



## Press Release

### Accurate Industrial Controls Private Limited

June 18, 2025

#### Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	20.76 (Decreased from Rs. 27.92 crore)	IVR BB+/Stable <b>(IVR Double B Plus with Stable Outlook)</b>	IVR BBB-/Negative <b>(IVR Triple B Minus with Negative Outlook)</b>	Rating Downgraded and Outlook Revised	<a href="#">Simple</a>
Short Term Bank Facilities	100.00 (Increased from Rs. 52.00 crore)	IVR A4+ <b>(IVR A Four Plus)</b>	IVR A3 <b>(IVR A Three)</b>	Rating Downgraded	<a href="#">Simple</a>
Proposed Long Term/Short Term Bank Facilities	5.77 (Decreased from Rs. 46.61 crore)	IVR BB+/Stable; IVR A4+ <b>(IVR Double B Plus with Stable Outlook; IVR A Four Plus)</b>	IVR BBB-/Negative; IVR A3 <b>(IVR Triple B Minus with Negative Outlook; IVR A Three)</b>	Rating Downgraded and Outlook Revised	<a href="#">Simple</a>
<b>Total</b>	<b>126.93</b>	<b>(Rupees One Hundred and Twenty-Six Crore and Ninety-Three Lakh Only)</b>			

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

#### Detailed Rationale

Infomerics Ratings has downgraded its rating to the bank facilities of Accurate Industrial Controls Private Limited (AICPL). The downgrade in the ratings takes into account continuous decline in profitability resulting in moderate debt protection metrics, moderate financial risk profile of the company, working capital intensive operations, intense competition and exposure to foreign exchange risk. The ratings continue to be supported by experienced promoters and management team, established clientele albeit high customer concentration risk.

The outlook is Stable due to experience of the promoters in the electrical equipment industry and expected stabilisation of operations in future.



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### **Key Rating Sensitivities:**

#### **Upward Factors**

- Substantial scaling up its operations while improving profitability margins

#### **Downward Factors**

- Deterioration in business risk profile which impacts the debt protection metrics.

### **List of Key Rating Drivers with Detailed Description**

#### **Key Rating Weaknesses**

##### **Continuous decline in profitability resulting in moderate debt protection metrics**

The company has been unable to generate profits from its core operations, leading to a significant drop in EBITDA from Rs. 3.32 crore in FY23 (period refers from April 01, 2022, to March 31, 2023) to loss of Rs. -9.90 crore in FY24 (period refers from April 01, 2023, to March 31, 2024), which has adversely impacted its operating margins. This downward trend has continued in the FY25 provisional affecting interest coverage metrics of the company from 0.37x in FY23 to -0.70x in FY24.

##### **Moderate financial risk profile of the company**

The scale of operations reflected by TOI declined from Rs. 132.69 crore in FY23 to Rs. 119.23 crore in FY24. The company has not been able to scale up the operations in the new segments viz defence and energy as envisaged.

The solvency indicators remained moderate marked by moderate overall gearing and other debt coverage indicators. The overall gearing ratio based on book tangible networth of the Company stood at 0.40x as on March 31, 2024, as against 1.98x as on March 31, 2023. The TOL to TNW based on book tangible networth stood at 2.37x as on March 31, 2023, to 0.68x as on March 31, 2024, due to decline in debt from Rs. 161.12 crore as on March 31, 2023, to Rs. 59.65 crore as on March 31, 2024, and the Networth of the company has increased from 81.42 crore as on March 31, 2023, to Rs. 149.41 crore as on March 31, 2024. The networth has substantially increased as on March 31, 2024 due to capital gain on disinvestment shareholding in one of subsidiary i.e. fluid controls private limited.



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### **Working capital-intensive operations**

AICPL business requires a fairly high amount of working capital, as shown by its collection period of 113 days as of March 31, 2024, compared to an average creditor payment period of 79 days for FY2024 results operating cycle of 150 days in FY24 which is improved in FY25 provisional of 96 days.

### **Intense Competition**

The company faces stiff competition from large, organized players and local panel manufacturing companies.

### **Exposure to foreign exchange risk**

In FY24, around 17% of AICPL's raw materials were sourced through imports, making the company vulnerable to foreign exchange risk. As part of its procurement relies on international markets, any changes in exchange rates especially a weakening of the Indian Rupee against key foreign currencies can drive up input costs.

### **Key Rating Strengths**

#### **Experienced promotor and management team**

Mr. Kiran Jadhav is the promoter of AICPL. He holds the position of Managing Director in the company. Mr. Kiran possesses over 20 years of experience in the engineering field. The management, having worked in the industry for several years, has built a network of relationships with both suppliers and customers. This extensive experience has allowed them to cultivate connections that facilitate business operations and enhance collaboration within the industry.

