

## RATING REPORT

### Aspin Pharma (Private) Limited

**REPORT DATE:**

December 31, 2024

**RATING ANALYST:**

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**RATING DETAILS**

Rating Category	Latest Rating		Previous Rating	
	Long-term	Short-term	Long-term	Short-term
Entity	A	A1	A	A1
Rating Outlook/Watch	Stable		Stable	
Rating Action	Reaffirmed		Upgraded	
Rating Date	November 04, 2024		October 04, 2023	
Short-term Sukuk	-	A1 (plim)	-	
Rating Action	Preliminary		-	
Rating Date	December 31, 2024		-	

**COMPANY INFORMATION**

Incorporated in 2013	Group Chairman Mr. Tariq Moinuddin Khan
Private Limited Company	CEO: Mr. Tariq Moinuddin Khan
Key Shareholders (with stake 5% or more):	External Auditors: Grant Thornton Anjum Rahman
<i>Aitkenstuart Pakistan (Private) Limited ~100%</i>	

**APPLICABLE METHODOLOGY(IES)**

VIS Entity Rating Criteria Methodology – Corporates  
<https://docs.vis.com.pk/docs/CorporateMethodology.pdf>

Rating the Issue

<https://docs.vis.com.pk/docs/Rating-the-Issue-Aug-2023>

VIS Issue/Issuer Rating Scale:

<https://docs.vis.com.pk/docs/VISRatingScales.pdf>

## Aspin Pharma (Private) Limited

OVERVIEW OF  
THE  
INSTITUTION

## RATING RATIONALE

*Aspin Pharma (Private) Limited (APL) was incorporated in Pakistan as a private limited company in 2013. APL is engaged in manufacture and sale of pharmaceutical products. The Company is a wholly owned subsidiary of Aitkenstuart Pakistan (Private) Limited.*

**Profile of Chairman & CEO**

*Mr. Tariq Moinuddin Khan is founder and CEO of OBS Group. He carries over four decades of domestic and international professional experience. Mr. Khan is a graduate of Concordia University Canada and acquired Post Graduate Diploma from McGill University and Certified Public Accountant designation from USA.*

The assigned rating reflects the low business risk profile of Pakistan's pharmaceutical sector, marked by stable demand and low economic sensitivity, which supports steady revenue and profitability. Key factors such as population growth, disease prevalence, emerging illnesses, hygiene conditions, and increase in health awareness sustain the demand for pharmaceutical products. Furthermore, the recent deregulation of drug prices for non-essential medicines permits companies to independently increase prices, which were previously regulated, enhancing the sector's business risk profile

Assessment of financial risk profile reflects increasing revenue during the third quarter of the ongoing year, supported by price adjustments, cascading down to improved bottom line and higher margins. Liquidity metrics have strengthened, with improved cashflow coverages and a stable current ratio. Additionally, an expanded equity base and the repayment of long-term obligations have reduced leverage and gearing ratios, strengthening the overall capital structure. Maintenance of liquidity and capitalization metrics will remain important for ratings.

**Company Profile**

Aspin Pharma (Private) Limited ('APL' or 'the Company') was incorporated as a private limited company on 14 December 2013. The registered office of the Company is situated at Plot No.10 & 25, Sec-20, Korangi Industrial Area, Karachi. The Company is a wholly owned subsidiary of Aitkenstuart Pakistan (Private) Limited (parent company). Principal activities of the Company include import, marketing, export, distribution, wholesale and manufacturing of all kinds of pharmaceuticals.

**Short-Term Sukuk**

- The proposed instrument will be a privately placed, unlisted, and unsecured Short Term Sukuk (STS), up to Rs. 2,000 mn (inclusive of Rs. 500 mn Green Shoe Option)
- The purpose of the Sukuk is to support the working capital needs of the Company.
- Tenor of the instrument will be up to six (06) months from the date of first disbursement.
- Profit rate on the instrument will be 6 Month KIBOR+0.80%, subject to a defined floor and cap approved by the Shariah Advisor.
- Profit will be payable at the time of the maturity of the Sukuk along with the principal payment.

REGULATORY DISCLOSURES					
<b>Name of Rated Entity</b>	Aspin Pharma (Private) Limited				
<b>Sector</b>	Pharmaceutical				
<b>Type of Relationship</b>	Solicited				
<b>Purpose of Rating</b>	Instrument Rating				
<b>Rating History</b>	<b>Rating Date</b>	<b>Medium to Long Term</b>	<b>Short Term</b>	<b>Rating Outlook/Watch</b>	<b>Rating Action</b>
	<u>Rating Type: Entity</u>				
	04-11-2024	A	A1	Stable	Reaffirmed
	04-10-2023	A	A1	Stable	Upgraded
	30-09-2022	A	A2	Stable	Reaffirmed
	06-10-2021	A	A2	Stable	Reaffirmed
	19-10-2020	A	A2	Stable	Reaffirmed
	03-10-2019	A	A2	Stable	Reaffirmed
	14-12-2018	A	A2	Stable	Reaffirmed
	18-10-2017	A	A2	Stable	Initial
<u>Rating Type: Short-term Sukuk</u>					
31-12-2024	-	A1 (plim)	-	Preliminary	
<b>Instrument Structure</b>	The proposed instrument will be a privately placed, unlisted, and unsecured Short Term Sukuk (STS), up to Rs. 2,000 mn (inclusive of Rs. 500 mn Green Shoe Option) to support the working capital needs of the Company. Tenor of the instrument will be up to six (06) months from the date of first disbursement. Profit rate on the instrument will be 6 Month KIBOR+0.80%, subject to a defined floor and cap approved by the Shariah Advisor. Profit will be payable at the time of the maturity of the Sukuk along with the principal payment.				
<b>Statement by the Rating Team</b>	VIS, the analysts involved in the rating process and members of its rating committee do not have any conflict of interest relating to the credit rating(s) mentioned herein. This rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities.				
<b>Probability of Default</b>	VIS' ratings opinions express ordinal ranking of risk, from strongest to weakest, within a universe of credit risk. Ratings are not intended as guarantees of credit quality or as exact measures of the probability that a particular issuer or particular debt issue will default.				
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<b>Due Diligence Meetings Conducted</b>	<b>S.No.</b>	<b>Name</b>	<b>Designation</b>	<b>Date</b>	
	1	Mr. Bosco Firmin	Dep. General Manager Investments & New Ventures	20-Dec-24	
	2	Mr. Mobin Kanjiani	Sr. Manager - Investments & New Ventures	27-Dec-24	