

July 28, 2025

Trivitron Healthcare Private Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Short-term-Overdraft-Fund based	5.00	0.00	-
Long-term/short-term-Cash credit-Fund based	55.00	45.00	[ICRA]BBB (Stable)/[ICRA]A3+; reaffirmed
Long-term/short-term-Unallocated-Unallocated	12.68	88.05	[ICRA]BBB (Stable)/[ICRA]A3+; reaffirmed
Short-term-Others-Interchangeable	(20.00)	0.00	-
Long-Term-Term loan-Fund based	15.82	5.95	[ICRA]BBB (Stable); reaffirmed
Short Term-Letter of Credit-Interchangeable	(35.00)	0.00	-
Short Term-Others-Non Fund Based	96.50	46.00	[ICRA]A3+; reaffirmed
Total	185.00	185.00	

*Instrument details are provided in Annexure-I

Rationale

The reaffirmation of ratings for the bank facilities of Trivitron Healthcare Private Limited (THPL/company), a supplier of medical devices and consumables in the Indian and few overseas markets, factors in the extensive experience of the promoter in the healthcare industry, the company's established presence in the medical equipment segment, its long relationships with customers, and diversified product profile with a healthy domestic-overseas revenue mix. The ratings also continue to draw comfort from the periodic fund infusion by the promoter through unsecured interest-free loans (Rs. 210.8 crore outstanding as of March 2025) to fund the operational and financial requirements of the company, leading to relatively low external debt levels (limited to Rs. 72.6 crore as of March 2025). THPL has a pan-India distribution network and global operations in West Asia, Europe, the US and Asia Pacific region (APAC) through its various operating subsidiaries or joint ventures (JVs), which have supported the company in expanding its presence. Further, the company has multiple manufacturing facilities and research and development (R&D) centres for medical instruments and reagents.

THPL reported a consolidated revenue growth of 11.2% to Rs. 489.8 crore¹ in FY2025, supported by its business development initiatives, including new product launches. The company's operating margins stood at 6.1% in FY2025, supported by cost-optimisation measures and a better product mix; however, sustainability and further improvement of the same remains critical. ICRA notes that the company's operating profit margins have remained volatile despite stable gross margins on account of intense competition from domestic and international players. Further, the company's operating margins are susceptible to the forex fluctuations due to overseas operations and import dependency for some raw materials and traded products. Accordingly, while the company's business prospects are likely to remain supported by market expansion initiatives (particularly in the overseas regions) and ramping up of new product launches (leading to better product mix), its translation into higher and stable earnings remains a key monitorable. The ratings also factor in the moderate working capital intensity of operations, on account of higher receivable period offered to customers, and its impact on the cash flows of the company. However, the promoter's track record of supporting the operations through unsecured interest-free loans, thereby limiting external borrowings, offers comfort.

¹ Based on provisional numbers

The Stable outlook on the long-term rating reflects ICRA's expectations that the company will be able to sustain its credit profile, supported by its extensive promoter support, diversified product profile and established relationships with its customers.

Key rating drivers and their description

Credit strengths

Established market presence in the medical equipment industry and extensive experience of promoter – THPL has an established presence spanning over two decades in the medical equipment industry in both the domestic and overseas markets. Apart from manufacturing and trading of medical devices, it is also present in the reagents and consumables segment. The company is one of the leading players in radiation protection apparels and C-arm devices in the domestic market and newborn screening devices in overseas markets such as Finland and Turkey. The company is promoted by Dr. G. S. K. Velu, a first-generation entrepreneur with over three decades of experience in the healthcare industry, managing diagnostic chains and hospitals, apart from manufacturing and trading medical devices. Dr. G S K Velu also has investments and key management positions in entities such as Neuberg Diagnostics Private Limited, Maxivision Eye Hospitals Private Limited, Apollo Dialysis Private Limited and Sri Kauvery Medical Care Trichy, among others.

