



## Rating Rationale

**Apple Lifecare (I) Pvt Ltd**

16<sup>th</sup> May 2017

**Brickwork Ratings assigns ratings for the Bank Loan Facilities of Rs.5.00 crores (INR Five Crores only) of M/s Apple Lifecare (I) Pvt Ltd.**

### Particulars

Facility Rated	Amount (Rs. Crs)	Tenure	Rating *
<b>Fund Based</b> Cash Credit	5.00	Long Term	<b>BWR B+</b> Outlook : Stable (Pronounced BWR Single B Plus)
<b>Total</b>	<b>Rs. 5.00 Crores (INR Five Crores Only.)</b>		

\* Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

### Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has essentially relied upon the audited financial result of the company up to FY16, projections up to FY18 and publicly available information and information/clarification provided by the management.

The rating draw strength from experience of the promoters in pharmaceuticals industry, established relationship with reputed suppliers. However the rating is constrained by relatively small scale of operations, low tangible net worth and, indenting nature of business leading to lower operating margins, working capital intensive nature of operations, geographical concentration of sales and intense competition.

Going forward, ability of the company to increase its scale of operations while improving its profitability margins, ability of the company to diversify sales and tangible net worth shall be the key rating sensitivities.

### Rating Outlook: Stable

BWR believes the **M/s Apple Lifecare (I) Pvt Ltd** business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

16<sup>th</sup> May 2017



## About the Company

Mumbai based Apple Life care Pvt Ltd, incorporated in the year 2003, engaged in indenting (brokerage /commission base) and trading pharmaceutical business. The company is associated with Anti Aids manufacturer in China, Shanghai Desano Ltd and caters to the Indian formulation companies. The company has started trading in pharmaceutical in FY16-17

## Company Financial Performance

As per audited financial statements of FY16, the company has reported net sales/revenue of Rs. 1.02 Crs and PAT of Rs. 0.12 Crs against net sales/revenue of Rs.1.74 Crs and PAT of Rs.0.04 Crs in FY15. As per management of the company it has achieved Sales of Rs 10.00 Cr as on 31<sup>st</sup> March, 2017.

## Rating History for the last three years:

Sl. No.	Instrument/Facility	Current Rating (Year 2017)			Rating History		
		Type (Long Term/Short Term)	Amount (Rs Crs)	Rating	2016	2015	2014
1	Cash Credit	Long Term	5.00	<b>BWR B+(Stable )</b>	NA	NA	NA

## Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Trading Entities](#)
- [Short Term Debt](#)

For any other criteria obtain hyperlinks from website

Analytical Contacts	Media
Dinesh Mahabal General Manager-Rating <a href="mailto:analyst@brickworkratings.com">analyst@brickworkratings.com</a>	<a href="mailto:media@brickworkratings.com">media@brickworkratings.com</a>
	Relationship Contact
	<a href="mailto:bd@brickworkratings.com">bd@brickworkratings.com</a>
<b>Phone: 1-860-425-2742</b>	

**For print and digital media**

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

**Note on complexity levels of the rated instrument:**

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf) Investors queries can be sent to [info@brickworkratings.com](mailto:info@brickworkratings.com).

**About Brickwork Ratings**

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

**DISCLAIMER**

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.