

Press Release

A.K.M Cashews

16 April, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 11.00 Cr
Long Term Rating (Indicative)	SMERA BB- Issuer not co-operating*

#Refer Annexure for details

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

SMERA has reviewed the long term rating of '**SMERA BB-**' (read as **SMERA double B minus**) on the Rs. 11.00 crore bank facilities of A.K.M Cashews (AKMC). 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. However, the issuer/borrower failed to submit such information before due date.

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>
- Default Recognition: <https://www.smera.in/criteria-default.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). SMERA endeavored to gather information about the entity / industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

The Kerala-based AKM Cashews established in 2006 is a proprietorship concern engaged in the trading and processing of raw cashew nuts. The firm is headed by Mr. Shamla Nizamudeen, who possesses experience of over a decade in the business. Cashew nut processing generates 80 per cent revenue with the balance coming from trading. The installed capacity stands at 20 metric tons per day.

For FY2015-16, AKM Cashews reported net profit after tax of Rs.0.37 crore on operating income of Rs.57.76 crore, as compared with net profit of Rs.1.37 crore on operating income of Rs.67.20 crore in FY2015-16. The net worth stood at Rs.3.73 crore as on 31 March, 2016 as against Rs.3.60 crore a year earlier.

Any other information: SMERA is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History for the last three years:

Date	Name of Instrument/ Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
9 th February, 2017	Cash Credit	Long term	11.00 (enhanced from Rs. 9.00 crore)	SMERA BB-/Stable (Reaffirmed)
20 th March, 2015	Cash Credit	Long term	9.00	SMERA BB-/Stable (Assigned)

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	NA	NA	NA	11.00	SMERA BB- Issuer not co-operating*

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

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ABOUT SMERA

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