

## Press Release



Chien Hsing Tannery

June 24, 2020

### Rating Update

|                                     |                                       |
|-------------------------------------|---------------------------------------|
| <b>Total Bank Facilities Rated*</b> | Rs. 5.50 Cr #                         |
| <b>Long Term Rating</b>             | ACUITE B<br>Issuer not co-operating*  |
| <b>Short Term Rating</b>            | ACUITE A4<br>Issuer not co-operating* |

#Refer Annexure for details

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

Acuité has reviewed 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. 5.50 crore bank facilities of CHIEN HSING TANNERY (CHT). This rating is now an indicative rating and is based on best available information

CHT was established in 2007 as a partnership firm by Mr. Naresh Kumar Juneja and Ms. Minnie Juneja. The firm is engaged in manufacturing of finished leather with the total capacity of 12 Lakh Square Feet/Month. The firm has a manufacturing unit located in West Bengal and the firm procures 80 per cent of its major raw material i.e. raw leather and chemicals from local market of Kolkata. The other 20 per cent, they procure from the market of Mumbai and Kanpur. The supplier's payment term is advance for the local customer and for the rest, the payment term is 20-30 days. CHT realised 100 per cent revenue from the domestic market of Kolkata, Mumbai, Haryana and Gujarat.

#### 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 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.

#### 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                       |
|----------------|---------------------------------|------------|-----------------|---------------------------------------|
| 09 April, 2019 | Cash Credit                     | Long Term  | 4.50            | ACUITE B<br>Issuer not co-operating*  |
|                | Packing Credit                  | Short Term | 0.50            | ACUITE A4<br>Issuer not co-operating* |
|                | Bill Discounting                | Short Term | 0.50            | ACUITE A4<br>Issuer not co-operating* |
| 20 Feb, 2018   | Cash Credit                     | Long Term  | 4.50            | ACUITE B/Stable<br>(Reaffirmed)       |
|                | Packing Credit                  | Short Term | 0.50            | ACUITE A4<br>(Reaffirmed)             |
|                | Bill Discounting                | Short Term | 0.50            | ACUITE A4<br>(Reaffirmed)             |
| 18 Aug, 2017   | Cash Credit                     | Long Term  | 4.50            | ACUITE B<br>Issuer not co-operating*  |
|                | Packing Credit                  | Short Term | 0.50            | ACUITE A4<br>Issuer not co-operating* |
|                | Bill Discounting                | Short Term | 0.50            | ACUITE A4<br>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 | 4.50                          | ACUITE B<br>Issuer not co-operating*  |
| Packing Credit         | Not Applicable   | Not Applicable | Not Applicable | 0.50                          | ACUITE A4<br>Issuer not co-operating* |
| Bill Discounting       | Not Applicable   | Not Applicable | Not Applicable | 0.50                          | ACUITE A4<br>Issuer not co-operating* |

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

### Contacts

| Analytical  | Rating Desk   |
|---|---|
| Pooja Ghosh<br>Head - Corporate and Infrastructure Sector Ratings<br>Tel: 033-6620 1203<br><a href="mailto:pooja.ghosh@acuite.in">pooja.ghosh@acuite.in</a> | Varsha Bist<br>Manager - Rating Desk<br>Tel: 022-49294011<br><a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a> |
| Tony Banerjee<br>Analyst - Rating Operations<br>Tel: 033-6620-1206<br><a href="mailto:tonoy.banerjee@acuite.in">tonoy.banerjee@acuite.in</a>                |   |

### 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.

**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. Acuité ratings 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. Acuité ratings 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](http://www.acuite.in)) for the latest information on any instrument rated by Acuité.