



Press Release

Nobel Hygiene Private Limited
July 23, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	61.48	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	IVR BB+/Stable (IVR Double B Plus with Stable Outlook)	Rating Upgraded	Simple
Long Term Bank Facilities - Proposed	26.10	IVR BBB-/Stable (IVR Triple B Minus with Stable Outlook)	IVR BB+/Stable (IVR Double B Plus with Stable Outlook)	Rating Upgraded	Simple
Short Term Bank Facilities	12.42	IVR A3 (IVR A Three)	IVR A4+ (IVR A Four Plus)	Rating Upgraded	Simple
Total	100.00	(Rupees One Hundred Crore Only)			

Details of Facilities are in Annexure 1. Facility wise lender details are at Annexure 2.

Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics has upgraded the ratings assigned to the bank facilities of Nobel Hygiene Private Limited (NHPL), deriving comfort from the sustained improvement in operating performance, established market position, comfortable capital structure, and equity infusion during FY26. However, these rating strengths are partially offset by an elongated working capital cycle, weak debt protection metrics, and profitability being susceptible to volatility in input raw material prices.

Further, the outlook is maintained at stable as Infomerics believes that the NHPL will continue to derive benefits from experienced promoters and established track record in the industry.

Key Rating Sensitivities:

Upward Factors

- Sustained improvement in revenue and EBITDA margins along while maintaining current profile and improvement working capital cycle.

Downward Factors

- Sustained declined in revenue and inability to improve EBITDA margins and/or any unplanned debt led capex and/or further deterioration in working capital



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and/or any delay in planned equity infusion leading to deterioration in capital structure and further weakening of debt protection metrics.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Sustained improvement in operating performance**

Nobel Group's total operating income improved by ~6% on a y-o-y basis to Rs. 772.98 crore in FY25 (provisional) (period refers from 01st April 2024 to 31st March 2025) from Rs. 728.54 crore in FY24, driven by improved realizations and higher volumes. The EBITDA margin improved to 7.31% in FY25 (FY24: 2.54%), supported by the stabilisation of raw material prices and increased production at the Baroda plants, resulting in better absorption of fixed costs. Consequently, the company reported a positive PAT of Rs. 3.35 crore in FY25, compared to a loss of Rs. 39.01 crore in FY24. Infomerics expects Nobel Group's revenue to improve further from FY26 onwards, supported by improved capacity utilisation, rising demand, and growth in e-commerce sales.

- **Comfortable capital structure and periodic capital infusion by promoters**

The capital structure of NHPL remained comfortable, with an overall gearing ratio of 0.68x and an adjusted TOL/TNW ratio of 1.23x as on March 31, 2025 (31st March 2024.: 0.95x and 1.79x, respectively). This improvement was supported by a robust adjusted tangible net worth of Rs. 282.97 crore in FY25 (FY24: Rs. 225.34 crore), primarily driven by periodic equity infusions by the promoters and financial support from strategic investors. The promoters infused Rs. 50 crore during FY22 and raised Rs. 132 crore through Compulsorily Convertible Preference Shares (CCPS) from a private equity player. Further, during FY25, the group company received Rs. 38.53 crore as share warrant money, raised additional equity of Rs. 75 crore in May 2025, and also received Rs. 26 crore under the PLI scheme in the same month all of which contributed to the strengthening of the company's net worth.



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- **Established a market position**

Nobel Group has established a market position with ~60% market share in Adult Diaper Segment and ~5% market share in baby diaper segment. The Group is a key player in the kids' diaper segment with its brands, Teddy and Snuggly. It also produces women's hygiene products under the brand Rio.

Key Rating Weaknesses

- **Weak Debt Protection Metrics**

The debt coverage metrics remained weak, as reflected by an interest coverage ratio of 2.02x and a total debt/EBITDA of 3.38x at the end of FY25. The DSCR remained below unity during FY25.

- **Elongated working capital**

Nobel Group's gross working capital cycle remains elongated reflected by high gross current asset days 109 at the end of FY25 (FY24: 111 days). Inventory days remain high as group needs to stock its raw material inventory to support its operations.

- **Profitability susceptible to volatility in prices of input raw material**

The key raw materials for manufacturing adult diapers include fluff pulp, super absorbent polymers (SAP), backsheets, and adhesives. The prices of these materials are not fixed and depend on prevailing market rates. Fluctuations in raw material prices, particularly wood pulp and SAP, along with socio-political risks, may impact the operating margin, as these materials are sourced from international markets. Consequently, NHPL is exposed to raw material price volatility.

