



Press Release
T Abdul Wahid Tanneries Private Limited
January 06, 2025
Rating Downgraded, Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|---------------------|---|---|
| Bank Loan Ratings | 22.40 | ACUITE B- Downgraded Issuer not co-operating* | - |
| Bank Loan Ratings | 3.00 | - | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Total Outstanding Quantum (Rs. Cr) | 25.40 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 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 minus**) from ‘**ACUITE B**’ (read as **ACUITE B**) and reaffirmed the short-term rating of ‘**ACUITE A4**’ (read as **ACUITE A four**) on the Rs.25.40 crore bank facilities of T Abdul Wahid Tanneries Private Limited (TAWTPL) 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

T Abdul Wahid Tanneries Private Limited, incorporated in 1975, is a Chennai-based company promoted by Mr. Rafeeq Ahmed. The company commenced commercial operations in July 1975 to manufacture and export finished leather to USA, Germany, Italy, Korea, Hong Kong, China and Portugal. The company has set up two tanneries - B Tannery and C Tannery at Ambur (Tamil Nadu) each with capacity of 36 lakhs pieces (goat skins per annum) and 30 lakhs pieces (semi-finished skins to finished skins per annum).

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. | 33.52 | 25.96 |
| PAT | Rs. Cr. | (5.44) | (3.10) |
| PAT Margin | (%) | (16.23) | (11.96) |
| Total Debt/Tangible Net Worth | Times | (3.49) | (13.63) |
| PBDIT/Interest | Times | (1.90) | (0.67) |

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.

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|------------|-----------------|---|
| 09 Oct 2023 | Letter of Credit | Short Term | 3.00 | ACUITE A4 (Reaffirmed & Issuer not co-operating*) |
| | Post Shipment Credit | Long Term | 3.00 | ACUITE B (Reaffirmed & Issuer not co-operating*) |
| | Post Shipment Credit | Long Term | 4.00 | ACUITE B (Reaffirmed & Issuer not co-operating*) |
| | PC/PCFC | Long Term | 13.00 | ACUITE B (Reaffirmed & Issuer not co-operating*) |
| | Stand By Line of Credit | Long Term | 2.40 | ACUITE B (Reaffirmed & Issuer not co-operating*) |
| 11 Jul 2022 | Letter of Credit | Short Term | 3.00 | ACUITE A4 (Reaffirmed & Issuer not co-operating*) |
| | Post Shipment Credit | Long Term | 3.00 | ACUITE B (Reaffirmed & Issuer not co-operating*) |
| | Post Shipment Credit | Long Term | 4.00 | ACUITE B (Reaffirmed & Issuer not co-operating*) |
| | PC/PCFC | Long Term | 13.00 | ACUITE B (Reaffirmed & Issuer not co-operating*) |
| | Stand By Line of Credit | Long Term | 2.40 | ACUITE B (Reaffirmed & Issuer not co-operating*) |

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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. | Letter of Credit | 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. | PC/PCFC | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 13.00 | Simple | ACUITE B- Downgraded Issuer not co-operating* (from ACUITE B) |
| State Bank of India | Not avl. / Not appl. | Post Shipment Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 3.00 | Simple | ACUITE B- Downgraded Issuer not co-operating* (from ACUITE B) |
| State Bank of India | Not avl. / Not appl. | Post Shipment Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 4.00 | Simple | ACUITE B- Downgraded Issuer not co-operating* (from ACUITE B) |
| State Bank of India | Not avl. / Not appl. | Stand By Line of Credit | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 2.40 | 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

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.

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