Press Release

K Subraya Anantha Kamath And Sons

May 25, 2023

Rating Reaffirmed & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	19.59	ACUITE BB- | Reaffirmed & Withdrawn | Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	19.59	-	-

Rating Rationale

Acuité has reaffirmed and withdrawn the long-term rating of 'ACUITE BB-' (read as ACUITE double B minus) on the Rs.19.59 Cr bank facilities of K Subraya Anantha Kamath and Sons (KSAKS). The rating is flagged as "Issuer Not-Cooperating" based on account of information risk.

The rating has been withdrawn on Acuite's policy of withdrawal of ratings. The rating has been withdrawn on account of the request received from the company, and the NOC received from the banker.

About the Company

K Subraya Anantha Kamath is a Kerala based firm incorporated in the year 1945 as a proprietorship firm. Later in the year 1965, the constitution of the firm was changed into partnership. The firm's operation is entirely managed by the third and the fourth generation family members. The partners of the firm are Mr. K. Giridhar Kamath, Mrs. Radha Kamath, Mr. Pramod Kamath and Mr. Prasad Kamath. The firm is engaged in processing and export of cashew nut kernels, flavored kernels, cashew nut shell liquid and other by-products. The firm has two processing units located at Karnataka and Kerala with an installed capacity of 5400MTPA.

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 the due date. Acuité believes that information risk is a critical component in such ratings, and noncooperation 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.

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 endeavoured 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 ratingis based.

Rating Sensitivity

No information has been shared by the company for Acuite to comment

Material Covenants
None

Liquidity Position
No information has been shared by the entity for Acuite to comment

Outlook
Not Applicable

Other Factors affecting Rating
None

Key Financials

Particulars	Unit	FY 20 (Actual)	FY 19 (Actual)
Operating Income	Rs. Cr.	58.90	84.51
PAT	Rs. Cr.	(2.68)	3.57
PAT Margin	(%)	(4.55)	4.22
Total Debt/Tangible Net Worth	Times	1.89	1.05
PBDIT/Interest	Times	0.07	3.44

Status of non-cooperation with previous CRA

None

Any other information

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

Applicable Criteria

- Trading Entities: https://www.acuite.in/view-rating-criteria-61.htm
- Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm
- Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
28 Jun 2022	Term Loan	Long Term	0.60	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Working Capital Term Loan	Long Term	3.57	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	15.42	ACUITE BB- (Downgraded and Issuer not co-operating*)
19 May 2021	Working Capital Term Loan	Long Term	3.57	ACUITE BB | Stable (Assigned)
	Cash Credit	Long Term	15.42	ACUITE BB | Stable (Reaffirmed)
	Term Loan	Long Term	0.60	ACUITE BB | Stable (Reaffirmed)
21 Dec 2020	Packing Credit	Short Term	9.00	ACUITE A4+ (Issuer not co-operating*)
	Term Loan	Long Term	2.09	ACUITE BB (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	5.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Post Shipment Credit	Short Term	3.50	ACUITE A4+ (Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	15.42	ACUITE BB- | Reaffirmed & Withdrawn | Issuer not co-operating*
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	0.60	ACUITE BB- | Reaffirmed & Withdrawn | Issuer not co-operating*
Canara Bank	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	Simple	3.57	ACUITE BB- | Reaffirmed & Withdrawn | Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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