Analytical Approach: Consolidated

For arriving at the ratings, Infomerics has taken consolidated financials of Nobel Hygiene Private Limited and Nobel Hygiene Baroda Private Limited, wholly owned subsidiary of NHPL and commonly referred as Nobel group as these companies have a common management, involved in same line of business and having strong operational & financial linkages between themselves.



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Applicable Criteria:

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\).](#)

[Criteria for assigning Rating outlook.](#)

[Rating criteria for consolidation of companies](#)

[Policy on Default Recognition and post default curing period](#)

[Complexity Level of Rated Instruments/Facilities](#)

Liquidity – Adequate

Group is expected to maintain an adequate liquidity profile, as its projected gross cash accrual for FY26-FY27 is estimated to be around Rs. 59-77 crore, which should comfortably cover its debt repayments of Rs. 53.72 crore in FY26 and Rs. 56.31 crore in FY27. The company received share warrant money of Rs. 38.53 crore in FY25, raised additional equity of Rs. 75 crore in May 2025 and also received Rs. 26 crore under the PLI scheme during the same month, all of which have improved its liquidity position. The company has modest cash & bank balance of Rs. 2.57 crore and fixed deposit of Rs.28.00 crore as on June 30, 2025.

About the Company

Nobel Hygiene Private Limited is engaged in manufacturing & trading of hygiene care products and sanitary napkins for adults and babies. The product portfolio of the Company includes adult diapers (pant/tape style), adult under-pads, adult insert pads, maternity pads, baby diapers (pant/tape style), baby nappy pads, diaper changing mat, baby wet wipes and sanitary napkins.

About the Group

Nobel Hygiene Private Limited ('the Company') and its wholly owned subsidiary / subsidiary, Nobel Hygiene Baroda Private Limited (collectively referred to as 'the Group') is engaged in the business of manufacturing and trading of diapers, underpads and other related products.



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Financials (Consolidated):

For the year ended/ As on*	(Rs. crore)	
	31-03-2024	31-03-2025
	Audited	Provisional
Total Operating Income	728.54	772.98
EBITDA	18.47	56.47
PAT	-39.01	3.35
Total Debt	213.74	191.01
Adjusted Tangible Net Worth	225.34	282.97
EBITDA Margin (%)	2.54	7.31
PAT Margin (%)	-5.33	0.43
Adjusted Overall Gearing Ratio (x)	0.95	0.68
Interest Coverage (x)	0.67	2.02

* Classification as per Infomerics Standard

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years:

Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2025-26)				Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					Apr 11, 2025	-	-	-
1.	Long Term Fund Based Bank Facilities – Term Loan	Long Term	13.48	IVR BBB-/ Stable	IVR BB+/ Stable	-	-	-
2.	Long Term Fund Based Bank Facilities – Cash Credit	Long Term	48.00	IVR BBB-/ Stable	IVR BB+/ Stable	-	-	-
3.	Long Term Fund Based Bank Facilities - Proposed	Long Term	26.10	IVR BBB-/ Stable	IVR BB+/ Stable	-	-	-
4.	Short Term Non Fund Based Bank Facilities – Bank Guarantee	Short Term	3.42	IVR A3	IVR A4+	-	-	-



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Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2025-26)				Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
5.	Short Term Non Fund Based Bank Facilities – Letter of credit/ Buyer's credit	Short Term	9.00	IVR A3	IVR A4+	-	-	-

Analytical contacts

Name: Amey Joshi
Tel: (022) 62396023
Email: amey.joshi@infomerics.com

About Infomerics:

Infomerics Valuation and Rating Ltd (Formerly Infomerics Valuation and Rating Pvt. Ltd.) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

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



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Annexure 1: Details of Facilities

Name of Facility	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	-	-	-	Aug-27	10.00	IVR BBB-/ Stable
Term Loan	-	-	-	Dec-25	3.48	IVR BBB-/ Stable
Cash credit	-	-	-	-	48.00	IVR BBB-/ Stable
Bank Guarantee	-	-	-	-	3.42	IVR A3
Letter of credit/ Buyer's Credit	-	-	-	-	9.00	IVR A3
Long Term Fund Based Bank Facilities - Proposed	-	-	-	-	26.10	IVR BBB-/ Stable

Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-Nobel-Hygiene-23july25.pdf>

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



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Annexure 4: List of companies considered for consolidated analysis:

Name of the company/Entity	Extent of consolidation (%)
Nobel Hygiene Private Limited	100
Nobel Hygiene Baroda Private Limited	100

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

