



**Press Release**  
**Zuha Leather Private Limited**  
**December 18, 2024**  
**Rating Downgraded, Reaffirmed and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1.15	ACUITE B   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	13.60	-	ACUITE A4   Reaffirmed   Issuer not co-operating*
<b>Total Outstanding Quantum (Rs. Cr)</b>	14.75	-	-
<b>Total Withdrawn Quantum (Rs. Cr)</b>	0.00	-	-

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

**Rating Rationale**

Acuite has downgraded the long-term rating to 'ACUITE B' (read as ACUITE B) from 'ACUITE B+' (read as ACUITE B plus) and reaffirmed the short-term rating of 'ACUITE A4' (read as ACUITE A four) on the Rs.14.75 Crore bank facilities of Zuha Leather Private Limited on account of information risk. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

**About the Company**

Zuha Leather Private Limited 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. The directors of the company are Mr. Pudupet Rahmathullah Samiullah, Mr. Moolakadai Mohamed Zaheer, Mr. Pookutti Shabbeer Ahmed, Mr. Moolakadai Mohamed Furquan Sameed and Mr. Pudupet Jawaad Fouzan.

**Unsupported Rating**

Not Applicable

**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.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation 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 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). 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.

**Rating Sensitivity**

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

**Liquidity Position**

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

**Outlook**

Not Applicable

**Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	39.33	39.59
PAT	Rs. Cr.	0.43	0.50
PAT Margin	(%)	1.10	1.27
Total Debt/Tangible Net Worth	Times	0.51	0.54
PBDIT/Interest	Times	3.09	3.48

## Status of non-cooperation with previous CRA

Not Applicable

## Any other information

None

## 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

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
20 Sep 2023	Packing Credit	Short Term	2.50	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	7.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee/Letter of Guarantee	Short Term	0.10	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Bills Discounting	Short Term	3.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Bills Discounting	Short Term	1.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	0.65	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	0.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
23 Jun 2022	Bills Discounting	Short Term	1.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Bills Discounting	Short Term	3.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee/Letter of Guarantee	Short Term	0.10	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	7.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	PC/PCFC	Short Term	2.50	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	0.50	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	0.65	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
25 Mar 2021	Bank Guarantee (BLR)	Short Term	0.10	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Bills Discounting	Short Term	1.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Bills Discounting	Short Term	3.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Letter of Credit	Short Term	7.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	PC/PCFC	Short Term	2.50	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Cash Credit	Long Term	0.50	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Proposed Long Term Loan	Long Term	0.65	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)

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

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.10	Simple	ACUITE A4   Reaffirmed   Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE A4   Reaffirmed   Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE A4   Reaffirmed   Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.50	Simple	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
State Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.00	Simple	ACUITE A4   Reaffirmed   Issuer not co-operating*
State Bank of India	Not avl. / Not appl.	Packing Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.50	Simple	ACUITE A4   Reaffirmed   Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.65	Simple	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )

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

## Contacts

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### About Acuité Ratings & Research

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