

Chandra Bhagat Pharma Limited

December 03, 2020

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	22.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable; (Single B; Outlook: Stable)
Short Term Bank Facilities	5.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE A4; (A Four)
Total Facilities	27.00 (Rs. Twenty-Seven Crore Only)		

Details of instruments/facilities in Annexure I

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated July 17, 2020, placed the rating(s) of Chandra Bhagat Pharma Limited (CBPL) under the 'issuer non-cooperating' category as CBPL had failed to provide information for monitoring of the rating. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of 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 rating(s).

The rating has been revised on account of delay in the debt servicing.

Detailed description of the key rating drivers

Delay in debt servicing: As per audit report of FY20 published on BSE dated December 1, 2020 wherein it has mentioned that the company has made defaults in the repayment of dues to banks.

Analytical Approach: Standalone

Applicable criteria

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

[Criteria on assigning Outlook to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Criteria for Short Term Instruments](#)

[Rating Methodology – Manufacturing Companies](#)

[Financial Ratios \(Non-Financial Sector\)](#)

[Rating Methodology – Pharmaceuticals Sector](#)

About the company

Incorporated in 2003, Chandra Bhagat Pharma Pvt. Ltd. (CBPPL) is engaged into manufacturing of formulations (forming 87.22% of the total revenue in 2016) and trading of API (forming 12.77% of the total revenue in 2016) for both domestic as well as international markets under the brand name of 'CBC'. Recently i.e. during April 2019, CBPPL converted into Limited company and subsequently listed on BSE on Feb 14, 2020. The company manufactures formulations by outsourcing to third party on job work basis. The company has a well-diversified product portfolio marked by its presence across many therapeutic segments such as cardiovascular agents, antibiotics, anti-arthritic, anti-fungal, anti-viral, anti-malarial and miscellaneous drug. Under the trading segment, CBPPL procures its key API mainly from domestic market (forming 86% during FY16) and international market (forming remaining portion) and sells in the domestic market (forming 91.09% of the overall revenue during FY16) and rest in international market.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications

*Issuer did not cooperate; Based on best available information

Brief Financials (Rs. crore)	FY19 (A)	FY20(A)
Total operating income	106.28	94.42
PBILDT	4.49	3.56
PAT	0.68	0.31
Overall gearing (times)	2.11	1.16
Interest coverage (times)	1.12	1.15

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

Annexure-1: Details of Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	22.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC	-	-	-	5.00	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Cash Credit	LT	22.00	CARE D; ISSUER NOT COOPERATING*	1)CARE B; Stable; ISSUER NOT COOPERATING* (17-Jul-20)	1)CARE B+; ISSUER NOT COOPERATING* (09-May-19)	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (03-Jan-18)
2.	Non-fund-based - ST-BG/LC	ST	5.00	CARE D; ISSUER NOT COOPERATING*	1)CARE A4; ISSUER NOT COOPERATING* (17-Jul-20)	1)CARE A4; ISSUER NOT COOPERATING* (09-May-19)	-	1)CARE A4+; ISSUER NOT COOPERATING* (03-Jan-18)

*Issuer did not cooperate; Based on best available information

Annexure-3:

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Cash Credit	Simple
2.	Non-fund-based - ST-BG/LC	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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