Diversified product portfolio; global presence with healthy domestic-overseas mix – The company has a diversified product profile comprising C-arm/X-ray scans, ultrasound, newborn screening, radiation protection apparels, surgical imaging and ICU products, among others. Its presence across multiple products mitigates risks arising from revenue decline from any single product to an extent. The company currently manufactures around 50% of its products, while the remaining are imported and resold in the domestic market. Also, THPL has a diverse geographic presence across countries like Turkey, Finland, the US, and China, apart from India. About 57% of the consolidated revenues are derived from Asian entities (including India), while the remaining is from other overseas markets. The global presence reduces the vulnerability of revenues to any localised downturn/unforeseen events or region-specific risks and helps in capitalising on demand growth across regions.

Relatively low external debt and adequate liquidity – The company had consolidated debt of Rs. 283.4 crore as of March 2025 (of which Rs. 210.8 crore was interest-free promoter debt) against Rs. 368.5 crore as of March 2024 (of which Rs. 196.9 crore was promoter debt). The company used the maturity proceeds of fixed deposits (FDs) placed as a lien, to close the external term loan of Rs. 86.7 crore in FY2025, thereby leading to reduction of external borrowing to Rs 72.6 crore as on March 31, 2025 from Rs. 171.6 as on March 31, 2024. Against this, the company had free cash and liquid investments of Rs. 32.6 crore as on March 31, 2025 (Rs. 23.7 crore as on March 31, 2024) and undrawn working capital lines of Rs. 1.3 crore as on March 31, 2025 on a standalone basis, which supports its liquidity position. The company's cash flow from operations is expected to be sufficient in meeting the financial and operational requirements going forward and no new term loans are expected in the near to medium term.

Credit challenges

Volatility in profit margins and accruals despite steady gross margins – The company's gross margins have remained healthy at over 40% in the last several years. However, the operating profit margins have remained volatile, ranging from 19.6% in FY2022 to 0.7% in FY2023, on account of high competitive intensity, provisions taken for doubtful receivables, forex volatility, etc. Going forward, new product launches, ramp-up of volumes of existing products, price increase across products, increase in proportion of manufacturing products and cost-optimisation measures are expected to improve profit margins and accruals; nevertheless, the extent and sustainability of such improvement remains to be seen. The company's ability to improve profitability at a consolidated level on a sustained basis remains a key rating sensitivity.

Intense competition from established players – The medical devices industry in India comprises large multinational companies like Wipro GE Healthcare Pvt. Ltd., Siemens Healthcare Private Limited, and Philips India Limited, among others, with access to advanced technology and extensive service network. Besides, there are many local companies which have emerged in the

last one to two decades because of the demand potential and localisation opportunities, giving rise to intense competition and pricing pressure. However, THPL’s established presence, its diversified product profile, acquisition of foreign companies with expertise and technology in focus segments, and its ability to maintain stable gross margins mitigate competitive risks to an extent.

Moderate working capital intensity – The company holds relatively higher levels of inventory because of its diversified product profile and wide geographical presence. It also offers relatively higher credit period to its key customers leading to relatively higher receivables days. The company’s working capital intensity is likely to remain at similar levels, going forward.

Susceptible to adverse forex fluctuations, given the significant import dependance and inventory obsolescence risk (especially reagents) – The company’s profit margins are susceptible to adverse forex fluctuations, given its significant import dependence for critical components from the US, China and Germany. However, the company’s exports act as a partial natural hedge and mitigate the risk to an extent. Further, the company faces inventory obsolescence risk for reagents due to its limited shelf life. THPL, with its business requirements, holds a sizeable inventory of reagents, resulting in write-offs in case of obsolescence.

Liquidity position: Adequate

On a standalone basis, the company had free cash and liquid investments of Rs. 32.6 crore as on March 31, 2025 and undrawn working capital lines of Rs. 1.3 crore. Commencing from FY2026, the company is expected to generate free cash flows of Rs. 10-20 crore, on a consolidated basis, on account of reduced interest cost and tax expense due to accumulated losses. Against this, the company has a principal repayment obligation approximating Rs. 19 crore in FY2026, Rs. 2 crore in FY2027 and Rs. 1 crore in FY2028. The cash flow from operations is expected to remain sufficient in meeting the financial and operational requirements going forward and no new term loans are expected in the near to medium term. However, the promoter is expected to support through incremental unsecured loans in case of any exigencies or temporary cash flow mismatches.

