

November 28, 2025

Aurore Life Sciences Pvt Ltd: Update on material event

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Term Loans	21.27	21.27	[ICRA]BB- (Stable); Outstanding
Short-term – Fund based – Working Capital Facilities	198.00	198.00	[ICRA]A4; Outstanding
Short-term – Non-fund Based Facilities – Letter of Credit/ Bank Guarantee	40.00	40.00	[ICRA]A4; Outstanding
Total	259.27	259.27	

*Instrument details are provided in Annexure I

Rationale

Material event

Aurore Life Sciences Pvt Ltd (ALS) shared its FY2025 audited financials on November 19, 2025 with ICRA. In FY2025, ALS' consolidated operating income (OI) witnessed a modest YoY growth of around 2% to Rs. 481.8 crore and the operating profit margin (OPM) weakened to 9.6% in FY2025 from 11.7% in FY2024. This resulted in a net loss of Rs. 57.7 crore in FY2025 against a net loss of Rs. 31.5 crore in FY2024.

Impact of the material event

ICRA has noted the weak operating and financial performances of the company on a consolidated basis in FY2025, which was adversely impacted by the fire incidents that occurred at the Kazhipally (Hyderabad) plant of ALS and the Jeedimetla (Hyderabad) plant of its wholly owned subsidiary, Aurore Pharmaceutical Private Limited (APPL) in November 2024. This resulted in a production loss of about 60 days, thus impacting revenues and profits. In addition, the company (on a consolidated basis) reported around Rs. 25-crore one-off expenses comprising Rs. 4-5 crore loss due to fire incidents, Rs. 12 crore owing to sales return from one of the customers, Rs. 5.3 crore of inventory and debtor write-offs and the balance due to losses on account of the sale of Covid-related inventories. These collectively impacted the company's profits during the year. However, the company had received equity capital of Rs. 105 crore in September 2024 and also placed non-convertible debentures (NCDs) worth Rs. 250 crore with Modulus Alternatives Investment Managers Limited, which supported its liquidity position. Furthermore, Matrix Pharmacorp Private Limited (Matrix) invested Rs. 86 crore in the form of compulsorily convertible debentures during August 2025 and October 2025, with the balance Rs. 50 crore to be invested by January 2026 towards acquisition of stake from Hydra Active Pharma Sciences (HAPS, a Tenshi Group company), that holds a 53.59% equity stake in ALS as of September 30, 2025. ICRA understands from the management that there has been an improvement in the business and financial performances of the company in the current year. ICRA is engaging with the company to understand its business plans and outlook, post which, an appropriate rating action will be taken.

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 Pharmaceuticals
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of ALS. As on March 31, 2025, it had two subsidiaries which have been mentioned in Annexure II

About the company

ALS commenced its operations in September 2016 with an independent research and development (R&D) centre in Hyderabad, targeting domestic and semi-regulated markets like Middle East, Bangladesh and Egypt. The company acquired Eshwar Pharmaceuticals Ltd.'s (Eshwar) manufacturing plant in FY2019 in Kazipally, Hyderabad and created a completely new manufacturing plant where it produces intermediates and active pharmaceutical ingredients (API) for semi-regulated markets. The present capacity of the facility is 400 KL. The manufacturing facility has WHO Geneva approval and has also been inspected by EDQM authorities recently. The company has made filings for about 10 products with European authorities.

As on September 30, 2025, HAPS, a Tenshi Group company, held a 53.59% equity stake in ALS, with the balance being held by its erstwhile promoter, Mr. Rajender Rao, and a few others.

APPL was established in 2017 as Sphery Life Sciences Private Limited. It provides contract manufacturing services to formulation manufacturers. As on date, ALS holds a 100% stake in APPL.

Key financial indicators*

Consolidated	FY2024	FY2025
Operating income	472.3	481.8
PAT	-31.5	-57.7
OPBDITA/OI	11.7%	9.6%
PAT/OI	-6.7%	-12.0%
Total outside liabilities/Tangible net worth (times)	-7.1	-8.8
Total debt/OPBDITA (times)	9.5	13.4
Interest coverage (times)	0.9	0.6

PAT: Profit after tax; OPBDITA: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs. crore; *Consolidated numbers are not audited

