Swiss Beauty Cosmetics Private Limited

March 30, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term / Short Term Bank Facilities	100.00	CARE BBB+; Stable / CARE A3+	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities of Swiss Beauty Cosmetics Private Limited (SBCPL) factor in company's growing scale of operations along while maintaining its moderate profitability margins supported by SBCPL's diversified product portfolio and growing brand recognition of 'Swiss Beauty'. Ratings also factor in company's comfortable financial risk profile marked by the comfortable capital structure and debt coverage indicators. Ratings also draw comfort from promoters' experience of more than a decade in the beauty and personal care industry, supported by an experienced management team. Ratings also consider the benefits arising from diversified distribution channel across various business channels, which supports revenue stability. However, ratings are constrained by working-capital-intensive nature of operations, foreign exchange fluctuations and, presence in highly regulated and fragmented industry with intense competition. CARE Ratings Limited (CareEdge Ratings) believes the company's ability to improve the gross current asset days in the short-to-medium term will remain a key credit monitorable.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Growth in total operating income (TOI) beyond ₹1,000 crore while maintaining profit before interest, lease rentals, depreciation and taxation (PBILDT) margin at current levels.
- Improvement in total outside liabilities to total net-worth base (TOL/TNW) below 1x on a sustained basis.
- Improvement in operating cycle below 75 days on a sustained basis.

Negative factors

- Decline in TOI by over 20% from existing level and moderation in PBILDT level on a sustained basis.
- Deterioration in operating cycle above 120 days on a sustained basis.
- Deterioration in the capital structure with overall gearing ratio beyond 1x on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

"Stable" outlook reflects CareEdge Ratings' opinion that SBCPL shall sustain its stable operational performance supported by established brand recognition, comfortable financial risk profile and experience of promoters.

Detailed description of key rating drivers:

Key strengths

Sustained growth in operational performance

SBCPL commenced its commercial operations as on April 19, 2021, and has shown growth in its operational performance as marked by compounded annual growth rate (CAGR) of ~39% in the last five years period ending FY25 (FY refers to April 01 to March 31). The company reported revenue of ₹381.80 crore in FY25, with profitability margins as marked by PBILDT and profit after tax (PAT) margin of 11.18% and 7.43%, respectively. Additionally, the company reported TOI of ₹461.34 crore in 11MFY26 (11M refers to April 01 to February 28) and is expected to achieve ~₹500 crore in FY26. The company's product portfolio, distribution reach, and increasing brand visibility within the beauty and personal care segment have contributed to its operational momentum. CareEdge Ratings believes company's ability to sustain its growth momentum of its operational performance over medium term while maintaining its profitability margins will remain a key credit monitorable.

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Comfortable financial risk profile
SBCPL's capital structure stood comfortable, as marked by an overall gearing of 0.61x as on March 31, 2025, indicating limited reliance on working capital borrowings. Debt coverage indicators also stood comfortable as marked by interest coverage ratio and TOL/TNW of 14.27x and 1.19x, respectively during FY25. The capital structure of the company is expected to moderate slightly owing to expected increase in working capital borrowings to support the envisaged growth in scale, however, is expected to remain at comfortable level only. CareEdge Ratings believes the company's comfortable capital structure provides sufficient financial flexibility to support the incremental working capital requirements arising from the expected growth in scale of operations.

Experienced management
Incorporated in 2019, the company is currently promoted by Amit Kumar and Mohit Kumar, who have been associated with the business since its inception and are supported by a team of qualified professionals. SBCPL has an operational track record of over four years in the beauty and personal care industry, which has enabled the company to develop a marketing and distribution network along with a steadily growing brand presence. The promoters possess more than a decade of experience in the same line of business, providing industry-specific expertise and strategic guidance. Their long-standing presence in the sector supports the company's operational stability and enhances its ability to sustain growth in a competitive market.

Diversified product offerings and increased brand recognition
SBCPL has a diversified product portfolio covering a wide range of beauty and personal care categories, including makeup and skincare. This variety enables the company to cater to varied consumer preferences. Over the years, SBCPL has also witnessed improvement in brand recognition across India, supported by increased visibility on major e-commerce platforms, presence in retail outlets, and consistent marketing efforts across digital and social media channels. The company's diversified distribution channel across various business channels including general trade, e-commerce platforms, among others supporting revenue stability. Collaborations with influencers and promotional campaigns have further contributed to its growing visibility in the market. Taapsee Pannu currently serves as the brand ambassador.

