

December 03, 2024

Stelis Biopharma Limited: Rating withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term-term loan-fund based	22.00	22.00	[ICRA]BB- (Negative); Withdrawn
Long term-term loan-fund based	160.00	160.00	[ICRA]BBB(CE) (Negative); Withdrawn
Total	182.00	182.00	
Rating Without Explicit Credit Enhancement			[ICRA]BB-

*Instrument details are provided in Annexure-I

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of Stelis Biopharma Limited (SBL) at the request of the company, based on the No Objection Certificate (NOC) received from the banker and in accordance with ICRA's policy on withdrawal.

However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The key rating drivers, Liquidity position, rating sensitivities, key financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Pharmaceuticals Corporate Credit Rating Methodology Policy on Withdrawal of Credit Ratings
Parent/Group support	Strides Pharma Sciences Limited (rated [ICRA]A- (Stable)/[ICRA]A2+)
Consolidation/Standalone	For arriving at the rating, ICRA has considered the consolidated financials of Stelis. As on March 31, 2024, the company had three subsidiaries, which are all enlisted in Annexure-2.

About the company

Stelis is a vertically-integrated biopharmaceutical company that offers CDMO services across all phases of pre-clinical and clinical development and commercial supply of biologics. Its operations include R&D, process development, scale-up and manufacturing capabilities from drug substance through drug product in all formats and packaging. Stelis has also invested in developing biosimilars in the therapeutic areas of osteoporosis, osteoarthritis, and diabetes. Stelis forayed into contract manufacturing Covid-19 vaccines (Sputnik V) and invested in a facility that can produce multiple vaccine types, which has now been sold off and the transaction stands concluded. Stelis' R&D facility and 2,00,000 sq. ft., fully-integrated manufacturing facility are located in Bengaluru, India.

About the Guarantor

Strides Pharma Science Limited, incorporated in 1990, is a medium-sized pharmaceutical company that develops, manufactures and exports a wide range of pharmaceutical products. The company has followed both organic and inorganic

growth strategies over the years, that has led to its foray into new markets and the addition of new businesses, therapy segments and manufacturing infrastructure.

The company's product range covers most dosage forms including soft gel capsules, tablets, capsules and semi-solids. At present, its business is broadly classified into regulated market formulations (mainly comprising the US, the UK, Europe and Australia), emerging markets (primarily Africa) and institutional segments (tender-driven business mainly in developing markets).

For the last, detailed rationale of the guarantor: [Click here](#)

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current (FY2025)				Chronology of rating history for the past 3 years					
				FY2024		FY2023		FY2022	
Instrument	Type	Amount Rated (Rs Crore)	Dec 03, 2024	Date	Rating	Date	Rating	Date	Rating
Long term-term loan-fund based	Long Term	22.00	[ICRA]BB-(Negative); withdrawn	12-JUL-2023	[ICRA]A-(CE) (Negative)	06-OCT-2022	[ICRA]A-(CE) (Negative)	14-JUN-2021	[ICRA]A+(CE) (Stable)
				12-JUL-2023	[ICRA]BB+ (Negative)	06-OCT-2022	[ICRA]BB+ (Negative)	24-MAR-2022	[ICRA]A(CE) (Negative)
				21-SEP-2023	[ICRA]BBB(CE) (Negative)	20-OCT-2022	[ICRA]A-(CE) (Negative)	24-MAR-2022	[ICRA]BBB-(Negative)
				21-SEP-2023	[ICRA]BB-(Negative)	20-OCT-2022	[ICRA]BB+ (Negative)	-	-
				05-OCT-2023	[ICRA]BBB(CE) (Negative)	05-JAN-2023	[ICRA]A-(CE) (Negative)	-	-
				05-OCT-2023	[ICRA]BB-(Negative)	05-JAN-2023	[ICRA]BB+ (Negative)	-	-
				30-JAN-2024	[ICRA]BBB(CE) (Negative)	-	-	-	-
				30-JAN-2024	[ICRA]BB-(Negative)	-	-	-	-

Long term-term loan-fund based	Long Term	160.00	[ICRA]BBB(CE) (Negative); withdrawn	12-JUL-2023	[ICRA]A-(CE) (Negative)	06-OCT-2022	[ICRA]A-(CE) (Negative)	14-JUN-2021	[ICRA]A+(CE) (Stable)
				12-JUL-2023	[ICRA]BB+ (Negative)	06-OCT-2022	[ICRA]BB+ (Negative)	24-MAR-2022	[ICRA]A(CE) (Negative)
				21-SEP-2023	[ICRA]BBB(CE) (Negative)	20-OCT-2022	[ICRA]A-(CE) (Negative)	24-MAR-2022	[ICRA]BBB- (Negative)
				21-SEP-2023	[ICRA]BB- (Negative)	20-OCT-2022	[ICRA]BB+ (Negative)	-	-
				05-OCT-2023	[ICRA]BBB(CE) (Negative)	05-JAN-2023	[ICRA]A-(CE) (Negative)	-	-
				05-OCT-2023	[ICRA]BB- (Negative)	05-JAN-2023	[ICRA]BB+ (Negative)	-	-
				30-JAN-2024	[ICRA]BBB(CE) (Negative)	-	-	-	-
				30-JAN-2024	[ICRA]BB- (Negative)	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long term-term loan-fund based	Simple
Long term-term loan-fund based	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 Loan-I	Dec 2015	9.65%	FY2026	22.00	[ICRA]BBB(CE) (Negative); Withdrawn
NA	Term Loan-II	May 2019	9.55%	FY2027	90.00	[ICRA]BBB(CE) (Negative); Withdrawn
NA	Term Loan-III	Aug 2021	9.50%	FY2026	48.00	[ICRA]BBB(CE) (Negative); Withdrawn
NA	Term Loan-IV	Nov 2021	8.25%	FY2027	22.00	[ICRA]BB- (Negative); Withdrawn

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
Biolexis Pte Ltd, Singapore	100.00%	Full Consolidation
Biolexis Private Limited	100.00%	Full Consolidation
Stelis Biopharma UK Private Limited	100.00%	Full Consolidation

Source: Company's annual report FY2024

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