Ennature Bio Pharma Limited

November 25, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long-term bank facilities	RBI	50.00	CARE A-; Stable	Assigned
Short-term bank facilities	RBI	50.00	CARE A2+	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has assigned a long-term rating of 'CARE A-; Stable' and short-term rating of 'CARE A2+' to bank facilities of Ennature Bio Pharma Limited (EBL, company).

CareEdge Ratings has considered successful implementation of the Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench, effective from September 1st, 2026, pursuant to which the Biopharmaceutical & Biopolymer business (hereinafter, referred to as Bio Pharma division) was transferred to EBL. Subsequently, EBL was listed on the stock exchanges on November 4th, 2026, resulting in a distinct corporate structure for the transferred business.

Ratings derive strength from its experienced promoters and management team, established operating track record with diversified product portfolio across plant-based active pharmaceutical ingredients (APIs), biopolymers and nutraceutical ingredients, strong regulatory compliance framework and comfortable financial risk profile characterised by nil term loan outstanding and minimal utilisation of its fund-based limits (nil utilisation as on September 30, 2026). Ratings also derive strength from EBL's strong position in Thiocolchicoside, established relationships with reputed customers across regulated markets, and in-house research and development (R&D) capabilities supporting product development.

However, ratings are constrained by the company's moderate scale of operations although growth plans, profitability susceptible to volatility in agro-based raw material prices and the inherently working capital intensive operations arising from seasonal procurement of herbal raw materials and inventory stocking requirements. The company's profitability witnessed moderation in FY26 owing to sharp escalation in raw material costs and lower demand in the API segment. Operating performance improved materially in H1FY27, supported by growth in nicotine and nicotine derivatives, gradual pass-through of higher raw material costs and increasing contribution from nutraceutical products.

Going forward, the company's ability to sustain revenue growth while improving profitability, manage raw material price volatility through timely pass-through mechanisms, maintain its comfortable capital structure, and efficiently manage working capital requirements will remain key monitorable.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sustained growth in operating income while maintaining profit before interest, lease rentals, depreciation and taxation (PBILDT) margins above 15%.

Negative factors

- Lower-than-expected revenue growth or decline in operating profitability resulting in PBILDT margin falling below 10%.
- Weakening of debt coverage indicators, characterised by net debt /PBILDT increasing above 1.5x.

Analytical approach: Standalone

Outlook: Stable

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

[2]Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

The 'Stable' outlook indicates CareEdge Ratings' expectation of likely sustained improvement in the EBL's business risk profile in the near-to-medium term. In the absence of plans for incremental borrowings, the debt coverage metrics are likely to remain healthy going forward.

Detailed description of key rating drivers

Key strengths

Experienced promoter group and established track record

EBL benefits from the longstanding experience of the Bhartia promoter family and its association with the India Glycols Group, which has an established presence across specialty chemicals, bio-based products, pharmaceuticals, nutraceuticals and allied businesses, and biofuels and potable spirits. The biopharma business has been operating within IGL since 2009, providing EBL with an established operating track record and customer relationships.

EBL has a strong market position in Thiocolchicoside (plant-based API). The company's board is led by experienced promoter-directors, who have been closely associated with the Ennature Biopharma division since its inception.

Diversified products portfolio, reputed clientele and strong in-house R&D

EBL's business profile is underpinned by a diversified product portfolio spanning plant-based APIs, biopolymers, and nutraceutical ingredients, providing revenue diversification across pharmaceutical, dietary supplement, healthcare, and wellness end-user industries. The diversified business mix mitigates dependence on a single product or end-user segment while offering multiple growth drivers.

The plant-based API segment, contributing more than 50% of total Bio Pharma Division revenue comprising products, such as Thiocolchicoside, Colchicine, Nicotine, and Vinpocetine. Remaining revenue is constituted by the Biopolymers segment which consists primarily of guar gum and specialty gum products catering to food, pharmaceutical, personal care, oilfield and industrial applications and Nutraceuticals segment, which includes branded nutraceutical ingredients, botanical extracts. The business is further supported by USFDA-compliant operations, NSF-GMP certification, and ongoing investments in clinical validation and product development.

EBL also benefits from an experienced in-house R&D and technical team which supports new product development, process improvements and expansion into niche, and value-added products. The company's integrated manufacturing facility at Dehradun, equipped with advanced SCFE and extraction capabilities and supported by multiple global certifications including EU-GMP, WHO-GMP, USFDA, NSF-GMP, and ISO accreditations, enhances its competitiveness in regulated markets. Another facility at Kashipur Biopolymer (Guar gum Plant) is built to cater various sectors like Food & Dietary supplements, Oil & Gas, Cosmetics.

Going forward, the company intends to strengthen its market position through increased penetration in regulated markets such as the US and Europe, growth in value-added guar derivatives, and continued development of branded nutraceutical ingredients.

