

January 08, 2026

## Tablets (India) Limited: Ratings reaffirmed; rated amount enhanced

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Fund-based – Cash credit	42.50	62.50	[ICRA]A (Stable); reaffirmed and assigned for enhanced amount
Short-term – Non-fund based	7.50	7.50	[ICRA]A1; reaffirmed
Short-term – Fund-based – Sub-limit	(17.00)	(15.00)	[ICRA]A1; reaffirmed
Short-term Non-fund Based – Sub-limit	(22.00)	(35.00)	[ICRA]A1; reaffirmed and assigned for enhanced amount
Long-term/Short-term Unallocated	10.30	5.30	[ICRA]A (Stable)/ [ICRA]A1; reaffirmed
<b>Total</b>	<b>60.30</b>	<b>75.30</b>	

\*Instrument details are provided in Annexure I

### Rationale

The ratings factor in Tablets (India) Limited's established market position in the domestic formulations industry with well-known branded generics such as Bifilac, Astymin and Ambrolite. The company's periodic product launches and presence across the paediatrics, gynaecology, gastroenterology, nutritional supplements and calcium supplement segments have supported the scale-up in its operations, with revenues growing at a healthy compounded annual growth rate of 13-14% over the five-year period ending FY2025. The ratings are also supported by Tablets' long-standing technological/raw material supply partnerships with renowned Japanese, European and American pharmaceutical entities, as it derives around 50% of its revenues from collaboration-driven products.

Tablets' revenue grew by around 9% in FY2025, supported by strong institutional demand and merchant exports. It is expected to record high single-digit revenue growth in FY2026, aided by healthy demand for its key products. The company is incurring capex towards expanding its capacity by 30-35% at an estimated cost of Rs. 275 crore (largely funded by internal accruals and a small portion through debt), which is likely to commence commercial production in H2 FY2027. Timely completion within the budgeted cost and successful ramp-up of operations remain monitorable and are critical to drive revenue growth over the medium term. Its operating margins continue to be robust at 22.1% despite a marginal moderation from 23.8% in FY2024 and are expected to be healthy going forward as well. The ratings also consider the company's comfortable financial profile, characterised by negligible debt levels and strong coverage metrics.

The ratings are, however, constrained by a revenue skew towards the domestic market, which is characterised by stiff competition, partly arising from the fragmented structure of the domestic formulation industry. ICRA also notes the product concentration risk, as the company's top three products constituted 47% of its revenues in FY2025.

The Stable outlook reflects ICRA's opinion that Tablets' revenue and earnings are expected to improve, aided by planned capacity additions and benefitting from the collaborations with its overseas partners, leading to a sustained strong debt metrics.

## Key rating drivers and their description

### Credit strengths

**Established technological/raw material supply collaborations** – Tablets derives around 50% of its revenues from products developed in collaboration with international partners. The company has long-standing tie-ups for raw material supply/technology collaborations with renowned Japanese, European and American pharmaceutical majors for its main product categories.

**Established presence in domestic branded generics industry; periodic product innovation aids in introduction of new products** – Tablets is a well-known player in the branded generics space with strong brand recall for brands like Bifilac, Astymin, Astyfer, Ambrolite and Peglec, etc. The company generally launches four to six products and brand extensions every year. Its periodic product launches and established presence across the paediatrics, gynaecology, gastroenterology, nutritional supplements and calcium supplement segments are likely to support revenues over the medium term.

**Healthy financial profile** – Tablet's overall financial profile is strong, with negligible debt and strong cash accruals resulting in interest coverage ratio of 90.0 times and zero gearing as on FY2025. Tablets' financial profile is expected to remain healthy, despite its Rs. 175-180 crore capex plans (partially debt-funded) this year. Ramp-up of sales from the new unit, coupled with planned launch of new products and expansion to new geographies, is expected to drive scale-up of operations over the medium term.

### Credit challenges

**Most revenues derived from highly fragmented and intensely competitive domestic market** – Tablets derives over 90% of its revenues from the domestic market, exposing it to risks of geographical concentration. Further, intense competition and the fragmented nature of the domestic pharma formulations industry can impact its pricing power. However, the company has demonstrated its ability to pass on increase in raw material costs to its customers, enabling margin sustenance. Moreover, it intends to expand its exports post the commencement of its new facility.

