

Sharon Bio-Medicine Limited

December 08, 2020

Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities	-	-	Withdrawn
Total Bank Facilities	-		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has reviewed the ratings assigned to the bank facilities of Sharon Bio-Medicine Ltd (CARE D; Issuer not cooperating) and has simultaneously withdrawn it with immediate effect. The rating withdrawal is as per CARE's withdrawal policy and on account of admission of the case by National Company Law Tribunal (NCLT) and appointment of Insolvency professional.

Detailed description of the key rating drivers

Key Rating Weaknesses

Delays in servicing the debt

There are ongoing delays in debt servicing owing to the strained liquidity position.

Analytical approach: Standalone

Applicable criteria

[Policy on Withdrawal of ratings](#)

[CARE's default recognition policy](#)

About the Company

Sharon Bio-Medicine Ltd. (SBML) is engaged in the manufacturing of Active Pharma Ingredients (API), Intermediaries, Formulations (own brands) and Contract Manufacturing for finished formulations. The company has a diversified product portfolio with presence mainly in acute therapies such as anti-infectives and anti-biotics along with presence in chronic therapies such as diabetes and cardiovascular. The company has three manufacturing facilities, two at Taloja in Maharashtra and one at Dehradun. In addition, the company has three R&D centres which are approved by the Department of Science & Technology, Government of India.

Brief Financials (Rs. crore)	FY18 (A)	FY19(A)
Total operating income	130.76	147.00
PBILDT	-90.63	22.42
PAT	-101.30	11.26
Overall gearing (times)	NM	NM
Interest coverage (times)	NM	NM

A: Audited; NM: Not Meaningful

Status of non-cooperation with previous CRA: Not Applicable

Rating History: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	0.00	Withdrawn
Term Loan-Long Term	-	-	-	0.00	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Cash Credit	LT	-	-	1)CARE D; ISSUER NOT COOPERATING* (24-Jun-20)	-	1)CARE D; ISSUER NOT COOPERATING* (27-Mar-19)	1)CARE D; ISSUER NOT COOPERATING* (08-Jan-18)
2.	Term Loan-Long Term	LT	-	-	1)CARE D; ISSUER NOT COOPERATING* (24-Jun-20)	-	1)CARE D; ISSUER NOT COOPERATING* (27-Mar-19)	1)CARE D; ISSUER NOT COOPERATING* (08-Jan-18)

Annexure-3: Complexity level of various instrument rated for this company

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Cash Credit	Simple
2.	Term Loan-Long Term	Simple

Annexure-4: Detailed explanation of covenants of the rated instrument / facilities: NA

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

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Disclaimer

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