

February 19, 2026

Hikal Limited: Change in limits for Bank facilities

Summary of rating action

| Instrument* | Previous Rated Amount (Rs. crore) | Current Rated Amount (Rs. crore) | Rating Action |
|--|-----------------------------------|----------------------------------|--|
| Long-term fund-based term loans | 323.96 | 323.96 | [ICRA]A (Stable); Outstanding |
| Long-term – fund-based – working capital facilities | 254.00 | 384.00 | [ICRA]A (Stable); Outstanding |
| Long-term – unallocated limits (\$ million)# | 6.27 | - | - |
| Short-term – fund-based facilities | 280.50 | 190.50 | [ICRA]A2+; Outstanding |
| Short-term – non-fund based facilities | 40.00 | 62.00 | [ICRA]A2+; Outstanding |
| Short-term – unallocated facilities | 195.74 | - | - |
| Unallocated facilities# | - | 133.74+ \$6.27 million | [ICRA]A (Stable)/ [ICRA]A2+; Outstanding |
| Total | 1,094.20+ \$6.27 million | 1,094.20+ \$6.27 million | |

*Instrument details are provided in Annexure-I

#Though a part of the long-term loans of Hikal are denominated in foreign currency, ICRA's ratings for the same are on national rating scale, as distinct from an international rating scale

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 the key rating drivers and their description, the liquidity position, environmental and social risks and rating sensitivities : [click here](#)

Analytical approach

| Analytical Approach | Comments |
|--|--|
| Applicable rating methodologies | Corporate Credit Rating Methodology Pharmaceuticals Agrochemicals |
| Parent/Group support | Not Applicable |
| Consolidation/Standalone | For arriving at the ratings, ICRA has considered the consolidated financials of Hikal Limited. Refer to the Annexure-II for the list of entities considered for consolidation. |

About the company

Hikal was incorporated on July 8, 1988, as a private limited company, Hikal Chemicals Industries Private Limited, by the Hiremath family and Surajmukhi Investments & Finance Limited, a wholly owned subsidiary of Kalyani Steels Limited. The company was listed in 1995; and subsequently was renamed as Hikal Limited in 2000.

The company has a commercial production facility at Mahad (Maharashtra) for intermediates used in dyes, pharmaceuticals and agrochemicals. The plant at Taloja (Maharashtra), which manufactures crop protection chemicals, is the only fully integrated plant in the world to produce Thiabendazole. The facility at Panoli (Gujarat) produces key intermediates and regulatory starting materials for the pharmaceutical industry and is certified by the US FDA, PMDA (Japan) and EUGMP. The Bangalore facility manufactures key APIs for the pharmaceutical industry and has been approved by the US FDA, PMDA (Japan) and EU Authorities. The company has an R&D centre in Pune (Maharashtra), which provides end-to-end services for APIs, custom synthesis, analytical development and scale-up from development to commercial manufacturing.

Key financial indicators (audited)

| Hikal – Consolidated | FY2024 | FY2025 | H1 FY2026* |
|---|--------|---------|------------|
| Operating income | 1784.6 | 1,859.8 | 698.9 |
| PAT | 69.6 | 87.8 | -57.3 |
| OPBDIT/OI | 15.0% | 17.5% | 4.6% |
| PAT/OI | 3.9% | 4.7% | -8.2% |
| Total outside liabilities/Tangible net worth (times) | 1.1 | 1.0 | 1.0 |
| Total debt/OPBDIT (times) | 3.1 | 2.4 | 10.6 |
| Interest coverage (times) | 4.7 | 4.3 | 1.0 |

Source: Company, ICRA Research; * Provisional numbers; 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

| Current rating (FY2026) | | | | Chronology of rating history for the past 3 years | | | | | | | |
|-------------------------|-----------|-------------------------|------------------|---|-------------------|--------|--------|--------------|-------------------|--------------|-------------------|
| Instrument | Type | Amount rated (Rs crore) | Feb 19, 2026 | FY2026 | | FY2025 | | FY2024 | | FY2023 | |
| | | | | Date | Rating | Date | Rating | Date | Rating | Date | Rating |
| Fund Based limits | Long Term | 384.00 | [ICRA]A (Stable) | Apr 09, 2025 | [ICRA]A+ (Stable) | - | - | Apr 03, 2023 | [ICRA]A+ (Stable) | Jun 20, 2022 | [ICRA]A+ @ |
| | | | | Aug 19, 2025 | [ICRA]A+ (Stable) | - | - | Mar 04, 2024 | [ICRA]A+ (Stable) | Mar 14, 2023 | [ICRA]A+ (Stable) |
| | | | | Nov 24, 2025 | [ICRA]A (Stable) | - | - | - | - | - | - |
| Fund Based-Term Loan | Long Term | 323.96 | [ICRA]A (Stable) | Apr 09, 2025 | [ICRA]A+ (Stable) | - | - | Apr 03, 2023 | [ICRA]A+ (Stable) | Jun 20, 2022 | [ICRA]A+ @ |
| | | | | Aug 19, 2025 | [ICRA]A+ (Stable) | - | - | Mar 04, 2024 | [ICRA]A+ (Stable) | Mar 14, 2023 | [ICRA]A+ (Stable) |
| | | | | Nov 24, 2025 | [ICRA]A (Stable) | - | - | - | - | - | - |
| Unallocated limits | Long Term | - | - | Apr 09, 2025 | [ICRA]A+ (Stable) | - | - | Apr 03, 2023 | [ICRA]A+ (Stable) | Jun 20, 2022 | [ICRA]A+ @ |
| | | | | Aug 19, 2025 | [ICRA]A+ (Stable) | - | - | Mar 04, 2024 | [ICRA]A+ (Stable) | Mar 14, 2023 | [ICRA]A+ (Stable) |
| | | | | Nov 24, 2025 | [ICRA]A (Stable) | - | - | - | - | - | - |