**High product concentration with top three products contributing to 47-48% of revenues in FY2025** – Tablets faces risk of product concentration, with its top three products contributing around 47% of revenues in FY2025. However, this is mitigated to an extent by the company's ability to launch new variants of its existing products, which provides revenue visibility. Further, Tablets is present in multiple therapeutic segments, which have healthy growth prospects in the medium term, given increasing health problems due to lifestyle issues.

### Liquidity position: Strong

Tablets' liquidity is strong, with expected retained cash flows of Rs. 100-110 crore in FY2026, healthy cash and investments of Rs. 245-250.0 crore as on September 30, 2025, unutilised fund-based working capital limits of ~Rs. 42.5 crore as on September 30, 2025 and a sanctioned term loan of Rs. 50.0 crore. Against this, it has capex plans of Rs. 175.0-180.0 crore in FY2026 and does not have any debt repayment obligations.

### Rating sensitivities

**Positive factors** – The rating may be upgraded if the company records healthy revenue growth with successful commencement of operations at the new plant and ramp-up in sales from new products, while maintaining healthy margins and credit metrics.

**Negative factors** – Negative pressure on the rating could arise if there is any material decline in Tablets' revenues on a sustained basis, or if the liquidity position weakens on account of higher-than-expected capex or elongation in working capital cycle.

## Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology Pharmaceuticals</a>
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on the company's consolidated financial profile.

## About the company

Tablets (India) Limited primarily manufactures branded generic pharmaceutical formulations for the domestic market (~96% of its revenues). It also derives a small share of its income from the sales of active pharmaceutical ingredients (APIs), aqua and animal feed supplements and exports. The formulations cover a wide range of therapeutic segments, such as paediatrics, gynaecology, gastroenterology and intestinal health, among others. A number of these are manufactured through technical collaborations with renowned Japanese, European and American pharmaceutical entities. Tablets' products are manufactured from its facility in Chennai, which is GMP1 certified as per World Health Organization (WHO) norms and certified by the Societe Generale de Surveillance (SGS, the UK). The manufacturing of some of its products is outsourced to local players in Pondicherry and Baddi (Himachal Pradesh).

## Key financial indicators (audited)

Tablets (India) Limited (consolidated)	FY2024	FY2025
Operating income	589.8	642.9
PAT	117.2	121.2
OPBDIT/OI	23.7%	22.2%
PAT/OI	19.9%	18.9%
Total outside liabilities/Tangible net worth (times)	0.2	0.1
Total debt/OPBDIT (times)	0.0	0.0
Interest coverage (times)	88.0	89.9

Amounts in Rs. crore; Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

## Rating history for past three years

Instrument	Current rating (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Jan 08, 2026	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Cash credit	Long term	62.50	[ICRA]A (Stable)	Dec 17, 2024	[ICRA]A (Stable)	Jan 05, 2024	[ICRA]A (Stable)	Dec 29, 2022	[ICRA]A (Stable)
Non-fund based	Short term	7.50	[ICRA]A1	Dec 17, 2024	[ICRA]A1	Jan 05, 2024	[ICRA]A1	Dec 29, 2022	[ICRA]A1
Non-fund based – Sublimit	Short term	(15.00)	[ICRA]A1	Dec 17, 2024	[ICRA]A1	Jan 05, 2024	[ICRA]A1	Dec 29, 2022	[ICRA]A1
Fund-based – Sublimit	Short term	(35.00)	[ICRA]A1	Dec 17, 2024	[ICRA]A1	Jan 05, 2024	[ICRA]A1	Dec 29, 2022	[ICRA]A1
Unallocated	Long term/ Short term	5.30	[ICRA]A (Stable)/ [ICRA]A1	Dec 17, 2024	[ICRA]A (Stable)/ [ICRA]A1	Jan 05, 2024	[ICRA]A (Stable)/ [ICRA]A1	Dec 29, 2022	[ICRA]A (Stable)/ [ICRA]A1

## Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund-based – Cash credit	Simple
Short-term non-fund based	Simple
Short-term non-fund based – Sublimit	Simple
Short-term fund-based – Sublimit	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 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	Cash credit	NA	NA	NA	62.50	[ICRA]A (Stable)
NA	Non-fund based limits	NA	NA	NA	7.50	[ICRA]A1
NA	Short-term – Fund-based – Sub-limit	NA	NA	NA	(15.00)	[ICRA]A1
NA	Short-term – Non-fund based – Sublimit	NA	NA	NA	(35.00)	[ICRA]A1
NA	Long-term/Short-term – Unallocated	NA	NA	NA	5.30	[ICRA]A (Stable)/ [ICRA]A1

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
Sinto Bharat Manufacturing Pvt Ltd	21.9%	Equity Method
Tablets Globalcare Pvt Ltd	17.1%	Equity Method
Tablets Medopharm Pvt Ltd	19.7%	Equity Method

## ANALYST CONTACTS

**Jitin Makkar**

+91 124 4545 368

[jitinm@icraindia.com](mailto:jitinm@icraindia.com)

**Srikumar Krishnamurthy**

+91 44 4596 4318

[ksrikumar@icraindia.com](mailto:ksrikumar@icraindia.com)

**Nithya Debbadi**

+91 40 6939 6416

[nithya.debbadi@icraindia.com](mailto:nithya.debbadi@icraindia.com)

**Prabhav Tiwari**

+91 124 4545 802

[prabhav.tiwari@icraindia.com](mailto:prabhav.tiwari@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**

+91 22 6114 3406

[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto:info@icraindia.com)

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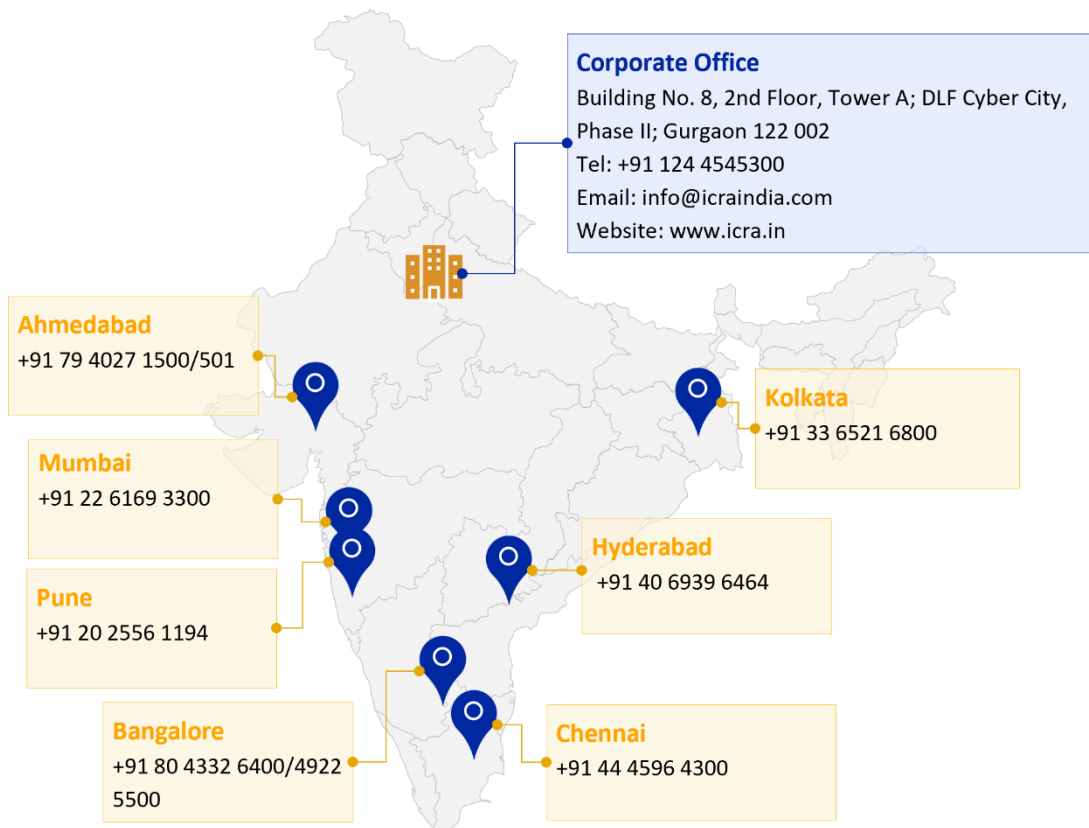
### Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



### Branches



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