

April 08, 2026

Bliss GVS Pharma Limited: [ICRA]A-(Stable)/[ICRA] A2+; assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long term/Short term – Fund-based/Non-fund based facilities	100.00	[ICRA]A-(Stable)/[ICRA] A2+; assigned
Total	100.00	

*Instrument details are provided in Annexure I

Rationale

The assigned ratings reflect Bliss GVS Pharma Limited's (Bliss) established position in niche dosage forms such as suppositories and pessaries (which are inserted into body cavities and dissolve at body temperature to release medication) in addition to its strong market position in the African markets for these dosage forms. Bliss has a diverse product portfolio with over 250 branded generic products across therapeutic areas such as anti-malarial, anti-infective, dermatology, etc. The company has a strong presence across multiple African markets, underpinned by more than four decades of operating history. It continues to benefit from the strong acceptance of its flagship products like Lonart, Funbact and P-Alaxin. While more than a third of its revenue is derived from anti-malarial products currently, anti-infective and dermatology products have also been witnessing a healthy ramp-up in the recent past. The company operates five World Health Organization (WHO) Good Manufacturing Practices (GMP) approved units, four European Union (EU) GMP-approved units as well as a United States Food and Drug Administration (USFDA) approved unit in India, underscoring its ability to cater to both semi-regulated and regulated markets. ICRA also notes Bliss' ongoing expansion into regulated markets such as the US by providing contract manufacturing services to its US partners in lieu of manufacturing income and a share in profits, supporting diversification of its revenues beyond Africa over the medium term.

The ratings also consider the company's strong financial profile characterised by healthy operating margins, strong debt coverage metrics and a robust liquidity position. Further, it has capital expenditure (capex) plans in the range of Rs. 120-130 crore over FY2026-FY2028 towards the modernisation of existing facilities and regular maintenance. Despite the capex, ICRA expects the reliance on debt to remain minimal going forward as it is anticipated to be funded through internal accruals, supported by healthy cash flow generation.

Bliss reported consolidated revenue of Rs. 826.1 crore (including foreign exchange (forex) gain of Rs. 16 crore) in FY2025 from Rs. 585.1 crore in FY2021, reflecting a compound annual growth rate (CAGR) of around 9% (primarily driven by post-Covid revenue growth of 31.2% YoY in FY2022). Supported by the same, the operating margin has also remained healthy and range-bound between 16-21% during the same period. ICRA notes that the company's planned strategic partnerships and product filings for regulated geographies are expected to improve the margin profile as the contribution from sales to regulated market ramps up. Additionally, it continues to be exposed to volatility in foreign currency fluctuations, which is partly mitigated through its formal hedging policy. Going forward, margins are anticipated to remain within a similar range in near term, with room for some improvement as the share of margin-accretive regulated market revenues increase.

The rating remains constrained by Bliss' working capital-intensive nature of operations inherent to an export-led model as well as a significant exposure to African countries, resulting in elevated receivable days and high customer concentration. While the company has not witnessed any disruption in operations due to its exposure to Africa in the recent past, the considerable portion of revenues derived from Africa (65-75% of revenues) continues to be a key risk and a monitorable. ICRA also notes that it has undertaken sizeable receivable write-offs and provisioning for bad debts in the past due to non-receipt of payments from its customers. Post this, the company implemented tighter credit controls, which led to a significant reduction in greater

than six-month receivables and overall debtor cycle. Further, the company's working capital intensity also reduced to 61% in FY2025 from 87.5% in FY2021. In FY2024, it had also undertaken impairment of investment in a Nigerian subsidiary (divested in September 2025), led by a weak macro environment and sharp currency devaluation. While ICRA takes note of the company's ongoing de-risking through stricter credit controls, supplier diversification and entry into regulated markets, timely recovery of export receivables remains a key monitorable. While the company also has a hedging policy, it continues to be exposed to adverse forex fluctuations as well as regulatory developments in its export markets.

