

## Mangalore Fishmeal and Oil Company

April 08, 2021

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings	Rating Action
Long Term Bank Facilities	11.67	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>11.67</b> <b>(Rs. Eleven Crore and Sixty-Seven Lakhs Only)</b>		

*Details of instruments/facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated January 22, 2020, placed the rating(s) of Mangalore Fishmeal and Oil Company under the 'issuer non-cooperating' category as the company had failed to provide information for monitoring of the rating. The company continues to be non-cooperative despite repeated requests for submission of information through e-mails dated April 05, 2021. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating.**

### Detailed description of the key rating drivers

*At the time of last rating on January 22,,2020 the following were the strengths and weaknesses..*

### Key Rating Weakness

#### Delays in serving debt obligations

The banker has classified account as non-performing asset (NPA).

### Key Rating Strengths

#### Experience of the Promoters

Mr Iqbal Ahmed, the Managing Director, is a B.E (Civil) graduate, has more than 22 years of experience in the construction business and has about six years of experience in the current firm. He is actively involved in the day to day operations of the firm with support from his wife Mrs Mumtaz Sahul, a B.Com graduate, having experience of more than one and half decade in construction business. She handles the operations and administration functions of the firm

**Analytical approach:** Standalone

### Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[CARE's Policy on Default Recognition](#)

[Financial ratios – Non-Financial Sector](#)

[Rating Methodology-Manufacturing Companies](#)

### About the Firm

Mangalore Fish Meal and Oil (MFMO) is a partnership firm started in 2008 by 4 partners namely, Mr Mohammed Mustafa and Mr B M Mumtaz Ali, Mr A K Faisal, and Mr B A Moidin Bava. The partnership was reconstituted and the firm was acquired by Mr Iqbal Ahmed and his wife Mrs Mumtaz Sahul in 2010. The firm is engaged in manufacturing of Fish Meal, Fish Oil, Allied-Fish Products and Concentrated fish soluble.

Brief Financials (Rs. crore)	FY13 (A)	FY14 (A)
Total operating income	15.71	17.29
PBILDT	0.95	1.05
PAT	0.23	0.06
Overall gearing (times)	2.21	1.95
Interest coverage (times)	1.98	1.68

A-Audited

**Status of non-cooperation with previous CRA:** Brickwork Ratings has conducted the review on the basis of best available information and has classified Mangalore Fish Meal and Oil Company as "Not Cooperating" vide its press release dated January 16,2020

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	10.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	March 2018	1.34	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	March 2018	0.33	CARE D; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings		Rating history				
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Fund-based - LT-Cash Credit	LT	10.00	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (22-Jan-20) 2)CARE C; ISSUER NOT COOPERATING* (10-Sep-19)	1)CARE C; ISSUER NOT COOPERATING* (22-Jun-18)
2.	Fund-based - LT-Term Loan	LT	1.34	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (22-Jan-20) 2)CARE C; ISSUER NOT COOPERATING* (10-Sep-19)	1)CARE C; ISSUER NOT COOPERATING* (22-Jun-18)
3.	Fund-based - LT-Term Loan	LT	0.33	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (22-Jan-20) 2)CARE C; ISSUER NOT COOPERATING* (10-Sep-19)	1)CARE C; ISSUER NOT COOPERATING* (22-Jun-18)

\*Issuer did not cooperate; Based on best available information

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable****Annexure 4: Complexity level of various instruments rated for this Firm**

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Cash Credit	Simple
2.	Fund-based - LT-Term Loan	Simple

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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### About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

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