



Press Release

Brichem Sciences Private Limited

March 23, 2026

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Facilities – Cash Credit	8.00 (Reduced from Rs. 10.00 crore)	IVR BB- / Stable (IVR Double B Minus with Stable Outlook)	IVR BB- / Stable (IVR Double B Minus with Stable Outlook)	Reaffirmed	Simple
Long Term Facilities – Term Loan	2.30	IVR BB- / Stable (IVR Double B Minus with Stable Outlook)	-	Assigned	Simple
Long Term Facilities – Term Loans	0.00* (Previously Rs. 2.14 crore)	Withdrawn	IVR BB- / Stable (IVR Double B Minus with Stable Outlook)	Withdrawn	Simple
Total	10.30 (Rupees Ten Crore Thirty Lakh Only)				

*Withdrawn as No due certificate received from the lender

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics has reaffirmed the long-term ratings assigned to the bank facilities of Brichem Sciences Private Limited (BSPL).

The rating continue to factor in extensive experience of the promoters, modest revenue growth, settlement of insurance claim and consequent improvement in financial risk profile and strong relationship with its customers. The ratings are, however, constrained on account of environmental and safety risk exposure, intense competition in industry, and vulnerability to change in regulatory policies.

‘Stable’ outlook reflects Infomerics’ belief that the company continues to benefit from healthy relationship with the clients and improved business and financial risk profile.



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Infomerics Ratings has withdrawn its ratings on the bank facilities aggregating to Rs. 2.14 crore based on the request of the issuer and no due certificate issued by the banker. The withdrawal is in line with Infomerics policy on withdrawal.

Key Rating Sensitivities:

Upward Factors

- Sustained improvement in scale of operations and profitability.
- Improvement in capital structure along with debt protection metrics on a sustained basis.

Downward Factors

- Delay in operating income and/or profitability on sustained basis
- Deterioration in capital structure and/or availment of debt leading to deterioration in debt protection metrics
- Elongation in the operating cycle impacts liquidity.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Extensive experience of the promoters**

BSPL is promoted by Dr. Rajesh Becharbhai Gami, Mr. Parag Bhavsar, Mr. Aashay J. Patel, and Mr. Mittal Jagdish Kumar Patel, who are also directors of the company. Dr. Rajesh Gami holds a Doctorate in Pharmacy and a master's degree in biotechnology (UK) and has around 18 years of experience in pharmaceutical industry. All directors have an average experience of around 13 years of experience in the pharmaceutical industry and are supported by a team of qualified and experienced professionals, thereby strengthening the company's managerial and operational capabilities.

- **Modest revenue growth**

BSPL has reported growth of around ~3% in scale of operations to Rs. 80.43 crore in FY25 (refers to the period 1st April 2024 to 31st March 2025) from Rs. 78.24 crore in FY24 driven by increase in sales volume despite of decline in sales realization. The company is projected to reach total operating income of Rs. 123.31 crore in FY26, out



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of which Rs. 91.29 crore has been achieved till 9MFY26. EBITDA (Earnings before interest, tax, depreciation and amortization) has decreased to Rs. 1.29 crore in FY25 from Rs. 7.05 crore in FY24 due to increase in total cost of production such as raw material consumption and higher manufacturing & admin expenses (like custom duty, postage & courier and legal & professional charges). Subsequently, EBITDA margin has declined to 1.60% in FY25 from 9.00% in FY24. Further, PAT (Profit After Tax) has increased to Rs. 7.67 crore in FY25 from Rs. 3.50 crore in FY24. Subsequently, PAT margin has also improved to 8.40% in FY25 from 4.46% in FY24.

- **Improved financial risk profile**

The company's capital structure strengthened in FY25, with an increase in adjusted tangible net worth (ATNW) to Rs. 8.02 crore as on March 31, 2025 from Rs. 0.07 crore as on March 31, 2024 due to accretion of profits to reserves. BSPL has received insurance claim of Rs. 10.83 crore treated as non-operational income in FY25 and consequently, total debt has reduced to Rs. 13.20 crore as on March 31, 2025 from Rs. 16.90 crore as on March 31, 2024, Total debt/EBITDA deteriorated to 10.26x from 2.40x due to a sharp decline in EBITDA. Debt protection metrics marked by interest coverage ratio has deteriorated and stood at 1.07x in FY25 as against 3.26x in FY24. DSCR has moderated at 1.58x as on March 31, 2025 as against 1.74x as on March 31, 2024.

