

## Khandelwal Laboratories Private Limited

September 06, 2022

### Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	13.00	<b>CARE B+; Stable; ISSUER NOT COOPERATING* (Single B Plus; Outlook: Stable ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	7.00	<b>CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Facilities</b>	<b>20.00 (Rs. Twenty Crore Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated July 01, 2021, placed the rating(s) of Khandelwal Laboratories Private Limited (KLPL) under the 'issuer non-cooperating' category as KLPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. KLPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated May 17, 2022, May 27, 2022, June 06, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

### Detailed description of the key rating drivers

Please refer to PR dated [July 01, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Company

Incorporated 1945, Khandelwal Laboratories Private Limited (KLPL) is engaged in the business of manufacturing of pharmaceutical formulations (tablets, capsules, and injection) and bulk drugs (exclusively for its own formulations) primarily catering to therapeutic segments namely oncology, anti-ulcers, anti-hypertensives, anti-diabetics, antihistamines, anti-infectives, osteoporosis, anti-tussives and haematinic. KLPL has its manufacturing plant located at Thane (Maharashtra), Silvassa (Dadra & Nagar Haveli) and Rudrapur (Uttaranchal). KLPL also undertakes contract manufacturing for some of the reputed pharma giants. Further KLPL also has an in-house R&D centre for NDDS (Novel Drug Delivery System) and speciality illness at its Thane unit.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	Q1FY23 (Prov.)
Total operating income	225.94	185.06	NA	NA
PBILDT	5.22	10.95	NA	NA
PAT	3.67	7.89	NA	NA
Overall gearing (times)	0.21	0.04	NA	NA
Interest coverage (times)	2.78	10.48	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE publications

\*Issuer did not cooperate; Based on best available information

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Please refer Annexure 3

**Complexity level of various instruments rated for this Company:** Please refer Annexure 4

**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	13.00	CARE B+; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC		-	-	-	7.00	CARE A4; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	13.00	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (01-Jul-21)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (21-May-20)	-
2	Non-fund-based - ST-BG/LC	ST	7.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (01-Jul-21)	1)CARE A4; ISSUER NOT COOPERATING* (21-May-20)	-

\*Issuer did not cooperate; Based on best available information

**Annexure 3: Covenants of rated instrument/facility:** Not applicable

**Annexure 4: Complexity level of various instruments rated for this company:**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-BG/LC	Simple

**Annexure 5: Bank Lender Details for this Company**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. This classification is available at [www.careedge.in](http://www.careedge.in). Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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### About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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