

Press Release

Evertogen Life Sciences Limited

January 24, 2023



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	45.20	ACUITE B- Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	16.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	61.20	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of '**ACUITE B-**' (read as **ACUITE B Minus**) and short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 61.20 Cr bank facilities of EVERTOGEN LIFE SCIENCES LIMITED (Evertogen).

The rating is now an indicative rating and is based on the best available information

About the Company

Evertogen Life Sciences Limited (erstwhile Optimus Generics Limited) was incorporated on January 11, 2013 as a subsidiary of Glochem Industries Private Limited to enter into the formulations business. Subsequently, on June 9, 2015, GIPL transferred its holding in Evertogen to its group company; GIL Agro Private Limited; (GAPL). Presently, Evertogen is a 51:49 Joint Venture (JV) between Glochem group and Organosyn Life Sciences Private Ltd (Organosyn).

Based in Hyderabad, Telangana, Evertogen is engaged in manufacturing of formulations i.e. finished dosages with Capacity of 2 billion units per annum (Tablets – 1,800 million; Capsules – 200 million; Sachets – 15 million) at its facilities located in the Special Economic Zone (SEZ), Green Industrial Park, Jadcherla, Mahaboobnagar Dist. of Telangana. Besides, Evertogen is also engaged in business of product development and contract manufacturing. The plant commenced commercial production from December, 2014. Evertogen is promoted and managed by Mr. Kattamuri Subbarao who has more than three decades of experience in the pharmaceutical industry.

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 noncooperation 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.

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.

Rating Sensitivities

"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

Key Financials:

The issuer has not shared the latest financial statement for Acuite to comment

Status of non-cooperation with previous CRA

None

Any other information

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

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>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité 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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
	Letter of Credit	Short Term	10.00	ACUITE A4 (Reaffirmed)
	Packing Credit	Long Term	6.00	ACUITE B- Stable (Reaffirmed)
	Term Loan	Long Term	0.10	ACUITE B- Stable (Reaffirmed)

03 Dec 2021	Working Capital Term Loan	Long Term	1.43	ACUITE B- Stable (Reaffirmed)
	Letter of Credit	Short Term	6.00	ACUITE A4 (Reaffirmed)
	Working Capital Term Loan	Long Term	1.79	ACUITE B- Stable (Reaffirmed)
	Cash Credit	Long Term	12.00	ACUITE B- Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	3.26	ACUITE B- Stable (Reaffirmed)
	Cash Credit	Long Term	12.00	ACUITE B- Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	2.48	ACUITE B- Stable (Reaffirmed)
	Term Loan	Long Term	1.64	ACUITE B- Stable (Reaffirmed)
	Term Loan	Long Term	4.50	ACUITE B- Stable (Reaffirmed)
31 Aug 2020	Letter of Credit	Short Term	6.00	ACUITE A4 (Assigned)
	Packing Credit	Long Term	6.00	ACUITE B- Stable (Assigned)
	Term Loan	Long Term	1.49	ACUITE B- Stable (Assigned)
	Term Loan	Long Term	3.01	ACUITE B- Stable (Assigned)
	Term Loan	Long Term	10.70	ACUITE B- Stable (Assigned)
	Cash Credit	Long Term	12.00	ACUITE B- Stable (Assigned)
	Cash Credit	Long Term	12.00	ACUITE B- Stable (Assigned)
	Letter of Credit	Short Term	10.00	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Axis Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	12.00	ACUITE B- Reaffirmed Issuer not co- operating*
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	12.00	ACUITE B- Reaffirmed Issuer not co- operating*
Axis Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	6.00	ACUITE A4 Reaffirmed Issuer not co- operating*
Punjab National Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	10.00	ACUITE A4 Reaffirmed Issuer not co- operating*
ICICI Bank Ltd	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	Simple	6.00	ACUITE B- Reaffirmed Issuer not co- operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	2.48	ACUITE B- Reaffirmed Issuer not co- operating*
Axis Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	4.50	ACUITE B- Reaffirmed Issuer not co- operating*
ICICI Bank Ltd	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	1.64	ACUITE B- Reaffirmed Issuer not co- operating*
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.10	ACUITE B- Reaffirmed Issuer not co-

								operating*
Axis Bank	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	Simple	3.26	ACUITE B- Reaffirmed Issuer not co- operating*
ICICI Bank Ltd	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	Simple	1.43	ACUITE B- Reaffirmed Issuer not co- operating*
Punjab National Bank	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	Simple	1.79	ACUITE B- Reaffirmed Issuer not co- operating*

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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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