

Godavari Drugs Limited

July 19, 2022

Ratings

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|------------------------------|--------------------------------|---------------------|---------------|
| Long Term Bank Facilities | - | - | Withdrawn |
| Short Term Bank Facilities | - | - | Withdrawn |
| Total Bank Facilities | 0.00 (₹ Only) | | |

Details of instruments/facilities in Annexure-1.

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE Ratings Ltd. has withdrawn the rating(s) assigned to the Bank facilities of Godavari Drugs Limited with immediate effect, as the company has surrendered the aforementioned bank facilities rated by us and there is no amount outstanding under the facility as on date.

Analytical approach: Standalone

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Godavari Drugs Limited (GDL) was incorporated in 1987 as a Private Limited Company and subsequently, in 1995, the constitution was changed to public limited. The company has been promoted by Shri Ghanshyam Jaju who has presence in the pharmaceutical industry for the last four decades. Mr. Mukund Kakani (MD) is a chemical engineer and possesses experience of over three decades in pharmaceutical industry. GDL commenced its business operation from 1989 with manufacturing of Active Pharmaceutical Ingredients (API).

| Brief Financials (₹ crore) | March 31, 2021 (A) | March 31, 2022 (A) | Q1FY23(Prov.) |
|----------------------------|--------------------|--------------------|---------------|
| Total operating income | 122.75 | 161.12 | NA |
| PBILDT | 9.91 | 11.30 | NA |
| PAT | 4.13 | 5.25 | NA |
| Overall gearing (times) | 1.25 | 0.78 | NA |
| Interest coverage (times) | 2.99 | 3.97 | NA |

Status of non-cooperation with previous CRA: Nil

Any other information: NA

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

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

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

Annexure-1: Details of instruments/facilities

| Name of the Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (₹ crore) | Rating Assigned along with Rating Outlook |
|-----------------------------|------|------------------|-------------|---------------|-----------------------------|---|
| Fund-based - LT-Cash Credit | | - | - | - | 0.00 | Withdrawn |
| Non-fund-based - ST-BG/LC | | - | - | - | 0.00 | Withdrawn |

Annexure-2: Rating history for the last three years

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating History | | | |
|---------|--|-----------------|------------------------------|--------|---|--|--|---|
| | | Type | Amount Outstanding (₹ 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 | - | - | - | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (12-Aug-21) | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (26-Aug-20) | 1)CARE BB-; ISSUER NOT COOPERATING* (27-Aug-19) |
| 2 | Non-fund-based - ST-BG/LC | ST | - | - | - | 1)CARE A4; ISSUER NOT COOPERATING* (12-Aug-21) | 1)CARE A4; ISSUER NOT COOPERATING* (26-Aug-20) | 1)CARE A4; ISSUER NOT COOPERATING* (27-Aug-19) |

*Long term/Short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities:NA**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 |
| 2 | Non-fund-based - ST-BG/LC | Simple |

Annexure-5: Bank lender details for this companyTo view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instruments: CARE Ratings 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: Mradul Mishra
Phone: +91-22-6754 3596
E-mail: mradul.mishra@careedge.in

Analyst contact

Name: Nivedita Anirudh Ghayal
Phone: 9908090944
E-mail: nivedita.ghayal@careedge.in

Relationship contact

Name: Ramesh Bob Asineparthi
Phone: +91 90520 00521
E-mail: ramesh.bob@careedge.in

About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

The ratings issued by CARE Ratings 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 has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings 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 have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings 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 is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

For the detailed Rationale Report and subscription information, please visit www.careedge.in