ICHOR Biologics Private Limited

December 02, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	136.53	CARE BBB-; Positive	Reaffirmed
Long Term / Short Term Bank Facilities	70.00 (Enhanced from 48.47)	CARE BBB-; Positive / CARE A3	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation of ratings continues to factor in Ichor's resourceful promoters, professionally qualified management team, and established presence in the niche plasma-derived products segment, which benefits from limited competition and strong demand prospects. Care Ratings Limited (CareEdge Ratings) also factors in the completion of the large-sized debt-funded capex in March 2025 and expects improvement in operational and financial performance from FY26 onwards, with stabilisation of expanded facilities.

However, these strengths are partially offset by moderation in FY25 performance due to temporary production halt in capex, leveraged capital structure from project debt, and working capital intensive operations. The company also remains exposed to stringent regulatory and quality compliance requirements inherent to the plasma products industry.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Scaling up revenue to over ₹200 crore while maintaining PBILDT margin at existing levels, on a sustained basis.
- Overall gearing improving to below 1.5x, on a consistent basis.

Negative factors

- Significantly falling revenue and profits going forward by over 30% y-o-y.
- Operating cycle elongating beyond 200 days resulting in stretch on the company's liquidity profile.

Analytical approach: Standalone

Outlook: Positive

The 'Positive' outlook reflects CareEdge Ratings expectations of improvement in the company's operating revenue and profitability while improving financial risk profile in coming quarters. The outlook also factors in expected recovery in performance following completion of ongoing capex and stabilisation of operations, which is likely to support growth and strengthen cash flows going forward.

Detailed description of key rating drivers:

Key strengths

Recovery in performance post capex completion

The company's total operating income (TOI) declined to ₹124.16 crore in FY25 from ₹142.33 crore in FY24, primarily due to the temporary suspension of operations for ~6-7 months considering ongoing capacity expansion and modernisation project. Consequently, profitability margins moderated, with PBILDT margin declining to 13.85% (PY: 23.20%) and PAT margin to 1.82% (PY: 10.28%).

However, with the completion of the capex in March 2025 and resumption of normal operations, the company reported a recovery in performance in H1FY26, achieving revenue of ₹150.18 crore and PBILDT margin of 26.12%, indicating strong traction in operations and improved capacity utilisation. Despite the temporary moderation in FY25, profitability remains satisfactory, supported by the company's presence in the niche plasma-derived protein products segment, which is characterised by limited competition, high entry barriers, and favourable demand prospects.

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

With the enhanced capacity and modernised facilities becoming fully operational, revenues and margins are expected to improve further going forward.

Resourceful promoters and a qualified management team

Promoters of Ichor, Ananda Reddy Sudini and Sujana Sudini, have demonstrated resourcefulness by infusing funds into the business to support operational and capex requirements. The company is managed by a highly qualified and professional team with relevant experience in the biopharma segment and R&D. CareEdge Ratings Limited expects continued promoter support and experienced management to aid in stabilising operations and improving performance post capex from FY26 onwards

Established product portfolio and expanding supply network

Ichor currently manufactures and markets five products under its own trademark, which are sold to branches of the Indian Medical Association (IMA) across states. The company's clientele also includes medical practitioners through dealers and distributors in pharmaceutical markets across India, and exports.

Although there were no major export sales in FY24 and FY25 due to ongoing capex and pending approvals, CareEdge Ratings expects export sales to grow in the medium term, supported by healthy demand prospects in international markets and expanded manufacturing capacity.

Completion of capacity expansion project

In FY24, Ichor undertook a major expansion and modernisation project to enhance efficiency and increase annual plasma processing capacity from 1.30 lakh litres to 2.81 lakh litres. Total project cost was ₹165.33 crore, funded through a term loan of ₹115 crore and the balance from promoters' contribution and internal accruals. Increase in cost was primarily due to higher pre-operative expenses, including employee costs incurred during production halt.

The project was completed and commercial operations commenced on March 27, 2025, after a delay of ~five months from the earlier scheduled commercial operations date (COD) of October 2024, primarily due to delays in bank disbursals. With commissioning of the modernised facilities, CareEdge Ratings expects operational ramp-up and realisation of benefits in terms of scale, efficiency, and profitability to be critical in the near term.