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current ratings (FY2026)				Chronology of rating history for the past 3 years					
				FY2025		FY2024		FY2023	
Instrument	Type	Amount Rated (Rs Crore)	Nov 28, 2025	Date	Rating	Date	Rating	Date	Rating
Long Term- Term Loan- Fund Based	Long Term	21.27	[ICRA]BB- (Stable)	28-Jun- 2024	[ICRA]BB+ (Stable) Issuer Not Cooperating	-	-	09-Jun- 2022	[ICRA]BBB (Negative)
				12-Sep- 2024	[ICRA]BB- (Stable)	-	-	30-Jun- 2022	[ICRA]BBB (Negative)
				-	-	-	-	24- Mar- 2023	[ICRA]BB+ (Stable) Issuer Not Cooperating
Short Term- Working Capital-Fund Based	Short Term	198.00	[ICRA]A4	28-Jun- 2024	[ICRA]A4+ Issuer Not Cooperating	-	-	09-Jun- 2022	[ICRA]A3+
				12-Sep- 2024	[ICRA]A4	-	-	30-Jun- 2022	[ICRA]A3+
				-	-	-	-	24- Mar- 2023	[ICRA]A4+ Issuer Not Cooperating
Short Term- Others-Non- fund Based	Short Term	40.00	[ICRA]A4	28-Jun- 2024	[ICRA]A4+ Issuer Not Cooperating	-	-	09-Jun- 2022	[ICRA]A3+
				12-Sep- 2024	[ICRA]A4	-	-	30-Jun- 2022	[ICRA]A3+
				-	-	-	-	24-Mar- 2023	[ICRA]A4+ Issuer Not Cooperating
Unallocated Limits	Long Term/ Short Term							09-Jun- 2022	[ICRA]BBB (Negative)/ [ICRA]A3+

Complexity level of the rated instruments

Instrument	Complexity indicator
Term Loans	Simple
Working Capital Facilities	Simple
Letter of Credit/ Bank Guarantee	Very simple

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	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term Loans	FY2019-FY2021	9.5%-10%	FY2025-27	21.27	[ICRA]BB- (Stable)
NA	Working Capital Facilities	-	-	-	198.00	[ICRA]A4
NA	Letter of Credit/ Bank Guarantee	-	-	-	40.00	[ICRA]A4

Source: Company

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

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Aurore Pharmaceuticals Private Limited	100.0%	Full Consolidation
Empyrean Life Sciences Private Limited	100.0%	Full Consolidation

Source: Company; ownership as on date

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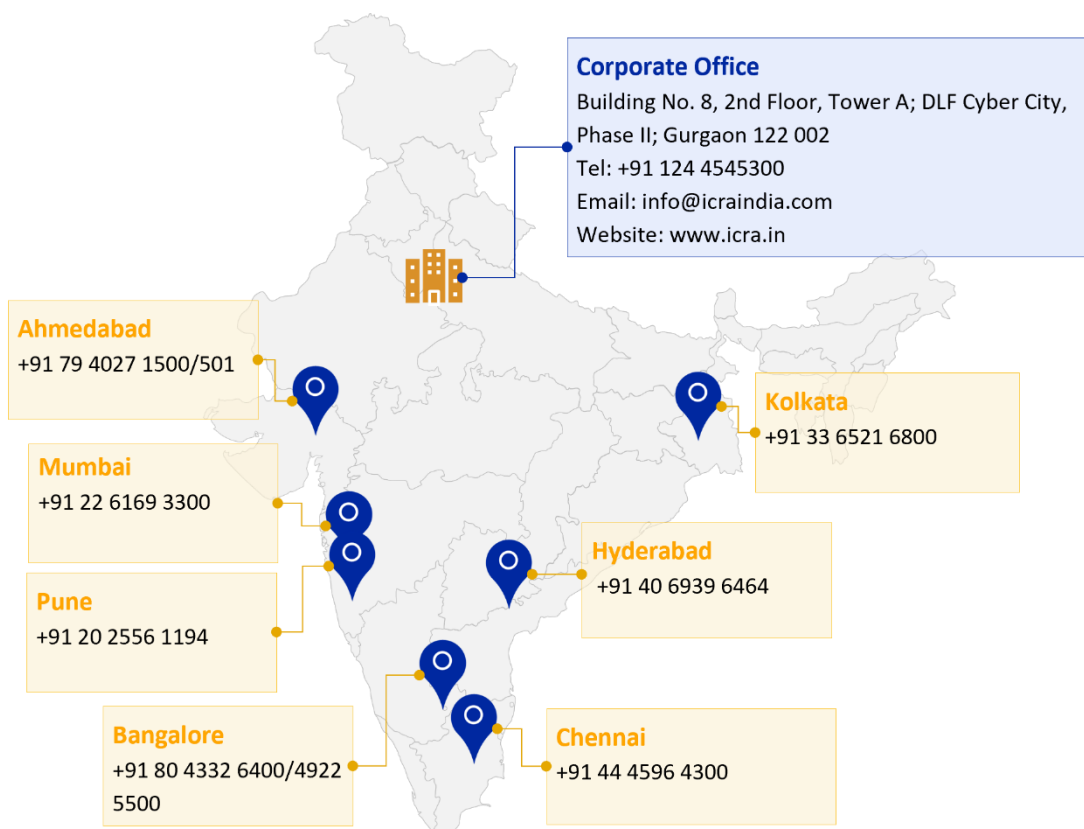
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