

VSN Laboratories Private Limited

September 04, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	16.30	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 July 17, 2023, placed the rating(s) of VSN Laboratories Private Limited (VLPL) under the 'issuer non-cooperating' category as VLPL had failed to provide information for monitoring of the rating. VLPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 01, 2024, June 11, 2024, June 21, 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 [July 17, 2023](#)

Applicable criteria

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

[Policy on default recognition](#)

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

About the company

VSN Laboratories Private Limited (VLPL) was incorporated on June 01, 2009 by Mr.V.Nageswara Rao along with his wife Mrs.V.Padmavathi for manufacturing of Active Pharmaceutical Ingredients (APIs). In FY18 four new promoters, Mrs.K.Indira, Mr.K.Madhusudhan Rao. Bhuviteja Enterprises (India) Private Limited and Ms.K.Tejaswini, joined the company. The company was originally registered as Lucid Life Sciences Private Limited and subsequently the name of the company was changed to the current nomenclature i.e. VSN on December 18th, 2009. The company started with its trial runs in the month of February 2016; however, the commercial production was commenced on May 02, 2016 with a total installed capacity of 240 kilolitres per annum at its manufacturing unit located in Krishna District of Andhra Pradesh. The company has expanded its manufacturing unit and increased the installed capacity to 72KL per month from June 2018. The facilities of VSN are incorporated as per Current Good Manufacturing Practices (CGMP) standards. VSN is manufacturing APIs with drugs portfolio like pantaprazole, triazole alcohol and omeprazole and others. These are used for the treatment of gastroesophageal reflux diseases, seasonal allergies, nausea, cholesterol, hypertension, etc. The company sources raw materials required for manufacturing of APIs from vendors based in Hyderabad and Mumbai. VSN is supplying APIs to variety of domestic formulators (mainly private pharmaceutical companies). VSN also has an on-site well-equipped Research and Development (R&D) Centre which is continuously involved in process development, trouble shooting and process optimisation of the drugs.

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

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	21.72	19.99
PBILDT	2.76	1.31
PAT	0.11	0.03
Overall gearing (times)	5.20	5.40
Interest coverage (times)	1.42	1.16

A: Audited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Brickwork has continued the rating assigned to the bank facilities of VLPL into Issuer Not Cooperating category vide press release dated April 05, 2024 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

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

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		-	-	-	5.02	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	January, 2026	11.28	CARE B-; Stable; 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 (₹ 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	11.28	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (17-Jul-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (28-Jun-22)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (28-Apr-21)
2	Fund-based - LT-Cash Credit	LT	5.02	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (17-Jul-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (28-Jun-22)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (28-Apr-21)

*Issuer did not cooperate; Based on best available information

LT: Long term

Annexure-3: Detailed explanation of the 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 complexity levels of the rated instrument: 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

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About us:

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