



Rating Rationale

15 July 2020

Accord Life Spec Pvt Ltd

Brickwork Ratings reaffirms and places the ratings of the Bank Loan Facilities of Rs. 154.02Cr of Accord Life Spec Pvt Ltd ('ALSPL' or the 'Company' on Credit Watch with Developing Implications based on best available information, as the issuer did not cooperate.

Particulars

Facilities**	Amount (Rs. Crs)		Tenure	Rating#	
	Previous	Present		Previous(Feb 2020)	Present
Fund based					
Term Loan	140.00	140.00	Long Term	BWR C- Issuer Not Cooperating*	BWR C- Issuer Not Cooperating* Credit Watch with Developing Implications Reaffirmed
Non Fund Based					
Bank Guarantee	14.02	14.02	Short Term	BWR A4 Issuer Not Cooperating*	BWR A4 Issuer Not Cooperating* Credit Watch with Developing Implications Reaffirmed
Total	154.02	154.02	Rupees One Hundred And Fifty Four Crores And Two Lakhs Only		

* Issuer did not cooperate;Based on the best available information ; **Details of Bank facilities are provided in Annexure-I;

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Rating Action/Nature of Non Cooperation

The rating action follows recent reports in the media about an investigation to Mr.Jagathrakshakan, Chairman of Accord Group of Companies by The Enforcement Directorate. BWR has taken up with the management of the company to understand the nature and implications of the event on the company's business and financial risk profiles. The rating action factors the uncertainty on the business due to these developments and BWR's assessment that any claims arising in this connection may impact the overall financial risk profile of the Company.



The rating has been placed on Credit Watch with developing Implications pending further developments in the above matters. BWR will closely monitor the situation and take appropriate rating action as and when it has clarity on these aspects

Nature of Non Cooperation

Please refer to our previous Rationale:

<https://www.brickworkratings.com/Admin/PressRelease/X-Accord-Life-Spec-26Feb2020.pdf>

Limitations of the Rating

Information availability risk is a key factor in the assessment of credit risk as generally non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the rating.

Company Profile

Accord Life was incorporated in 2014 to set up a manufacturing facility for oncology drugs at its facility at SIPCOT, Chennai. Mr.S.Jagathrakshakan is the Managing Director

Status of non-cooperation with previous CRA - ICRA, vide its press release dated 12 May 2020, has continued its ratings to the 'Issuer Not Cooperating' category as the company has not provided the requisite information to monitor the ratings

Rating History for the last three years [including withdrawal and suspended]

Facilities	Current Rating (July 2020)			Rating History			
	Tenure	Amount (Rs. Crs)	Rating	26 Feb 2020	2019	28 June2018	2017
Fund Based							
Term Loan	Long Term	140.00	BWR C- Issuer Not Cooperating* Placed on Credit Watch with Developing Implications Reaffirmed	BWR C- Issuer Not Cooperating*	-	BWR C	Not Rated
Non Fund Based							
Bank Guarantee	Short Term	14.02	BWR A4 Issuer Not Cooperating* Placed on Credit Watch with Developing Implications Reaffirmed	BWR A4 Issuer Not Cooperating*	-	BWR A4	Not Rated
Total		154.02	Rupees One Hundred And Fifty Four Crores And Two Lakhs Only				

*Issuer did not cooperate; Based on best available information;

Complexity levels of the instruments

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)
- [Manufacturing Companies](#)
- [Short Term Debt](#)
- [Policy for placing ratings on credit watch](#)

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ANNEXURE I

Accord Life Spec Pvt Ltd Details of Bank Loan Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facility	Long Term [Rs. Crs]	Short Term [Rs. Crs]	Total [Rs. Crs]
1	Punjab National Bank	Term Loan	90.00	-	90.00
		Bank Guarantee	-	14.02	14.02
2	UCO Bank	Term Loan	50.00	-	50.00
TOTAL - Rupees One Hundred And Fifty Four Crores And Two Lakhs Only					154.02



For print and digital media

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DISCLAIMER: Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reason.