

**Press Release**  
**Aeon Formulations Private Limited**  
**April 17, 2024**



**Rating Reaffirmed and Issuer not co-operating**

| Product                            | Quantum (Rs. Cr) | Long Term Rating                                  | Short Term Rating |
|------------------------------------|------------------|---|-------------------|
| Bank Loan Ratings                  | 10.00            | ACUITE B+   Reaffirmed   Issuer not co-operating* | -                 |
| Total Outstanding Quantum (Rs. Cr) | 10.00            | -   | -                 |

**Rating Rationale**

Acuite has reaffirmed the long-term rating of '**ACUITE B +**' (read as **ACUITE B plus**) on the Rs.10 crore bank facilities of Aeon Formulations Private Limited (AFPL). This rating is now an indicative rating and is based on best available information.

**About the Company**

Aeon Formulations Private Limited (AFPL), Tamil Nadu-based company was incorporated in the year 2008 by Mr. A P Vaitheeswaran and Mr. H D Vora. AFPL is engaged in manufacturing of pharmaceutical formulations such as tablets, capsules and dry powder sachets. AFPL has facility located in Puducherry with installed capacity to manufacture 35 Cr. tablets, 20 Cr. capsules and 27 Cr. of dry powder sachets per year.

**Unsupported Rating**

Not Applicable

**Non-cooperation by the issuer/borrower**

The team had sent repeated reminders to the Company for latest information; however, despite multiple requests; the Company's management has not sent the required documents and are yet to submit the final latest documents for assigning the rating. Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with 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.

**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.

**Rating Sensitivities**

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

**Liquidity Position**

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

**Outlook**

Not Applicable

## Other Factors affecting Rating

None

## Key Financials

| Particulars                   | Unit    | FY 23 (Actual) | FY 22 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income              | Rs. Cr. | 36.95          | 34.77          |
| PAT                           | Rs. Cr. | 0.61           | 0.66           |
| PAT Margin                    | (%)     | 1.66           | 1.90           |
| Total Debt/Tangible Net Worth | Times   | 3.90           | 5.97           |
| PBDIT/Interest                | Times   | 2.55           | 3.23           |

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

None

### Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in)

## Rating History

| Date        | Name of Instruments/Facilities     | Term      | Amount (Rs. Cr) | Rating/Outlook                  |
|-------------|------------------------------------|-----------|-----------------|---------------------------------|
| 01 Feb 2023 | Cash Credit                        | Long Term | 4.00            | ACUITE B+   Stable (Reaffirmed) |
|             | Proposed Long Term Bank Facility   | Long Term | 3.74            | ACUITE B+   Stable (Reaffirmed) |
|             | Working Capital Demand Loan (WCDL) | Long Term | 0.71            | ACUITE B+   Stable (Reaffirmed) |
|             | Working Capital Term Loan          | Long Term | 0.55            | ACUITE B+   Stable (Reaffirmed) |
|             | Working Capital Term Loan          | Long Term | 1.00            | ACUITE B+   Stable (Reaffirmed) |
| 12 Nov 2021 | Working Capital Term Loan          | Long Term | 1.71            | ACUITE B+   Stable (Reaffirmed) |
|             | Working Capital Term Loan          | Long Term | 0.92            | ACUITE B+   Stable (Reaffirmed) |
|             | Working Capital Demand Loan (WCDL) | Long Term | 0.23            | ACUITE B+   Stable (Reaffirmed) |
|             | Proposed Long Term Bank Facility   | Long Term | 3.14            | ACUITE B+   Stable (Reaffirmed) |
|             | Cash Credit                        | Long Term | 4.00            | ACUITE B+   Stable (Reaffirmed) |

## Annexure - Details of instruments rated

| Lender's Name  | ISIN                 | Facilities                          | Date Of Issuance     | Coupon Rate          | Maturity Date        | Complexity Level | Quantum (Rs. Cr.) | Rating   |
|----------------|----------------------|-------------------------------------|----------------------|----------------------|----------------------|------------------|-------------------|--|
| Canara Bank    | Not avl. / Not appl. | Cash Credit                         | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 4.00              | ACUITE B+<br> <br>Reaffirmed<br>  Issuer not co-operating* |
| Not Applicable | Not avl. / Not appl. | Proposed Long Term Bank Facility    | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 3.74              | ACUITE B+<br> <br>Reaffirmed<br>  Issuer not co-operating* |
| Canara Bank    | Not avl. / Not appl. | Working Capital Demand Loan (WC DL) | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 0.71              | ACUITE B+<br> <br>Reaffirmed<br>  Issuer not co-operating* |
| Canara Bank    | Not avl. / Not appl. | Working Capital Term Loan           | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 0.55              | ACUITE B+<br> <br>Reaffirmed<br>  Issuer not co-operating* |
| Canara Bank    | Not avl. / Not appl. | Working Capital Term Loan           | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple           | 1.00              | ACUITE B+<br> <br>Reaffirmed<br>  Issuer not co-operating* |

## Contacts

| Analytical   | Rating Desk  |
|--|--|
| Mohit Jain<br>Senior Vice President-Rating Operations<br>Tel: 022-49294017<br><a href="mailto:mohit.jain@acuite.in">mohit.jain@acuite.in</a> | Varsha Bist<br>Senior Manager-Rating Operations<br>Tel: 022-49294011<br><a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a> |
| Nidhi Gala<br>Associate-Rating Operations<br>Tel: 022-49294065<br><a href="mailto:nidhi.gala@acuite.in">nidhi.gala@acuite.in</a>             |  |

### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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. Ratings assigned by Acuité 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. Ratings assigned by Acuité 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](http://www.acuite.in)) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.