Rating sensitivities

Positive factors – A sustained and significant improvement in profit margins and cash accruals on a consolidated basis along with low external debt levels could be a trigger for upgrade.

Negative factors – Inability to improve profitability indicators at a consolidated level on a sustained basis or significant increase in debt levels due to stretched working capital, capex or investments weakening the liquidity and credit profile could result in a downgrade. Lack of timely support from the promoter when needed and any significant investments in other promoter-owned entities could also be a trigger.

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. Details of consolidation have been provided in Annexure-II

About the company

THPL is involved in the manufacturing and trading/distribution of medical devices including C-arm/X-ray scans, ultrasound, newborn screening, radiation protection apparels, surgical imaging and ICU products, among others. The company also manufactures reagents, radiation protection apparels and other related accessories. THPL has a diverse geographical presence across countries like Turkey, Finland, the US, and China, apart from India with 15 manufacturing facilities. The company is closely held by the promoter, Dr. G. S. K. Velu (99.8% stake) and his family members. Besides his executive role in THPL, the

promoter has key managerial positions and stake in Maxivision Eye Hospital, Neuberg Diagnostics Private Limited and Sri Kauvery Medical Care (India) Limited.

Key financial indicators

Consolidated	FY2024	FY2025*
Operating income	440.6	489.8
PAT	-10.8	2.9
OPBDIT/OI	6.1%	3.9%
PAT/OI	-2.4%	0.6%
Total outside liabilities/Tangible net worth (times)	5.4	4.4
Total debt/OPBDIT (times)	13.7	14.9
Adjusted debt / OPBDIT # (times)	6.4	3.7
Interest coverage (times)	1.4	1.7

Amounts in Rs crore; Source: Company, ICRA Research; Financial ratios in this document are ICRA adjusted figures and may not be directly comparable with numbers reported by the company in some instances; PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; total debt includes lease liabilities; *provisional ; #Adjusted debt = Total debt (-) Promoter debt

Status of non-cooperation with previous CRA:

CRA	Status	Date of release
CRISIL	CRISIL B/Stable/CRISIL A4 (ISSUER NOT COOPERATING*; Migrated from CRISIL BB+/Positive/CRISIL A4+')	June 29, 2024

Any other information: None

Rating history for past three years

Instrument	Type	Current rating (FY2026)		Chronology of rating history for the past 3 years					
		Amount Rated (Rs Crore)	July 28, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Long Term / Short Term-Cash Credit-Fund Based	Long Term/Short Term	45.00	[ICRA]BBB (Stable)/[ICRA]A3+	25-APR-2024	[ICRA]BBB (Stable)/[ICRA]A3+	-	-	-	-
Long Term / Short Term-Unallocated-Unallocated	Long Term/Short Term	88.05	[ICRA]BBB (Stable)/[ICRA]A3+	25-APR-2024	[ICRA]BBB (Stable)/[ICRA]A3+	-	-	-	-
Long Term-Term Loan-Fund Based	Long Term	5.95	[ICRA]BBB (Stable)	25-APR-2024	[ICRA]BBB (Stable)	-	-	-	-

Short Term-Letter of Credit-Interchangeable	Short Term	0.00	-	25-APR-2024	[ICRA]A3+	-	-	-	-
Short Term-Others-Interchangeable	Short Term	0.00	-	25-APR-2024	[ICRA]A3+	-	-	-	-
Short Term-Others-Non Fund Based	Short Term	46.00	[ICRA]A3+	25-APR-2024	[ICRA]A3+	-	-	-	-
Short Term-Overdraft-Fund Based	Short Term	0.00	-	25-APR-2024	[ICRA]A3+	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Short Term-Overdraft-Fund Based	Simple
Long Term / Short Term-Cash Credit-Fund Based	Simple
Long Term / Short Term-Unallocated-Unallocated	NA
Short Term-Others-Interchangeable	Simple
Long Term-Term Loan-Fund Based	Simple
Short Term-Letter of Credit-Interchangeable	Very Simple
Short Term-Others-Non Fund Based	Very 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 I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term loan – I	FY2022-2023	9.25%	FY2027	5.95	[ICRA]BBB (Stable)
NA	CC/WCDL	NA	8.50-9.50%	NA	45.00	[ICRA]BBB (Stable)/[ICRA]A3+
NA	LC/BG	NA	NA	NA	46.00	[ICRA]A3+
NA	Unallocated	NA	NA	NA	88.05	[ICRA]BBB (Stable)/[ICRA]A3+

