September 27, 2019

Ind Swift Laboratories Limited: Rating continues to remain under Non Cooperating category

Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Term Loan	610.89	610.89	[ICRA]D ISSUER NOT COOPERATING*; Rating continues to remain under the 'Issuer Not Cooperating' category
Fund-based Working Capital Facilities	303.41	303.41	[ICRA]D ISSUER NOT COOPERATING*; Rating continues to remain under the 'Issuer Not Cooperating' category
Non-fund Based Working Capital Facilities	265.00	265.00	[ICRA]D ISSUER NOT COOPERATING*; Rating continues to remain under the 'Issuer Not Cooperating' category
Unallocated Limits	34.27	34.27	[ICRA]D/[ICRA]D ISSUER NOT COOPERATING*; Rating continues to remain under the 'Issuer Not Cooperating' category
Total	**1213.57**	**1213.57**	

*Issuer did not co-operate; based on best available information.

Rationale

The ratings for the Rs.1213.57 crore bank facilities of Ind Swift Laboratories Limited (ISLL) continues to remain under the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]D/[ICRA]D ISSUER NOT COOPERATING".

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. 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.

Analytical approach

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

About the company:

ISLL, part of the Ind-Swift Group based at Chandigarh, was promoted in 1995 by Ind-Swift Limited in joint venture with the Punjab State Industrial Development Corporation Limited (PSIDC). ISLL went public in 1997 and subsequently in FY2003, PSIDC exited from ISLL. ISLL is a medium sized manufacturer of Active Pharmaceuticals Ingredients (APIs) and Advanced Intermediates with presence mostly in domestic markets and certain semi-regulated markets. The company develops, manufactures and supplies bulk drugs to various domestic formulations companies and leading generic players across semi-regulated markets (with predominant presence in East European Markets).

The previous detailed rating rationale is available on the following link: Click here

Key financial indicators:

Consolidated	FY2018	FY2019
Operating Income (Rs. crore)	749.7	746.32
PAT (Rs. crore)	17.6	-14.58
OPBDIT/ OI (%)	19.30%	21.1%
RoCE (%)	4.00%	5.04%
Total Debt/ TNW (times)	1.5	3.01
Total Debt/ OPBDIT (times)	5.7	2.65
Interest Coverage (times)	5.1	1.89
NWC/ OI (%)	23.60%	0.72

Rating history for past three years

All figures in Rs. Crore

	Instrument	Current Rating (FY2020)				Rating History for the Past 3 Years		
		Type	Amount Rated	Amount Outstanding	Rating	FY2019	FY2018	FY2017
					27-Sep 2019	19-Jun-2018	-	9-Mar-2017
1	Long term: Fund-based limits	Long Term	914.30	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	-	[ICRA]D; ISSUER NOT COOPERATING;
2	Short term: Non Fundbased limit	Short Term	265.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	-	[ICRA]D; ISSUER NOT COOPERATING;
3	Unallocated	Long term/short Term	34.27	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	-	[ICRA]D; ISSUER NOT COOPERATING;

Analyst Contacts

Subrata Ray
+91 22 6114 3408
subrata@icraindia.com

Anupama Arora
+91 124 4545 303
anupama@icraindia.com

Rohan Kanwar Gupta
+91 1244545808
rohan.kanwar@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.

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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