

Press Release

Zuha Leather Private Limited

October 08, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 14.75 Cr.#
Long Term Rating	ACUITE BB- Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuite has reviewed long-term rating of 'SMERA BB-' (read as Acuite BB minus) and short term rating of 'Acuite A4+' (read as 'Acuite A four plus') on the Rs. 14.75 crore bank facilities of Zuha Leather Private Limited. This rating is now an indicative rating and is based on best available information

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 due date.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-14.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). Acuite endeavoured 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:

Zuha Leathers a Chennai based company promoted by Mr. Shabbeer Ahmed was established in 1986 as a partnership firm and converted to private limited in 2004. The company is engaged in manufacturing of finished leather used to make shoes bags and garments. The company's tanneries are located in Vaniyambadi Tamil Nadu

For FY 2014-15 the company reported profit after tax (PAT) of Rs.0.18 crore on operating income of Rs. 37.18 crore as compared with PAT of Rs. 0.30 crore on operating income of Rs.34.38 crore for FY 2013-14

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

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.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
27-Jan-2016	Cash Credit	Long term	0.5	ACUITE BB-/Stable (Assigned)
	Long Term (Proposed)	Long Term	0.65	ACUITE BB- ((Assigned))
	Packing Credit	Short Term	2.5	ACUITE A4+ ((Assigned))
	Foreign Bill Discounting	Short Term	1.00	ACUITE A4+ ((Assigned))
	Letter of Credit	Short Term	7.00	ACUITE A4+ ((Assigned))
	Bank Guarantee	Short Term	0.10	ACUITE A4+ ((Assigned))
	Foreign Bill Discounting	Short Term	3.00	ACUITE A4+ ((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	0.5	ACUITE BB- Issuer not co-operating*
Long Term (Proposed)	Not Applicable	Not Applicable	Not Applicable	0.65	ACUITE BB- Issuer not co-operating*
Packing Credit	Not Applicable	Not Applicable	Not Applicable	2.5	ACUITE A4+ Issuer not co-operating*
Foreign Bill Discounting	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4+ Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE A4+ Issuer not co-operating
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.10	ACUITE A4+ Issuer not co-operating
Foreign Bill Discounting	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE A4+ Issuer not co-operating

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

Contacts

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About Acuite Ratings & Research:

Acuite 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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