

Press Release

Papcon Indore Private Limited (PIPL)

October 06, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 8.10 Cr.#
Long Term Rating	ACUITE B+ Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuité has reviewed the long-term rating of '**ACUITE B+**' (**read as ACUITE B plus**) on the Rs. 8.10 crore bank facilities of Papcon Indore Private Limited (PIPL). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

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

Applicable Criteria

- Default Recognition -<https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-4.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). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité 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.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
11-Oct-17	Cash Credit	Long term	2.50	ACUITE B+ (Indicative)
	Term Loan	Long term	5.60	ACUITE B+ (Indicative)
12-March-16	Cash Credit	Long term	2.50	ACUITE B+/Stable (Assigned)
	Term Loan	Long term	5.60	ACUITE 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/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.50	ACUITE B+ Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	5.60	ACUITE B+ Issuer not co-operating*

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

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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