Comfortable financial risk profile

EBL's has a comfortable capital structure and healthy coverage indicators. The company does not have term loan in its books with only fund-based limits sanctioned to the tune of ₹50 crore as on March 31, 2026. Of the same, the company has nil outstanding limits in the books as on September 30, 2026. Gearing levels (including acceptances) continue to be comfortable at 0.1x as on March 31, 2026. Going forward, with no major debt-funded capex plans in the medium term, CareEdge Ratings expects the gearing to remain comfortable.

Key weaknesses

Moderate scale of operations though growing

The Biopharma division reported revenue of ₹246.15 crore in FY26, compared to ₹256.67 crore in FY25. The revenue was slightly declined in FY26 in the API segment due to lower demand across pharmaceutical industry. Overall segmental PBILDT margins declined to 12.7% in FY26 from 14.6% in FY25 owing to price rise in raw material. However, in H1FY27, the company has reported significant uplift in operational performance with division revenue stood at ₹168.85 crore (H1FY26: ₹112.78 crore) and PBILDT margin of 12% (H1FY26: 9.9%), mainly owing to the increase in sales in the nicotine and its derivatives segment under the API segment. Improving demand for Thiocolchicoside and Nicotine in key markets and the continued expansion of the Nutraceuticals segment, particularly in South-East Asia, is expected to support growth, while the US remains a strategic focus market going forward. Going forward, supported by the receipt of NSF GMP certification for dietary supplements and nutraceuticals in FY26, CareEdge Ratings expects improvement in the company's revenue and profit margins, as also reflected in its H1FY27 performance.

Exposure to raw material price volatility

The company's credit profile remains constrained by its exposure to volatility in the prices and availability of agro-based raw materials, used in the manufacture of Plant based API. Procurement of raw material is concentrated in April-June, resulting in dependence on agricultural output and mandi-linked pricing. The average raw material procurement cost has increased significantly in FY26 and H1FY27, exerting pressure on profitability. Given the lag in passing on raw material cost increases to customers, operating margins remain vulnerable to sharp fluctuations in input prices. Procurement is primarily undertaken through intermediaries and farmers in an unorganised supply chain, exposing the company to supply and pricing risks.

Working capital intensive nature of operations
The company's operations are also inherently working capital intensive owing to seasonal procurement requirements, sizeable inventory holdings and dependence on agricultural supply chains. The company procures a substantial portion of its annual raw material requirements in the harvesting season and maintains inventory of ~80-100 days of agro-linked commodities. The company's diversified product portfolio and import dependence requirements result in elevated inventory levels and longer procurement lead times. The working capital risk is partly mitigated by efficient receivable management, supported by customer advances and low collection period. Comfort is derived from the company's adequate liquidity position, reflected in sanctioned fund-based working capital limits of ₹50 crore, with nil utilisation as on September 30, 2026, providing sufficient cushion to meet seasonal working capital requirements.

Liquidity: Adequate
The company's liquidity profile remains adequate, supported by cash and bank balance of ₹0.24 crore as on March 31, 2026, and ₹0.32 crore as on September 30, 2026. CareEdge Ratings expects the liquidity to remain adequate, supported by gross cash accruals of ₹30-40 crore in FY27, with absence of any term debt outstanding as on September 30, 2026, and limited near-term capex requirements. Further, the entirely unutilised fund-based working capital limits of ₹50 crore as on September 30, 2026 provide adequate liquidity cushion.

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

EBL (formerly Ennature Bio Pharma Private Limited) was incorporated in 2021 and emerged as a separate legal entity, pursuant to the demerger of the Bio Pharmaceuticals and Bio Polymers business from India Glycols Limited, effective from September 01, 2026, with appointment date of April 01, 2026.

Post demerger, the company is engaged in manufacturing nutraceuticals, phytochemicals, plant-based APIs, food supplements, health supplements, herbs, and herbal extracts.

Brief Financials- Standalone (₹ crore)	March 31, 2025 (A)	March 31, 2026 (A)	H1FY27 (UA)
Total operating income	0.00	0.00	168.85
PBILDT*	0.00	0.00	20.32
Profit after tax (PAT)	0.00	0.00	9.53
Overall gearing (x)	0.00	0.00	-
Interest coverage (x)	0.00	0.00	-

A: Audited; UA: Unaudited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease, depreciation, and taxes

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

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of regulators:
A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	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-Long Term	RBI	Not applicable	-		-	-	50.00	CARE A-; Stable
Non-fund-based-Short Term	RBI	Not applicable	-		-	-	50.00	CARE A2+

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 2026-2027	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
1	Fund-based-Long Term	LT	50.00	CARE A-; Stable				
2	Non-fund-based-Short Term	ST	50.00	CARE A2+				

LT: Long term; ST: Short term; LT/ST: Long term/Short term

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

Annexure-4: Lender details:

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

Annexure-5: List of entities consolidated: Not applicable

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.

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