

Press Release

Seutic Labs Private Limited

April 25, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	12.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	18.00	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	30.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 30.00 crore bank facilities of Seutic Labs Private Limited (SLPL). The rating continues to be flagged as "Issuer Not-Cooperating" on account of information risk.

About the Company

SLPL was incorporated in 2016 by Mr. Valivarthi Siva Vara Prasad (holds 60 percent stake) and his wife, Ms. Padma Valivarthi (holds 40 percent stake). The company is engaged in manufacture of active pharmaceutical ingredients (APIs) and pharmaceutical intermediates. SLPL has its manufacturing facility at Bidar (Karnataka) with an installed capacity of 50 Metric Tons Per annum. FY2018 is the first full year of operation of the company.

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.

This rating continues to be 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 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.

About the Rated Entity - Key Financials

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

Rating Sensitivity

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

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Status of non-cooperation with previous CRA

None

Any other information

Acuité has received the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
25 Jan 2021	Cash Credit	Long Term	13.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	5.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Bills Discounting	Short Term	12.00	ACUITE A4 (Issuer not co-operating*)
11 Nov 2019	Cash Credit	Long Term	13.00	ACUITE BB- (Issuer not co-operating*)
	Bills Discounting	Short Term	12.00	ACUITE A4 (Issuer not co-operating*)

	Term Loan	Long Term	5.00	ACUITE BB- (Issuer not co-operating*)
31 Aug 2018	Cash Credit	Long Term	13.00	ACUITE BB- Stable (Assigned)
	Term Loan	Long Term	5.00	ACUITE BB- Stable (Assigned)
	Bills Discounting	Short Term	12.00	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not Applicable	Bills Discounting	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE B+ Reaffirmed Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	5.00	ACUITE B+ Reaffirmed Issuer not co-operating*

Contacts

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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.

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