

APT Packaging Limited

December 14, 2018

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term Bank Facilities	12.44	CARE D (Single D)	Assigned
Short-term Bank Facilities	3.20	CARE D (Single D)	Assigned
Total facilities	15.64 (Rs. Fifteen Crore and Sixty four lakh only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The rating assigned to the bank facilities of APT Packaging Limited (APL) factors in the ongoing delays in servicing of term loan.

Key Rating Weakness

Delay in debt servicing obligations: As per the interaction with the banker and as reflected in term loan statement, there are ongoing delays in servicing of interest and principal payment. The delays are on account of the stretched liquidity position of the company.

Analytical Approach: Standalone

Applicable criteria

[Criteria on assigning Outlook to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[CARE's Methodology for Manufacturing Companies](#)

[Financial ratios \(Non-Financial Sector\)](#)

[Criteria for Short Term Instruments](#)

About the Company

APL was established in September 2001, as a proprietorship concern and is involved in manufacturing of make to order corrugated boxes. PCP's unit is located at Verna, Goa with the total installed capacity of 10,000 metric tonnes of corrugated boxes per annum (MTPA) of different sizes as per order. Moreover, PCP has in-house 'Flexo Printing' facility for printing on the boxes.

Brief Financials (Rs. crore)	FY17 (A)	FY18 (A)
Total operating income	35.18	37.20
PBILDT	7.55	5.78
PAT	1.54	0.46
Overall gearing (times)	NM	NM
Interest coverage (times)	NM	NM

*A-Audited, NM- Not Meaningful

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History (Last three years): Please refer Annexure-2

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

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In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	March 2021	4.10	CARE D
Fund-based - LT-Term Loan	-	-	May 2022	1.40	CARE D
Fund-based - LT-Working capital Term Loan	-	-	-	1.51	CARE D
Fund-based - LT-Funded Interest term Loan	-	-	December 2018	1.58	CARE D
Fund-based - LT-Cash Credit	-	-	-	3.75	CARE D
Fund-based - ST-Packing Credit in Indian rupee	-	-	-	0.60	CARE D
Non-fund-based - ST-ILC/FLC	-	-	-	1.65	CARE D
Non-fund-based - LT-Bank Guarantees	-	-	-	0.10	CARE D
Fund-based - ST-FBN / FBP	-	-	-	0.95	CARE D

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016
1.	Fund-based - LT-Term Loan	LT	4.10	CARE D	-	-	-	-
2.	Fund-based - LT-Term Loan	LT	1.40	CARE D	-	-	-	-
3.	Fund-based - LT-Working capital Term Loan	LT	1.51	CARE D	-	-	-	-
4.	Fund-based - LT-Funded Interest term Loan	LT	1.58	CARE D	-	-	-	-
5.	Fund-based - LT-Cash Credit	LT	3.75	CARE D	-	-	-	-
6.	Fund-based - ST-Packing Credit in Indian rupee	ST	0.60	CARE D	-	-	-	-
7.	Non-fund-based - ST-IILC/FLC	ST	1.65	CARE D	-	-	-	-
8.	Non-fund-based - LT-Bank Guarantees	LT	0.10	CARE D	-	-	-	-
9.	Fund-based - ST-FBN / FBP	ST	0.95	CARE D	-	-	-	-

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