

CARE/HO/RL/2015-16/3344

Mr. Govardhan Dhoot,
Chairman
Mangalam Drugs and Organics Ltd.,
239, P.D. Mello Road, Third Floor,
Rupam Building,
Mumbai - 400 001

January 25, 2016

Confidential

Dear Sir,

Credit rating for bank facilities

On the basis of recent developments including operational and financial performance of your company for FY2015 and Un-audited 9MFY16, our Rating Committee has reviewed the following ratings:

Facilities	Amount (Rs. crore)	Rating ¹	Remarks
Long Term loans	19.69*	CARE BBB- [Triple B Minus]	Revised from CARE BB+
Long Term Bank Facilities (Fund Based)	38.71 (reduced from Rs.39.40)	CARE BBB- [Triple B Minus]	Revised from CARE BB+
Short Term Bank Facilities (Non- fund based)	22.60 (enhanced from Rs.17.60 crore)	CARE A3 [A Three]	Revised from CARE A4+
Total	81.00 (Rs. Eighty One Crore only)		

*outstanding as on December 31, 2015

2. Refer **Annexure 1** for details of rated facilities.
3. The rationale for this rating will be communicated to you separately.
4. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

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

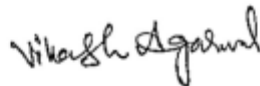
CREDIT ANALYSIS & RESEARCH LTD.

5. CARE reserves the right to suspend/withdraw/revise the rating assigned on the basis of new information or in the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE. CARE shall also be entitled to publicize/disseminate such suspension/withdrawal/revision in the assigned rating in any manner considered appropriate by it, without reference to you.
6. CARE ratings do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.
7. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
8. CARE ratings are **not** recommendations to sanction, renew, disburse or recall the concerned bank facilities.

If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

Thanking you,

Yours faithfully,



[Vikash Agarwal]

Sr. Manager

vikash.agarwal@careratings.com



[Ravi Kumar Dasari]

Sr. Manager

ravi.kumar@careratings.com

Encl.: As above

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 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 assigned by CARE is based on the capital deployed by the partners/proprietor 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 in addition to the financial performance and other relevant factors.

CREDIT ANALYSIS & RESEARCH LTD.

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