

Press Release

Asence Pharma Private Limited (APPL)

March 07, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 22.00 Cr. #
Long Term Rating	SMERA B+ Issuer not co-operating*
Short Term Rating	SMERA A4 Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed long-term rating of '**SMERA B+**' (read as **SMERA B+ plus**) and short term rating of '**SMERA A4**' (read as **SMERA A four**) on the Rs. 22.00 crore bank facilities of Asence Pharma Private Limited. This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower

SMERA 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 SMERA's policies.

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.htm>
- Trading Entities: <https://www.smera.in/criteria-trading.htm>
- Financial Ratios And Adjustments - <https://www.smera.in/criteria-fin-ratios.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). SMERA endeavoured to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity

APPL, incorporated in 2004, is engaged in the manufacturing, trading and export of formulations, bulk drugs and veterinary products. Bulk drug manufacturing constitutes around 10 per cent of total revenues. The company, headed by Mr. Mohal Sarabhai is a 100 per cent subsidiary of Asence Inc, USA (subsidiary of Ambalal Sarabhai Enterprises Limited). The product range categories are analgesic, antiallergic, anticoagulant, antifungal among others. The company exports to around 40 countries.

For FY2015-16, APPL reported profit after tax (PAT) of Rs.0.95 crore on operating income of Rs.38.93 crore, as compared to PAT of Rs.1.04 crore on operating income of Rs.37.60 crore in FY2014-15. The net worth stood at Rs.13.72 crore as on 31 March, 2016 against negative net worth of Rs.46.39 crore a year earlier.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
3rd Feb 17	Term Loan	Long Term	3.95	SMERA B+ / Stable (Assigned)
	Cash Credit**	Long Term	3.00	SMERA B+ / Stable (Assigned)
	Export Packing Credit**	Short Term	6.00	SMERA A4 (Assigned)
	Packing Credit in foreign currency/Foreign currency bill discounting **	Short Term	6.00	SMERA A4 (Assigned)
	Foreign Bill Purchase/ Foreign Bill Negotiation (under LC)**	Short Term	6.00	SMERA A4 (Assigned)
	Foreign Bill Negotiation**	Short Term	6.00	SMERA A4 (Assigned)
	Term Loan (Proposed)	Long Term	10.00	SMERA B+ / Stable (Assigned)
	Cash Credit (Proposed)	Long Term	2.05	SMERA B+ / Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Term Loan	Not Applicable	Not Applicable	Not Applicable	3.95	SMERA B+ ^Issuer not co-operating
Cash Credit**	Not Applicable	Not Applicable	Not Applicable	3.00	SMERA B+ ^Issuer not co-operating
Export Packing Credit**	Not Applicable	Not Applicable	Not Applicable	6.00	SMERA A4 ^Issuer not co-operating
Packing Credit in foreign currency/Foreign currency bill discounting **	Not Applicable	Not Applicable	Not Applicable	6.00	SMERA A4 ^Issuer not co-operating
Foreign Bill Purchase/ Foreign Bill Negotiation (under LC)**	Not Applicable	Not Applicable	Not Applicable	6.00	SMERA A4 ^Issuer not co-operating

Foreign Bill Negotiation**	Not Applicable	Not Applicable	Not Applicable	6.00	SMERA A4 ^Issuer not co-operating
Term Loan (Proposed)	Not Applicable	Not Applicable	Not Applicable	10.00	SMERA B+ ^Issuer not co-operating
Cash Credit(Proposed)	Not Applicable	Not Applicable	Not Applicable	2.05	SMERA B+ ^Issuer not co-operating

****Total Fund Based Working Capital Limit not to exceed Rs.6.00 crore.**

Letter of Credit of Rs.0.50 crore is the sublimit of fund based limit of Rs.9.95 crore.

^The issuer did not co-operate; Based on best available information.

Contacts

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ABOUT SMERA

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