

## Dial Pharmaceuticals

July 10, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	8.78	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated May 25, 2023, placed the rating(s) of Dial Pharmaceuticals (DP) under the 'issuer non-cooperating' category as DP 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. DP continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 09, 2024, April 19, 2024, April 29, 2024.

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).**

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers

Please refer to PR dated [May 25, 2023](#)

### Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on Default Recognition](#)

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

### About the Firm

Sanand, Ahmedabad (Gujarat) based Dial Pharmaceuticals (DP) is a partnership firm established in the year 2013 by two partners Mr. Sanjay Sheth and Mrs. Ranna Sheth. Both the partners are also working as directors in Dial Pharmaceutical Private Limited, which is engaged into business of manufacturing and trading of oral medications in the form of tablets and capsules since 2003. DIP has completed its green field project to set up unit for manufacturing Vials and Ampoules for the regular diseases like cold, fever, flu, body aches, painkillers, veterinary products, etc. as well as eye and ear drops of various kinds DIP has commenced its commercial operation from May 2018 onwards from its sole manufacturing unit located at Sanand (Gujarat) with an installed capacity of 150 lakh units per day.

Brief Financials (Rs. crore)	March 31, 2019(A)*
Total operating income	1.60
PBILDT	0.34
PAT	-1.04
Overall gearing (times)	3.45
Interest coverage (times)	0.59

A: Audited; Note: 'the above results are latest financial results available'; \*Operations commenced in May 2018

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

<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

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	1.10	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan <sup>^</sup>		-	-	-	2.50	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	June 2025	5.18	CARE B-; Stable; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information; ^Proposed

**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 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	2.50	CARE B-; Stable; ISSUER NOT COOPERATING *	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (25-May-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING * (30-May-22)	-
2	Fund-based - LT-Term Loan	LT	5.18	CARE B-; Stable; ISSUER NOT COOPERATING *	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (25-May-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING * (30-May-22)	-
3	Fund-based - LT-Cash Credit	LT	1.10	CARE B-; Stable; ISSUER NOT COOPERATING *	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (25-May-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING * (30-May-22)	-

\*Issuer did not cooperate; based on best available information.

LT: Long term

**Annexure-3: Detailed explanation of covenants of the rated instruments/facilities:** Not Applicable

**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

**Annexure-5: Lender details**

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

**Note on the 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](mailto:care@careedge.in) for any clarifications.

### Contact us

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