

Press Release

Zuha Leather Private Limited

March 25, 2021



Rating Update

| | |
|-------------------------------------|-----------------------------------------------------------------------|
| Total Bank Facilities Rated* | Rs. 14.75 Cr.# |
| Long Term Rating | ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating* |
| Short Term Rating | ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating* |

#Refer Annexure for details

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

Acuité has downgraded the long term rating to '**ACUITE B+** (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and the short term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+** (read as **ACUITE A four plus**) on the Rs. 14.75 crore bank facilities of Zuha Leather Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

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.

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.

This rating continues to be 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-52.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-59.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.

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

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

About the Rated Entity - Key Financials

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

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 (Up to last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr) | Ratings/Outlook |
|--------------|---------------------------------|------------|-----------------|----------------------------------------|
| 02 Jan, 2020 | Cash Credit | Long Term | 0.50 | ACUITE BB- Issuer not co-operating* |
| | Proposed Long Term Loan | Long Term | 0.65 | ACUITE BB- Issuer not co-operating* |
| | Packing Credit | Short Term | 2.50 | ACUITE A4+ Issuer not co-operating* |
| | Bills Discounting | Short Term | 1.00 | ACUITE A4+ Issuer not co-operating* |
| | Letter of Credit | Short Term | 7.00 | ACUITE A4+ Issuer not co-operating* |
| | Bank Guarantee | Short Term | 0.10 | ACUITE A4+ Issuer not co-operating* |
| | Bills Discounting | Short Term | 3.00 | ACUITE A4+ Issuer not co-operating* |
| 08 Oct, 2018 | Cash Credit | Long Term | 0.50 | ACUITE BB- Issuer not co-operating* |
| | Proposed Long Term Loan | Long Term | 0.65 | ACUITE BB- Issuer not co-operating* |
| | Packing Credit | Short Term | 2.50 | ACUITE A4+ Issuer not co-operating* |
| | Bills Discounting | Short Term | 1.00 | ACUITE A4+ Issuer not co-operating* |
| | Letter of Credit | Short Term | 7.00 | ACUITE A4+ Issuer not co-operating* |
| | Bank Guarantee | Short Term | 0.10 | ACUITE A4+ Issuer not co-operating* |
| | Bills Discounting | Short Term | 3.00 | ACUITE A4+ Issuer not co-operating* |
| 16 May, 2017 | Cash Credit | Long Term | 0.50 | ACUITE BB- Issuer not co-operating* |
| | Proposed Long Term Loan | Long Term | 0.65 | ACUITE BB- Issuer not co-operating* |
| | Packing Credit | Short Term | 2.50 | ACUITE A4+ Issuer not co-operating* |
| | Bills Discounting | Short Term | 1.00 | ACUITE A4+ Issuer not co-operating* |
| | | | | ACUITE A4+ |

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|--|-------------------|------------|------|----------------------------------------|
| | Letter of Credit | Short Term | 7.00 | Issuer not co-operating* ACUITE A4+ |
| | Bank Guarantee | Short Term | 0.10 | Issuer not co-operating* |
| | Bills Discounting | Short Term | 3.00 | ACUITE A4+ Issuer not co-operating* |

#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 | 0.50 | ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating* |
| Proposed Long Term Loan | Not Applicable | Not Applicable | Not Applicable | 0.65 | ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating* |
| Packing Credit | Not Applicable | Not Applicable | Not Applicable | 2.50 | ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating* |
| Bills Discounting | Not Applicable | Not Applicable | Not Applicable | 1.00 | ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating* |
| Letter of Credit | Not Applicable | Not Applicable | Not Applicable | 7.00 | ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating* |
| Bank Guarantee | Not Applicable | Not Applicable | Not Applicable | 0.10 | ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating* |
| Bills Discounting | Not Applicable | Not Applicable | Not Applicable | 3.00 | ACUITE A4 (Downgraded from ACUITE A4+) Issuer not co-operating* |

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

Contacts

| Analytical | Rating Desk |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| Aditya Gupta Vice President- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuite.in | Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in |
| Charu Mahajan Analyst - Rating Operations Tel: 011-49731302 charu.mahajan@acuite.in | |

About Acuité Ratings & Research:

Acuité Ratings & Research 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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