| | | | | | | | | | | | |
|------------------------------|-----------------------|------------------------|-----------------------------|--------------|------------|---|---|--------------|-------------------|--------------|-------------------|
| Fund Based limits | Short Term | 190.50 | [ICRA]A2+ | Apr 09, 2025 | [ICRA]A1 | - | - | Apr 03, 2023 | [ICRA]A1 | Jun 20, 2022 | [ICRA]A1 @ |
| | | | | Aug 19, 2025 | [ICRA]A1 | - | - | Mar 04, 2024 | [ICRA]A1 | Mar 14, 2023 | [ICRA]A1 |
| | | | | Nov 24, 2025 | [ICRA]A2 + | - | - | - | - | - | - |
| Non Fund Based limits | Short Term | 62.00 | [ICRA]A2+ | Apr 09, 2025 | [ICRA]A1 | - | - | Apr 03, 2023 | [ICRA]A1 | Jun 20, 2022 | [ICRA]A1 @ |
| | | | | Aug 19, 2025 | [ICRA]A1 | - | - | Mar 04, 2024 | [ICRA]A1 | Mar 14, 2023 | [ICRA]A1 |
| | | | | Nov 24, 2025 | [ICRA]A2 + | - | - | - | - | - | - |
| Unallocated limits | Short Term | - | - | Apr 09, 2025 | [ICRA]A1 | - | - | Apr 03, 2023 | [ICRA]A1 | Mar 14, 2023 | [ICRA]A1 |
| | | | | Aug 19, 2025 | [ICRA]A1 | - | - | Mar 04, 2024 | [ICRA]A1 | - | - |
| | | | | Nov 24, 2025 | [ICRA]A2 + | - | - | - | - | - | - |
| Unallocated limits | Long Term/ Short Term | 133.74+ \$6.27 million | [ICRA]A (Stable)/ [ICRA]A2+ | - | - | - | - | - | - | - | - |
| Fund Based limits | Long Term | - | - | - | - | - | - | Apr 03, 2023 | [ICRA]A+ (Stable) | Mar 14, 2023 | [ICRA]A+ (Stable) |
| | - | - | - | - | - | - | - | Mar 04, 2024 | [ICRA]A+ (Stable) | - | - |

@: Rating watch with Negative Implications

Complexity level of the rated instruments

| Instrument | Complexity Indicator |
|---|----------------------|
| Long-term term loan | Simple |
| Long-term fund-based – Working capital | Simple |
| Short-term fund-based | Simple |
| Short-term non-fund based | 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 | Term loan-I | FY2019 | NA | Feb 2027 | 26.20 | [ICRA]A (Stable) |
| NA | Term loan-II | FY2019 | NA | Sep 2026 | 21.10 | [ICRA]A (Stable) |
| NA | Term loan-III | FY2021 | NA | June 2028 | 185.00 | [ICRA]A (Stable) |
| NA | Term loan-IV | FY2023 | NA | June 2030 | 91.66 | [ICRA]A (Stable) |
| NA | Working capital Facilities | NA | NA | NA | 384.00 | [ICRA]A (Stable) |
| NA | Fund-based facilities | NA | NA | NA | 190.50 | [ICRA]A2+ |
| NA | Non-fund-based facility | NA | NA | NA | 62.00 | [ICRA]A2+ |
| NA | Unallocated | NA | NA | NA | 133.74+ \$6.27 million | [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 | Hikal Ownership | Consolidation Approach |
|-------------------------|--------------------|---------------------------|
| Acoris Research Limited | 100.00% | Full Consolidation |
| Hikal LLC, USA | 100.00% | Full Consolidation |

Source: Annual report, FY2025

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