



Press Release
APPL INDUSTRIES LIMITED
October 01, 2025
Rating Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	240.00	ACUITE BBB Stable Upgraded	-
Bank Loan Ratings	10.00	-	ACUITE A3+ Upgraded
Total Outstanding Quantum (Rs. Cr)	250.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

ACUITE has upgraded its long-term rating to '**ACUITE BBB**' (read as **ACUITE triple B**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short-term rating to '**ACUITE A3+**' (read as **ACUITE A three plus**) from '**ACUITE A3**' (read as **ACUITE A three**) on the Rs 250.00 crore bank facilities of APPL Industries Limited (AIL). The outlook is '**Stable**'.

Rationale for rating

The upgrade in rating is based on the improvement in the company's revenue, which grew by approximately 26.70 per cent to Rs. 788.45 Cr. in FY2025 (prov.) from Rs. 622.29 Cr. in FY2024. The improvement in revenue is due to increase in the volume sales. The operating margin of the company shows stability and stood at 7.38 per cent in FY25 (prov.) against 7.41 per cent in FY24. The rating also considers the company's adequate liquidity position, which is reflected in its sufficient net cash accruals, moderate current ratio and moderate financial risk profile. Additional positive factors include the established track record of operations of more than two decades with experienced management which is also reflected from its growing revenue trend and well-established position on the market of thermoplastic compounding sector. Further, the rating factors in that AIL supplies to the automotive Tier -1 supplier who then caters to the requirements of major OEMs. However, the above mentioned strengths are partly offset by intensive working capital operations. Further, the margins are susceptible to volatility in the raw material prices as well the competitive nature of industry.

About the Company

Incorporated in 2001, APPL Industries Limited (AIL) is a Delhi-based company engaged in engineering thermoplastics based on commodity resins and engineering plastics based on advanced plastic resins. The combination of different resins with filler and reinforcement results in different properties and a wide variety of compounds. Its major application areas are the automotive industry, home appliances, packaging and petrochemicals. The company is managed by Ms. Asha Jain, Mr. Aalekh Inder Jain, Mr. Rajeev Shyamrao Basargekar, Mr. Anurag Inder Jain, Mr. Inder Jain and Mr. Shashikant as directors.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone business and financial risk profile of APPL INDUSTRIES LIMITED to arrive at this rating.

Key Rating Drivers

Strengths

Experienced Promoters with long track record of operations

APPL was incorporated in 2001. The company is engaged into the manufacturing of engineered thermoplastics

based on commodity resins and engineering plastics based on advanced plastic resins. The combination of different resins with filler and reinforcement results in different properties and a wide variety of compounds. AIL is currently promoted by Mr. Inder Jain, who has an experience of more than three decade in the same line of business. The established track record has helped the company to maintain a longstanding relationship with reputed clientele like Varroc Polymers Private Limited, Lumax Auto Technologies Limited, Varroc Engineering Limited etc. Further, these customers are the tier-1 suppliers to major OEMs. Acuite believes that AIL will continue to derive benefit from its established track record and longstanding relationship with reputed clientele.

Improvement in scale of operations

The company has witnessed the growth in the revenue from operations by ~26.70% which stood at Rs.788.45 Cr. in FY25 (prov.) against Rs.622.29 Cr. in FY24. The improvement in revenue is due to increase in the volume sales. In addition, the EBITDA Margins of the company shows stability and stood at 7.38% in FY25 (prov.) against 7.41% in FY24. However, the PAT Margins of the company stood at 2.89% in FY25 (prov.) against 2.73% in FY24. Further, the company has achieved revenue of Rs.494.94 Crores from April 2025 to August 2025. Acuite believes that the company is expected to have better top-line in near to medium term supported by stable margins as compared to previous years.

Moderate Financial Risk Profile

The financial risk profile of the company is moderate marked by net-worth of Rs.181.69 Crores in FY25 (prov.) against Rs.158.92 Crores in FY24. The total debt of the company stood at Rs.205.59 Crores in FY25 (prov.) which consists of long term debt of Rs.62.69 Crores. Further, the debt-equity ratio of the company stood at 1.13 times in FY25 (prov.) against 0.93 times in FY24. Further, the interest coverage ratio of the company stood at 2.88 times in FY25 (prov.) against 2.62 times in FY24. The DSCR of the company stood at 1.34 times in FY25 (prov.) against 1.12 times in FY24 and TOL/TNW ratio stood at 1.79 times in FY25 (prov.) against 1.67 times in FY24. Acuite believes that the financial risk profile of the company may improve over the medium term on account of expected improvement in operating performance and repayment of long term debt with no major debt funded capex.

