



Press Release
Themis Medicare Limited

September 08, 2018

Rating Update

Total Bank Facilities Rated*	Rs. 97.72 Cr.
Long Term Rating	ACUITE C (Downgraded from ACUITE BB-) Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

* Refer Annexure for details

Rating Rationale

ACUITÉ has reviewed and downgraded the long term rating to '**ACUITE C**' (read as **ACUITE C**) from previous indicative rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) and the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the bank facilities of Rs. 97.72 crores for Themis Medicare Limited (TML). The rating downgrade is on account of delays observed in debt servicing based on information available on public domain. This rating is now an indicative rating and is based on best available information.

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.

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 endeavored 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.

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

About the rated entity: Themis Medicare is a joint venture pharmaceutical company, with Gedeon Richter Ltd., Hungary. TML is involved in the process of manufacturing API both for in house captive use and for on contract basis. The company has over three decades of experiencing in manufacturing and marketing pharmaceutical products. The company was promoted by Mr. Shantibhai D. Patel, a veteran in Indian Pharmaceuticals Business. Themis Medicare is headquartered in Mumbai with four manufacturing facilities at three locations, in Vapi (Gujarat), Hyderabad (Andhra Pradesh), and Haridwar (Uttaranchal). The Haridwar plant is a pioneer in manufacturing formulations for anti-malaria and anti TB. Even though, Active Pharmaceutical Ingredients account for a significant portion of Themis Medicare's revenue, the Company is now diversifying in manufacturing and marketing formulations.

On consolidated basis, the Themis reported net profit after tax (PAT) of Rs.8.64 cr on operating income of Rs.209.50 cr in FY2017-18 compared to PAT of Rs. 18.84 cr on operating income of Rs.243.39 cr in the previous year. The net worth stood at Rs.168.92 cr as on March 31, 2018 compared to Rs.152.44 cr a year earlier.

Applicable Criteria

- Default Recognition-<https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios and Adjustments -<https://www.acuite.in/view-rating-criteria-20.htm>

Rating History (Upto last three years)

Date	Facilities	Term	Amount (Rs. Crore)	Ratings/ Outlook
8th Jun 18	Cash Credit	Long Term	13.10	ACUITE BB- Issuer not co-operating*
	Working Capital Demand Loan	Long Term	15.00	ACUITE BB- Issuer not co-operating*
	Working Capital Demand Loan	Long Term	2.42	ACUITE BB- Issuer not co-operating*
	Foreign Bill Purchase	Long Term	24.75	ACUITE BB- Issuer not co-operating*
	Letter of Credit	Short Term	2.50	ACUITE A4 Issuer not co-operating*
	Bank Guarantee	Short Term	1.00	ACUITE A4 Issuer not co-operating*
	Letter of Credit	Short Term	35.00	ACUITE BB- Issuer not co-operating*
	Proposed Bank Facility	Long Term	3.95	ACUITE A4 Issuer not co-operating*
10 Mar, 2017	Cash Credit	Long Term	13.10	ACUITE BB- (Upgraded)
	Working Capital Demand Loan	Long Term	15.00	ACUITE BB- (Upgraded)
	Working Capital Demand Loan	Long Term	2.42	ACUITE BB- (Upgraded)
	Term Loan	Long Term	2.07	ACUITE BB- (Withdrawn)
	Secured Overdraft	Long Term	5.00	ACUITE BB- (Notice of Withdrawal)
	Foreign Bill Purchase	Long Term	24.75	ACUITE A4 (Assigned)
	Letter of Guarantee	Short Term	2.50	ACUITE A4 (Reaffirmed)

	Bank Guarantee	Short Term	1.00	ACUITE A4 (Reaffirmed)
	Letter of Credit	Short Term	35.00	ACUITE A4 (Reaffirmed)
	Proposed	Long Term	3.95	ACUITE BB- (Upgraded)
21 Dec, 2015	Cash Credit	Long Term	23.10	ACUITE B (Assigned)
	Working Capital Demand Loan	Long Term	26.05	ACUITE B (Assigned)
	Term Loan	Long Term	2.07	ACUITE B (Assigned)
	Secured Overdraft	Long Term	5.00	ACUITE B (Assigned)
	Letter of Guarantee	Short Term	2.50	ACUITE A4 (Assigned)
	Bank Guarantee	Short Term	1.00	ACUITE A4 (Assigned)
	Letter of Credit	Short Term	35.00	ACUITE A4 (Assigned)
	Forward Contract	Short Term	3.00	ACUITE A4 (Assigned)

Annexures – 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	13.10	ACUITE C Downgraded; Issuer not cooperating*
Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE C Downgraded; Issuer not cooperating*
Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	2.42	ACUITE C Downgraded; Issuer not cooperating*
Foreign Bill Purchase	Not Applicable	Not Applicable	Not Applicable	24.75	ACUITE C Downgraded; Issuer not cooperating*
Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	2.50	ACUITE A4 Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4 Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	35.00	ACUITE A4 Issuer not co-operating*

Proposed	Not Applicable	Not Applicable	Not Applicable	3.95	ACUITE A4 Issuer not co-operating*
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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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