

## Paappai Exports

February 08, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	9.69	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>9.69 (Rs. Nine Crore and Sixty-Nine Lakhs Only)</b>		

*Details of facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated January 29, 2021, placed the rating(s) of Paappai Exports (PE) under the 'issuer non-cooperating' category as PE had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. PE continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 15, 2021, December 25, 2020 and January 04, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

### Detailed description of the key rating drivers

Please refer to PR dated [January 29, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

### About the Firm

Paappai Exports (PE) was established on, 2008 and promoted by Mr V Suryanarayanan, as Managing Partner and C Leela Krishnan, D Vijaya Kumar, D Sivakumar, L Sumathi and L Pradeep Kannan as partners. The firm is mainly engaged in manufacturing and exports of knitted and woven garments since inception. The firm purchase yarn and converting into fabric by giving job work. The manufacturing process contains knitting, bleaching, and dyeing are executed by job work basis. Cutting and stitching and printing of garments done by PE. The main products of the firm are hosiery garments from which the firm is generating more than 95% of the total operating income derived through exports to countries like France, UK, and Dubai.

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021(A)	9MFY22 (Prov.)
Total operating income	NA	NA	NA
PBILDT	NA	NA	NA
PAT	NA	NA	NA
Overall gearing (times)	NA	NA	NA
Interest Coverage (times)	NA	NA	NA

*A: Audited; Prov.: Provisional; NA: Not Available*

**Status of non-cooperation with previous CRA:** CRISIL vide its press release dated November 19, 2021 has continued the rating of PE to the 'Issuer Not Cooperating' category on account of its inability to carry out a review in the absence of requisite information from the firm.

**Any other information:** Not applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Annexure 3

**Complexity level of various instruments rated for this firm:** Annexure 4

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Annexure-1: Details of Instruments / Facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-PC/Bill Discounting		-	-	-	8.50	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	October 2024	1.19	CARE D; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information

**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 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-PC/Bill Discounting	LT	8.50	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D; ISSUER NOT COOPERATING * (29-Jan-21)	1)CARE D; ISSUER NOT COOPERATING * (04-Mar-20) 2)CARE BB-; Stable (12-Apr-19)	-
2	Fund-based - LT-Term Loan	LT	1.19	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D; ISSUER NOT COOPERATING * (29-Jan-21)	1)CARE D; ISSUER NOT COOPERATING * (04-Mar-20) 2)CARE BB-; Stable (12-Apr-19)	-

\*Issuer did not cooperate; based on best available information

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable****Annexure 4: Complexity level of various instruments rated for this firm**

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-PC/Bill Discounting	Simple
2	Fund-based - LT-Term Loan	Simple

**Annexure 5: Bank Lender Details for this firm**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

## Contact us

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### About CARE Ratings:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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