

Lyophilization Systems India Private Limited

January 12, 2023

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	2.50	CARE B+; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	4.00	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1

**Issuer not cooperating; Based on best available information*

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated November 17, 2021, placed the rating(s) of Lyophilization Systems India Private Limited (LSIPL) under the 'issuer non-cooperating' category as LSIPL 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. LSIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 03, 2022, October 13, 2022, October 23, 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 [November 17, 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

Lyophilization Systems India Private Limited (LSIPL) was established in May 2003 by Mr. M S Prasad and Mr. D Narendar. LSIPL is engaged in manufacturing of industrial freeze drying equipments which are called as Lyophilizers. LSIPL's scope of activities include designing, assembling, testing, supplying, installation of this customized freeze-drying equipment at customer's site, commissioning and validation of the same. The Lyophilizers are used in high end pharmaceutical, biotech and research laboratories. LSIPL's engineering and designs staff have decades of experience in freeze drying. Apart from the above, company also provides the yearly servicing of equipment and supply of spares. LSIPL's list of clients includes some of the well-known names such as Cadila Health Care Limited and Dr. Reddy's Laboratories Private Limited, Simson Lifesciences Private Limited, Intervet India Private Limited, Natco Pharma Limited and Hester Biosciences Nepal Private Limited.

Brief Financials (Rs. crore)	FY21 (A)	FY22 (A)	9MFY23 (Prov.)
Total operating income	86.33	92.71	NA
PBILDT	6.49	10.70	NA
PAT	4.82	6.94	NA
Overall gearing (times)	0.12	0.42	NA
Interest coverage (times)	27.11	16.68	NA

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

Status of non-cooperation with previous CRA: Acuite (SMERA) has moved ratings of LSIPL to 'Issuer Not Cooperating' category vide press release dated April 01, 2022 on account of its inability to carry out a review in the absence of the requisite information from the company.

Any other information: Not Applicable

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

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Covenants of rated instrument/facility: Annexure 3

Complexity level of various instruments rated for this company: 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		-	-	-	2.50	CARE B+; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	4.00	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	Type	Current Ratings		Date(s) and Rating(s) assigned in 2022-2023	Rating History		
			Amount Outstanding (Rs. crore)	Rating		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	2.50	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (17-Nov-21)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (05-Nov-20)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (14-Aug-19)
2	Non-fund-based - ST-Bank Guarantee	ST	4.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (17-Nov-21)	1)CARE A4; ISSUER NOT COOPERATING* (05-Nov-20)	1)CARE A4; ISSUER NOT COOPERATING* (14-Aug-19)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: 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-Bank Guarantee	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. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us**Media Contact**

Name – Mr. Mradul Mishra
Contact no. - +91-22-6754 3596
Email ID - mradul.mishra@careedge.in

Analyst Contact

Group Head Name - Shachee Nakul Vyas
Group Head Contact no.- +91-79-40265665
Group Head Email ID - shachee.tripathi@careedge.in

Relationship Contact

Name -Ramesh Bob Asineparthi
Contact no. -9052000521
Email ID: ramesh.bob@careedge.in

About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

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.

Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careedge.in**