Symbiotec Pharmalab Limited

January 12, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	96.00 (Reduced from 100.00)	CARE A+; Stable	Reaffirmed
Long-term / Short-term bank facilities	270.00 (Enhanced from 200.00)	CARE A+; Stable / CARE A1	Reaffirmed
Short-term bank facilities	189.98	CARE A1	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities of Symbiotec Pharmalab Limited (SPL) continue to derive strength from its established leadership in niche corticosteroids and hormone active pharmaceutical ingredients (APIs), integrated manufacturing facilities with major regulatory approvals, a moderately diversified client base, and a growing product portfolio spanning multiple therapeutic segments. Stable demand prospects for its API products further supports ratings. Ratings also consider an experienced promoter group, professional representatives of the investors on the Board, development of niche products, and SPL's ability to secure agreements with a major global pharmaceutical company.

Ratings also factor growth in SPL's scale of operations and continued healthy operating profitability in FY25 (FY refers to period April 01 to Mach 31) and H1FY26. Ratings consider two greenfield projects nearing completion, which will enhance capacity and diversify product offerings. Contract manufacturing arrangements and certain assured off-take agreements for these projects are expected to provide revenue visibility to an extent over the medium term.

Ratings also factor equity infusion by promoters in December 2025 and pre-payment of sizable term-debt obligations (term-debt availed for setting up greenfield projects), strengthening SPL's liquidity and financial risk profile.

However, these rating strengths are constrained by SPL's large working capital requirements, profitability susceptible to foreign exchange rate fluctuations and cyclical raw material prices, and its presence in the highly regulated and competitive bulk drug industry. SPL currently imports large portion of its raw material from China, as sourcing from China is more economical. However, the company decides between 'Make or Buy' for key raw materials. Ratings strengths are partially offset by uncertainties in regulatory approvals and stabilisation risk associated with its two ongoing greenfield projects. Commencement of commercial operations of these projects is taking longer than initially envisaged. Receipt of milestone payment related to development and commercialisation of certain products is also delayed. However, pre-payment of sizable portion of term-debt availed for green-field projects mitigate the risk to an extent. Consolidated operating profitability may moderate in the near term due to pre-operative expenses related to its new manufacturing facilities, thus, quick ramp-up of these manufacturing facilities and timely receipt of milestone payment are key for sustaining profitability in the medium term.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant growth in its consolidated scale of operations and greater diversification of its revenue stream, with a profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin and return on capital employed (ROCE) of over 20% on a sustained basis.

Negative factors

- Any large size debt-funded expansion / acquisition plan or deterioration in operating profitability leading to deterioration in its total debt/PBILDT beyond 3.00x on a sustained basis.
- Elongation of its working capital cycle that significantly affects its cash flow from operations.
- Inordinate delay in the commencement of the ongoing capital expenditure and lower-than-envisaged returns from it.

Analytical approach: Consolidated

CARE Ratings Limited (CareEdge Ratings) has considered SPL's credit assessment on a consolidated basis as there are strong operational, financial, and managerial linkages with its subsidiaries. Subsidiaries whose financials have been consolidated in SPL are mentioned in Annexure-6.

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

Outlook: Stable

CareEdge Ratings expects SPL to continue to benefit from its longstanding presence in manufacturing niche APIs, supported by its integrated manufacturing facilities and healthy financial risk profile.

Detailed description of key rating drivers:

Key strengths

Established presence in corticosteroids and hormone APIs manufacturing

SPL has a well-established operational track record of ~20 years in manufacturing corticosteroids and hormone APIs. It is India's largest manufacturer of these APIs. In products such as hydrocortisone, testosterone, and methylprednisolone, SPL is a global market leader with over 50% market share in volume terms. (Source: Company DRHP).

Integrated and accredited manufacturing facilities

SPL has integrated facilities to manufacture intermediates (raw materials at different stages) and APIs. The company's manufacturing facilities at Rau and Pithampur, in Madhya Pradesh, are ISO 9001:2000-certified and are accredited by the United States Food and Drug Administration (USFDA), the European Union's Good Manufacturing Practice (EU-GMP), and the World Health Organization's Good Manufacturing Practice (WHO-GMP).