The Stable outlook on the rating reflects ICRA's expectation that Bliss GVS will likely sustain its operating metrics even as its revenue growth may remain moderate. Further, the outlook underlines ICRA's anticipation that the entity's incremental capex, if any, to further expand the capacity will be funded in a manner that it is able to durably maintain its debt protection metrics commensurate with the existing rating.

Key rating drivers and their description

Credit strengths

Extensive experience of promoters and established track record of the company in the suppositories and pessaries segment

– The company has built a niche as an established manufacturer of suppositories and pessaries with a focus on the African markets. Further, the promoter, Mr. S.N. Kamath, has been closely involved in the business and has extensive industry experience. The aforementioned factors along with a diverse product portfolio and long-term distributor relationships in Africa, have enabled the company to build a strong presence in the African markets.

Established presence and strong market position in the African market with long-term relationship with customers

–The company operates across 60-65 countries globally, with Africa contributing to around 65% and 74% of its consolidated revenues in FY2025 and 9M FY2026, respectively. It has several distributor relationships spanning over 20-25 years, mitigating the customer concentration risk to an extent. Bliss faces limited competition from local manufacturers in Africa owing to its long-standing and well-established distributor network as well as strong brand recognition among customers.

Strong financial profile

– The company has a strong financial profile, characterised by sustained healthy operating margins, strong debt protection metrics and a robust liquidity position. Its debt levels have declined meaningfully over FY2021-FY2025, with TD/OPBDITA improving from 1.1 times as on March 31, 2021 to 0.6 times as on March 31, 2025, and further to 0.4 times as on September 30, 2025, with gearing at near-negligible levels. Interest coverage remained strong at 17.7 times in FY2025 and 15.7 times in 9M FY2026. ICRA expects minimal reliance on incremental debt going forward, as planned capex of Rs. 120-130 crore over FY2026-FY2028 is anticipated to be funded entirely through internal accruals. The company's expanding regulated market presence through the contract manufacturing model is expected to further improve the margin profile over the medium term as higher-margin regulated market revenues scale up.

Credit challenges

High geographic and customer concentration

– The company's revenue profile is characterised by significant geographic and customer concentration as the African region accounted for approximately 65% of consolidated revenues in FY2025, rising to approximately 74% in 9M FY2026. Bliss' anti-malarial segment accounts for around a third of its revenues, making its performance sensitive to malaria incidence. While the top three customers accounted for more than a third of total revenues, the customer concentration risk is mitigated to an extent, supported by its long-standing relationships of 15-25 years with its large customers. Going forward, the geographic and customer concentration is expected to reduce as regulated market revenues scale, which will remain a key monitorable.

Exposure to regulatory risks and volatility in foreign exchange rates

– As an export-oriented company deriving more than 90% of revenues from export markets, Bliss is inherently exposed to regulatory developments and forex volatility across multiple geographies. In regulated markets such as the US and Europe, the company is subject to stringent regulatory guidelines including USFDA and EU-GMP compliance requirements, and any adverse impact of regulatory changes could impact its growth trajectory/earnings in these markets. It is also exposed to adverse fluctuations in foreign currency owing to its

significant exposure to export market sales. However, as a policy, the company hedges 40-50% of the open exposure through forward contracts, mitigating impact of foreign currency fluctuations to a certain extent.

High working capital intensity – Bliss' working capital intensity has historically remained high, primarily on account of its significant exposure to African markets, resulting in an elongated receivable cycle. While debtor days continued to be elevated at 190-200 days in the recent past, the same improved from around 300 days in FY2021. Working capital intensity, albeit moderating from a historical high of 87.5% in FY2021 to 61% in FY2025, continues to remain high. ICRA expects the working capital intensity to remain at similar levels in near term owing to the company's continued dependence on African markets, until regulated market sales ramp up.

Environmental and social risks

Environment – The company does not face any major physical climate risk. However, it remains exposed to tightening environmental regulations with regard to breaches of waste and pollution norms, which can result in an increase in operating costs or capital investments.

Social – The industry faces social risks related to product safety and the associated litigation risks, access to qualified personnel for research and development (R&D) and process engineering and maintenance of high manufacturing compliance standards. Further, Government intervention related to price caps/control also remains a social risk faced by entities in the pharmaceutical industry.

