

Press Release

Shri Karpadha Agro Foods

09 February 2017

Rating Update

Total Bank Facilities Rated	Rs.7.25 Cr#
Long Term Rating	SMERA B+ Issuer not Co-operating*
Short term rating	SMERA A4 Issuer not Co-operating*

Refer Annexure for details of instrument.

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

Rating Action

SMERA has reviewed the long term rating of 'SMERA B+' (read as SMERA B plus) and short term rating of SMERA A4 (read as SMERA A four) on the Rs. 7.25 crore bank facilities of Shri Karpadha Agro Foods (SKAF). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower: SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating since June, 2016. SMERA has also requested for the payment of outstanding surveillance fee.

Information Status	Not Received
Status of Surveillance Fee	Not Received

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.htm>
- Application of Financial Ratios and Adjustments: <https://www.smera.in/criteria-fin-ratios.htm>
- Default Recognition: <https://www.smera.in/criteria-default.htm>

Limitation regarding information availability: The rating is based on the information furnished by the rated entity in October 2015. Due to non-submission of information, SMERA endeavored to gather information about the entity / industry from sources available in public domain. SMERA therefore records its caution to the lenders/investors/public regarding the outdated data/non-reliability of data, on which the indicative credit rating is based.

About the Rated Entity: SKAF, incorporated in 2006 as a partnership firm is headed by the partners - Mr. P. Arul and Mrs. Lalithambiga. The firm is engaged in the processing of paddy into rice at its unit at Villupuram, Tamil Nadu. The unit has a milling capacity of 14,000 MTPA. SKAF sells its products under the Karpadha, Paavai, Sukran, Star Gold, and Madhuram brand names. The firm also sells by- products such as broken rice and rice bran which constitute around 10-20 per cent of the revenue.

Rating History for the last three years:

Name of Instrument /Facilities	FY2017			FY2016		FY2015		FY2014	
	Scale	Amount (Rs. Crore)	Rating with Outlook	Date	Rating	Date	Rating	Date	Rating
Cash Credit	Long Term	7.00	SMERA B+ (Indicative) Issuer not co-operating*	12 Oct 2015	SMERA B+/ Stable	NA	NA	NA	NA
SME Credit Plus	Short Term	0.25	SMERA A4 (Indicative) Issuer not co-operating*	12 Oct 2015	SMERA A4	NA	NA	NA	NA

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue	Ratings/ Outlook
Cash Credit	NA	NA	NA	7.00	SMERA B+ (Indicative) Issuer not co-operating*
SME Credit Plus	NA	NA	NA	0.25	SMERA A4 (Indicative) Issuer not co-operating*

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

Non Co-operation with other CRA: Not Applicable

Contacts:

Analytical	Rating Desk
Vinayak Nayak Head – Operations, SMERA Bond Ratings Tel: 02267141190 Email: vinayak.nayak@smera.in Reema Gangola Rating Analyst Tel: 02267171111 Email: reema.gangola@smera.in	Varsha Bist Sr. Executive Tel: 022-67141160 Email: varsha.bist@smera.in

ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details, please visit www.smera.in.

Disclaimer: A SMERA 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. SMERA 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, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA 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. SMERA 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.smera.in) for the latest information on any instrument rated by SMERA.