

Press Release

Nestor Pharmaceuticals Limited

Nov 26, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 71.00 Cr.#
Long Term Rating	ACUITE BB- Issuer not co-operating* (Withdrawn)
Short Term Rating	ACUITE A4 Issuer not co-operating* (Withdrawn)

#Refer Annexure for details

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

Rating Rationale

Acuité has withdrawn the long term rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) and the short term facility of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.71.00 crore bank facilities of Nestor Pharmaceuticals Limited. This rating is now an indicative rating and is based on best available information.

The rating is being withdrawn on account of request received from the company and NOC from the banker.

The Delhi-based, Nestor Pharmaceuticals Limited (NPL) was incorporated in 1975 by Mr. Rahul Sehgal. NPL is engaged in the manufacturing of wide range of pharmaceutical formulations, both generic and branded in the form of Tablets, Capsules, Injectable, Syrups / Suspension, Ointments, Dry Powder, Ear/ Eye Drops. The company has 2 manufacturing plants one at Faridabad (Haryana) and another at Goa. The company also has an overseas manufacturing unit based in Suffolk (United Kingdom) under its wholly owned subsidiary named Nestor UK Limited. Currently, the UK subsidiary is not operational and is expected to start its operations by September 2018. The management plans to bring the facilities to India from UK.

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

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

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
20-Sep-2018	Cash Credit	Long term	28.60*	ACUITE BB-/ Stable (Assigned)
	Cash Credit	Long term	22.03	ACUITE BB-/ Stable (Assigned)
	Letter of credit	Short term	5.00	ACUITE A4 (Assigned)
	Bank guarantee/Letter of Guarantee	Short term	15.00	ACUITE A4 (Assigned)
	Proposed	Long term	0.37	ACUITE BB-/ Stable (Assigned)

* PC/PCFC as a Sublimit of Rs.6.25 crore, FBP/FUBP/REBA/AACB as a sublimit of Rs.7.00 crore, FLC/ILC as a sublimit of Rs.10.00 crore.

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	28.60#	ACUITE BB- Issuer not co-operating* (Withdrawn)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	22.03	ACUITE BB- Issuer not co-operating* (Withdrawn)
Letter of credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE A4 Issuer not co-operating* (Withdrawn)
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4 Issuer not co-operating* (Withdrawn)
Proposed	Not Applicable	Not Applicable	Not Applicable	0.37	ACUITE BB- Issuer not co-operating* (Withdrawn)

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

PC/PCFC as a Sublimit of Rs.6.25 crore, FBP/FUBP/REBA/AACB as a sublimit of Rs.7.00 crore,

FLC/ILC as a sublimit of Rs.10.00 crore.

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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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