

## Mangalore Fishmeal and Oil Company

January 22, 2020

### Ratings

Facilities	Amount (Rs. crore)	Rating <sup>1</sup>	Remarks
Long-term Bank Facilities	11.67	CARE D; ISSUER NOT COOPERATING* (Single D; Issuer not cooperating)	Revised from CARE C; ISSUER NOT COOPERATING, on the basis of best available information
<b>Total</b>	<b>11.67</b> <b>(Rupees Eleven Crore and Sixty-Seven Lakh only)</b>		

*Details of instruments/facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

The revision in the rating assigned to the bank facilities of Mangalore Fishmeal and Oil Company (MFMO) is on account of classification of account as non-performing asset (NPA) by the banker.

**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

#### 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**

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

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

[Criteria on assigning Outlook to Credit Ratings](#)

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

[Rating Methodology-Manufacturing Companies](#)

#### **About the Company**

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. The firm has an installed capacity for processing the fish of 250 MT per day.

**Status of non-cooperation with previous CRA:** Brickwork Ratings, vide its press release dated January 16, 2020, continued its rating in the Issuer Not Cooperating\* Category due to the non-availability of requisite information for monitoring the rating.

**Any other information:** Not Applicable

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

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications

\*Issuer Not Cooperating based on best available information

## 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* Issuer not cooperating; Revised from CARE C; ISSUER NOT COOPERATING* on the basis of best available information
Fund-based - LT-Term Loan	-	-	March 2018	1.34	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE C; ISSUER NOT COOPERATING* on the basis of best available information
Fund-based - LT-Term Loan	-	-	March 2018	0.33	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE C; ISSUER NOT COOPERATING* on the basis of best available information

\*Issuer Not Cooperating 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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Cash Credit	LT	10.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE C; ISSUER NOT COOPERATING* on the basis of best available information	1)CARE C; ISSUER NOT COOPERATING* (10-Sep-19)	1)CARE C; ISSUER NOT COOPERATING* (22-Jun-18)	1)CARE B; ISSUER NOT COOPERATING* (08-May-17)	-
2.	Fund-based - LT-Term Loan	LT	1.34	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE C; ISSUER NOT COOPERATING* on the basis of best available information	1)CARE C; ISSUER NOT COOPERATING* (10-Sep-19)	1)CARE C; ISSUER NOT COOPERATING* (22-Jun-18)	1)CARE B; ISSUER NOT COOPERATING* (08-May-17)	-
3.	Fund-based - LT-	LT	0.33	CARE D; ISSUER	1)CARE C; ISSUER	1)CARE C; ISSUER	1)CARE B; ISSUER	-

Term Loan				NOT COOPERATING* Issuer not cooperating; Revised from CARE C; ISSUER NOT COOPERATING* on the basis of best available information	NOT COOPERATING* (10-Sep-19)	NOT COOPERATING* (22-Jun-18)	NOT COOPERATING* (08-May-17)	
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\*Issuer Not Cooperating based on best available information

**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.

#### Disclaimer

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**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careratings.com](http://www.careratings.com)**