

**RATING RATIONALE**

15th January, 2021

*Asolution Pharmaceutical Pvt Ltd*

**Brickwork Ratings downgrades the Ratings for the Bank Loan Facilities ₹ 25.90 Crores of Asolution Pharmaceutical Pvt Ltd based on best available information, as the issuer did not cooperate.**

**Particulars**

Facility	Amount (₹ Cr)		Tenure	Rating#	
	Previous	Present		Previous (9th, October, 2019)	Present
<b>Fund Based</b>	<b>17.90</b>	<b>17.90</b>	Long Term	<b>BWR B+ (Stable)</b>	<b>BWR B; ISSUER NOT COOPERATING (Stable) Downgrade</b>
<b>Fund Based</b>	<b>7.00</b>	<b>7.00</b>	Short Term	<b>BWR A4</b>	<b>BWR A4; ISSUER NOT COOPERATING Reaffirmed</b>
<b>Non-Fund Based</b>	<b>1.00</b>	<b>1.00</b>			
<b>Total</b>	<b>25.90</b>	<b>25.90</b>	<b>INR Twenty Five Crores &amp; Ninety Lakhs Only</b>		

# Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

\* Issuer did not cooperate, based on best available information.

**RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION**

The rating of Long Term Bank Loan Facilities of the company have been downgraded to BWR B (Stable) and the Short Term Bank Loan Facilities have been reaffirmed at BWR A4, based on the best available information, under ‘Issuer Not Cooperating’ category because the company has not provided any information/papers and banker has not responded to our various communications regarding conduct of account. The industry that the company operates in has strong demand, influencing the company's Stable Outlook and there may be a possibility of turn around.

The rating was due for a review in October, 2020. BWR took up with the company to provide required information for conducting a review of the ratings through emails dated October 12, 19, 29, December 02, 2020 & January 05, 2021, messages dated December 29, 2020 & January



15, 2021 and telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the company has not provided the same. Due to the continued lack of management cooperation and in the absence of adequate information from the Company, BWR is unable to assess the Company's ability to service its debt and maintain a valid rating. Hence, based on best available information, Brickwork Ratings have been downgraded and migrated the rating to the ISSUER NOT COOPERATING\* category.

## LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

## KEY FINANCIAL INDICATORS (in ₹ Cr) [As Available with BWR]

Key Parameters	Units	FY19	FY18
Result Type		Audited	Audited
Operating Revenue	₹ Cr	17.88	12.48
EBITDA	₹ Cr	(1.17)	(1.59)
PAT	₹ Cr	(10.67)	(10.13)
Total Debt/Tangible Net Worth	Times	6.65	2.89
Current ratio	Times	0.29	0.29

## COMPANY PROFILE

Asolution Pharmaceuticals Private Limited was incorporated in 2010 under the guidance of Dr. Nandkumar Chodankar and Dr. Laxmi Chodankar. The company is engaged in custom synthesis and manufacturing of specialty products for API for the international regulated markets. The manufacturing plant of the company is located at MIDC, Ambarnath, Dist. Thane, Maharashtra.

## NON-COOPERATION WITH PREVIOUS RATING AGENCY : NA

**RATING HISTORY FOR THE LAST THREE YEARS (including withdrawn/ suspended ratings)**

Instrument / Facilities	Current Rating			Rating History		
	Tenure (Long Term/ Short Term)	Amount (₹ Cr)	Rating	9th, October, 2019#	13th, June, 2018	2017
Fund Based	Long Term	17.90	BWR B; Issuer Not Cooperating (Downgrade)	BWR B+ (Stable)	BWR B+ (Stable)	-
	Short Term	7.00	BWR A4; Issuer Not Cooperating (Reaffirmation)	BWR A4	BWR A4	-
Non Fund Based		1.00				
Total		25.90	INR Twenty Five Crores & Ninety Lakhs Only			

#The entity was transferred to Ratings Not Reviewed on 12th October 2020

**COMPLEXITY LEVELS OF THE INSTRUMENTS**

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

**Hyperlink/Reference to applicable Criteria**

- **Trading Entities**
- **General Criteria**
- **What Constitutes Non-Cooperation**

Analytical Contacts	Investor and Media Relations
<b>Siddhi Kadakia</b> <b>Primary Analyst</b> [Board: 022 67456666 Ext:648 ] <a href="mailto:Siddhi.k@brickworkratings.com">Siddhi.k@brickworkratings.com</a>	<b>Sushil Kumar Chitkara</b> <b>[ Associate Director – Ratings]</b> [Board:+91 22 2831 1426, +91 22 2831 1439] <a href="mailto:sushilkumar.c@brickworkratings.com">sushilkumar.c@brickworkratings.com</a>
<b>1-860-425-2742</b>	<b>I <a href="mailto:media@brickworkratings.com">media@brickworkratings.com</a></b>