SPL's Rau facility has chemical synthesis corticosteroid API manufacturing blocks with maximum capacity of 92 MT (metric tonne). Its Pithampur facility has dedicated manufacturing blocks for hormone and corticosteroid. It has 4*5 KL and 8*35 KL fermentation capacity and ~493 MT of chemical synthesis capacity.

SPL has set-up one injectable facility near Indore (yet to commence commercial operations) under its wholly owned subsidiary Knovea Pharmaceutical Private Limited (KPPL) with capacity of 20 million double chamber vials (DCV) per annum. It also set-up one biopharma/API manufacturing facility near Ujjain (expected to start commercial operations in Q4FY26) under its wholly owned subsidiary, Symbiotec Zenfold Private Limited (SZPL). This manufacturing facility has 100*4 KL fermentation facility and supporting infrastructure to add more fermentation capacity as and when required. SPL is also undertaking capex for setting up separate fermentation blocks (2*7KL) dedicated to biologic products.

Wide product portfolio supported by steady research and development spend

SPL has a product portfolio comprising over 60 corticosteroid and steroidal-hormone APIs. SPL filed drug master files (DMFs) for 42 of its APIs (including steroids and hormone APIs), six active substance master files, and has been granted 23 Certification of Suitability of European Pharmacopoeia monographs (CEPs). Over the last few years, SPL has also added immunosuppressants and anti-infectives APIs to its product portfolio. APIs manufactured by SPL are used in multiple therapeutic segments such as women's health, dermatology, immunosuppressive, pro-pregnancy, contraceptive, oncology, and muscle relaxant, among others. Top 10 products of SPL constituted 58% of its total operating income (TOI) in FY25 (65% in FY24), reflecting a moderately diversified product portfolio. SPL derived ~66% of its revenue from steroids, while the balance was generated from hormones in FY25. Apart from APIs, SPL developed two formulations (in DCV injectable format) and has around five formulation products in pipeline. SPL is also one of the few global companies to develop naturally conjugated oestrogen products.

SPL and its subsidiaries are involved in research and development (R&D) activities for manufacturing niche APIs and the development of formulation products. It has three R&D centres with over 100 scientists and engineers. On a consolidated basis, the R&D spend (including capital expenditure) stood at ~4.55% of its total income for FY25 compared to ~3.22% in FY24. As articulated by the management, R&D expense is expected to remain at ~3% -5% of total income annually.

Reputed and diversified clientele

SPL has established longstanding relationships with leading pharmaceutical companies and has medium-term assured off-take contracts with certain clients for APIs manufactured by it. Many of its products are supplied to innovator companies demonstrating adherence to quality and compliance. SPL's clientele is moderately diversified, with the top 10 customers contributing to ~47% of its total income in FY25 (54% in FY24). The diversification in customer base reduces the vulnerability to a decline in demand from single customer. The diversification in its customer base is expected to continue in future.

The company has a strong marketing and distribution network in India and globally, and currently exports to over 50 countries, including the US, Europe, North America, and major Asian countries. SPL earned ~68% of its revenue from the exports market in FY25 (PY: 62%). According to management, the company earned ~50% of its total revenue from regulated markets. Over the last two-three years, SPL has expanded its geographical reach by entering additional regulated markets.

Experienced promoters
Anil Satwani, founder-promoter of SPL, has over two decades of experience in the pharmaceutical industry and is involved in the day-to-day operations of the company. The private equity (PE) investors in the company have also appointed three well-qualified and experienced nominee directors on SPL's board, who play an active role in key strategic decisions. The board of directors are ably supported by a qualified professional team.

Collaboration agreements with large global pharma company; foray into CMO business
In FY20, SPL entered an exclusive agreement with a large global pharmaceutical company for the supply of one of its in-house-developed APIs. SPL, through its subsidiary, KPPL, had also entered exclusive agreement with a global pharmaceutical company for its in-house-developed niche injectable products. SPL and KPPL received some milestone payments in the past 4-5 years. The balance payments are subject to the completion of multiple milestones as per the agreements. Apart from this, SPL, through KPPL, is also entitled to participate in the profits arising out of sale of injectable product by its counterpart. Such contracts provide long-term revenue visibility. SPL's other subsidiary, SZPL, has entered several contract manufacturing agreements with multiple entities for off-take of products such as insulin, APIs, alternate protein, among others.

