

Press Release

Papcon Indore Private Limited (PIPL)

11 October, 2017



Rating Update

Total Bank Facilities Rated*	Rs.8.10 Cr
Long Term Rating (Indicative)	SMERA B+ Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

SMERA has reviewed the long-term rating of '**SMERA B+**' (read as **SMERA B plus**) on the Rs.8.10 crore bank facilities of Papcon Indore Private Limited (PIPL). This is an indicative rating.

Non-cooperation by the issuer/borrower: SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance and review of the rating. However, the issuer/borrower failed to submit required documents before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Manufacturing entities: <https://www.smera.in/criteria-manufacturing.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>

Limitation regarding information availability: The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). SMERA endeavoured to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information on which the indicative credit rating is based.

About the rated entity: Incorporated in 1984, PIPL was engaged in the manufacturing of paper till 2002 under the leadership of Purshottamdas Pasari. Subsequently, in 2003, the line of business was changed to garment manufacturing under the leadership of Ajay Pasari. The company began undertaking contract manufacturing on job work basis for clients. The manufacturing unit of the company located in Indore and has a capacity of producing 5, 00,000 garments per month.

For FY2014-15, PIPL reported profit after tax (PAT) of Rs.0.17 crore, on operating income of Rs.8.91 crore, as compared with PAT of Rs.0.20 crore on operating income of Rs.5.44 crore in the previous year.

Rating history for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
12-Mar-2016	Cash Credit	Long Term	2.50	SMERA B+ / Stable (Assigned)
	Term Loan	Long Term	5.60	SMERA B+ / Stable (Assigned)

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	NA	NA	NA	2.50	SMERA B+ Issuer not co-operating*
Term Loan	NA	NA	NA	5.60	SMERA B+ Issuer not co-operating*

**The issuer did not co-operate; based on best available information.*

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ABOUT SMERA

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