#### **Established clientele albeit high customer concentration risk**

The company, over the years, has developed an established relationship with large customers & OEMs. Key clients of the company include Adande Refrigeration Limited, and Bharat Electronics Limited. This is a strength for the company considering the B2B nature of the business and its diversified client base. However, top five customers contributed 96.82% of its total revenue, which indicates a high customer concentration risk.



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**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)

[Criteria on assigning rating outlook](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

### **Liquidity – Adequate**

The liquidity position of the company is expected to remain adequate in the near term, as company is generating moderate cash accruals against its long-term debt obligations. The company's operations are working capital intensive in nature it leads to higher reliance on the working capital limits. Average cash credit utilisation for the past 12 months ended April 2025 is 17.10% indicating liquidity buffer. Current ratio and DSCR of the company is 2.63x and 1.41x respectively as on March 31, 2024.

### **About the Company**

Accurate Industrial Controls Private Limited (AICPL) was incorporated in 2001 in Pune, Maharashtra based diversified engineering, design and manufacturing company catering to Industrial Controls and Automation, Telecom, Automotive, Power Solutions for Indian Defence Embedded Electronics and IOT, Industrial Refrigeration, Renewable Energy and Hospitality Sectors with many MNCs. AICPL is in agreement with Adande Refrigeration, UK to manufacture industrial refrigeration.

### **Financials (Standalone):**

For the year ended/ As on*	(Rs. crore)	
	31-03-2023	31-03-2024
	<b>Audited</b>	<b>Audited</b>
Total Operating Income	132.69	119.23
EBITDA	3.32	-9.90
PAT	1.65	68.85
Total Debt	161.12	59.65
Tangible Net Worth	81.42	149.41



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EBITDA Margin (%)	2.50	-8.31
PAT Margin (%)	1.11	31.83
Overall Gearing Ratio (x)	1.98	0.40
Interest Coverage (x)	0.37	-0.70

\* Classification as per Infomerics' standards.

**Status of non-cooperation with previous CRA:** CRISIL has migrated the ratings of Accurate Industrial Controls Private Limited in the 'Issuer not cooperating' category vide its press release dated June 10, 2024, due to non-availability of information and lack of cooperation.

**Any other information:** Nil

### Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					Date (Month XX, 20XX)	Date	Date (September 08, 2022)
1.	Long Term Fund Based Bank Facilities	Long Term	20.76 (Decreased from Rs. 27.92 crore)	IVR BB+/Stable	-	IVR BBB-/Negative (March 29, 2024)  IVR BB+/Negative Outlook; ISSUER NOT COOPERATING* (September 29, 2023)	IVR BBB-/Stable
2.	Short Term Fund Based Bank Facilities	Short Term	28.00	IVR A4+	-	-	-
3.	Short Term Non-Fund Based Bank Facilities	Short Term	72.00 (Enhanced from Rs. 52.00 crore)	IVR A4+	-	IVR A3 (March 29, 2024)  IVR A4+; ISSUER NOT	IVR A3



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					Date (Month XX, 20XX)	Date	Date (September 08, 2022)
						COOPERATING (September 29, 2023)	
4.	Proposed Long Term/Short Term Bank Facilities	Long Term/Short Term	5.77 (Decreased from Rs. 46.61 crore)	IVR BB+/Stable; IVR A3	-	IVR BBB-/Negative; IVR A3 (March 29, 2024)  IVR BB+/Negative Outlook; ISSUER NOT COOPERATING; IVR A4+ ISSUER NOT COOPERATING (September 29, 2024)	IVR BBB-/Stable; IVR A3

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### About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit





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Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit [www.infomerics.com](http://www.infomerics.com).

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs 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/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Instrument/Facility Details

Name of Facility/ Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	-	18.00	IVR BB+/Stable
Term Loan	-	-	-	November 2026	1.17	IVR BB+/Stable
Term Loan	-	-	-	February 2027	1.59	IVR BB+/Stable



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Bank Guarantee	-	-	-	-	13.00	IVR A3
Letter of Credit	-	-	-	-	59.00	IVR A3
Bill Discounting	-	-	-	-	20.00	IVR A3
Export packing Credit	-	-	-	-	5.00	IVR A3
Purchase & Sales LCBD	-	-	-	-	3.00	IVR A3
Proposed	-	-	-	-	5.77	IVR BB+/Stable; IVR A4

**Annexure 2: Facility wise lender details**

<https://www.infomerics.com/admin/prfiles/Len-Accurate-Industrial-18june25.pdf>

**Annexure 3: Detailed explanation of covenants of the rated Security/facilities:** Not Applicable

**Annexure 4: List of companies considered for consolidated/Combined analysis:** Not Applicable

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).