

## Novarc Labs Private Limited (Revised)

September 13, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	7.00	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>7.00</b> <b>(Rs. Seven 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 29, 2021, placed the rating(s) of Novarc Labs Private Limited (NLPL) under the 'issuer non-cooperating' category as NLPL 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. NLPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 14, 2022, June 24, 2022, July 04, 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 29, 2021](#)

**Analytical approach:** Standalone

#### Applicable Criteria

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

[Policy on default recognition](#)

#### About the Company

Novarc Labs Private Limited (NLPL) was established in the year 2012, promoted by Mr. Thilotham R Kolanu. The company is engaged in trading of medical drug products. The company purchases the medical components (used in manufacturing of medicines) like 2 hydroxy methyl, 2 chloro methyl and 2m5m benzimidazole from suppliers, namely i.e. Ariston pharma Novatech, Nexus Drugs and Prabhu Chemicals. The company receives the work orders directly from the customers, namely Ariston Pharma Novatech (P) Ltd, Vijayasri Pharma Chem and Leavochem Labs Private Limited. The company is located at Madhapur, Hyderabad (Telangana).

Brief Financials (Rs. crore)	FY20 (A)	FY21(A)	FY22(Prov.)	Q1FY23(Prov.)
Total operating income	NA	NA	NA	NA
PBILD	NA	NA	NA	NA
PAT	NA	NA	NA	NA
Overall gearing (times)	NA	NA	NA	NA
Interest coverage (times)	NA	NA	NA	NA

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

**Status of non-cooperation with previous CRA:** CRISIL has continued the ratings assigned to the bank facilities of NLPL to the 'issuer not-cooperating' category vide press release dated November 19, 2021 on account its inability to carryout review in the absence of best available information from the company.

**Any other information:** Not Applicable

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

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://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		-	-	-	7.00	CARE D; ISSUER NOT COOPERATING*

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

**Annexure-2: Rating history for the 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	7.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (29-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (19-Jun-20)	1)CARE D; ISSUER NOT COOPERATING* (30-Apr-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 Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	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 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](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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