

April 02, 2024

HLL Lifecare Limited: Change in Limits

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Cash Credit	312.00	312.00	[ICRA]A-(Stable); Outstanding
Non-fund based facilities	300.00	350.00	[ICRA]A2+; Outstanding
Long-term/Short-term- Unallocated	148.96	98.96	[ICRA]A-(Stable)/[ICRA]A2+; Outstanding
Total	760.96	760.96	

*Instrument details are provided in Annexure-1

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 key rating drivers and their description, the liquidity position and rating sensitivities : [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Rating Methodology for FMCG companies Rating methodology for diagnostic service providers
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on the company's consolidated financial profile

About the company

HLL Lifecare Limited ("HLL") is a Miniratna [Category-I] Enterprise fully owned by the GoI under the administrative control of MoHFW. Established in 1966, HLL has a rich legacy of over 50 years and currently operates through a network of 21 offices and 8 state-of-the-art manufacturing facilities servicing public and private markets across over 85 countries.

HLL, through its subsidiaries, associates, and JV, is involved in manufacturing and marketing of a range of contraceptives, women's healthcare products, hospital supplies as well as other pharmaceutical products. The Company is also engaged in providing healthcare and diagnostic services, consultancy and contract services for healthcare infrastructure projects and consultancy services for procurement of medical equipment and devices in healthcare sector.

HLL, through its subsidiaries, associates, and JV, has a strong domestic distribution network covering about 1.5 lakh retail outlets across major cities and over 1 lakh remote villages. Internationally, HLL's products are exported to over 85 countries and are also provided to global public health programmes managed by international agencies like UNFPA, UNOPS, UNHCR, WHO, PSI and IDA. As on date, HLL has three subsidiary companies and one JV.

Key financial indicators (audited)

	FY2022	FY2023
Operating income (Rs. crore)	36083.6	4115.6
PAT (Rs. crore)	401.4	50.0
OPBDIT/OI (%)	1.7%	1.9%
PAT/OI (%)	1.1%	1.2%
Total outside liabilities/Tangible net worth (times)	8.4	4.2
Total debt/OPBDIT (times)	0.3	5.4
Interest coverage (times)	23.6	3.8

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs crore

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current Rating (FY2025)			Chronology of Rating History for the past 3 years			
		Amount Rated (Rs. crore)	Amount Outstanding as of Dec 31, 2023 (Rs. crore)	Date & Rating in FY2025	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022	
				Apr 02, 2024	Feb 22, 2024	Jan 19, 2023	Dec 23, 2021	
1	Cash Credit	Long-term	312.00	-	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
2	Non-Fund Based	Short-term	350.00	-	[ICRA]A2+	[ICRA]A2+	[ICRA]A2+	[ICRA]A2+
3	Term Loan	Long-term	-	-	-	-	-	[ICRA]A- (Stable)
4	Unallocated Limits	Long term/ Short term	98.96	-	[ICRA]A-(Stable)/ [ICRA]A2+	[ICRA]A-(Stable)/ [ICRA]A2+	[ICRA]A-(Stable)/ [ICRA]A2+	[ICRA]A-(Stable)/ [ICRA]A2+

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term Fund-based – Cash Credit	Simple
Short Term Non-Fund Based	Very Simple
Long Term/Short Term - Unallocated	Not applicable

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, is available on ICRA's website: [Click Here](#)

Annexure-I: Instrument details

ISIN No	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	312.00	[ICRA]A-(Stable)
NA	Non-fund based limits	-	-	-	350.00	[ICRA]A2+
NA	Long-term/ Short-term Unallocated Limits	-	-	-	98.96	[ICRA]A-(Stable)/[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:

Company Name	Ownership	Consolidation Approach
Goa Antibiotics and Pharmaceuticals Limited	74%	Full Consolidation
HLL Infratech Services Limited (HITES)	100%	Full Consolidation
Life Springs Hospitals Pvt Ltd	50%	Equity Method
HLL Mother & Child Care Hospitals Limited	100%	Full Consolidation

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