



Press Release

Uniclan Healthcare Private Limited

April 14, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<u>Complexity Indicator</u>
Long Term Bank Facilities	36.75	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	IVR BB+/RWPI (IVR Double B Plus under Rating Watch with Positive Implications)	Rating removed from Watch and Upgraded	Simple
Short Term Bank Facilities	1.00	IVR A3 (IVR A Three)	IVR A4+/RWPI (IVR A Four Plus under Rating Watch with Positive Implications)	Rating removed from Watch and Upgraded	Simple
Total	37.75	Rupees Thirty Seven Crore and Seventy Five Lakhs Only			

Details of Facilities/Instrument are in Annexure 1

Facility wise lender details are at Annexure 2

Detailed explanation of covenants is at Annexure 3

Detailed Rationale

Infomerics Valuation and Rating Limited (IVR) has upgraded long term rating to IVR BBB- with Stable Outlook and short-term rating to IVR A3 for the bank loan facilities of Uniclan Healthcare Private Limited (UHPL).

The rating draw comfort from experienced management, strong parentage of DIL, comfortable capital structure and debt protection metrics. However, these strengths are partially offset by susceptibility of profitability to volatility in raw material prices and intense competition.

The rating has been removed from Rating Watch with Positive Implications (RWPI) as the proposed acquisition of 51.77% stake in UHPL by DOMS Industries Limited (DIL) has been completed.

The Stable outlook indicates a low likelihood of rating change over the medium term. IVR believes that UHPL business risk profile will be maintained in the near term.



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IVR has principally relied on the standalone audited financial results of UHPL upto 31 March 2024 (refers to period April 1st, 2023, to March 31, 2024), 11MFY25 unaudited results and projected financials for FY2025, FY2026 and FY2027, and publicly available information/clarifications provided by the company's management.

Key Rating Sensitivities:

Upward Factors

- Substantial improvement in the scale of operations with TOI above Rs. 250 crore and EBITDA margins
- Improvement in debt protection metrics
- Sustenance of the overall gearing below 0.80x

Downward Factors

- Significant reduction in the scale of operations and profitability margins,
- Deterioration in debt protection metrics and overall gearing

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Experienced management:**

Overall activities of UHPL are managed by 7 directors with Vatsal Mahendrakumar Desai being Managing Director. He has experience of a decade in existing line of business. He is ably supported by other directors namely, Amit Mehta, Basant Kumar Jain, Ritika Mehta and Chandni Somaiya who have effective experience in business as well as supported by qualified and well experienced management team.

- **Strong parentage:**

DOMS Industries Limited (DIL) holds 51.77% shareholding in UHPL. DIL is one of India's leading stationery and art products company. The Company designs, develops, manufactures and sells a wide range of well-designed, quality stationery and art products, categorised into seven categories that include, scholastic stationery, scholastic art material, paper stationery, kits and combos, office supplies, hobby and craft and fine art products. The Company's multi-channel distribution network is spread domestically across 28 states and UTs of India as well as in 45 countries globally covering the US, Africa, Asia Pacific, Europe and Middle East. UHPL will benefit from DIL's strong brand presence, extensive distribution network, and supply chain expertise, enhancing its market reach across Pan India and it also opens gates to 70+ countries for having an immense export opportunity.



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- **Comfortable debt protection metrics and capital structure:**

The capital structure of the company stood comfortable with the adjusted overall gearing remained stable at 1.79x as on March 31, 2024, as against 1.96x as on March 31, 2023. The adjusted tangible networth stood at Rs. 19.69 crore in FY2024 and in 11MFY25 the tangible networth further improved to Rs. 47.98 crore. In terms of the debt protection metrics, the interest service coverage ratio (ISCR) improved to 2.29x in FY2024 as compared to 2.09x in FY2023 due to better profitability, and the debt service coverage ratio (DSCR) stood comfortable at 1.04x in FY2024.

Key Rating Weaknesses

- **Susceptibility of profitability to volatility in raw material prices:**

The company's profitability remains exposed to volatility raw material prices as the key raw materials are fluff, release paper, positioning glue etc. are volatile in nature and the company is exposed to the raw material price fluctuation risk due to high inventory holding period.

- **Intense competition:**

The company is into manufacturing personal hygiene care products mainly Diapers, which is highly fragmented nature of business as there are large number of unorganized and small players. Resultantly, leading to intense competition and pricing pressure, which in turn result in thin margins.

Analytical Approach: For arriving at the ratings, IVR has analysed UHPL's credit profile by considering the standalone financial statements of the company. IVR has now also analysed UHPL by considering parent support of DOMS Industries Limited which holds 51.77% shareholding in UHPL and common management.

Applicable Criteria:

[Rating Methodology for Manufacturing Companies.](#)

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

[Criteria for assigning Rating outlook.](#)

[Criteria on Parent and Group Support](#)

[Policy on Default Recognition](#)

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



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Liquidity – Adequate

The company has an adequate liquidity position. There are long-term secured borrowings from banks, amounting to Rs. 16.55 crore, as on 31st March 2024. Against a current portion of long-term debt (CPLTD) of Rs 3.60 crore in FY2024, the company had a cash accrual of Rs. 3.84 crore in FY2024. The company projected to generate cash accruals between Rs.6.97-Rs. 15.08 crore in FY2025-FY2027 which are sufficient for its repayment obligations. With the adequate expected cash accruals against repayments, the liquidity position will remain adequate.

About the Company

Uniclan Healthcare Private Limited (UHPL) was incorporated in 2016. The company is engaged in manufacturing and sale of Baby Diapers Infant Diapers and Toddler Diapers. The Baby Diapers are sold under the brand of Wowper. The company has one manufacturing units is in Jaipur, Rajasthan with total installed capacity of 356 million pieces per annum. DOMS Industries Limited (DIL) acquired 51.77% stake in UHPL. Thereafter it is a subsidiary of DIL w.e.f. from 16th September 2024.

Financials (Standalone):

(Rs. crore)		
For the year ended as on	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	155.36	144.26
EBITDA	6.70	7.12
PAT	0.32	0.70
Total Debt	36.68	35.20
Adjusted Tangible Networth	19.24	19.69
EBITDA Margin (%)	4.31	4.94
PAT Margin (%)	0.20	0.48
Overall Adjusted Gearing Ratio (x)	1.96	1.79
Interest Service Coverage Ratio (x)	2.09	2.29

Status of non-cooperation with previous CRA: It is under ISSUER NOT COOPERATING category with CRISIL rating via press release dated 19th July 2024 and Brickwork rating via press release dated 12th March 2025 due to non-availability of information.

Any other information: Not Applicable



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Rating History for last three years:

Sr. No.	Type of Instrument/Facility	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Tenure	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25 04 Oct 2024	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
1.	Fund Based	Long Term	36.75	IVR BBB-/Stable	IVR BB+/RWPI	-	-
2.	Non-Fund Based	Short Term	1.00	IVR A3	IVR A4+/RWPI	-	-

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt Ltd] (Infomerics) 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 visit www.infomerics.com.

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facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities:

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	19.00	IVR BBB-/Stable
Term Loan-1	-	-	March 2026	2.06	IVR BBB-/Stable
Term Loan-2	-	-	December 2026	1.04	IVR BBB-/Stable
Term Loan-3	-	-	May 2028	8.85	IVR BBB-/Stable
Term Loan-4	-	-	September 2028	5.80	IVR BBB-/Stable
Bank Guarantee	-	-	-	1.00	IVR A3

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/Len-Uniclan-Healthcare-14apr25.pdf>

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

Annexure 4: List of companies considered for consolidated/combined analysis: Nil

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.