Increase in scale of operations and profitability in FY25 and H1FY26
SPL's TOI and PBILDT grew by ~4% and ~16%, respectively, in FY25 (y-o-y). SPL's scale of operations was supported by volume growth and stable sales realisation. Despite growth in the scale of operations, it remains modest in a competitive industry, restricting pricing flexibility to some extent. Having niche products in its portfolio partially offsets the pricing challenges and helps the company maintain its profitability margins within a certain range. SPL's PBILDT margin improved by ~265 bps in FY25 driven by improved product mix, relatively stable sales realizations, and benign raw material prices.

TOI and PBILDT (combined for SPL, KPPL, and SZPL) grew by ~24% and ~21%, respectively, in H1Y26 (y-o-y). SPL's consolidated operating margin may be affected in near-term due to pre-operative expenses associated with its two new manufacturing facilities. Quick ramp-up of the projects and timely receipt of milestone payments are key for sustaining healthy operating profit margins in the medium term.

SPL's base business of steroids and hormone APIs is expected to grow at high single digit to low double digit annually in near-to-medium term considering steady demand for its products. However, in medium term, SPL's scale of operations will benefit from capacity enhancement at its Pithampur plant, commencement of commercial operations at two of its greenfield manufacturing facilities and expected receipt of milestone linked payments. Milestone linked payments are also expected to aid its profitability in medium term.

Comfortable capital structure and debt coverage indicators
The capital structure marked by overall gearing ratio and total outside liabilities to tangible net worth (TOL/TNW) stood comfortable at 0.69x and 0.91x, respectively, as on March 31, 2025, due to the healthy net worth base of over ₹815 crore. Total debt remained higher-than-envisaged due to increased working capital requirement. However, the company has pre-paid sizable portion of its term-debt in December 2025 from equity infusion of ~₹190 crore. Additional drawdown of term-debt for capex is expected to be minimal. With reduction in total debt and expectation of continued healthy cash accruals, SPL's capital structure and debt coverage indicators are expected to substantially improve over near-to-medium term. CareEdge Ratings expects SPL's total debt/PBILDT to decline to ~1.5x to 1.7x and interest coverage ratio to remain ~10x in near-to-medium term.

Steady growth prospects of Indian pharma industry
The size of the Indian pharmaceuticals market (IPM) was ~US$58-$59 billion in FY25. IPM is expected to grow at ~7-8% y-o-y p.a. till FY30 supported by 6-7% growth in exports and 8-9% growth in the domestic market in the same period. Growth in the domestic pharma market is expected to be driven by increase in the penetration of health insurance, improving access to healthcare facilities, rising prevalence of chronic diseases, and rising per capita income. With the stabilisation of raw material prices, freight rates, and easing of pricing pressure in the US generics market and a focus on complex and specialty products, CareEdge Ratings expects the operating margins of industry players to remain stable in near-to-medium term.

Key weaknesses

Stabilisation risk associated with its two greenfield manufacturing facilities
SPL, under its wholly owned subsidiary, KPPL, set up a formulation plant in Madhya Pradesh for manufacturing in-house-developed injectable products. This manufacturing facility is expected to serve the regulated markets. Capex for the project (including pre-operative expenses) remained higher than initially envisaged. The capex was funded through term debt of ₹130 crore (fully prepaid from equity infusion in December 2025) and the balance through internal accruals. Theres is an incremental investment towards the project considering delay in receipt of some of the key machineries, higher pre-operative expenses and interest

capitalization. The entire incremental investment is funded through internal accruals. The capex is now almost complete. The facility is expected to commence commercial operations by FY27. The facility is expected to apply for United States Food and Drug Administration (USFDA) approval; until then, it can serve semi-regulated markets. KPPL's collaboration agreement with a large pharmaceutical company reduces the saleability risk to a certain extent, however, early stabilisation remains crucial.