Weaknesses

Intensive Working capital operations

The working capital operations of the company is intensive marked by gross current assets (GCA) days of 114 days in FY25 (prov.) against 112 days in FY24. There is a stability in the GCA days due to the inventory days of the company which stood at 29 days in FY25 (prov.) against 34 days in FY24. However, debtors days of the company stood at 82 days in FY25 (prov.) against 81 days in FY24. Further the creditors days stood at 37 days in FY25 (prov.) against 48 days in FY24. Acuite believes that going forward the working capital operations of the company will remain intensive due to nature of the business.

Susceptibility of the profitability to volatility in the raw material prices

The profitability margins of the company remain susceptible to volatility in the raw material prices (raw materials being petroleum derivatives), the prices of which are highly volatile in nature. Any adverse fluctuation in raw material price may impact the profitability of the company. In addition, the automotive sector is quite cyclical, and vehicle OEM sales and the sales of automotive component suppliers are mutually exclusive. The auto-ancillary market is also quite competitive due to the abundance of participants in both the organised and unorganised sectors.

Rating Sensitivities

- Movement in scale of operations and profitability
- Movement in working capital operations
- Changes in financial risk profile

Liquidity Position

Adequate

The liquidity profile of the company is adequate. The company has generated net cash accruals of Rs.32.21 Crores in FY25 (prov.) against the debt obligation of Rs. 18.59 Crores. In addition, the current ratio of the company stood at 1.26 times. The average bank limit utilisation of fund based and non-fund based facilities stood at 86.82% in last 10 months ending August 2025. Acuite believes that liquidity profile of the company is expected to improve in near to medium term.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	788.45	622.29
PAT	Rs. Cr.	22.78	16.96
PAT Margin	(%)	2.89	2.73
Total Debt/Tangible Net Worth	Times	1.13	0.93
PBDIT/Interest	Times	2.88	2.62

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

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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. Acuité'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
03 Jul 2024	Letter of Credit	Short Term	10.00	ACUITE A3 (Reaffirmed)
	Term Loan	Long Term	24.00	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	40.00	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	15.00	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	50.00	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	19.50	ACUITE BBB- Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	41.50	ACUITE BBB- Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	16.67	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	8.33	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	15.00	ACUITE BBB- Stable (Assigned)
05 Apr 2023	Letter of Credit	Short Term	10.00	ACUITE A3 (Assigned)
	Term Loan	Long Term	24.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	40.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	15.00	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	1.50	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	50.00	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	19.50	ACUITE BBB- Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	40.00	ACUITE BBB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
ICICI Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
Yes Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
Standard Chartered Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
Yes Bank Ltd	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A3+ Upgraded (from ACUITE A3)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	22.85	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	01 Nov 2017	Not avl. / Not appl.	16 Nov 2025	3.76	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
Yes Bank Ltd	Not avl. / Not appl.	Term Loan	04 Aug 2017	Not avl. / Not appl.	19 Jan 2026	1.39	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
Standard Chartered Bank	Not avl. / Not appl.	Term Loan	29 Mar 2025	Not avl. / Not appl.	28 Mar 2031	10.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
TATA Capital Financial Service Ltd.	Not avl. / Not appl.	Term Loan	05 Jan 2025	Not avl. / Not appl.	05 Dec 2028	22.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
ICICI Bank Ltd	Not avl. / Not appl.	Term Loan	26 Feb 2025	Not avl. / Not appl.	26 Mar 2028	10.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
Bajaj Finance Ltd.	Not avl. / Not appl.	Term Loan	30 Apr 2024	Not avl. / Not appl.	05 May 2030	30.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
Bajaj Finance Ltd.	Not avl. / Not appl.	Term Loan	24 Mar 2025	Not avl. / Not appl.	05 Apr 2031	10.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)

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