

September 19, 2019

Marc Laboratories Limited: Rating continues to remain under Non-Cooperating category, Ratings downgraded based on best available information

Summary of rated instruments

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund based	13.40	13.40	[ICRA]BB+(Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BBB-(Stable) and continues under 'Issuer Not Cooperating' category
Unallocated	0.88	0.88	[ICRA]BB+(Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BBB-(Stable) and continues under 'Issuer Not Cooperating' category
Total	14.28	14.28	

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

[^]Instrument details are provided in Annexure-1

Rationale

The rating downgrade is because of lack of adequate information regarding Marc Laboratories Limited's performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by the rated entity". The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with Marc Laboratories Limited, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information

The previous detailed rating rationale is available on the following link: [Click here](#)

About the company:

Incorporated in April 1985, MLL is a privately held pharmaceutical company, with its headquarters in Lucknow, Uttar Pradesh, and is engaged in developing, manufacturing and marketing pharmaceutical products. With its manufacturing facilities located in Baddi, Himachal Pradesh, the company caters to a considerably broad range of therapeutic segments like orthopedic, gynecology, cardiovascular, gastro-intestinal, analgesic, haematinic, anti-infective, antibiotic, and antidiabetic. The company's key markets are Uttar Pradesh and Bihar; however, the company has recently expanded its geographical footprint to include Chhattisgarh, West Bengal, Rajasthan and Maharashtra. In addition to MLL, the group comprises of Marc India Limited (engaged in manufacturing and distributing veterinary products) and Helars Lab (engaged in contract manufacturing for MLL and Marc India).

Status of non-cooperation with previous CRA

Not applicable

Any other information

Not applicable

Rating history for past three years

	Instrument	Current Rating (FY2020)				Rating History for the Past 3 Years		
		Type	Amount Rated	Amount Outstanding	Rating	FY2019	FY2018	FY2017
					19-Sep 2019	26-Oct-2018	24-Apr-2017	-
1	Fund based	Long Term	13.40	-	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING	[ICRA]BBB-(Stable) ISSUER NOT COOPERATING	-
2	Unallocated	Long Term	0.88	-	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING	[ICRA]BBB-(Stable) ISSUER NOT COOPERATING	-

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1 Instrument Details

ISIN No	Instrument	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Fund-based	-	-	-	13.40	[ICRA]BB-(Stable) ISSUER NOT COOPERATING*
NA	Unallocated	-	-	-	0.88	[ICRA]BB-(Stable)ISSUER NOT COOPERATING*;

Source: Marc Laboratories Limited

Analyst Contacts

K. Ravichandran

+044-4596 4301

ravichandran@icraindia.com

Manish Ballabh

+91-124-4545812

manish.ballabh@icraindia.com

Gaurav Singla

0124-4545366

gaurav.singla@icraindia.com

Geetika Mamtani

+91-124-4545832

geetika.mamtani@icraindia.com

Relationship Contact

Jayanta Chatterjee

+91 80 4332 6401

jayantac@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.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

www.icra.in

ICRA Limited

Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: info@icraindia.com

Website: www.icra.in

Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

Branches

Mumbai + (91 22) 24331046/53/62/74/86/87
Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,
Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,
Bangalore + (91 80) 2559 7401/4049
Ahmedabad+ (91 79) 2658 4924/5049/2008
Hyderabad + (91 40) 2373 5061/7251
Pune + (91 20) 2556 0194/ 6606 9999

© Copyright, 2019 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents