

M.D. Hygiene Private Limited

December 18, 2025

Facilities	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	1.38 (Reduced from 2.49)	CARE BB; Stable	Upgraded from CARE BB-; Stable
Long Term / Short Term Bank Facilities	9.00 (Reduced from 25.00)	CARE BB; Stable / CARE A4	LT rating upgraded from CARE BB-; Stable and ST rating reaffirmed
Short Term Bank Facilities	0.81	CARE A4	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The revision in ratings assigned to M.D. Hygiene Private Limited (MDHPL) is on the back of growth in scale of operations and improvement in financial risk profile though remains moderate.

The ratings assigned to the bank facilities of MDHPL continue to remain constrained on account of its moderate scale of operations, thin profitability and stretched liquidity. Further, the ratings also remain constrained on account of susceptibility of profitability to volatile cotton and polyester prices and its presence in a highly fragmented and competitive industry. The ratings, however, continue to derive strength from MDHPL's experienced promoters, established marketing and distribution network, government support and positive industry outlook.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sustained volume driven growth in total operating income (TOI) above Rs. 150 crore along with profit before interest, lease, depreciation and tax (PBILDT) margin above 5.50% on sustained basis.
- Improvement in Total Outside Liabilities/Total Net worth below 0.50x along with improvement in Total debt/ Gross Cash Accruals (TD/ GCA) on sustained basis.

Negative factors

- Decline in scale of operations with TOI below Rs. 75 crore or decline in PBILDT margin below 3.00% on sustained basis.
- Deterioration in capital structure with overall gearing above 2.50x on sustained basis.

Analytical approach: Standalone

Outlook: Stable

CARE Ratings Limited (CareEdge Ratings) believes that the company shall continue to benefit from its experienced promoters and established marketing network over the medium term.

Detailed description of key rating drivers:

Key weaknesses

Moderate scale of operations coupled with thin profitability

The company TOI grew to ₹142.62 crore in FY25 (FY refers to April 01 to March 31), reflecting a growth of 29.27% from ₹110.32 crore in FY24 owing to increased demand for sanitary napkins and execution of orders from Rajasthan Medical Services Corporation Limited (RMSCL) and Karnataka State Medical Supplies Corporation Limited (KSMSCL). In 8MFY26, the company achieved sales of ₹60 crore.

The profitability margins remained thin marked by PBILDT margin of 3.04% in FY25 compared to 4.34% in FY24. This marginal deterioration was owing to increase in direct purchase of finished goods of ~43% in FY25 compared to 15% in FY24 to meet skewed demand under government order. Further, profit after tax (PAT) margin also remained thin at 0.12% in FY25 compared to 0.15% in FY24.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Modest financial risk profile

As on March 31, 2025, overall gearing remained at 0.78x against 4.12x in FY24. This improvement was due to lower utilisation of working capital limits. This was on account of non-utilisation of project-specific cash credit (CC) limits following completion of RMSCL order.

Debt coverage indicators marked by PBILDT interest coverage and total debt/gross cash accruals (TD/GCA) stood modest at 2.02x and 2.34x respectively.

Presence in a highly competitive and fragmented industry with vulnerability of profit margin to fluctuation in raw material prices

Sanitary products industry in India is highly competitive with dominance of large multi-national companies having majority of the market share. Further, these companies have competitive advantage and introduce premium products at regular intervals to grab the market share. The industry also faces competition from imports & local repackaging of sanitary products by various players. The high degree of fragmentation also leads to stiff competition amongst the manufacturers. Smaller companies in general are more vulnerable to intense competition and have limited pricing flexibility, which constrains their profitability as well. The price of key raw materials is also volatile in nature and hence MDHPL is exposed to the raw material price fluctuation risk.

Key strengths**Experienced promoters**

Mr. Chirag Timbadiya has an experience of around two decades in textile industry. Mr. Ankitkumar Manubhai Kachhadiya and Mr. Bhagirathbhai Manubhai Pithavadiwala are associated with the entity from more than 7 years now and management has established positive liaising with government departments for continuous order flow.