SPL, through its other subsidiary, SZPL (erstwhile, Symbiotec Lifesciences Private Limited), set up fermentation facility with four 100KL fermenters, with ready infrastructure for installing two additional 100KL fermenters to produce green nutraceuticals, steroids and hormones precursors, biologics, and range of pharmaceutical products. The facility will primarily provide CDMO services to various clients while could also serve as backward integration, diversification and capacity enhancement for SPL. The capex was funded through term debt of ₹130 crore (partially prepaid from equity infusion in December 2025) and the remaining through internal accruals. The company incurred higher capital expenditure than initially envisaged on account of change in scope of the project and higher capitalization of interest and pre-operative expenses. Additional investment on the project has been funded through internal accruals of SPL. SZPL's capex is complete and is expected to start commercial operations from Q4FY26. The company is incurring additional ₹100 crore capex for setting up two 7KL fermenters for manufacturing biologics (mainly GLP-1 and Insulin). The project has multiple products and uses cases. This capacity is expected to get commercialised by FY27. SZPL has already entered CDMO contracts with various entities for manufacturing insulin, APIs, alternate proteins, GLP-1, among others. In addition to these contracts, project's ability to serve as backward integration for SPL reduces saleability risk.

The early stabilisation of these projects and the generation of the envisaged benefits from these investments will be crucial for the growth of the company. Inordinate delays in commencement of operations or lower-than-envisaged returns on these investments will be a negative rating sensitivity.

Large working capital requirements

SPL's operations continued to remain working capital-intensive. The company is required to maintain a high inventory level due to its diversified product portfolio, and the in-house bulk manufacturing of certain raw materials. SPL has a fermentation block with eight fermentation lines, with a huge batch size of ~35 kilolitres (kl) for each line. It also maintains a relatively high stock of raw materials due to the lead time involved in its import. Due to lower raw material prices, SPL chose to stock higher than usual raw material in FY24 and FY25 leading to higher inventory and trade payable. The inventory holding has normalised by September 30, 2025. SPL also extends a credit period of 90-120 days to its established clientele, resulting in elongation of its receivable days. The company funds its working capital requirements through internal accruals and bank borrowings, apart from availing 90-days usance letter of credit facility for imports.

Profitability susceptible to cyclical key starting materials (KSM) prices and fluctuations in foreign exchange rates

SPL primarily imports chemicals such as hydrocortisone base and betamethasone base from China, Malaysia, and European countries. Imports constituted ~50% of the raw materials consumed since they are more economical. However, the company decides between 'Make or Buy' for key raw materials. Also, SPL's profitability is sensitive to adverse movements in currency fluctuations, given the high reliance on imports for meeting the raw material requirements. However, the company remains insulated from the forex risk largely considering the natural hedge available, as the total exports stood at ₹415 crore in FY25. Apart from the natural hedge available to the company, it also uses the Export Earner's Foreign Currency (EEFC) account partially to mitigate the risk associated with the timing differences in receipt from debtors and the payment to creditors.

Presence in highly fragmented and competitive bulk drug industry apart from increasing regulatory risk and stringent pollution control norms

The Indian pharmaceutical industry (IPI) is highly fragmented with thousands of players in the APIs and formulations business. The increasing regulation, increased sensitivity towards product performance, and pricing pressure are the key challenges faced by the IPI. SPL's scale of operations remains modest in a competitive industry, which restricts the pricing flexibility to some extent. However, having a few niche products in its portfolio partially offsets the pricing challenges and helps maintain the profitability margins within a certain range. Also, the pharmaceutical industry is highly regulated, with regulations in place for drug quality, manufacturing process, patents, and product prices. The approval process for a new product registration is complex, lengthy, and expensive. Non-compliance may result in regulatory ban on products or facilities and may impact a company's further growth. Hence, ongoing regulatory compliance has become critical for Indian pharmaceutical companies. Moreover, SPL being present in the chemical processing industry, the company is required to be compliant with stringent pollution control norms set by the regulatory authorities and violation in compliance with these norms or against further strengthening of these norms will adversely impact its operations. SPL has been complying with pollution controls norms and has never had adverse impact on its operations due to the breach of pollution control norms. However, the continued compliance with stricter pollution controls norms is a requisite for all industry players, including SPL.