Key Rating Weaknesses

- **Environmental and safety risk exposure**

Brichem Sciences Private Limited faces significant environmental and safety risks due to its chemical-intensive API manufacturing, which involves hazardous substances and complex processes that generate effluents requiring strict regulatory compliance; any lapse may lead to penalties or operational shutdowns. The handling of flammable and toxic materials also heightens occupational hazards, including the risk of fire incidents seen in similar pharmaceutical plants. To mitigate these risks, the company has insured all its facilities.



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- **Intense competition in the industry**

The pharmaceutical industry faces intense competition from numerous global and regional players offering similar products, creating strong pricing pressure and limiting profitability. Patent expirations, rapid generic entry, and the commoditized nature of many drugs further erode margins, while high R&D and regulatory costs add additional challenges.

- **Vulnerability to change in regulatory policies**

The pharmaceutical industry is highly regulated, and hence, any adverse change in government/regulatory policies can impact the business risk profile of the company. Any unfavourable changes in regulations and deviation from the stated norms may severely impact the business.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies.](#)

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

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

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

[Policy on Withdrawal of Ratings](#)

Liquidity – Stretched

The liquidity position of BSPL is stretched as working capital utilization remains high at 84.26% for the twelve months ending February 2026. The company has current ratio at 0.95x as on March 31, 2025. Further, the unencumbered cash and bank balance stood at Rs. 0.06 crore as on January 31, 2026. However, the expected net cash accruals in the range of Rs. 5.42 – 6.26 crore over the next three fiscal years (FY26 – FY28) are sufficient for the annual repayment obligations in the range of Rs. 1.51 – 0.30 crore over the next three fiscal years (FY26 – FY28).



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About the Company

Brichem Sciences Private Limited (BSPL) having incorporated in December 2016 is an API manufacturing company based at Kalol, Dist. Gandhinagar of Gujarat. The company is engaged in manufacturing of API pertaining to Hormones used in various pharmaceutical applications for human consumption. BSPL had an installed capacity of 83400 MTPA. Its existing plant is located in Kalol, Gandhinagar.

Financials (Standalone):

For the year ended/ As on*	(Rs. crore)	
	31-03-2024	31-03-2025
	Audited	Audited
Total Operating Income	78.24	80.43
EBITDA	7.05	1.29
PAT	3.50	7.67
Total Debt	16.90	13.20
Adjusted Tangible Net Worth	0.07	8.02
EBITDA Margin (%)	9.00	1.60
PAT Margin (%)	4.46	8.40
Overall Gearing Ratio (x)	242.47	1.65
Interest Coverage (x)	3.26	1.07

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA:

Brickwork Ratings has continued the ratings in non-cooperation category vide press release dated April 29, 2025 on account of non-furnishing of information required for the rating, and lack of banker's feedback.

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	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
					Date (March 10, 2025)	Date (February 09, 2024)	Date (March 31, 2023)
1.	Term Loans	Long Term	0.00*	Withdrawn	IVR BB- / Stable	IVR B+ / Stable	IVR BB- / Stable



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			(Previously Rs. 2.14 crore)		Date (March 10, 2025)	Date (February 09, 2024)	Date (March 31, 2023)
2.	Term Loan	Long Term	2.30	IVR BB- / Stable	-	-	-
3.	Cash Credit	Long Term	8.00	IVR BB- / Stable	IVR BB- / Stable	IVR B+ / Stable	IVR BB- / Stable

**Withdrawn as No due certificate received from the lender*

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Private Limited] 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.



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

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank 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: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	-	-	-	-	2.30	IVR BB- / Stable
Cash Credit	-	-	-	-	8.00	IVR BB- / Stable

Annexure 2: Facility wise lender details:

https://infomericstorage.blob.core.windows.net/uploads/len_Brichem_Sciences_mar26_df040dcaa2.pdf

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

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

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.