

April 01, 2014

Facilities	Amount (Rs. Crore)	Ratings
Term Loan – I	1.77	SMERA B+/Stable (Assigned)
Term Loan – II	0.84	SMERA B+/Stable (Assigned)
Cash Credit	0.55	SMERA B+/Stable (Assigned)
FDBP/FUDBP	1.00	SMERA A4 (Assigned)
Packing Credit	1.38*	SMERA A4 (Assigned)

*Includes sublimit of Rs.0.50 crore for Letter of Credit

SMERA has assigned ratings of '**SMERA B+**' (read as **SMERA B plus**) and '**SMERA A4**' (read as **SMERA A four**) to the above mentioned bank facilities of iLife Medical Devices Private Limited (iLife). The outlook is '**Stable**'. The ratings are constrained by the company's small scale of operations in a highly competitive industry. The ratings are further constrained by the company's moderate financial profile. However, the ratings are supported by the company's experienced management and comfortable net profit margin.

iLife, incorporated in 2007, is a Delhi-based company engaged in manufacturing of medical disposables used for administering medicines and fluids. The company's product range includes intravenous (IV) cannulas and three -way stopcocks, which are sold under the brand names 'ONE FLON' and 'ONE PLUS'. iLife has small-scale operations marked by revenues of Rs.12.06 crore in FY2012–13 (refers to financial year, April 01 to March 31). The company faces intense competition from several small-sized players in the unorganized sector of the healthcare supplies industry.

iLife's moderate financial risk profile is marked by leverage (debt-equity ratio) of 1.86 times as on March 31, 2013 and interest coverage ratio of 2.12 times in FY2012–13. The company has moderate liquidity position reflected in cash credit utilisation of 73 per cent during September 2013 to January 2014.

iLife benefits from its experienced management. Mr. Kartik Palta, promoter of iLife, has around two decades of experience in the healthcare supplies industry. The company's net profit margin is comfortable at 2.25 per cent in FY2012–13.

Outlook: Stable

SMERA believes iLife will continue to benefit over the medium term from its experienced management. The outlook may be revised to 'Positive' in case the company registers higher-than-expected growth in revenues and profit margins, while achieving better working capital management. Conversely, the outlook may be revised to 'Negative' in case of deterioration in the company's working capital cycle and financial risk profile.

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**About the company**

iLife, incorporated in 2007, is a Delhi-based company promoted by Mr. Kartik Palta. iLife commenced operations in August 2009. The company is engaged in manufacturing of medical disposables used for administering medicines and fluids.

iLife has a manufacturing unit in Kundli, Sonapat District, (Haryana), with total installed capacity of 3 crore units per annum.

For FY2012-13, iLife reported PAT of Rs.0.27 crore on operating income of Rs.12.06 crore, as compared with PAT of Rs.0.08 crore on operating income of Rs.8.80 crore for FY2011-12. Further, the company registered revenues of Rs.13.80 crore (provisional) during April 2013 to December 2013. iLife's net worth stood at Rs.4.49 crore as on March 31, 2013, as compared with Rs.3.95 crore a year earlier.

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