter of Credit	-	-	-	-	25.00	IVR A3+	NA	RBI	Simple

^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

*WCDL amounting to Rs. 40.00 crore is the sublimit of Cash credit.

#WCDL amounting to Rs. 10.00 crore is the sublimit of Cash credit.

~BG amounting to Rs. 2.00 crore and SBLC amounting to Rs. 15.00 crore is the sublimit of Letter of credit.

Annexure 2: Facility wise lender details:
https://infomericstorage.blob.core.windows.net/uploads/Len_NIKITA_GREENTECH_RECY_08_Sep26_fd5e49b097.pdf

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for Consolidated/Combined analysis: Not Applicable

Annexure 5: List of activities / instruments and names of regulators

Sr. No.	Instrument / activity Name	Regulator of the instrument
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference Shares	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* $	RBI
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 and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11a	Fixed Deposits raised by NBFCs, HFCs, FIs	RBI
11b	Fixed Deposits raised by Banks	+
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts $	RBI
19	Unlisted Security Receipts	RBI

Sr. No.	Instrument / activity Name	Regulator of the instrument
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	+
22	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
23	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
24	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side Regulator such as IRDAI, PFRDA @

Footnotes:

** Includes securitisation transactions involving assignee payout, acquirer's payout.*

~ 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 may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Infomerics Valuation and Rating Limited shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

 # There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.

$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

+ To be finalized following a discussion with the regulatory authorities.

Note: *For activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.*

Analytical Contact
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About Infomerics

Infomerics Valuation and Rating Ltd. ("Infomerics") [Formerly known as Infomerics Valuation and Rating Private Limited], a SEBI-registered and RBI-accredited credit rating agency, is dedicated to delivering independent, transparent, and research-driven ratings. Licensed for credit rating operations since 2015, Infomerics has empowered investors with reliable insights to make informed credit decisions. Driven by robust frameworks and methodologies, enriched by sectoral depth, and defined by analytical precision, Infomerics evaluates a wide spectrum of borrowers including MSMEs, large corporates, banks, NBFCs, state governments, municipal bodies, infrastructure projects, REITs, and InvITs— covering the entire range of debt instruments. With a strong pan-India presence anchored by its Head Office in Delhi and Corporate Office in Mumbai, alongside branches in major cities, Infomerics has rapidly expanded its footprint. Its joint venture in Nepal further underscores its growing influence across South Asia. Over the past decade, Infomerics has emerged as a rapidly expanding force in the credit rating space, achieving broad market recognition and building enduring trust among investors, institutions, and issuers.

For more information and definitions of ratings, please visit www.infomerics.com.

Annexure II

NIKITA GREENTECH RECYCLING LIMITED

(ERSTWHILE NIKITA PAPERS LIMITED)

September 08, 2026

Facility wise lender names are:

(Rs. crore)

S. No.	Lender Name	Type of Facility	Nature	Rated Amount
1	HDFC Bank	Term Loan	Long Term	4.16
2	Punjab National Bank	Term Loan	Long Term	20.74
3	Axis Bank	Term Loan	Long Term	40.00
4	Punjab National Bank	Cash Credit	Long Term	48.00
5	HDFC Bank	Cash Credit	Long Term	40.00
6	Axis Bank	Cash Credit	Long Term	10.00
7	Punjab National Bank	Letter of Credit	Short Term	20.00
8	HDFC Bank	Letter of Credit	Short Term	20.00
9	Axis Bank	Letter of Credit	Short Term	25.00