

April 10, 2025

Brawn Laboratories Limited: Ratings continues to remain under issuer Non-Cooperating category; ratings downgraded based on best available information

Summary of rating action

Instrument [^]	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term - Fund based- Cash Credit/PCFC	60.00	60.00	[ICRA]BB+ (Stable), ISSUER NOT COOPERATING*; downgraded from [ICRA]A- (Stable), ISSUER NOT COOPERATING; rating continues to remain under 'Issuer Not Cooperating' category
Long Term - Fund based- Term Loan	49.06	49.06	[ICRA]BB+ (Stable), ISSUER NOT COOPERATING*; downgraded from [ICRA]A- (Stable), ISSUER NOT COOPERATING; rating continues to remain under 'Issuer Not Cooperating' category
Short-term – non-fund based	41.74	41.74	[ICRA]A4+, ISSUER NOT COOPERATING*; downgraded from [ICRA]A2+, ISSUER NOT COOPERATING; rating continues to remain under 'Issuer Not Cooperating' category
Long term/Short Term – Unallocated	0.20	0.20	[ICRA]BB+ (Stable), ISSUER NOT COOPERATING*/[ICRA]A4+, ISSUER NOT COOPERATING*; downgraded from [ICRA]A- (Stable)/ [ICRA]A2+, ISSUER NOT COOPERATING; Rating continues to remain under 'Issuer Not Cooperating' category
Total	151.00	151.00	

**Issuer did not cooperate; based on best available information; ^Instrument details are provided in Annexure I*

Rationale

ICRA has downgraded the rating for the bank facilities of Brawn Laboratories Limited (BLL) and the rating continues to remain under 'Issuer Not Cooperating' category. The rating is denoted as '[ICRA] BB+ (Stable), ISSUER NOT COOPERATING/ [ICRA]A4+, ISSUER NOT COOPERATING'.

The rating downgrade is because of lack of adequate information regarding BLL's performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at www.icra.in. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with Brawn Laboratories Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been moved to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Pharmaceuticals Policy in respect of non-cooperation by the rated entity
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on BLL's standalone financial profile.

About the company

Incorporated in 1990, BLL is operated and managed by the Gupta family. The company is involved in the pharmaceutical formulation business, catering to markets in India and abroad. Its manufacturing plant in Faridabad (Haryana) produces tablets, capsules, ointments, syrups and injectables. BLL is also establishing two new manufacturing units in Gujarat, one for formulations and one for active pharmaceutical ingredients (API), out of which the formulations plant will commence commercial production by FY2026. The company has also entered into an arrangement with a leading medical equipment company to act as its commission agent.

Key financial indicators (audited)

	FY2023	FY2024
Operating income	316.2	315.0
PAT	35.6	30.8
OPBDIT/OI	12.4%	13.9%
PAT/OI	11.3%	9.8%
Total outside liabilities/Tangible net worth (times)	0.6x	0.6x
Total debt/OPBDIT (times)	0.1x	0.6x
Interest coverage (times)	25.0x	18.3x

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

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Apr 10, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Cash Credit [^]	Long Term	60.00	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING*	Nov-06-24	[ICRA]A- (Stable); ISSUER NOT COOPERATING#	Jan-31-24	[ICRA]A- (Stable)	Oct-31-22	[ICRA]A- (Stable)
Term loan	Long Term	49.06	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING*	Nov-06-24	[ICRA]A- (Stable); ISSUER NOT COOPERATING#	Jan-31-24	[ICRA]A- (Stable)	Oct-31-22	[ICRA]A- (Stable)
Letter of Credit/ Bank guarantee	Short Term	41.74	[ICRA]A4+; ISSUER NOT COOPERATING*	Nov-06-24	[ICRA]A2+; ISSUER NOT COOPERATING#	Jan-31-24	[ICRA]A2+	-	-
Unallocated	Long Term/ Short Term	0.20	[ICRA]BB+ (Stable)/ [ICRA]A4+; ISSUER NOT COOPERATING*	Nov-06-24	[ICRA]A- (Stable)/ [ICRA]A2+; ISSUER NOT COOPERATING#	Jan-31-24	[ICRA]A- (Stable)/ [ICRA]A2+	Oct-31-22	[ICRA]A- (Stable)/ [ICRA]A2+

