

May 27, 2020

Homera Tanning Industries Private Limited: Continues to remain under Non-Cooperating category

Summary of rating action:

Instruments	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term - Fund Based/ CC	30.00	30.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term- Non Fund Based	12.24	12.24	[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term / Short Term - Fund Based	4.50	4.50	[ICRA]B+ (Stable)/[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term / Short Term - Unallocated	0.12	0.12	[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	46.86	46.86	

*Issuer did not cooperate; based on best available information

Rationale

The ratings for the Rs.46.86 crore bank facilities of Homera Tanning Industries Private Limited continue to remain under Issuer Not Cooperating category. The long-term rating is denoted as [ICRA]B+ ISSUER NOT COOPERATING (pronounced ICRA B Plus Issuer not cooperating) with a Stable outlook and short-term rating is denoted as [ICRA]A4 ISSUER NOT COOPERATING ((pronounced ICRA A Four Issuer not cooperating)

As part of its process and in accordance with its rating agreement with Homera Tanning Industries Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	Not applicable
Consolidation / Standalone	Standalone

About the company

HTIPL was incorporated in 1987 by Mr. Rizwan Ullah and his family members. The company is involved in the manufacture and export of finished leather and shoe uppers. Its Kanpur-based tannery manufactures cow-finished leather for shoes and bags and buffalo-finished leather for upholstery. In addition, the company manufactures buffalo finished leather for fashion and safety shoes..

The previous detailed rating rationale is available on the following link: [Click here](#)

Status of non-cooperation with previous CRA

Not Applicable

Key financial Indicators(Audited):

	FY2017	FY2018	FY2019
Operating Income (Rs. crore)	132.09	176.89	105.51
PAT (Rs. crore)	2.59	2.69	1.33
OPBDIT/OI (%)	7.51%	6.59%	9.27%
RoCE (%)	19.42%	10.89%	7.46%
Total Outside Liabilities/Tangible Net Worth (times)	2.23	2.67	2.35
Total Debt/OPBDIT (times)	3.86	3.69	4.36
Interest Coverage (times)	3.17	3.16	2.69
DSCR	2.84	2.65	2.43

Source: MCA

Rating history for past three years

S · N o	Name of Instrument	Type	Current Rating (FY2021)			Chronology of Rating History for the Past 3 years		
			Rated amount	Amount outstanding	Month-year & Rating	Month- year and Rating in		
						FY2020	FY2019	FY2018
			(Rs. crore)		27-May- 2020	-	28-Feb-2019	30-Aug-2017
1	EPC	Long Term	15.00	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable)
2	FBP	Long Term	15.00	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable)
3	Non-fund Based Limits	Short term	12.24	-	[ICRA]A4; ISSUER NOT COOPERATING	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4
4	Standby Limit	Long Term/Short Term	4.50	-	[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING		[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+ (Stable)/ [ICRA]A4
5	Unallocated	Long Term/Short Term	0.12	-	[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING		[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B+ (Stable)/ [ICRA]A4

All figures in Rs. crore

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About ICRA Limited:

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