



Press Release

Atlas Pet Plas Industries Limited

June 7, 2023

Ratings

Facilities**	Amount (Rs. crore)	Previous Ratings	Current Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	8.50	IVR B; Issuer Not Cooperating (IVR Single B Plus with Issuer Not Cooperating)	IVR B-/Negative/ Issuer Not Cooperating* (IVR Single B minus/Negative/ Issuer Not Cooperating)	Downgraded and continued under ISSUER NOT COOPERATING Category	Simple
Long Term Bank Facilities - Proposed	4.00	IVR B; Issuer Not Cooperating (IVR Single B Plus with Issuer Not Cooperating)	IVR B-/Negative/ Issuer Not Cooperating (IVR Single B minus/Negative/ Issuer Not Cooperating)	Downgraded and continued under ISSUER NOT COOPERATING Category	Simple
Total	12.50	Rupees Twelve Crore and Fifty Lakhs Only			

* Issuer not cooperating; Based on best available information

** Details of facilities is given under Annexure I.

Ratings

The rating has been downgraded and continued under 'ISSUER NOT COOPERATING' category due to non-submission of information and lack of management co-operation.

Detailed Rationale

The rating revision is because of lack of adequate information regarding Atlas Pet Plas Industries Limited Performance and hence the uncertainty around its credit risk. Infomerics Valuation and Rating Private Limited (IVR) assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.



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The rating was due for review in April 2023. IVR took up with issuer to provide required information vide multiple E-mail communications latest by May 25, 2023, and through various telephonic calls. Despite the best efforts of IVR to get the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the entity, IVR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. IVR has been regularly seeking No default statement (NDS) from the entity and the same has not been submitted. Hence, on account of inadequate information, IVR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Non-cooperation by Issuer

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term rating for the bank loan facilities aggregating to Rs. 12.50 Crore of M/s Atlas Pet Plas Industries Limited have been downgraded and continued under 'ISSUER NOT COOPERATING' category by Infomerics and the rating for the long term be noted as IVR B-/Negative/ISSUER NOT CO-OPERATING; based on best available information.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies](#)

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

[Guidelines on what constitutes Non-Cooperation by clients](#)

About the Company



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Atlas Pet Plas Industries Limited (APPIL) was started by Atlas Cycles Haryana Ltd in 1994. Initially, the company was engaged in manufacturing of plastic bottles. Subsequently in 2009, the promoters leveraged their experience in the steel industry and set up a unit for manufacturing of CDW tubes. In 2010, the business operations were taken over by Mr. Gurmeet Singh, Mr. Gursimran Singh, and Mr. Tejbir Singh and the company underwent major transformation and restructuring. APPIL manufactures CDW (Cold Drawn Welded) steel tubes for use in automotive, boiler & heat exchangers, shock absorbers, air heaters, cylinder bore, etc and has its manufacturing unit at Bawal, District Rewari (Haryana) with an installed capacity of 750 tonnes per month.

Financials (Standalone):

	(Rs. crore)	
For the year ended*/As on	31-03-2018	31-03-2019
	Audited	Audited
Total Operating Income	31.20	32.90
EBITDA	3.20	2.83
PAT	0.91	0.18
Total Debt	12.89	16.90
Adjusted Net Worth**	8.93	9.03
EBITDA Margin (%)	10.24	8.60
PAT Margin (%)	2.90	0.55
Overall Gearing Ratio (x) on Book TNW	1.44	1.87

*Classification as per Infomerics' standards

**Unsecured loan from the promoter is treated as Quasi Equity.

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:



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Sr. No	Name of Instrument/Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (April 22, 2022)	Date(s) & Rating(s) assigned in 2020-21 (February 02, 2021)	Date(s) & Rating(s) assigned in 2019-20 (January 24, 2020)
1.	Fund Based Facilities	Long Term	12.50	IVR B-/INC	IVR B/INC	IVR B+/INC	IVR BB-/INC

**Issuer did not cooperate; based on best available information.*

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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

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

For more information visit 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



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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 entity 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: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities- Cash Credit	-	-	-	8.50	IVR B-/Negative/ Issuer Not Cooperating (IVR Single B/Negative/ Issuer Not Cooperating)
Long Term Bank Facilities - Proposed	-	-	-	4.00	IVR B-/Negative/ Issuer Not Cooperating (IVR Single B/Negative/ Issuer Not Cooperating)

Annexure 2: List of companies considered for consolidated analysis: Not Applicable.

Annexure 3: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-Atlas-PetPlas-jun23.pdf>

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: 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.