

Press Release

APL Metals Limited (APL)

June 19, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 87.00 Cr. #
Long Term Rating	ACUITE BB (Downgraded from ACUITE BB+/ Stable) Issuer not co-operating*

Refer Annexure for details`

* The issuer did not co-operate; Based on best available information.

ACUITE has downgraded long term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) on the Rs 87.00 crore bank facilities of APL Metals Limited (APL). This rating is now an indicative rating and is based on best available information. The rating downgrade is on account of information risk.

APL, formerly known as Associated Pigments Limited, is a Kolkata based company which was established in 1948 by Late Mr. D. N. Sahaya. The commercial operations began in 1955. Currently, the company is headed by Mr. Sanjiv Nandan Sahaya as Managing Director. APL is engaged in manufacturing of refined lead, lead alloys and lead oxides, such as red lead, lead sub oxide and litharge which are used mainly for manufacturing of batteries and also for rolled extrusions, pigments used in paints, cable sheathing and ammunition, among others.

Analytical Approach

Acuite has considered the standalone business and financial risk profiles of APL to arrive at this rating.

Non-cooperation by the issuer/borrower

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. 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.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-4.htm>

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 endeavored 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.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

Status of non-cooperation with previous CRA (if applicable)

Not applicable

Any other information

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

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
11-Apr-2019	Cash credit	Long Term	24.00 (Enhanced from Rs 10.00 crore)	ACUITE BB+/Stable (Reaffirmed)
	Bill Discounting	Short Term	30.00	ACUITE BB+/Stable (Assigned)
	Letter of credit	Short Term	33.00	ACUITE BB+/Stable (Assigned)
22-Mar-2019	Cash credit	Long Term	10.00	ACUITE BB+/Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash credit	Not Applicable	Not Applicable	Not Applicable	24.00	ACUITE BB (Downgraded from ACUITE BB+/ Stable) Issuer not co-operating*
Bill Discounting	Not Applicable	Not Applicable	Not Applicable	30.00	ACUITE BB (Downgraded from ACUITE BB+/ Stable) Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	33.00	ACUITE BB (Downgraded from ACUITE BB+/ Stable) Issuer not co-operating*

*The issuer did not co-operate; Based on best available information.

Contacts

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About Acuite Ratings & Research:

Acuite Ratings & Research Limited (Erstwhile ACUITE Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

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