# Press Release

**Komal Cashews**

**October 14, 2022**

**Rating Reaffirmed and Issuer not co-operating**

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|---|---|---|
| **Bank Loan Ratings** | 3.00 | ACUITE B+ \| Reaffirmed \| Issuer not co-operating* | - |
| **Bank Loan Ratings** | 7.00 | - | ACUITE A4 \| Reaffirmed \| Issuer not co-operating* |
| **Total Outstanding Quantum (Rs. Cr)** | 10.00 | - | - |
| **Total Withdrawn Quantum (Rs. Cr)** | 0.00 | - | - |

## Rating Rationale

Acuité has reaffirmed the long-term rating of **'ACUITE B+' (read as ACUITE B plus)** and the short term rating of **'ACUITE A4' (read as ACUITE A four)** on the Rs.10.00 crore bank facilities of Komal Cashews (KC). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

## About the Company

The Udupi based, Komal Cashews (KC) was established in 2014 and is engaged in manufacturing raw kernels and graded cashew kernels. The firm has an installed capacity of 10-12 tons per day which is utilized at around 50 percent. The managing partners of the firm Mr. Shiva Prasad M Shenoy and Siddhi Prasad Shenoy.

## 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 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.

## About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

## Rating Sensitivity
"No information provided by the issuer / available for Acuite to comment upon."

## Material Covenants
None

## Liquidity Position
"No information provided by the issuer / available for Acuite to comment upon."

## Outlook
Not Applicable.

## Other Factors affecting Rating
None.

## Status of non-cooperation with previous CRA
CRISIL vide its press release dated 17 August 2022, has mentioned the rating of Komal Cashews to 'CRISIL B/Stable' and 'CRISIL A4' (Issuer Not Cooperating) as on 17 August 2022.

## 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
- Manufacturing Entities: https://www.acuite.in/view-rating-criteria-59.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
https://www.acuite.in/view-rating-criteria-55.htm

## Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|---|---|---|---|---|
| 16 Jul 2021 | Cash Credit | Long Term | 2.00 | ACUITE B+ (Downgraded and Issuer not co-operating*) |
| | Proposed Cash Credit | Long Term | 1.00 | ACUITE B+ (Downgraded and Issuer not co-operating*) |
| | Proposed Short Term Loan | Short Term | 1.75 | ACUITE A4 (Downgraded and Issuer not co-operating*) |
| | Short Term Loan | Short Term | 5.25 | ACUITE A4 (Downgraded and Issuer not co-operating*) |
| 20 Apr 2020 | Short Term Loan | Short Term | 5.25 | ACUITE A4+ (Issuer not co-operating*) |
| | Proposed Short Term Loan | Short Term | 1.75 | ACUITE A4+ (Issuer not co-operating*) |
| | Proposed Cash Credit | Long Term | 1.00 | ACUITE BB- (Issuer not co-operating*) |
| | Cash Credit | Long Term | 2.00 | ACUITE BB- (Issuer not co-operating*) |
| 18 Feb | Cash Credit | Long Term | 2.00 | ACUITE BB- (Issuer not co-operating*) |
| | Short Term Loan | Short Term | 5.25 | ACUITE A4+ (Issuer not co-operating*) |

| | | | | |
|---|---|---|---|---|
| 2019 | Proposed Cash Credit | Long Term | 1.00 | ACUITE BB- (Issuer not co-operating*) |
| | Proposed Short Term Loan | Short Term | 1.75 | ACUITE A4+ (Issuer not co-operating*) |
| 22 Dec 2017 | Cash Credit | Long Term | 2.00 | ACUITE BB- \| Stable (Assigned) |
| | Short Term Loan | Short Term | 5.25 | ACUITE A4+ (Assigned) |
| | Proposed Cash Credit | Long Term | 1.00 | ACUITE BB- \| Stable (Assigned) |
| | Proposed Short Term Loan | Short Term | 1.75 | ACUITE A4+ (Assigned) |

## Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|---|---|---|---|---|---|---|---|
| Union Bank of India | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 2.00 | ACUITE B+ \| Reaffirmed \| Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Cash Credit | Not Applicable | Not Applicable | Not Applicable | 1.00 | ACUITE B+ \| Reaffirmed \| Issuer not co-operating* |
| Not Applicable | Not Applicable | Proposed Short Term Loan | Not Applicable | Not Applicable | Not Applicable | 1.75 | ACUITE A4 \| Reaffirmed \| Issuer not co-operating* |
| Union Bank of India | Not Applicable | Short-term Loan | Not Applicable | Not Applicable | Not Applicable | 5.25 | ACUITE A4 \| Reaffirmed \| Issuer not co-operating* |

## Contacts

| Analytical | Rating Desk |
|---|---|
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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.