**ANNEXURE I**

*Asolution Pharmaceutical Pvt Ltd*  
**Details of Bank Facilities rated by BWR**

<b>Sl.No</b>	<b>Type of Facilities</b>	<b>Long Term [₹ Cr]</b>	<b>Short Term [₹ Cr]</b>	<b>Total [₹ Cr]</b>
<b>1)</b>	Term Loan I	15.53	-	<b>15.53</b>
<b>2)</b>	Term Loan II	2.37	-	<b>2.37</b>
<b>3)</b>	Cash Credit	(3.00)	-	<b>(3.00)</b>
<b>4)</b>	Direct Parcel Bill	-	(2.00)	<b>(2.00)</b>
<b>5)</b>	PCL/PCFC/FDBP/FDBD/FDBN/PS CFC	-	7.00	<b>7.00</b>
<b>6)</b>	Inland/Import LC/Buyers Credit/BG	-	1.00	<b>1.00</b>
<b>TOTAL</b>				<b>25.90</b>

**Total Rupees Twenty Five Crores & Ninety Lakhs only.**

**For print and digital media** The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

About Brickwork Ratings : Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non-convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

**DISCLAIMER :** Brickwork Ratings India Pvt. Ltd. (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by the Reserve Bank of India [RBI], offers credit ratings of Bank



Loan facilities, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. [hereafter referred to as “Instruments”]. BWR also rates NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations.

BWR wishes to inform all persons who may come across Rating Rationales and Rating Reports provided by BWR that the ratings assigned by BWR are based on information obtained from the issuer of the instrument and other reliable sources, which in BWR’s best judgement are considered reliable. The Rating Rationale / Rating Report & other rating communications are intended for the jurisdiction of India only. The reports should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in Europe and also the USA).

BWR also wishes to inform that access or use of the said documents does not create a client relationship between the user and BWR.

The ratings assigned by BWR are only an expression of BWR’s opinion on the entity / instrument and should not in any manner be construed as being a recommendation to either, purchase, hold or sell the instrument.

BWR also wishes to abundantly clarify that these ratings are not to be considered as an investment advice in any jurisdiction nor are they to be used as a basis for or as an alternative to independent financial advice and judgement obtained from the user’s financial advisors. BWR shall not be liable to any losses incurred by the users of these Rating Rationales, Rating Reports or its contents. BWR reserves the right to vary, modify, suspend or withdraw the ratings at any time without assigning reasons for the same.

BWR’s ratings reflect BWR’s opinion on the day the ratings are published and are not reflective of factual circumstances that may have arisen on a later date. BWR is not obliged to update its opinion based on any public notification, in any form or format although BWR may disseminate its opinion and analysis when deemed fit.

Neither BWR nor its affiliates, third party providers, as well as the directors, officers, shareholders, employees or agents (collectively, “BWR Party”) guarantee the accuracy, completeness or adequacy of the Ratings, and no BWR Party shall have any liability for any errors, omissions, or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Rating Rationales or Rating Reports. Each BWR Party disclaims all express or implied warranties, including, but not limited to, any warranties of merchantability, suitability or fitness for a particular purpose or use. In no event shall any BWR Party be liable to any one for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the Rating Rationales and/or Rating Reports even if advised of the possibility of such damages. However, BWR or its associates may have other commercial transactions with the company/entity. BWR and its affiliates do not act as a fiduciary.

BWR keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of BWR may have information that is not available to other BWR business units. BWR has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

BWR clarifies that it may have been paid a fee by the issuers or underwriters of the instruments, facilities, securities etc., or from obligors. BWR’s public ratings and analysis are made available on its web site, [www.brickworkratings.com](http://www.brickworkratings.com). More detailed information may be provided for a fee. BWR’s rating criteria are also generally made available without charge on BWR’s website.

This disclaimer forms an integral part of the Ratings Rationales / Rating Reports or other press releases, advisories, communications issued by BWR and circulation of the ratings without this disclaimer is prohibited.



BWR is bound by the Code of Conduct for Credit Rating Agencies issued by the Securities and Exchange Board of India and is governed by the applicable regulations issued by the Securities and Exchange Board of India as amended from time to time.