



Press Release

Nestor Pharmaceuticals Limited (NPL)

February 04, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Facilities	62.70	IVR BB; Negative; ISSUER NOT COOPERATING* (IVR Double B; Negative Outlook; ISSUER NOT COOPERATING*)	IVR BB+/ Positive (IVR Double B Plus with Positive Outlook)	Rating downgraded and moved to ISSUER NOT COOPERATING* category with the revision in the Outlook	Simple
Short Term Facilities	30.00	IVR A4; ISSUER NOT COOPERATING* (IVR A Four; ISSUER NOT COOPERATING*)	IVR A4+ (IVR A Four Plus)	Rating downgraded and moved to ISSUER NOT COOPERATING* category	Simple
Total	92.70 (Rupees Ninety-Two crore Seventy Lakh Only)				

**Issuer Not Cooperating; based on best available information*

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

The downgrade in the ratings assigned to the bank facilities of Nestor Pharmaceuticals Limited (NPL) reflects lack of adequate information available and the uncertainty around its credit risk. The migration of the rating to Issuer No co-operating category also takes cognizance of the non-submission of the 'No Default Statement' for two consecutive months ending December 2024. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy. The rating outlook has been revised from 'Stable' to 'Negative'.

The lender, investors and other market participants are thus advised to exercise appropriate caution while using this rating as this rating may not adequately reflect the credit risk profile of the entity.



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Non- Cooperation by Issuer:

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated December 20, 2024, January 03, 2025, January 15, 2025, January 21, 2025, January 23, 2025 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the requested information for monitoring the assigned ratings. Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics must review the ratings based on the best available information. Accordingly, the long-term and short-term ratings for the bank facilities aggregating to Rs.92.70 crore of NPL has been continued to classify under the 'ISSUER NOT COOPERATING' category by Infomerics.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies](#)

[Criteria of assigning Rating outlook](#)

[Policy on Default Recognition and post default curing Period](#)

[Complexity Level of Rated Instruments/Facilities](#)

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

[Policy on Issuer Not cooperating](#)

About the Company:

Nestor Pharmaceuticals Ltd (NPL) incorporated in 1975, engaged in the pharmaceuticals business for more than four decades with expertise in manufacture and marketing of a wide array of ethical allopathic branded and generic formulations. The existing product portfolio consists various products in the form of Tablets, Capsules, Injectable, Syrups / Suspension, Ointments, Dry Powder, Ear/ Eye Drops and so on in various therapeutic segments including Cardiovascular, Anti Diabetic, Anti-Malarial, Anti allergic, Anti-Diarrheal, Anti TB, Anti Inflammatory, Anti-Depressant, Multi Vitamins, Antacid, Analgesic, Anti-Pyretic, Antibiotics, Cough & Cold, Pain Management, Muscle Relaxant, etc. The company has two manufacturing plants located at Faridabad and Goa.



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Financials (Standalone):

(Rs. crore)

For the year ended/ As On*	31-03-2022 (Audited)	31-03-2023 (Audited)
Total Operating Income	155.30	202.00
EBITDA	20.93	24.42
PAT	9.23	11.77
Total Debt	64.84	56.24
Tangible Net-worth	54.01	65.78
EBITDA Margin (%)	13.48	12.09
PAT Margin (%)	5.94	5.82
Overall Gearing Ratio (x)	1.20	0.85
Interest Coverage (x)	2.18	2.34

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: The rating continues to be under INC with the Brickworks Ratings dated May 09, 2024, due to lack of requisite information for rating.

Any other information: None

Rating History for last three years:

Sl. No	Name of Instrument/Facilities	Current Rating (Year 2024-25)			Rating History for the past 3 years			
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24		Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
					January 31, 2024	June 13, 2023	Oct. 07, 2022	July 08, 2021
1	Cash Credit	Long Term	51.56	IVR BB; Negative; ISSUER NOT COOPERATING*	IVR BB+/Positive	IVR BB+/Positive	IVR BB+/Stable	IVR BBB-/Stable
2	GECL	Long Term	11.14	IVR BB; Negative; ISSUER NOT COOPERATING*	IVR BB+/Positive	IVR BB+/Positive	IVR BB+/Stable	IVR BBB-/Stable
3	Bank Guarantee	Short Term	20.00	IVR A4; ISSUER NOT COOPERATING*	IVR A4+	IVR A4+	IVR A4+	IVR A3
4	Inland Letter of Credit	Short Term	10.00	IVR A4; ISSUER NOT COOPERATING*	IVR A4+	IVR A4+	IVR A4+	-

*Issuer did not cooperate; based on best available information



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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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Annexure 1: Instrument/Facility Details

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	51.56	IVR BB; Negative; ISSUER NOT COOPERATING*
GECL	-	-	FY28	11.14	IVR BB; Negative; ISSUER NOT COOPERATING*
Bank Guarantee	-	-	-	20.00	IVR A4; ISSUER NOT COOPERATING*
Inland Letter of Credit	-	-	-	10.00	IVR A4; ISSUER NOT COOPERATING*

**Issuer did not co-operate; Based on best available information*

Annexure 2: Facility wise lender details: Not Available

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.