

Press Release

AKME Fincon Limited

June 23, 2021



Rating Update

Total Bank Facilities Rated*	Rs.75.00 crore
Facilities Rated	Rs.50.00 crore
Long Term Rating	ACUITE BBB- Issuer Not Co-operating#
Proposed Secured Redeemable Non-convertible debentures	Rs.25.00 crore
Long Term Rating	ACUITE BBB- Issuer Not Co-operating#

* Refer Annexure for details

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

Rating Rationale

Acuité has reviewed the long term rating of '**ACUITE BBB-**' (**read as ACUITE triple B minus**) on the Rs. 75.00 Cr bank loan facilities of AKME Fincon Private Limited. The ratings are now indicative due to lack of support from client to complete the review process.

AFL (Akme Fincon Limited), incorporated in 1994, is an Udaipur, Rajasthan, based non-banking finance company (NBFC) promoted by Anil Kumar Jain. The company is engaged in extending financing of two wheelers, three wheelers, commercial vehicles and loan against property (LAP) towards SME borrowers.

AFL is a part of the AKME group which is having presence of over two decades in financial services. AKME group primarily comprises of three companies – AKME Star Housing Finance Limited (ASHFL), AKME Fintrade (India) Limited (AFIL) and AKME Fincon Limited (AFL). The day to day operations are managed by Mr. Anil Kumar Jain, who is the managing director of AFL. The company presently operates through a network of 38 branches spread across Rajasthan, Madhya Pradesh, Maharashtra and Gujarat as on March 31, 2020, with majority of their operations in Rajasthan.

Non-cooperation by the issuer/borrower

Acuité 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.

Acuité 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 Acuité's policies.

Applicable Criteria

- Ratio of Non-Banking Financing Entities - <https://www.acuite.in/view-rating-criteria-44.htm>
- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.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). 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.

Liquidity Position:

No information provided by the issuer/ available for Acuité to comment upon.

Rating Sensitivities

No information provided by the issuer/ available for Acuité to comment upon.

About the Rated Entity - Key Financials

No information provided by the issuer/ available for Acuité to comment upon.

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Not Applicable

Rating History (Upto last three years)

Date	Name of Instrument/ Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
25-Jun-2020	Cash Credit	Long Term	25.00	ACUITE BBB-/Negative (Reaffirmed)
	Cash Credit	Long Term	3.00	ACUITE BBB-/Negative (Reaffirmed)
	Term Loan	Long Term	0.70	ACUITE BBB- (Withdrawn)
	Term Loan	Long Term	0.83	ACUITE BBB-/Negative (Reaffirmed)
	Term Loan	Long Term	0.82	ACUITE BBB- (Withdrawn)
	Term Loan	Long Term	1.39	ACUITE BBB-/Negative (Reaffirmed)
	Term Loan	Long Term	4.44	ACUITE BBB-/Negative (Reaffirmed)
	Term Loan	Long Term	1.39	ACUITE BBB-/Negative (Reaffirmed)
	Term Loan	Long Term	1.39	ACUITE BBB-/Negative (Reaffirmed)
	Term Loan	Long Term	2.73	ACUITE BBB-/Negative (Reaffirmed)
	Term Loan	Long Term	0.75	ACUITE BBB-/Negative (Reaffirmed)
	Term Loan	Long Term	3.78	ACUITE BBB-/Negative (Assigned)
	Term Loan	Long Term	1.78	ACUITE BBB-/Negative (Assigned)
20-Nov-2019	Proposed Bank Facility	Long Term	3.52	ACUITE BBB-/Negative (Reaffirmed)
	Proposed Non-Convertible Debenture	Long Term	25.00	ACUITE BBB-/Negative (Assigned)
	Cash Credit	Long Term	25.00	ACUITE BBB-/ Stable (Reaffirmed)
	Cash Credit	Long Term	3.00	ACUITE BBB-/ Stable (Reaffirmed)
	Term Loan	Long Term	0.70	ACUITE BBB-/ Stable (Reaffirmed)
	Term Loan	Long Term	1.67	ACUITE BBB-/ Stable (Reaffirmed)
	Term Loan	Long Term	0.82	ACUITE BBB-/ Stable (Reaffirmed)
	Term Loan	Long Term	2.22	ACUITE BBB-/ Stable (Reaffirmed)

21-Nov-2018				(Assigned)
	Term Loan	Long Term	1.81	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	3.56	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	1.50	ACUITE BBB-/ Stable (Assigned)
	Proposed Bank Facility	Long Term	1.80	ACUITE BBB-/ Stable (Reaffirmed)
	Cash Credit	Long Term	25.00	ACUITE BBB-/ Stable (Upgraded)
	Cash Credit	Long Term	3.00	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	0.70	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	3.47	ACUITE BBB-/ Stable (Assigned)
	Term Loan	Long Term	2.44	ACUITE BBB-/ Stable (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE BBB- Issuer Not Co-operating#
Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BBB- Issuer Not Co-operating#
Term Loan	Not Available	Not Available	Not Available	0.83	ACUITE BBB- Issuer Not Co-operating#
Term Loan	Not Available	Not Available	Not Available	1.39	ACUITE BBB- Issuer Not Co-operating#
Term Loan	Not Available	Not Available	Not Available	4.44	ACUITE BBB- Issuer Not Co-operating#
Term Loan	Not Available	Not Available	Not Available	1.39	ACUITE BBB- Issuer Not Co-operating#
Term Loan	Not Available	Not Available	Not Available	1.39	ACUITE BBB- Issuer Not Co-operating#
Term Loan	Not Available	Not Available	Not Available	2.73	ACUITE BBB- Issuer Not Co-operating#
Term Loan	Not Available	Not Available	Not Available	0.75	ACUITE BBB- Issuer Not Co-operating#
Term Loan	Not Available	Not Available	Not Available	3.78	ACUITE BBB- Issuer Not Co-operating#
Term Loan	Not Available	Not Available	Not Available	1.78	ACUITE BBB- Issuer Not Co-operating#
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	3.52	ACUITE BBB- Issuer Not Co-operating#
Proposed Non-Convertible Debenture	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE BBB- Issuer Not Co-operating#

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

Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President - Rating Operations Tel: 022-49294071 mohit.jain@acuite.in	Varsha Bist Senior Manager - Rating Desk Tel: 022 - 49294011 rating.desk@acuite.in
Simranjeet Kaur Analyst - Rating Operations Tel: 022-49294062 simranjeet.kaur@acuite.in	

About Acuité Ratings & Research:

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 8,666 credit 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 Mumbai.

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