Liquidity position: Strong

The liquidity position of Bliss GVS is strong, supported by healthy free cash and liquid investments of Rs. 208.08 crore along with undrawn fund-based working capital limits of Rs. 40 crore as on September 30, 2025. The company is expected to incur a capex of Rs. 120-130 crore over FY2026-FY2028 which shall be funded through internal accruals. The liquidity is expected to be supported by company's healthy cash flow generation and repayment obligations of Rs. 35.1 crore in FY2026, Rs. 10.5 crore in FY2027 and Rs. 2.6 crore in FY2028.

Rating sensitivities

Positive factors – The rating could be upgraded in case of significant scale-up in the revenues and profitability of the company on a sustained basis, along with geographic and customer diversification.

Negative factors – The rating could witness a downward revision in case of any adverse impact on the revenue/profitability of the company, including for reasons like loss of a key customer in export countries, significant receivable write-offs impacting cash flows or adverse regulatory changes. Further, any sizeable dividend payout or higher working capital requirement leading to an adverse material impact on the liquidity position of the company can also trigger a downward rating revision.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Pharmaceuticals
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of Bliss GVS Pharma Limited. Refer to the Annexure II for the list of entities considered for consolidation.

About the company

Incorporated in 1984, Bliss GVS Pharma Limited, formerly known as Bliss Chemicals & Pharmaceuticals India Ltd. (BCPIL) is engaged in the development, manufacturing and marketing of pharmaceutical formulations, with a significant exposure to the African market. The company produces a wide range of formulations, including suppositories, pessaries, capsules, tablets, creams and ointments, and it offers more than 250 branded products across multiple therapeutic segments such as anti-malarial, anti-fungal, anti-bacterial, anti-inflammatory, contraceptive and anti-diabetic.

The company operates five manufacturing facilities in India - four located in Palghar, Maharashtra and one in Ambernath, Maharashtra. Collectively, these units have an installed capacity of approximately 3.05 billion tablets, 341.4 million suppositories and pessaries, 7.5 million units of ointments, 21.6 million sachets, and 6 million bottles of dry syrup per annum. These facilities are accredited by WHO GMP and EU GMP, while one of the Palghar units (unit 2) also holds USFDA approval.

Key financial indicators (audited)

Bliss GVS Pharma Limited (consolidated)	FY2024	FY2025	9M FY2026**
Operating income (OI)*	781.4	826.1	707.1
PAT	81.6	90.3	97.7
OPBDIT/OI	20.7%	17.4%	22.1%
PAT/OI	10.4%	10.9%	13.8%
Total outside liabilities/Tangible net worth (times)	0.2	0.2	-
Total debt/OPBDIT (times)	0.6	0.6	-
Interest coverage (times)	23.4	17.7	15.7

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore, PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation, Operating income includes forex gain, *operating income includes forex gain, **Provisional result

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current (FY2027)			Chronology of rating history for the past 3 years						
Instrument	Type	Amount rated (Rs. crore)	FY2026		FY2025		FY2024		
			Date	Rating	Date	Rating	Date	Rating	
Fund-based/Non-fund based facilities	Long term/Short term	100.00	Apr 08, 2026	[ICRA]A- (Stable) / [ICRA] A2+	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term/Short term – Fund-based/Non-fund based facilities	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Fund-based/Non-fund based facilities	NA	NA	NA	100.00	[ICRA]A- (Stable) / [ICRA] A2+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis (as on December 31, 2025)

Company name	Bliss GVS ownership	Consolidation approach
Kremoint Pharma Pvt. Ltd.	70.00%	Full consolidation
EIPII Exports Pvt. Ltd.	49.00%	Full consolidation
Bliss GVS International Pte. Ltd.	100.00%	Full consolidation
Asterisk Lifesciences Ltd	100.00%	Full consolidation
Asterisk Lifesciences (GH) Ltd.	100.00%	Full consolidation

Source: Company

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