

Nafis Tanning Industries

August 03, 2022

Ratings

| Facilities/Instruments | Amount (Rs. crore) | Rating ¹ | Rating Action |
|------------------------------|--|--|--|
| Long Term Bank Facilities | 4.50 | CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable; ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Short Term Bank Facilities | 1.50 | CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Total Bank Facilities | 6.00 (Rs. Six Crore Only) | | |

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated June 18, 2021, placed the rating(s) of Nafis Tanning Industries (NTI) under the 'issuer non-cooperating' category as NTI had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. NTI continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated May 04, 2022, May 14, 2022, May 24, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [June 18, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Firm

West Bengal based Nafis Tanning Industries (NTI) established in April 1977, was promoted by Mrs. Sabiha Sultana. Since its inception, NTI has been engaged in processing of leather and manufacturing of leather products like wallets, card case holder, leather key ring, leather passport holder, note cases, handbags etc. The major raw materials used are raw hide of animals which are mainly procured from domestic market and also imported from China. The tannery cum manufacturing facility of the entity is located at Kolkata, West Bengal with an installed capacity of 4000 metric tonnes per annum (MTPA). The entity sells its products both in the domestic as well as international market. In domestic market Tata International Limited is the main buyer of semi-finished leather of the entity. The major export destination of the entity is Spain, Italy, Germany, Vietnam, UK, Hongkong and China.

| Brief Financials (Rs. crore) | FY20(A) | FY21(A) | FY22(Prov.) | Q1FY23(Prov.) |
|------------------------------|---------|---------|-------------|---------------|
| Total operating income | NA | NA | NA | NA |
| PBILDT | NA | NA | NA | NA |
| PAT | NA | NA | NA | NA |
| Overall gearing (times) | NA | NA | NA | NA |
| Interest coverage (times) | NA | NA | NA | NA |

A: Audited, Prov.: Provisional, NA: Not Available

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure- 3

Complexity level of various instruments rated for this firm: Annexure- 4

Annexure-1: Details of instruments/facilities

| Name of the Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating Assigned along with Rating Outlook |
|--|------|------------------|-------------|---------------|-------------------------------|---|
| Fund-based - LT-EPC/PSC | | - | - | - | 4.50 | CARE B-; Stable; ISSUER NOT COOPERATING* |
| Fund-based - ST-Bill Discounting/ Bills Purchasing | | - | - | - | 1.50 | CARE A4; ISSUER NOT COOPERATING* |

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating history for the last three years

| Sr. No. | Name of the Instrument / Bank Facilities | Current Ratings | | | Rating History | | | |
|---------|--|-----------------|--------------------------------|---|---|--|--|---|
| | | Type | Amount Outstanding (Rs. crore) | Rating | Date(s) and Rating(s) assigned in 2022-2023 | Date(s) and Rating(s) assigned in 2021-2022 | Date(s) and Rating(s) assigned in 2020-2021 | Date(s) and Rating(s) assigned in 2019-2020 |
| 1 | Fund-based - LT-EPC/PSC | LT | 4.50 | CARE B-; Stable; ISSUER NOT COOPERATING * | - | 1)CARE B-; Stable; ISSUER NOT COOPERATING G* (18-Jun-21) | 1)CARE B-; Stable; ISSUER NOT COOPERATING G* (27-Apr-20) | - |
| 2 | Fund-based - ST-Bill Discounting/ Bills Purchasing | ST | 1.50 | CARE A4; ISSUER NOT COOPERATING * | - | 1)CARE A4; ISSUER NOT COOPERATING G* (18-Jun-21) | 1)CARE A4; ISSUER NOT COOPERATING G* (27-Apr-20) | - |

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of various instruments rated for this firm

| Sr. No. | Name of Instrument | Complexity Level |
|---------|--|------------------|
| 1 | Fund-based - LT-EPC/PSC | Simple |
| 2 | Fund-based - ST-Bill Discounting/ Bills Purchasing | Simple |

Annexure-5: Bank lender details for this firm

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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