

Press Release

Papcon Indore Private Limited

June 28, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	8.10	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	8.10	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed 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**. The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

About the Company

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.

Non-cooperation by the issuer/borrower:

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

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). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

None

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable

Status of non-cooperation with previous CRA

None

Any other information

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

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
30 Mar 2021	Term Loan	Long Term	5.60	ACUITE B+ (Issuer not co-operating*)
	Cash Credit	Long Term	2.50	ACUITE B+ (Issuer not co-operating*)
06 Jan 2020	Term Loan	Long Term	5.60	ACUITE B+ (Issuer not co-operating*)
	Cash Credit	Long Term	2.50	ACUITE B+ (Issuer not co-operating*)
06 Oct 2018	Cash Credit	Long Term	2.50	ACUITE B+ (Issuer not co-operating*)
	Term Loan	Long Term	5.60	ACUITE B+ (Issuer not co-operating*)
11 Oct 2017	Cash Credit	Long Term	2.50	ACUITE B+ (Issuer not co-operating*)
	Term Loan	Long Term	5.60	ACUITE B+ (Issuer not co-operating*)
12 Mar 2016	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

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Bank of Maharashtra	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.50	ACUITE B+ Reaffirmed Issuer not co-operating*
Bank of Maharashtra	Not Applicable	Term Loan	Not available	Not available	Not available	5.60	ACUITE B+ Reaffirmed Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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