

Press Release

S M Marine Products

July 21, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	5.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	7.00	ACUITE B+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	12.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and reaffirmed the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.12 Cr bank facilities of S M Marine Products (SMMP). The rating continues to be flagged as "Issuer Not- Cooperating" and is downgraded on account of information risk.

About the Company

Established in 2006 as a partnership firm, SMMP is promoted by fourteen partners at Mangalore (Karnataka). The firm is engaged in the manufacturing and export of fishmeal and fish oil, sardines being its major raw material. The fishmeal is used as an ingredient in manufacturing fish and poultry feeds and fish oil, which finds its application in the pharmaceutical industry. SMMP has manufacturing unit in Mangalore having with an installed crushing capacity of 350 tonnes per day. It procures raw fish from the local agents and sells fish meal and oil in the domestic as well as international markets.

Non-cooperation by the issuer/borrower:

Acuite 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.

Acuite 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 Acuite'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). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite 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

Not Applicable

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Status of non-cooperation with previous CRA

None

Any other information

Acuite 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>

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
22 Apr 2021	Cash Credit	Long Term	4.00	ACUITE BB- (Issuer not co-operating*)
	Bills Discounting	Short Term	2.00	ACUITE A4 (Issuer not co-operating*)
	Term Loan	Long Term	3.00	ACUITE BB- (Issuer not co-operating*)
	Packing Credit	Short Term	3.00	ACUITE A4 (Issuer not co-operating*)
13 Feb 2020	Cash Credit	Long Term	4.00	ACUITE BB- Stable (Reaffirmed)
	Bills Discounting	Short Term	2.00	ACUITE A4 (Assigned)
	Term Loan	Long Term	3.00	ACUITE BB- Stable (Reaffirmed)
	Packing Credit	Short Term	3.00	ACUITE A4 (Assigned)
15 Feb	Cash Credit	Long Term	4.00	ACUITE BB- (Issuer not co-operating*)

2019	Term Loan	Long Term	5.00	ACUITE BB- (Issuer not co-operating*)
09 Jan 2018	Cash Credit	Long Term	4.00	ACUITE BB- Stable (Assigned)
	Term Loan	Long Term	5.00	ACUITE BB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Bank of Baroda	Not Applicable	Bills Discounting	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE B+ Downgraded Issuer not co-operating*
Bank of Baroda	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank of Baroda	Not Applicable	Term Loan	Not available	Not available	Not available	3.00	ACUITE B+ Downgraded 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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