Established marketing and distribution network

MDHPL has registered its brand name viz. '24 CARE' and '7 SOFT' for selling sanitary napkins. '24 CARE' is a premium brand while '7 SOFT' is a regular brand primarily targeted for rural area. It has also appointed chain of female marketing personnel for selling at 'Anganwadi' in rural area as well as door to door selling. The products of the company are also listed over e-commerce platforms like Amazon, Flipkart etc.

Positive industry outlook of sanitary napkins

Over the years, sanitary napkins have gained much prominence in India as the Government and NGO entities have been taking various initiatives and workshops towards educating females about the importance of personal hygiene. Thus, increasing awareness about personal hygiene among females remains one of the primary factors facilitating the growth of the Indian sanitary napkin market. In addition to this, elevating incomes and the availability of sanitary napkins at an affordable price is another factor boosting the market growth. Moreover, the manufacturers are also focusing on unique marketing strategies in order to increase their consumer-base.

Liquidity: Stretched

MDHPL's liquidity position remained stretched, characterised by moderate cash accruals and low free cash and bank balance. MDHPL reported gross cash accruals (GCA) of ₹2.40 crore in FY25 compared to debt repayment obligations of ₹1.12 crore in FY26. The cash flow from operations stood at ₹29.96 crore in FY25 compared to ₹5.30 crore in FY24 mainly due to an increase in sundry payables. The average utilisation of its fund-based working capital limits stood at ~61% in the trailing 12 months ending September 2025.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Consumer Durables	Consumer Durables	Diversified consumer products

Surat (Gujarat) based M.D. Hygiene Private Limited (MDHPL), incorporated in March 2016, is promoted by Mr Chirag Timbadiya. The company is engaged into manufacturing of hygiene products i.e. sanitary napkins under the brand name '7 Soft', 'Extra Sure' and '24 Care' and baby diapers. The manufacturing facilities of the company is located at Mandvi (Surat) in Gujarat with an installed capacity of 106 crore pieces per annum for sanitary napkins and 14 crore pieces per annum for baby diapers as on September 30, 2025.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	8MFY26 (UA)
Total operating income	110.32	142.62	60.00
PBILDT	4.78	4.33	NA
PAT	0.16	0.18	NA
Overall gearing (times)	4.12	0.78	NA
Interest coverage (times)	1.77	2.02	NA

A: Audited UA: Unaudited NA: Not Available; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Brickwork has conducted the review on the basis of best available information and has classified MDHPL as "Non cooperating" vide its press release dated August 19, 2025.

Any other information: Not applicable

Rating history for last three years: Annexure-2

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

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	30-06-2028	1.38	CARE BB; Stable
Fund-based - LT/ ST-Cash Credit		-	-	-	9.00	CARE BB; Stable / CARE A4
Non-fund-based - ST-Bank Guarantee		-	-	-	0.81	CARE A4

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 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT/ST-Cash Credit	LT/ST	9.00	CARE BB; Stable / CARE A4	-	1)CARE BB-; Stable / CARE A4 (07-Jan-25) 2)CARE D / CARE D (15-Nov-24) 3)CARE BB-; Stable / CARE A4 (15-Nov-24)	1)CARE BB-; Stable / CARE A4 (24-Jan-24)	1)CARE BB-; Stable / CARE A4 (31-Jan-23)
2	Fund-based - LT-Term Loan	LT	1.38	CARE BB; Stable	-	1)CARE BB-; Stable (07-Jan-25) 2)CARE BB-; Stable (15-Nov-24) 3)CARE D (15-Nov-24)	1)CARE BB-; Stable (24-Jan-24)	1)CARE BB-; Stable (31-Jan-23)
3	Non-fund-based - ST-Bank Guarantee	ST	0.81	CARE A4	-	1)CARE A4 (07-Jan-25) 2)CARE D (15-Nov-24) 3)CARE A4 (15-Nov-24)	1)CARE A4 (24-Jan-24)	1)CARE A4 (31-Jan-23)

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities- Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - LT/ ST-Cash Credit	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: 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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