

May 07, 2026

Rossari Biotech Limited: Update on Material Event

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating Outstanding
LT – Fund based – Working capital facilities	240.00	240.00	[ICRA]AA- (Positive)
LT – Fund based – Term loan	60.00	60.00	[ICRA]AA- (Positive)
ST- Fund based – WCDL-interchangeable	(20.00)	(20.00)	[ICRA]A1+
ST – Non-fund based limits	23.31	23.31	[ICRA]A1+
LT/ST – Unallocated limits	10.00	10.00	[ICRA]AA- (Positive)/ [ICRA]A1+
Total	333.31	333.31	

*Instrument details are provided in Annexure II

Rationale

Material Event

Rossari Biotech Limited (RBL) announced its FY2026 financial results on April 27, 2026. The company's operating income increased by around 15% to Rs. 2,396 crore in FY2026 (FY2025: Rs. 2,080 crore), driven by growth across key business segments. However, OPBITDA margin moderated to 11.9% in FY2026 compared to 12.7% in FY2025, reflecting margin pressure during the year.

Total borrowings increased from ~Rs. 218.0 crore as of March 31, 2025 to ~Rs. 435.9 crore as of March 31, 2026, leading to an increase in leverage, with Total Debt/OPBITDA rising to 1.52 times in FY2026 from 0.82 times in FY2025.

ICRA notes that the planned capex of Rs. 192 crore has been evaluated given the evolving market conditions, and accordingly, the implementation of the proposed capacity expansion project has been rescheduled and is now expected to be undertaken in a phased manner over the next two years.

Impact of Material Event

ICRA has noted the increase in Rossari Biotech Limited's total debt on a year-on-year basis driven by the capex higher working capital requirements in FY2026. ICRA has been engaging with the company to understand the business outlook and the impact of the same on the credit profile of the company. ICRA will continue to monitor developments and assess the company's credit profile once clarity emerges on the same.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, and Rating sensitivities. [Click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Chemicals
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of Rossari. The subsidiaries and JVs of Rossari that have been considered are enlisted in Annexure III

About the company

Rossari Biotech Ltd was established as a partnership firm, named Rossari Labtech, in 2003 by Mr. Edward Menezes and Mr. Sunil Chari. It was subsequently rechristened Rossari Biotech Limited and converted to a limited company in 2009. On July 23, 2020, the company got listed on the BSE and the NSE. Rossari Biotech Limited is engaged in the manufacturing of speciality chemicals with focus on three business verticals - home, personal care and performance chemicals (HPPC), textile speciality chemicals (TSC) and animal health and nutrition (AHN).

Within the three verticals, it has over 4,250 products catering to diverse end-user industries. Its manufacturing facility is at Silvassa, with an annual installed capacity of 1,20,000 MTPA. It has also set up a new unit at Dahej with an annual capacity of 1,32,500 MTPA, which was fully operational by March 2021. Further, a capacity of 20,000 MTPA was added to the Dahej facility, which was commissioned in September 2025, taking the total installed capacity at Dahej to 152,500 MTPA. It also has two state-of-the-art R&D laboratories at its Silvassa plant and IIT Mumbai. The promoters of the company are technocrats and have extensive experience of over 25 years in the chemical industry.

Rossari Biotech Ltd acquired Tristar Intermediates Private Limited and Unitop Chemicals Private Limited, along with a strategic investment in Romakk Chemicals Private Limited in FY2022, providing synergistic benefits in terms of the diverse end-user industries.

Key financial indicators (audited)

Rossari Biotech Limited (Consolidated)	FY2025	FY2026
Operating income	2,080.3	2,396.4
PAT	135.4	147.3
OPBDITA/OI	12.7%	11.9%
PAT/OI	6.5%	6.2%
Total outside liabilities/Tangible net worth (times)	0.6	0.7
Total debt/OPBDITA (times)	0.8	1.5
Interest coverage (times)	14.9	10.0

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

Current (FY2027)			Chronology of rating history for the past 3 years							
			FY2027		FY2026		FY2025		FY2024	
Instrument	Type	Amount rated (Rs. crore)	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Working capital	Long term	240.00	May- 07- 2026	[ICRA]AA- (Positive)	Dec- 04- 2025	[ICRA]AA- (Positive)	Oct- 24- 2024	[ICRA]AA- (Positive)	July-26- 2023	[ICRA]AA- (Stable)
Term loan	Long term	60.00	May- 07- 2026	[ICRA]AA- (Positive)	Dec- 04- 2025	[ICRA]AA- (Positive)	Oct- 24- 2024	[ICRA]AA- (Positive)	July-26- 2023	[ICRA]AA- (Stable)
Unallocated limit	Long term	10.00	May- 07- 2026	[ICRA]AA- (Positive) / [ICRA]A1+;	Dec- 04- 2025	[ICRA]AA- (Positive) / [ICRA]A1+;	Oct- 24- 2024	[ICRA]AA- (Positive) / [ICRA]A1+;	-	-
Non-fund based limit	Short term	23.31	May- 07- 2026	[ICRA]A1+	Dec- 04- 2025	[ICRA]A1+	Oct- 24- 2024	[ICRA]A1+	July-26- 2023	[ICRA]A1+
ST – Fund-based – WCDL- Interchangeable	Short term	(20.00)	May- 07- 2026	[ICRA]A1+	Dec- 04- 2025	[ICRA]A1+	Oct- 24- 2024	[ICRA]A1+	-	-

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(S) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity indicator
Working capital	Simple
Term loan	Simple
Non-fund based limit	Simple
ST – Fund based – WCDL - Interchangeable	Simple
Unallocated limit	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 II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Working capital	NA	NA	NA	240.00	[ICRA]AA- (Positive)
NA	Term loan*	-	-	-	60.00	[ICRA]AA- (Positive)
NA	Non-fund based limit	NA	NA	NA	23.31	[ICRA]A1+
NA	ST - Fund based – WCDL - Interchangeable	NA	NA	NA	(20.00)	[ICRA]A1+
NA	Unallocated limit	NA	NA	NA	10.0	[ICRA]AA-(Positive) / [ICRA]A1+

Source: Company; *Proposed

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

Annexure III: List of entities considered for consolidated analysis

Company name	RBL ownership	Consolidation approach
Buzil Rossari Private Limited	100.00%	Full consolidation
Rossari Personal Care Products Private Limited	100.00%	Full consolidation
Unitop Chemicals Pvt. Ltd.	80.00%	Full consolidation
Tristar Intermediates Private Limited	100.00%	Full consolidation
Romakk Chemicals Private Limited	50.10%	Equity method
Hextar Unitop SDN BHD*	50.00%*	Equity method

Source: Company; *Holding by Unitop Chemicals Pvt Ltd

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