Key weaknesses

Working capital intensive nature of operations
The operations of the company are working capital intensive as marked by operating cycle of 100 days as on March 31, 2025, primarily owing to inventory of around three months since the company procures ~80% of raw material from China leading to increased inventory. The operating cycle is expected to remain in a similar range since earlier, suppliers in China provided a credit period of 60 days, which has now been reduced to 30 days. Additionally, the general trade segment contributing approximately 94% of revenue has extended its credit period from 60 days to 90 days. These combined factors have resulted in an elongation of the company's operating cycle. CareEdge Ratings believes that company's ability to scale up its operations while efficiently managing working capital requirements and maintaining its comfortable capital structure will remain a key credit monitorable. Additionally, the company's ongoing efforts to increase procurement from domestic suppliers with shorter lead times are expected to ease working capital requirements over the medium term.

Foreign exchange fluctuation risk
SBCPL's operating margins remain exposed to fluctuations in foreign exchange rates, as ~80% of its raw material procurement is sourced from China. The company reported foreign exchange loss of ₹0.60 crore in FY25. However, the risk is partially offset since the company hedges its foreign currency exposure by booking forward contracts. Further, the company is exposed to fluctuation in exchange rates for the unhedged/ uncovered portion. Any abrupt fluctuations in foreign exchange rates might impact the profitability of the company and will remain a key monitorable.

Highly regulated and fragmented industry with intense competition
The personal care segment is regulated by Food and Drug Administration (FDA) and Central Drugs Standard Control Organisation (CDSCO) to ensure the products' quality and standards. Failure or non-compliance with the rules and regulations laid down by regulatory bodies, eventually will have an impact on the organisation's business operations. SBCPL also faces stiff competition from large number of unorganised players in the market with duplicity of products. High level of competition calls for higher sales promotion expenditure. Further, traditional cosmetics market remains highly fragmented with widespread use of unbranded and homemade products in rural market, wherein small and medium manufacturers are also a competition to an established player. However, the brand equity and increasing recognition of the 'Swiss Beauty' brand provide the company with slight competitive advantage over peers in the fragmented and competitive industry landscape.

Liquidity: Adequate

The liquidity position of the company is adequate characterized by sufficient cushion in accruals and nil long-term repayment obligations. The company has reported gross cash accruals (GCA) to the extent of ₹26.72 crore in FY25 and is expected to be in the range of ₹40-45 crore in FY26. Further, the average utilisation of fund-based limits remained ~58% for 12 months ended January 2026 with highest utilization of ~79% in the month of May 2025. With an overall gearing of 0.61x as on March 31, 2025, the company has sufficient gearing headroom in case of exigencies. The company has planned capex of ₹4-5 crore pertaining to warehouse facility which was earlier being managed under third party arrangement. The current and quick ratio of the SBCPL stood at 1.69x and 1.07x as on March 31, 2025. However, the entity's cash-flow from operations was negative at ₹15.24 crore during FY25.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Wholesale Trading
Financial Ratios – Non financial Sector
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Fast Moving Consumer Goods	Fast Moving Consumer Goods	Personal Products	Personal Care

Incorporated on April 19, 2021, SBCPL operates in the beauty, cosmetics, and personal care segment. The company is led by its directors, Amit Kumar and Mohit Kumar, who have been associated with the business since its inception and is supported by a qualified professional. SCBPL primarily generates its revenue through trading and retail activities within the beauty industry. Over time, the company has expanded its product presence across multiple distribution channels and continues to strengthen its position in the Indian beauty and personal care market, supported by brand recognition of 'Swiss Beauty'. Taapsee Pannu currently serves as the brand ambassador.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	11MFY26 (UA)
Total operating income	312.63	381.80	461.34
PBILDT*	39.10	42.69	NA
Profit after tax (PAT)	27.86	28.38	NA
Overall gearing (x)	0.29	0.61	NA
Interest coverage (x)	25.97	14.27	NA

A: Audited UA: Unaudited NA: Not available; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based/Non-fund-based-LT/ST	-	-	-	-	100.00	CARE BBB+; Stable / CARE A3+

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based/Non-fund-based-LT/ST	LT/ST	100.00	CARE BBB+; Stable / CARE A3+	-	-	-	-

LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based/Non-fund-based-LT/ST	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

Media Contact	Analytical Contacts
Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Puneet Kansal Director **CARE Ratings Limited** Phone: 91-120-4452000 E-mail: puneet.kansal@careedge.in
Relationship Contact Saikat Roy Senior Director **CARE Ratings Limited** Phone: 912267543404 E-mail: saikat.roy@careedge.in	Rajan Sukhija Associate Director **CARE Ratings Limited** Phone: 91-120-4452000 E-mail: Rajan.Sukhija@careedge.in Srishti Jain Analyst **CARE Ratings Limited** E-mail: Srishti.jain@careedge.in

About us:
Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

For detailed Rating Report and subscription information,
please visit www.careratings.com