

Press Release

Aplab Limited

December 16, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	14.00	ACUITE D Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	18.00	-	ACUITE D Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	32.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long term rating to '**ACUITE D**' (read as **ACUITE D**) and the short term rating to '**ACUITE D**' (read as **ACUITE D**) on the Rs.32.00 crore bank facilities of APLAB Limited (AL). This rating is now an indicative rating and is based on best available information.

About the Company

Aplab Limited (AL) is a Thane based company incorporated in 1962 by Mr. P.S Deodhar and is engaged as a manufacturer for Test & Measurement instruments. Originally, the company was called Applied Electronics Limited which later on went on to be called Applied Electronics Lab before the name was finally changed to Aplab Limited. The primary business activity involves the manufacturing of electrical/electronic equipment and devices. The company has reputed clientele such as Hindustan Aeronautics Limited, Bharat Electronics Limited, and L&T Limited, to name a few

Non-cooperation by the issuer/borrower

Acuite has been requesting for No Default Statement and other critical information from the rated entity. However, the issuer / borrower failed to submit such information before due date. Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants

None

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook:

Not Applicable

Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	51.36	53.02
PAT	Rs. Cr.	0.17	(0.39)
PAT Margin	(%)	0.34	(0.73)
Total Debt/Tangible Net Worth	Times	(2.29)	(2.75)
PBDIT/Interest	Times	1.11	1.00

Status of non-cooperation with previous CRA

ICRA vide its press release dated 17-01-2022, rated AL to ICRA D/D; INC

Brickworks vide its press release dated 21-09- 2022, rated AL to BWR D/D; INC

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
21 Sep 2021	Letter of Credit	Short Term	4.00	ACUITE D (Downgraded from ACUITE A4)
	Cash Credit	Long Term	14.00	ACUITE D (Downgraded from ACUITE B- Stable)
	Bank Guarantee	Short Term	14.00	ACUITE D (Downgraded from ACUITE A4)
04 Nov 2020	Bank Guarantee	Short Term	14.00	ACUITE A4 (Reaffirmed)
	Cash Credit	Long Term	14.00	ACUITE B- Stable (Reaffirmed)

	Letter of Credit	Short Term	4.00	ACUITE A4 (Reaffirmed)
19 Aug 2019	Term Loan	Long Term	6.00	ACUITE B- (Withdrawn)
	Term Loan	Long Term	2.00	ACUITE B- (Withdrawn)
	Term Loan	Long Term	4.00	ACUITE B- (Withdrawn)
	Cash Credit	Long Term	14.00	ACUITE B- Stable (Upgraded from ACUITE D)
	Letter of Credit	Short Term	4.00	ACUITE A4 (Upgraded from ACUITE D)
	Bank Guarantee	Short Term	14.00	ACUITE A4 (Upgraded from ACUITE D)
	Bills Discounting	Short Term	11.00	ACUITE A4 (Withdrawn)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	14.00	ACUITE D Reaffirmed Issuer not co-operating*
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	14.00	ACUITE D Reaffirmed Issuer not co-operating*
Union Bank of India	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	4.00	ACUITE D Reaffirmed Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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