

Rating Rationale

Axa Parenterals Limited

25 Jan 2019

Brickwork Ratings has reviewed the Rating for the bank loan facilities of Axa Parenterals Limited based on best available information, as the issuer did not cooperate.

Particulars

Instrument	Amount Rated (Rs. Cr)		Tenure	Previous Rating	Present Rating
	Previous	Present			
Fund Based					
CC	16.00	16.00	Long Term	BWR BBB (Pronounced as BWR Triple B) Outlook:Stable	BWR BBB (Pronounced as BWR Triple B) (Reaffirmed) Issuer did not Cooperate; Based on best available information
TL	20.55	20.55			
Non Fund Based					
ILC/FLC	5.50	5.50	Short Term	BWR A3+ (Pronounced as Single A Three Plus)	BWR A3+ (Pronounced as Single A Three Plus) (Reaffirmed) Issuer did not Cooperate; Based on best available information
Letter of Guarantee	1.50	1.50			
Total	43.55	43.55	Rs.Forty Three Crores and Fifty Five lakhs Only		

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

Long Term rating reaffirmed at BWR BBB (Outlook: Stable) Issuer did not Cooperate and Short term rating reaffirmed at BWR A3+ Issuer did not Cooperate; The reaffirmation of ratings is based on best available information

Nature of Non-cooperation: The surveillance rating was due for a review in October 2018. BWR took up with the issuer to provide required information over emails and through numerous telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the issuer/Company, BWR is unable to assess the issuer's/Company's financial performance and its ability to service its debt and maintain a valid rating.

25 Jan 2019

¹ **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.

About the Company:

Axa Parenterals Ltd” (APL) was incorporated on 22nd July 2005 in Delhi, wherein commercial operations started during Feb 2007. The Company is promoted by Mr.Manoj Agarwal & his family members engaged in manufacturing of Intravenous Fluids (IVF) in Large Volume & Small Volume Parenteral (LVP & SVP) Range. It is a WHO-GMP accredited company designed as per US USFDA & EU guidelines, with an ultra-modern plant. A specialist in Aseptic Parenteral processing whose manufacturing facility is located at Roorkee, Haridwar, Uttarakhand, with installed capacity of 50 million bottles per annum of 100 ml to 500 ml, and other 50 million vials of 5ml, 10 ml, 20 ml & 30 ml sizes with utilization capacity of ~90%

The company sells under own brand name and also undertakes contract manufacturing services for well established brands like Cipla, Biocon, Abbott, Wockhardt, Mankind Pharma etc and also through exports and government tenders. Exports are mainly to South-East Asian markets, African Continent, CIS Countries, Middle East & now aiming at Latin American Countries & Caribbean Countries.

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Rating History for the last three years (including withdrawn/suspended ratings)

Issue	Rating Assigned 2019			Rating History		
	Amount Rated (Rs. Cr)	Tenure	Rating Assigned [^]	2018	2017	2016
Fund Based						
CC	16.00	Long Term	BWR BBB (Pronounced as BWR Triple B) (Reaffirmed) Issuer did not Cooperate; Based on best available information	NA	BWR BBB (Pronounced as BWR Triple B) Outlook:Stable	BWR BBB (Pronounced as BWR Triple B) Outlook:Stable
TL	20.55					
Non Fund Based						
ILC/FL C	5.50	Short Term	BWR A3+ (Pronounced as Single A Three Plus) (Reaffirm) Issuer did not Cooperate; Based on best available information	NA	BWR A3+ (Pronounced as Single A Three Plus)	BWR A3+ (Pronounced as Single A Three Plus)
Letter of Guarantee	1.50					
Total	43.55	Rs.Forty Three Crores and Fifty Five lakhs Only				

Issuer did not Cooperate; based on best available information.

Hyperlink/Reference to Applicable Criteria.

1 [General Criteria](#)

- 2 [Approach to Financial Ratios](#)
- 3 [Manufacturing Unit](#)
- 4 [Short Term Debt](#)
- 5 [What Constitutes Non Cooperation](#)

For any other criteria obtain hyperlinks from website

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For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a leading public sector bank, as its promoter 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

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