[^]PCFC is the sublimit, *Issuer did not cooperate; based on fees and info; # Issuer did not cooperate; based on fees

Complexity level of the rated instrument

Instrument	Complexity indicator
Long-term - Fund based- Cash Credit/PCFC	Simple
Long Term - Fund based- Term Loan	Simple
Short-term – Non-fund based	Very Simple
Long term/Short Term – Unallocated	Not Applicable

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 / Sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook
NA	Cash Credit [^]	NA	NA	NA	60.00	[ICRA]BB+ (Stable), ISSUER NOT COOPERATING*
NA	Term loan	NA	NA	NA	49.06	[ICRA]BB+ (Stable), ISSUER NOT COOPERATING*
NA	Letter of Credit/ Bank guarantee	NA	NA	NA	41.74	[ICRA]A4+, ISSUER NOT COOPERATING*
NA	Unallocated	NA	NA	NA	0.20	[ICRA]BB+ (Stable)/ [ICRA]A4+, ISSUER NOT COOPERATING*

Source: Company; [^]PCFC is the sublimit, *Issuer did not cooperate; based on fees and info.

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

Annexure II: List of entities considered for consolidated analysis – Not Applicable

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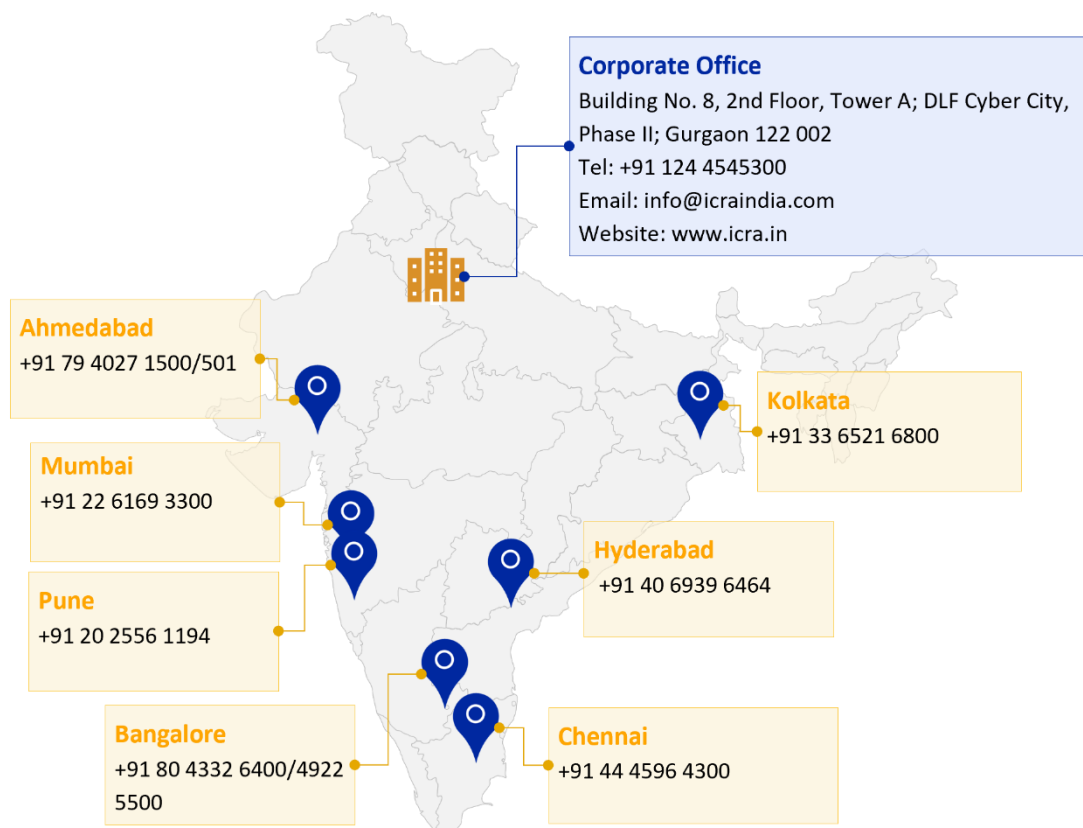
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