AHCL/ SE/20/2026-27 5 August 2026

The National Stock Exchange of India Limited "Exchange Plaza", C-1, Block G Bandra-Kurla Complex, Bandra (E) Mumbai 400 051 ISIN: INE098F01031	BSE Limited Department of Corporate Services 1st Floor, P.J. Towers, Dalal Street, Mumbai 400 001
Symbol : AMRUTANJAN	**Scrip Code: 590006**

Dear Sir/ Madam,

Sub.: <u>Intimation on Credit Rating</u>

Pursuant to Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ["Listing Regulations"], this is to inform that CARE Ratings Limited ("CARE") has assigned credit ratings for the Company as per below:

Facilities/Instruments	Amount	Rating	Rating Action
Issuer rating	Nil	Care A; Stable	Assigned

Further, pursuant to regulation 46 of Listing Regulations, the reaffirmation of credit rating is available on the company's website www.amrutanjan.com.

Kindly take the same on your record.

Thanking You,

Yours faithfully
For **Amrutanjan Health Care Limited**

GAGAN PREET SINGH

Digitally signed by GAGAN PREET SINGH
Date: 2026.08.05 12:07:58 +05'30'

(Gagan Preet Singh)
General Manager - Legal
Company Secretary & Compliance Officer

Amrutanjan Health Care Limited

July 31, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Issuer rating	-	0.00	CARE A; Stable	Assigned

Details of instruments/facilities in Annexure-1.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. Rating scale and definitions are being followed as stipulated in Securities and Exchange Board of India (SEBI) Master Circular for Credit Rating Agencies (CRAs).

Rationale and key rating drivers

The rating assigned to Amrutanjan Health Care Limited (AHCL) derives strength from its established century-long track record of operations, strong brand recall in the over-the-counter (OTC) pain relief segment with newer brands supporting diversification, extensive distribution network supporting wide geographic reach, debt-free capital structure and comfortable liquidity, and healthy operating margins despite subdued profitability in newer businesses.

However, ratings are constrained by the company's modest scale of operations in relation to the industry with product concentration in the pain relief segment, margins susceptible to raw material price volatility, and intense competition in the fast-moving consumer goods (FMCG) sector.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sustained growth in scale of operations to over ₹1000 crore while maintaining healthy operating margins.

Negative factors

- Decline in operating income below ₹400 crore and drop in profitability.
- Significant debt-funded capex impacting the financial risk profile, leading to overall gearing above 0.50x.

Analytical approach: Standalone

Outlook: Stable

The "stable" outlook reflects CARE Ratings Limited's (CareEdge Ratings') expectation that AHCL is expected to sustain its operational performance in the medium term supported by its product portfolio of established brands, while maintaining a healthy financial risk profile aided by adequate accruals, and limited reliance on debt.

Detailed description of key rating drivers

Key strengths

Established track record of operations of over a century

AHCL has an established presence in the Indian healthcare and personal care industry, with a legacy spanning 133 years. Founded in 1893 by K Nageswara Roa Pantulu with its flagship Amrutanjan Pain Balm, the company has built one of the country's oldest and well recognised consumer healthcare brands. Led by multiple generations of the promoter family since its inception, the current Chairman and Managing Director, S Sambhu Prasad, represents the third generation of promoter leadership. The company has continued to enjoy strong brand recall for its flagship pain balm through the years, while diversifying into other healthcare and personal care categories, such as congestion relief, women's hygiene, and rehydration solutions, among others.

