Press Release

Pioneer Leder Tex Private Limited

October 26, 2022

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	14.75	-	ACUITE A4 | Reaffirmed | Issuer not co-operating*
Bank Loan Ratings	2.05	ACUITE B | Reaffirmed | Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	16.80	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has reaffirmed the long-term rating of **'ACUITE B' (read as ACUITE B)** and the short-term rating of **'ACUITE A4' (read as ACUITE A four)** on the Rs. 16.80 crore bank facilities of Pioneer Leder Tex Private Limited (PLTPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

PLTPL was established in 1992 by Mr. A. Mohamed Farook, Mr. A. Abdul Kareem, Mr. A. Shafi Ahamed and Mrs. M. Regina Begum. The Chennai-based company is engaged in the manufacture and export of finished leather and has installed capacity of 6,00,000 sq. ft./month. PLTPL is also a registered exporter with the Government of India and Council for Leather Exports.

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 the due date.
Acuité believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.
This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité'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). 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 - 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

Acuité 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
- Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.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
28 Jul 2021	Working Capital Demand Loan	Long Term	0.65	ACUITE B (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	1.40	ACUITE B (Issuer not co-operating*)
	Letter of Credit	Short Term	2.75	ACUITE A4 (Issuer not co-operating*)
	Packing Credit	Short Term	10.00	ACUITE A4 (Issuer not co-operating*)
	Standby Line of Credit	Short Term	2.00	ACUITE A4 (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	1.40	ACUITE B (Issuer not co-operating*)

07 May 2020	Letter of Credit	Short Term	2.75	ACUITE A4 (Issuer not co-operating*)
	Working Capital Demand Loan	Long Term	0.65	ACUITE B (Issuer not co-operating*)
	Packing Credit	Short Term	10.00	ACUITE A4 (Issuer not co-operating*)
	Standby Line of Credit	Short Term	2.00	ACUITE A4 (Issuer not co-operating*)
13 Mar 2019	Packing Credit	Short Term	10.00	ACUITE A4 (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	1.40	ACUITE B (Issuer not co-operating*)
	Standby Line of Credit	Short Term	2.00	ACUITE A4 (Issuer not co-operating*)
	Working Capital Demand Loan	Long Term	0.65	ACUITE B (Issuer not co-operating*)
	Letter of Credit	Short Term	2.75	ACUITE A4 (Issuer not co-operating*)
09 Jan 2018	Packing Credit	Short Term	10.00	ACUITE A4 (Reaffirmed)
	Standby Line of Credit	Short Term	2.00	ACUITE A4 (Assigned)
	Proposed Long Term Loan	Long Term	1.40	ACUITE B | Stable (Assigned)
	Letter of Credit	Short Term	2.75	ACUITE A4 (Reaffirmed)
	Working Capital Demand Loan	Long Term	0.65	ACUITE B | Stable (Downgraded from ACUITE B+)
08 Feb 2017	Working Capital Demand Loan	Long Term	2.00	ACUITE B+ (Issuer not co-operating*)
	Packing Credit	Short Term	6.50	ACUITE A4 (Issuer not co-operating*)
	Letter of Credit	Short Term	2.00	ACUITE A4 (Issuer not co-operating*)
	Post Shipment Credit	Short Term	1.30	ACUITE A4 (Issuer not co-operating*)
21 Aug 2015	Working Capital Demand Loan	Long Term	2.00	ACUITE B+ | Stable (Assigned)
	Packing Credit	Short Term	6.50	ACUITE A4 (Assigned)
	Letter of Credit	Short Term	2.00	ACUITE A4 (Assigned)
	Post Shipment Credit	Short Term	1.30	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Bank of Baroda	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.75	ACUITE A4 | Reaffirmed | Issuer not co-operating*
Bank of Baroda	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE A4 | Reaffirmed | Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	1.40	ACUITE B | Reaffirmed | Issuer not co-operating*
Bank of Baroda	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4 | Reaffirmed | Issuer not co-operating*
Bank of Baroda	Not Applicable	Working Capital Demand Loan (WCDL)	Not available	Not available	Not available	0.65	ACUITE B | Reaffirmed | Issuer not co-operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Radhika Kolwankar Analyst-Rating Operations Tel: 022-49294065 radhika.kolwankar@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.