Liquidity: Strong
SPL has reported positive cash flow from operations for the last five years ended FY25. SPL's cashflow from operations declined to ~₹37 crore in FY25 (FY24: ~₹197 crore) considering elongation of working capital cycle. With equity infusion of ~₹190 crore and pre-payment of sizable term debt, its term-debt repayment obligation for FY27 and FY28 has substantially reduced to ~₹24 crore p.a. compared to the earlier envisaged repayment obligation of ~₹65 crore p.a. for same period. CareEdge Ratings expects SPL's cash accruals to be adequate to meet its debt repayment obligation and capex. SPL's working capital limits utilisation remained high at ~86% for the last 12 months ending September 2025. The company has enhanced its sanctioned working capital lines in September 2025, which will support its working capital requirement in near-to-medium term.

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

Applicable criteria
Consolidation
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 and Biotechnology	Pharmaceuticals

Promoted in 2002 by Anil Satwani, Indore-based SPL is primarily engaged in developing, manufacturing, and marketing research-based corticosteroids and hormone APIs at its USFDA, EU-GMP, and WHO-GMP-approved manufacturing facilities in Rau and Pithampur special economic zone (SEZ), Madhya Pradesh. SPL manufactures steroid APIs and has backward integrated manufacturing facilities for hormones, steroid APIs, and intermediates. Apart from this, SPL, through its subsidiaries, has also forayed into the formulations business segment and is currently developing some products that are expected to be introduced in the market in a phases. Motilal Oswal PE (MOPE), through India Excellence Fund-III held ~24.47% and InvAscent PE, through Rosewood Investments held ~37.19% equity stake in SPL as on December 20, 2025.

Brief Financials (₹ crore) - Consolidated	FY24 (A)	FY25 (A)	H1FY26 (UA) *
Total operating income	721	752	404
PBILDT	177	204	106
PAT	100	97	NA
Overall gearing (times)	0.58	0.69	NA
Interest coverage (times)	22.24	12.09	NA

A: Audited UA: Unaudited; NA: Not available; Note: these are latest available financial results, *Combined for SPL, KPPL, and SZPL

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/ST	-	-	-	-	270.00	CARE A+; Stable / CARE A1
Non-fund-based-Short Term	-	-	-	-	189.98	CARE A1
Term Loan-Long Term	-	-	-	30-09-2031	96.00	CARE A+; Stable

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/ST	LT/ ST	270.00	CARE A+; Stable/ CARE A1	-	1)CARE A+; Stable / CARE A1 (26-Dec-24)	1)CARE A+; Stable / CARE A1 (15-Dec-23)	1)CARE A+; Stable / CARE A1 (12-Dec-22) 2)CARE A+; Stable / CARE A1 (10-Jun-22)
2	Non-fund-based-Short Term	ST	189.98	CARE A1	-	1)CARE A1 (26-Dec-24)	1)CARE A1 (15-Dec-23)	1)CARE A1 (12-Dec-22) 2)CARE A1 (10-Jun-22)
3	Term Loan-Long Term	LT	96.00	CARE A+; Stable	-	1)CARE A+; Stable (26-Dec-24)	-	-

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: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based-LT/ST	Simple
2	Non-fund-based-Short Term	Simple
3	Term Loan-Long Term	Simple

Annexure-5: Lender details

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

Annexure-6: List of entities consolidated in SPL as on March 31, 2025

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Navisci Pte. Ltd.	Full	Subsidiary
2	Knovea Pharmaceutical Private Limited	Full	Subsidiary
3	Symbiotec Zenfold Private Limited	Full	Subsidiary
4	Xenamed Corporation	Full	Subsidiary
5	Propel Pharma Corp*	Full	Subsidiary
6	Xinjiang Symbiotec Biotechnology Co. Ltd.	Full	Subsidiary

*Ceased to exist from April 2025

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 **Relationship Contact** Saikat Roy Senior Director **CARE Ratings Limited** Phone: 91 22 6754 3404 E-mail: saikat.roy@careedge.in	Krunal Pankajkumar Modi Director **CARE Ratings Limited** Phone: +91-79-4026 5614 E-mail: krunal.modi@careedge.in Akshay Dilipbhai Morbiya Assistant Director **CARE Ratings Limited** Phone: 079-4026 5619 E-mail: akshay.morbiya@careedge.in Dhruv Shah Assistant Director **CARE Ratings Limited** E-mail: dhruv.shah@careedge.in

About us:
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