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority.
[2]Complete definitions of ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Strong Amrutanjan brand recall; newer brands support diversification

AHCL derives a significant competitive advantage from its flagship Amrutanjan brand, which enjoys strong consumer recall and an established presence in the OTC pain relief market. The brand's established recall and customer loyalty have enabled the company to maintain stable demand despite increasing competition. As part of its long-term strategy to transform into a diversified FMCG player, the company entered the women's hygiene segment in 2011 with trading of sanitary napkins and related hygiene products under the brand "Comfy". In the same year, the company also acquired Fruitnik, a brand offering fruit juices and non-carbonated soft drinks and has since repositioned the brand's focus towards fruit juices and electrolyte-infused beverages. Apart from its flagship Amrutanjan brand in the OTC pain management segment, the company's key brands include 'Relief' in congestion relief, 'Comfy' in women's hygiene, 'Enerlyte' and 'Electro+' in Oral Rehydration Solutions (ORS), and 'Fruitnik' in fruit-based beverages. The company launched a personal care segment in Q4FY26, with the introduction of men's razors under brand 'Smoothe' and women's razors under the existing brand 'Comfy'. While Amrutanjan continues to be the company's most established brand, newer brands are gradually building consumer awareness and have broadened the company's portfolio across adjacent categories.

Extensive distribution network supporting wide geographic reach

The company benefits from an extensive distribution network supported by long-standing relationships with distributors, stockists, and retail partners, enabling widespread availability of its products through traditional and emerging channels. AHCL's products are distributed through multiple channels including general trade, chemists, organised retail outlets, and major e-commerce and quick commerce platforms. As of March 31, 2025, the company had a dealer network of 1,656 distributors, with product presence in 1.11 million outlets pan-India. The company has a strong presence in southern states: Tamil Nadu, Karnataka, and Andhra Pradesh, and eastern states: Odisha, West Bengal, and Assam, which collectively accounted for ~60% of revenue in FY26.

Debt-free capital structure

AHCL maintained a healthy capital structure characterised by a strong net worth base of ₹368.78 crore as of March 31, 2026, and absence of external debt. The company's fixed repayment obligations remained limited to lease liabilities on its office premises, while it maintained cash bank balance of ₹221.85 crore as of March 31, 2026, providing additional liquidity. AHCL set up its sanitary napkin converting plant from FY25 to FY27 at a total cost of ₹130 crore funded entirely by internal accruals and liquid funds. Gross cash accruals remained in the range of ₹50 – 65 crore in the last three years, providing adequate financial flexibility to meet its working capital requirements and planned capital expenditure. With no material debt-funded investments planned, AHCL's capital structure is expected to remain comfortable in the medium term.

Healthy operating margin despite subdued profitability in new expansions

AHCL's operating profit margin remained comfortable at 15.06% in FY26, improving from 12.98% in FY25, supported by a healthy product mix and economies of scale in its core OTC business. However, overall margin expansion continues to be constrained by the relatively weak profitability of its newer businesses. The women's hygiene division has remained in the scale-up phase, with outsourced manufacturing and elevated brand-building expenses weighing on profitability, while the beverages division has been affected by regulatory changes in the ORS market since FY25, resulting in subdued demand and weak earnings. The company has since aligned its beverages product portfolio with the revised regulatory framework by clearly differentiating ORS and non-ORS products. In addition, the commencement of in-house manufacturing for the women's hygiene business from June 2026 is expected to improve operating efficiencies. Gradual recovery in off-take for the beverage division and inhouse production of women hygiene products is expected to support the overall profitability in the near term.

Key weaknesses

Modest scale of operations relative to industry with product concentration in pain relief segment

The company continues to operate at a relatively modest scale in relation to the industry due to a product portfolio concentrated on limited therapeutic categories. AHCL recorded total operating income (TOI) of ₹502.55 crore in FY26, registering a growth of 11% in FY25. AHCL derived ~60% of the TOI from pain relief segment, followed by relatively marginal contribution from women's hygiene (27%) and beverages (7%) in FY26. The company has been gradually expanding its product portfolio with new product launches every year. The company operationalised its sanitary napkin plant in June 2026 and ventured into the personal care segment in Q4FY26. AHCL has also recently re-aligned one of its production lines in its existing manufacturing unit to meet Current Good Manufacturing Practice (cGMP) certification requirements, which is expected to expand the company's reach to regulated export markets. Exports contributed only ~2% of revenue in FY26, reflecting limited overseas market presence. While these initiatives are expected to broaden its revenue base and geographic presence, the pain management segment is likely to remain the dominant contributor to revenue in the medium term.

