

Press Release

Ion Healthcare Private Limited

September 30, 2021

Rating Update



Total Bank Facilities Rated*	Rs.18.25 Cr.#
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE A-) Issuer not co-operating*
Short Term Rating	ACUITE A4+ (Downgraded from ACUITE A2+) Issuer not co-operating*

#Refer Annexure for details

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

Acuite has downgraded the long term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE A-**' (read as **ACUITE A minus**) and the short term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A2+**' (read as **ACUITE A two plus**) on the Rs.18.25 Crore bank facilities of Ion Healthcare Private Limited. This rating is now an indicative rating and is based on the best available information.

Ion Healthcare Private Limited (IHPL) was incorporated in 2004 and subsequently acquired by Mr. B. K. Agarwal, Mr. Sanjeev Agarwal and Mrs. Vaishali Agarwal in 2014 presently being controlled and managed by Sh. Atul Kumar Agrawal & Sh. Leela Krishna Varshney in Baddi, Himachal Pradesh. The company is engaged in the manufacturing of generic drugs, ointments, ophthalmic drops, syrups, injections and among other pharmaceutical products. The company has an installed capacity of 430 million tablets, 135 million capsules, 18 million ointments and 25 million syrups.

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 the due date.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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-52.htm>
- Manufacturing entities - <https://www.acuite.in/view-rating-criteria-59.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.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 endeavored 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.

Liquidity Indicators:

No information provided by the issuer / available for Acuite to comment upon.

Rating Sensitivity –

No information provided by the issuer / available for Acuite to comment upon.

About the Rated Entity- Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

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 (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
21-January-2020	Cash Credit	Long Term	13.00	ACUITE A-/Stable (Reaffirmed)
	Term Loan	Long Term	1.89	ACUITE A-/Stable (Reaffirmed)
	Letter of Credit	Short Term	2.00	ACUITE A2+ (Reaffirmed)
	Proposed Bank Facility	Long Term	1.36	ACUITE A-/Stable (Reaffirmed)
27-December-2019	Cash Credit	Long Term	13.00	ACUITE A- (Indicative)
	Term Loan	Long Term	1.89	ACUITE A- (Indicative)
	Letter of Credit	Short Term	2.00	ACUITE A2+ (Indicative)
	Proposed Bank Facility	Long Term	1.36	ACUITE A- (Indicative)

*Annexure – Details of instruments rated

Lender's Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Oriental Bank of Commerce	Cash Credit	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE BB+ (Downgraded from ACUITE A-) Issuer not co-operating*
Oriental Bank of Commerce	Term Loan	Not Available	Not Available	Not Available	1.89	ACUITE BB+ (Downgraded from ACUITE A-) Issuer not co-operating*
Oriental Bank of Commerce	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ (Downgraded from ACUITE A2+) Issuer not co-operating*
Not Applicable	Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	1.36	ACUITE BB+ (Downgraded from ACUITE A-) Issuer not co-operating*

Contacts

Analytical	Rating Desk
<p>Aditya Gupta Vice President - Corporate Ratings Tel: 022-49294041 aditya.gupta@acuite.in</p> <p>Aditya Singh Senior Ratings Analyst - Rating Operations Tel: 011-49731303 aditya.singh@acuite.in</p>	<p>Varsha Bist Senior Manager – Rating Desk Tel: 022-49294011 rating.desk@acuite.in</p>

About Acuité Ratings & Research:

Acuité Ratings & Research 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 8,850 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 Kanjurmarg, Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.