

Press Release

Hi Tech Pharmaceuticals Private Limited

August 05, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	15.00	ACUITE BB Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	15.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of 'ACUITE BB' (read as ACUITE double B) on the Rs.15.00 Cr bank facilities of Hi Tech Pharmaceuticals Private Limited (HPPL). The rating is now flagged as "Issuer Not Cooperating" and is based on the best available information.

About the Company

HPPL is a Hyderabad based company incorporated in August 1985. The company is promoted by Mrs. Penumatsa Sarala Devi who was the Managing director and Mr. Bollu Vamsi Krishna as the other director. After the resignation of both the directors, Mr. Suresh babu chava who is the present Managing director and is involved in the day-to-day operations of the company has taken over the ownership of the company as on February, 2021 along with other directors. The other directors include Mrs. Sravani priya chava and Mr. Santosh Kumar. The company is engaged in the manufacture of pharmaceutical products like, generic syrups, capsules, tablets, liquid oral formulations, antibiotics and other syrups and suspensions for human treatment.

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 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 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.

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

Other Factors affecting Rating

Not Applicable

Key Financials:

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

Status of non-cooperation with previous CRA

Brickwork Ratings vide its press release dated May 31, 2022 had denoted the rating of Hi Tech Pharmaceuticals Private Limited as "ISSUER NOT CO-OPERATING" on account of lack of adequate information required for monitoring of ratings.

Any other information

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

Applicable Criteria

- Complexity Level Of Financial Instruments: <https://www.acuite.in/view-rating-criteria-55.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

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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
	Term Loan	Long Term	0.41	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	0.70	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	0.69	ACUITE BB Stable (Assigned)

24 May 2021	Term Loan	Long Term	0.64	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	2.53	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	5.52	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	1.00	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	0.10	ACUITE BB Stable (Assigned)
	Proposed Bank Facility	Long Term	2.21	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	1.20	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.21	ACUITE BB Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	22-10-2014	9.95	10-02-2022	0.64	ACUITE BB Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	22-10-2014	9.95	10-02-2022	0.41	ACUITE BB Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	03-02-2014	9.95	10-12-2022	0.70	ACUITE BB Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	26-12-2016	12	10-01-2025	5.52	ACUITE BB Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	26-12-2016	12	10-03-2022	0.10	ACUITE BB Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	26-12-2016	12	10-01-2025	1.20	ACUITE BB Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	19-01-2018	9.95	10-01-2023	1.00	ACUITE BB Reaffirmed Issuer not co-operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	06-02-2019	9.95	10-01-2024	0.69	ACUITE BB Reaffirmed Issuer not co-

							operating*
Small Industries Development Bank of India	Not Applicable	Term Loan	25-11-2020	8.25	10-12-2024	2.53	ACUITE BB 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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