

Press Release
Sandor Medicais Private Limited

January 21, 2019

Rating Update



Total Bank Facilities Rated*	Rs.35.00 Cr.#
Long Term Rating	ACUITE BB Issuer not co-operating*
Short Term Rating	ACUITE A4+

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Rating Rationale

Acuite has revised the long-term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short term rating to '**ACUITE A3**' (read as **ACUITE A three**) from '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.35.00 crore bank facilities of Sandor Medicais Private Limited (SMPL). The rating is now an indicative rating and is based on best available information.

SMPL, incorporated in 1995, is a Hyderabad-based company engaged in the distribution of medicines and medical devices manufactured by reputed pharmaceutical companies such as Genzyme Corporation (now a part of Sanofi), Medivators Inc, Dr. Franz Kohler Chemie GmbH among others. Most of the products are patented and cater to niche therapeutic segments. The overall operations are led by Mr. Rajeev Sindhi and Mr. K V Muralidhar Reddy. The company has 21 distribution centres across 16 states in India.

Non-cooperation by the issuer/borrower: Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>

Limitation regarding information availability: The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

	Unit	FY17 (Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	175.55	152.29	132.73
EBITDA	Rs. Cr.	13.10	12.23	12.31
PAT	Rs. Cr.	12.25	2.64	4.86
EBITDA Margin	(%)	7.46	8.03	9.27
PAT Margin	(%)	6.98	1.74	3.66
ROCE	(%)	21.35	13.92	20.45
Total Debt/Tangible Net Worth	Times	0.78	0.67	1.34
PBDIT/Interest	Times	3.33	2.04	3.54
Total Debt/PBDIT	Times	4.08	3.08	3.10
Gross Current Assets (Days)	Days	294	304	228

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
3-Nov-17	Cash Credit	Long Term	33.00	ACUITE BBB-/ Stable (Reaffirmed)
	Bank Guarantee	Long Term	2.00	ACUITE A3 (Assigned)
15-Sept-16	Cash Credit	Long Term	28.00^	ACUITE BBB-/ Stable (Reaffirmed)
	Term Loan	Long Term	2.87	ACUITE BBB-/ Stable (Withdrawn)
	Working capital demand loan	Long Term	3.00	ACUITE BBB-/ Stable (Withdrawn)
7-July-15	Cash Credit	Long Term	21.00\$	ACUITE BBB-/ Stable (Reaffirmed)
	Term Loan	Long Term	2.87	ACUITE BBB-/ Stable (Reaffirmed)
	Working capital demand loan	Long Term	3.00	ACUITE BBB-/ Stable (Reaffirmed)

^Cash Credit facility is enhanced from Rs.21.00 crore

\$Cash Credit facility is enhanced from Rs. 13.00 crore

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	33.00	ACUITE BB Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Issuer not co-operating*

*The issuer did not co-operate; based on best available information.

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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