

Press Release

Sri Sai Maruthi Cashew Industries

June 25, 2020



Rating Update

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|-------------------------------------|--|
| Total Bank Facilities Rated# | Rs.6.00 Cr. |
| Long Term Rating | ACUITE B (Downgraded from ACUITE B+/Stable) Issuer not co-operating* |

#Refer Annexure for details

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

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE B' (read as ACUITE single B)**' from '**ACUITE B+' (read as ACUITE single B plus)**' on the Rs.6.00 crore bank facilities of Sri Sai Maruthi Cashew Industries (SSMCI). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

SSMCI, a partnership firm was established by Mr. Jayaprakash Shetty and Mrs. Anita Shetty in 2008. The firm is engaged in the processing of raw cashew nuts (into cashew kernels, shells, cashew husk and rejects). The firm imports cashews from Tanzania, Benin Indonesia and other African countries and sells the processed products in Maharashtra, Delhi, Rajasthan and other states. The firm has capacity of approximately 35 bags i.e. 80 kgs each per day

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.

Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.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 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 rating is based.

About the Rated Entity - Key Financials

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

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

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.

Rating History (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr) | Ratings/Outlook |
|-----------|---------------------------------|-----------|-----------------|--------------------------------|
| 22-Apr-19 | Cash Credit | Long Term | 4.40 | ACUITE B+/ Stable (Reaffirmed) |
| | Over Draft | Long Term | 1.60 | ACUITE B+/ Stable (Reaffirmed) |
| 14-Feb-18 | Cash Credit | Long Term | 1.00 | ACUITE B+/ Stable (Assigned) |
| | Over Draft | Long Term | 5.00 | ACUITE B+/ 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/Outlook |
|------------------------|------------------|----------------|----------------|-------------------------------|--|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 4.40 | ACUITE B (Downgraded from ACUITE B+) Issuer not co-operating* |
| Over Draft | Not Applicable | Not Applicable | Not Applicable | 1.60 | ACUITE B (Downgraded from ACUITE B+) Issuer not co-operating* |

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

Contacts

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|--|---|
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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 6,000 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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