Key weaknesses

Limited operational track record post acquisition

Ananda Reddy Sudini, the promoter, who has prior experience in the sugar business, acquired the biopharma business of Hemarus Therapeutics Limited through a slump sale, which was successfully concluded on June 01, 2021, following the transfer of drug licenses from Hemarus. FY23 marked Ichor's first full year of operations. In these initial years, the company has been focusing on streamlining its production and operational processes. CareEdge Ratings considers the company's operational track record to be short and evolving and expects stabilisation of operations in the medium term as the expanded facilities become fully functional.

Leveraged capital structure and high working capital intensity

The company's capital structure weakened in FY25, with the overall gearing ratio increasing to 3.35x as on March 31, 2025 (PY: 1.70x), primarily due to increased term borrowings for the capacity expansion project and additional unsecured loans from promoters. The total debt to gross cash accruals (TD/GCA) remained elevated at 25.82x (PY: 5.38x) in FY25; however, it improved to 5.7x in H1FY26 with better cash accruals following commencement of operations. ICHOR operates in a working capital intensive industry, requiring substantial inventory holding. As a result, the company's reliance on working capital borrowings remained high in FY25. Operating cycle elongated to 192 days in FY25 (PY: 125 days), mainly due to higher inventory days of 192 (PY: 130 days). The company typically maintains high levels of raw material inventory to ensure uninterrupted production, leading to elongated inventory holding. CareEdge Ratings expects the company's ability to manage its capital structure and optimise working capital to remain a key monitorable in the near term.

Exposure to stringent regulatory and quality compliance norms

Operating in the plasma extraction industry requires strict adherence to rigorous quality and safety standards, given the sensitive nature of handling human plasma. The company must maintain robust quality control protocols to ensure integrity and efficacy of plasma-derived products. Compliance with these standards is critical to sustaining trust among healthcare practitioners and patients. CareEdge Ratings notes that Ichor's operations remain exposed to regulatory risks, and its ability to maintain consistent compliance will be a key monitorable in the medium term.

Liquidity: Adequate

The company's liquidity position is adequate, supported by projected cash accruals of ₹45.49 crore against repayment obligations of ~₹15 crore in FY26. Repayment of the project term loan commenced from October 2025 (FY26). Liquidity is further supported by an above-unity current ratio of 1.09x as on March 31, 2025, and positive cash flow from operations (CFO) of ₹30.35 crore in FY25. Promoters are resourceful and have demonstrated commitment to the business, with the ability to infuse need-based funds to support operations and debt servicing requirements.

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
Manufacturing Companies
Pharmaceuticals
Financial Ratios – Non financial Sector
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Healthcare	Healthcare	Pharmaceuticals & biotechnology	Pharmaceuticals

Established in 2021, Ichor operates in the specialised field of plasma therapy. The company manufactures therapeutic protein products derived from human plasma at its processing plant in Shameerpet, Hyderabad. Ichor markets these products under its own trademarks and distributes them to a range of healthcare entities, including hospitals, medical practitioners, stockists, and distributors among others. These products find applications in diverse medical areas such as neurology, haematology, oncology, immunology, paediatrics, gynaecology, and organ transplant. Ichor has been promoted by Ananda Reddy, who has a wide experience in sugar and distillery business and has been successfully running business in Vijayanagar Sugar Private Limited.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	H1FY2026 (UA)
Total operating income	142.33	124.16	150.18
PBILDT	33.02	17.19	39.23
PAT	14.64	2.26	14.11
Overall gearing (times)	1.70	3.35	2.87
Interest coverage (times)	4.98	2.24	3.21

A: Audited UA: Unaudited; Note: these are latest available financial results

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 (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	31.03.2033	136.53	CARE BBB-; Positive
Fund-based - LT/ ST-Cash Credit		-	-	-	70.00	CARE BBB-; Positive / 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 - LT-Term Loan	LT	136.53	CARE BBB-; Positive	1)CARE BBB-; Positive (17-Nov-25)	1)CARE BBB-; Stable (20-Aug-24)	1)CARE BBB-; Stable (13-Sep-23)	1)CARE BB+; Positive (18-Nov-22)
2	Fund-based - LT/ ST-Cash Credit	LT/ST	70.00	CARE BBB-; Positive / CARE A3	1)CARE BBB-; Positive / CARE A3 (17-Nov-25)	1)CARE BBB-; Stable / CARE A3 (20-Aug-24)	1)CARE BBB-; Stable / CARE A3 (13-Sep-23)	1)CARE BB+; Positive / CARE A4+ (18-Nov-22)

LT: Long term; 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 - LT-Term Loan	Simple
2	Fund-based - LT/ ST-Cash Credit	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

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About us:

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