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
Vision Medicaid Equipments Private Limited	51.00%	Full Consolidation
Imaging Products India Private Limited	99.99%	Full Consolidation
Define Bio Private Limited	100.00%	Full Consolidation
Trivitron Healthcare Middle East FZ LLC Dubai	100.00%	Full Consolidation
Labsystems Diagnostics Oy, Finland	100.00%	Full Consolidation
Bome Trivitron Sanayi Urünleri DIS Ticaret Anomim Şirketi, Turkey	60.00%	Full Consolidation
Kiran Medical Technologies Private Limited	100.00%	Full Consolidation
Aloka Trivitron Medical Technologies Private Limited	100.00%	Full Consolidation
Biosystems Diagnostics Private Limited	50.00%	Equity method
Zittron Healthcare Private Limited	50.00%	Equity method
Trivitron Healthcare Africa BV	50.00%	Equity method
Trivitron Nawakama Medical Technologies Private Limited, Sri Lanka	50.00%	Equity method

Source: Company

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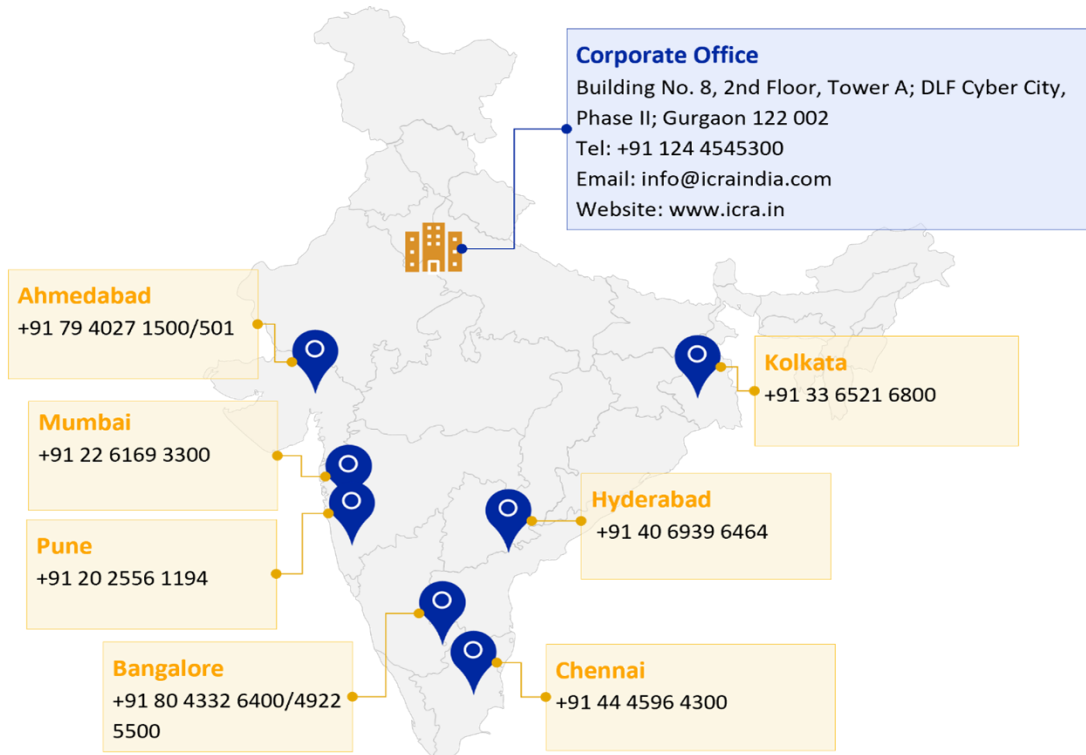


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