Profit margins vulnerable to raw material price volatility

AHCL's key raw materials include menthol, other essential oils, and paraffin waxes, in addition to packing materials. Menthol prices remain sensitive to mint crop yields, weather conditions, and global factors impacting synthetic menthol production and its availability. Considering many polymers used in packing materials, and paraffin waxes are derived from petroleum, fluctuations in crude oil prices are likely to result in price volatility of these derivatives. Global geopolitical tensions have intensified energy market disruptions, leading to higher crude oil prices, refining costs, logistic disruptions, and supply chain constraints. Given the heavy competition in the FMCG space and price-sensitive nature of consumers, AHCL may face challenges in immediate pass-on of costs to customers, impacting its margins.

Intense competition in the FMCG industry

The Indian FMCG industry is characterised by intense competition by several organised and unorganised global and domestic players offering similar products. Brand loyalty, price differentiation, distribution reach, and regular product innovation play an important role in maintaining market share, necessitating increased advertisement and promotional expenses. The industry is moderately fragmented, with large-scale established FMCG and healthcare brands, competing alongside ayurvedic healthcare companies, and regional manufacturers. While low penetration levels of individual industry players indicates long-term growth potential, low cost of switching, and availability of multiple product substitutes, continues to exert pricing pressure on industry players.

Liquidity: Strong

AHCL's liquidity is marked by accruals of ₹64 crore in FY26, and strong cash and bank balance of ₹33 crore, and bank deposits of ~₹188 crore as of March 31, 2026, against nil term debt repayment obligations. The company's operating cycle was ~14 days in FY26. Average inventory holding period is in the range of 30 – 35 days, while collection period ranged from 35 – 45 days. The company's cash-and-carry model for its key stock-keeping units (SKUs) results in a favourable working capital cycle supporting healthy cash generation and liquidity. Meanwhile, the company offers credit ranging from 15 days to 45 days for its other products.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

Definition of Default
Issuer Rating
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Fast-moving consumer goods (FMCG)	FMCG	Diversified FMCG	Diversified FMCG

AHCL was established in 1893 by K. Nageswara Rao Pantulu as a patent medicine business with the launch of its flagship product, Amrutanjan Pain Balm. Headquartered in Chennai, the company primarily manufactures OTC ayurvedic healthcare products focused on pain management and congestion relief. Over the years, it has expanded beyond its flagship balms into a diversified portfolio spanning pain management, congestion relief, beverages, and women's hygiene.

AHCL operates two OTC product manufacturing units, in Kancheepuram District, Tamil Nadu, and Hyderabad, and a beverages facility in Tiruvallur District, Tamil Nadu. The company has established a cGMP-certified production line within its Kancheepuram unit for manufacture of OTC monograph topical application products. In June 2026, the company also commenced operations at its sanitary napkin manufacturing plant in Hyderabad. AHCL also operates an Advanced Pain Management Centre in Chennai, providing non-surgical pain management services.

Brief financials (₹ crore)	FY25 (A)	FY26 (A)
Total operating income	451.99	502.55
PBILDT*	58.69	75.69
Profit after tax (PAT)	50.83	57.92
Overall gearing (x)	0.01	0.00
Interest coverage (x)	177.85	378.43

A: Audited; Note: These are latest available financial results.
*PBILDT: Profit before interest, lease rentals, depreciation, and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

For complexity level of instruments rated refer to Annexure-1.

Lender details: Annexure-4

Disclosure on facilities/instruments and name of regulators:
A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Issuer Rating-Issuer Ratings	-	Not applicable	-	-	-	-	0.00	CARE A; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2026-2027	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024
1	Issuer Rating-Issuer Ratings	LT	0.00	CARE A; Stable				

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Lender details

To view lender-wise details of bank facilities please click here

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:
Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

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