

Ecron Acunova Limited

May 26, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	11.16	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	15.00	CARE D / CARE D; 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. [CARE] had, vide its press release dated March 13, 2024, placed the ratings of Ecron Acunova Limited (Ecron) under the 'issuer non-cooperating' category as Ecron had failed to provide information for monitoring of the rating. Ecron continues to be non-cooperative despite repeated requests for submission of information through e-mails dated January 27, 2025, and February 16, 2025. In line with the extant SEBI guidelines, CARE has reviewed the ratings based on the best available information which, however, in CARE'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 ratings.

The ratings assigned to the bank facilities of Ecron are constrained due to delay of debt servicing in the bank facilities and poor liquidity position of the company.

Analytical approach: Consolidated

CARE Ratings had taken consolidated financials of Ecron Acunova along with subsidiaries - Navitas Life Sciences Company Limited, Thailand, and Navitas LLP, India along with factoring in linkages with TAKE group.

Detailed description of key rating drivers:

At the time of last rating on March 13, 2024, the following were the rating strengths and weaknesses (updated for the FY24(A) information available from Registrar of Companies (RoC))

Key weaknesses

Reduced operations due to sale of its major subsidiary:

During May 2022, TAKE's major subsidiary TAKE Solutions Global Holdings Pte Ltd (Singapore) (TAKE Ghapte) had been sold to HIG as a part of enforced sale following the lenders of TAKE Ghapte initiating action on disposal of shares of TSL in Take Ghapte in view of continuing default on loan obligations. The enforced sale has resulted in disinvestment of 100% shareholding of TAKE Solutions in TAKE Ghapte. The divestment of TAKE Ghapte also restricted TAKE group in undertaking full-fledged clinical trials and accordingly the core Clinical Research business is no longer a portfolio in TAKE Solutions. The business that is remaining in the TAKE group is the Bio Availability & Bio Equivalence studies and a limited amount of health tech business. With this as the base, the group has to rebuild the business to scale. For FY24 (refers to the period April 01 to March 31), the company on a standalone basis had reported revenue of Rs. 63.96 crores (PY: Rs 100.51 crores) with net profit of Rs. 1.07 crores.

Changing dynamics of global pharma industry:

The pharmaceutical industry is tightly regulated all over the world with stringent norms and regulations. Structural reforms by governments stringent regulation both in regulated and semi-regulated market, intensification of competition has led to pricing pressure impacting the profitability of the industry players. Competition and increased pricing pressure on pharma companies has resulted in cost cutting measures adopted by them to remain competitive, resulting in reduced business for the companies operating in the pharma/drug market value chain including IT service providers. This has resulted in vendor consolidation approach adopted by pharma companies forcing tier-I/tier-II companies/service providers in the industry to move up the value chain. Pure play clinical research organizations (CRO) have also started providing IT services.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Key strengths

Long standing relationship with major pharma companies:

Clinical trials are a specialized field that requires numerous regulatory approvals, and its facilities are subject to inspection by a variety of agencies, including pharmaceutical companies and statutory organizations such as the Clinical Trial Registry, FDA, and the Drug Controller General of India. TAKE was one of the leading healthcare providers, with domain expertise and facilities that complied with all statutory regulations and were approved by the majority of large pharmaceutical companies. Despite not conducting full-fledged clinical trials, the group has strong qualification criteria, allowing it to obtain new business opportunities in Phase I trials as well as supplementary activities related to Phase II/ Phase III clinical trials. The group caters to major pharmaceutical companies in India.

Applicable criteria

[Policy in respect of non-cooperation by issuers](#)

[Consolidation](#)

[Definition of Default](#)

[Financial Ratios – Non financial Sector](#)

[Service Sector Companies](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Information Technology	Information Technology	IT - Services	IT Enabled Services

Ecron Acunova Limited is a Clinical Research Organisation, which undertakes clinical studies including Bio equivalence and Bio Availability Studies and Phase I of Clinical Trials. The company is headquartered in Bangalore and has around 170 employees to date. The company has three subsidiaries- Acunova Life Sciences USA, which had discontinued operations in March 2023 and Navitas Life Sciences company Ltd, Thailand, which is also into clinical research. During September 2021, Ecron purchased 99.9% stake in Navitas LLP.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (A)
	Consolidated	Standalone*	
Total operating income	95.25	100.51	63.96
PBILDT	-17.40	25.72	9.58
PAT	-74.79	-41.29	1.07
Overall gearing (times)	NM	-1.90	-1.61
Interest coverage (times)	-2.35	3.58	3.03

A: Audited; NM: Not Meaningful; Note: these are latest available financial results

* Since the latest consolidated financials of FY23 and FY24 is not available in ROC for Ecron, the standalone financials are considered.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of 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 and Rating Outlook
Fund-based - LT-Term Loan		-	-	Dec 2022	3.60	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	Apr 2025	7.56	CARE D; ISSUER NOT COOPERATING*
Fund-based-LT/ST		-	-	-	15.00	CARE D / CARE D; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for 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 2025-2026	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
1	Fund-based - LT-Term Loan	LT	3.60	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (13-Mar-24) 2)CARE D (06-Sep-23)	1)CARE C (21-Mar-23)
2	Fund-based-LT/ST	LT/ST	15.00	CARE D / CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D / CARE D; ISSUER NOT COOPERATING* (13-Mar-24) 2)CARE D / CARE D (06-Sep-23)	1)CARE C / CARE A4 (21-Mar-23)
3	Fund-based - LT-Term Loan	LT	7.56	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (13-Mar-24) 2)CARE D (06-Sep-23)	1)CARE C (21-Mar-23)

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

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

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

Annexure-5: Lender details

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

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Navitas Life Sciences Company Limited, Thailand	Full	Subsidiary
2	Navitas LLP, India	Full	Subsidiary

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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