

January 18, 2023

Arene Life Sciences Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	9.00	9.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term / Short Term - Unallocated	3.00	3.00	[ICRA]B+ (Stable)/[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term – Non Fund Based	5.00	5.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	17.00	17.00	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has retained the Long-Term and Short-Term ratings of Arene Life Sciences Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING".

ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity. The rating action has been taken in accordance with ICRA's policy in respect of non-cooperation by a rated entity available at www.icra.in.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Incorporated in 2004, Arene Life Sciences Limited (ALSL) is engaged in the manufacturing of Active Pharmaceutical Ingredients (API) and Drug Intermediates. The manufacturing unit is located near Patancheru, Hyderabad. The company is promoted by experienced management with more than 3 decades of experience in chemical engineering and organic chemistry. Antiretroviral segment is the major revenue contributor to the company over the years. S.R. Drugs & Intermediates Private Limited (SRD), engaged in the manufacturing of mono chloro acetic acid and intermediate chemicals is the major shareholder of ALSL. The other group companies are Srichaitanya Chlorides Private Limited, engaged in the manufacturing of intermediate chemicals and AVR Organics Private Limited, involved in manufacture of high-grade chemicals.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2023)				Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020	
				18-Jan-2023	21-Dec-2021	28-Oct-20	05-Aug-19	
1 Cash Credit	Long Term	9.00	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING	
2 Unallocated	Long Term/ Short Term	3.00	-	[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]BB+ (Stable)/ [ICRA]A4+; ISSUER NOT COOPERATING	
3 Non Fund Based	Short Term	5.00	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; ISSUER NOT COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Unallocated	Not Applicable
Non Fund Based	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	9.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	3.00	[ICRA]B+ (Stable)/[ICRA]A4; ISSUER NOT COOPERATING
NA	Non Fund Based	-	-	-	5.00	[ICRA]A4; ISSUER NOT COOPERATING

Source: Arene Life Sciences Limited

Annexure-2: List of entities considered for consolidated analysis: Not applicable

ANALYST CONTACTS

Shamsher Dewan
+91 124 4545 300
shamsherd@icraindia.com

Subhechha Banerjee
+91 33 7150 1151
subhechha.banerjee@icraindia.com

Susmita Biswas
+91 33 7150 1182
susmita.biswas@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee
+91 80 4332 6401
[jayantac@icraindia.com](mailto:jyantac@icraindia.com)

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



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