

Press Release

Altra Pharma Chem Private Limited

March 14, 2019



Rating Update

| | |
|-------------------------------------|---------------------------------------|
| Total Bank Facilities Rated* | Rs. 4.56 Cr. # |
| Long Term Rating | ACUITE B+ Issuer not co-operating* |
| Short Term Rating | ACUITE A4 Issuer not co-operating* |

Refer Annexure for details

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

Acuité has reviewed long-term rating of '**ACUITE B+**' (**read as ACUITE B plus**) and short-term rating of '**ACUITE A4**' (**read as ACUITE A four**) on the Rs. 4.56 crore bank facilities of Altra Pharma Chem Private Limited (APCPL). This rating is now an indicative rating and is based on best available information.

APCPL (the erstwhile Chedda Tex Chem Private Limited), a Maharashtra based company was incorporated in 1995. The company, led by Directors- Mr. Mithun G Patil, Mr. Banubhai G Patil, Ms. Prachi M Patil, is engaged in the manufacturing of intermediate chemicals used in formulations. The installed capacity stands at 10 metric tonnes per month. APCPL caters to Glenmark Pharmaceuticals, Zydus Healthcare Ltd. and others in the domestic market.

Analytical approach

Acuité has consolidated the business and financial risk profiles of Altra Pure Chem (APC) and Altra Pharma Chem Private Limited (APCPL) together referred to as the 'Altra Group' (AG). The consolidation is in view of the common management, strong operational and financial linkages between the entities. Extent of consolidation: Full

Non-cooperation by the issuer/borrower

Acuité 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 Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Consolidation of Companies - <https://www.acuite.in/view-rating-criteria-22.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). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité 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. | 46.32 | 64.14 | 60.78 |
| EBITDA | Rs. Cr. | 4.20 | 2.73 | 2.95 |
| PAT | Rs. Cr. | 0.91 | 0.22 | 0.80 |
| EBITDA Margin (%) | (%) | 9.07 | 4.25 | 4.86 |
| PAT Margin (%) | (%) | 1.97 | 0.34 | 1.32 |
| ROCE (%) | (%) | 16.55 | 11.41 | 32.88 |
| Total Debt/Tangible Net Worth | Times | 10.37 | 13.23 | 10.16 |
| PBDIT/Interest | Times | 1.79 | 1.62 | 2.47 |
| Total Debt/PBDIT | Times | 5.39 | 6.92 | 4.80 |
| Gross Current Assets (Days) | Days | 269 | 151 | 130 |

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

None

Any other information

Acuité 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 |
|-------------|---------------------------------|------------|------------------|-----------------------------|
| 23-Jan-2018 | Cash Credit | Long Term | 2.00 | ACUITE B+/Stable (Assigned) |
| | Term Loan | Long Term | 1.00 | ACUITE B+/Stable (Assigned) |
| | Term Loan | Long Term | 0.15 | ACUITE B+/Stable (Assigned) |
| | Term Loan | Long Term | 0.41 | ACUITE B+/Stable (Assigned) |
| | Letter of Credit | Short Term | 1.00 | ACUITE A4 (Assigned) |

#Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings |
|------------------------|------------------|----------------|----------------|-----------------------------|---------------------------------------|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 2.00 | ACUITE B+ Issuer not co-operating* |
| Term Loan | Not Applicable | Not Applicable | Not Applicable | 1.00 | ACUITE B+ Issuer not co-operating* |
| Term Loan | Not Applicable | Not Applicable | Not Applicable | 0.15 | ACUITE B+ Issuer not co-operating* |
| Term Loan | Not Applicable | Not Applicable | Not Applicable | 0.41 | ACUITE B+ Issuer not co-operating* |
| Letter of Credit | Not Applicable | Not Applicable | Not Applicable | 1.00 | ACUITE A4 Issuer not co-operating* |

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

Contacts

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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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