



Press Release
HI TECH PHARMACEUTICALS PRIVATE LIMITED
January 28, 2025
Rating Downgraded and Issuer not co-operating

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Total Withdrawn Quantum (Rs.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

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

Rating Rationale

Acuite has downgraded the long-term rating to 'ACUITE BB-' (read as ACUITE double B minus) from 'ACUITE BB' (read as ACUITE double B) on the Rs. 15.00 crore bank facilities of Hi Tech Pharmaceuticals Private Limited (HPPL) on account of information risk. The rating continues to be 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.

Unsupported Rating

Not Applicable

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 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

This 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. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

"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

Not Applicable

Key Financials

Particulars	Unit	FY 20 (Actual)	FY 19 (Actual)
Operating Income	Rs. Cr.	58.06	55.50
PAT	Rs. Cr.	0.81	0.78
PAT Margin	(%)	1.40	1.41
Total Debt/Tangible Net Worth	Times	1.68	2.67
PBDIT/Interest	Times	1.69	1.81

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Complexity Level Of Financial Instruments: <https://www.acuite.in/view-rating-criteria-55.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. Acuité'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
02 Nov 2023	Term Loan	Long Term	0.64	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.41	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.70	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	5.52	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.10	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.20	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.00	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.69	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	2.53	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	2.21	ACUITE BB (Reaffirmed & Issuer not co-operating*)
05 Aug 2022	Term Loan	Long Term	0.64	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.41	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.70	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	5.52	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.10	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.20	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.00	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.69	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	2.53	ACUITE BB (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	2.21	ACUITE BB (Reaffirmed & Issuer not co-operating*)

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

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.21	Simple	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	22 Oct 2014	9.95	10 Feb 2022	0.64	Simple	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	22 Oct 2014	9.95	10 Feb 2022	0.41	Simple	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	03 Feb 2014	9.95	10 Dec 2022	0.70	Simple	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	26 Dec 2016	12	10 Jan 2025	5.52	Simple	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	26 Dec 2016	12	10 Mar 2022	0.10	Simple	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	26 Dec 2016	12	10 Jan 2025	1.20	Simple	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	19 Jan 2018	9.95	10 Jan 2023	1.00	Simple	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	06 Feb 2019	9.95	10 Jan 2024	0.69	Simple	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	25 Nov 2020	8.25	10 Dec 2024	2.53	Simple	ACUITE BB- Downgraded Issuer not co-operating* (from ACUITE BB)

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

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About Acuité Ratings & Research

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