

Sakar Healthcare Limited

November 18, 2019

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long term Bank Facilities	-	-	Reaffirmed and Withdrawn
Short term Bank Facilities	-	-	Reaffirmed and Withdrawn
Total	-		

Details of instruments/facilities in Annexure-1

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

CARE has reaffirmed and withdrawn the outstanding rating of 'CARE BBB; Stable/CARE A3+ (Triple B; Outlook: Stable/ A Three Plus)' assigned to the bank facilities of Sakar Healthcare Limited (SHL) with immediate effect. The above action has been taken at the request of SHL and 'No Objection Certificate' received from the bank that has extended the facilities rated by CARE.

Analytical Approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the company

Sakar Healthcare Limited is engaged in manufacturing of complete range of pharmaceutical products such as oral liquids, cephalosporin, liquid injections, dry powder injections and lyophilized injections for all type of disease and therapies at its ISO 9001:2008 certified factory located at Changodar in Ahmedabad (Gujarat).

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total operating income	53.61	68.93
PBILDT	13.12	17.61
PAT	3.81	7.01
Overall gearing (times)	0.30	0.17
Interest coverage (times)	5.08	9.52

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History (Last three years): Please refer Annexure-2

Annexure-1: Details of Instruments/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Fund-based - LT-Term Loan	-	-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit	-	-	-	0.00	Withdrawn
Non-fund-based - ST-Letter of credit	-	-	-	0.00	Withdrawn
Fund-based - LT-Term Loan	-	-	-	0.00	Withdrawn
Non-fund-based - ST-Bank Guarantees	-	-	-	0.00	Withdrawn

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

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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE BBB; Stable (05-Nov-18)	1)CARE BBB; Stable (01-Feb-18)	1)CARE BBB-; Stable (08-Feb-17)
2.	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE BBB; Stable (05-Nov-18)	1)CARE BBB; Stable (01-Feb-18)	1)CARE BBB-; Stable (08-Feb-17)
3.	Non-fund-based - ST-Letter of credit	ST	-	-	-	1)CARE A3+ (05-Nov-18)	1)CARE A3+ (01-Feb-18)	1)CARE A3 (08-Feb-17)
4.	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE BBB; Stable (05-Nov-18)	1)CARE BBB; Stable (01-Feb-18)	1)CARE BBB-; Stable (08-Feb-17)
5.	Non-fund-based - ST-Bank Guarantees	ST	-	-	-	1)CARE A3+ (05-Nov-18)	1)CARE A3+ (01-Feb-18)	1)CARE A3 (08-Feb-17)

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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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**