

Press Release
Yentop Manickam Edible Oils Private Limited

September 17, 2019



Rating Update

Total Bank Facilities Rated*	Rs. 79.50 Cr.#
Long Term Rating	ACUITE BB- Issuer not co-operating*

#Refer Annexure for details

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

Acuité has reviewed the long-term rating of '**ACUITE BB-**' (**read as ACUITE double B minus**) on the Rs. 79.50 crore bank facilities of Yentop Manickam Edible Oils Private Limited (YMPL). This rating is now an indicative rating and is based on best available information.

Yentop Group was established in 1900's as a family business. The group consists of Yentop Manickam Edible Oils Private Limited (YMEL), Manickavel Edible Oils Private Limited (MEPL) and Yentop Manickavel Sons Edible Oils Private Limited (YMSL). YMEL was incorporated in 2002 by Mr. Nagalingam and Mr. Mathavan. The group is engaged in bulk trading of edible palm oil under the brand name of 'Yentop'. Nearly 80 per cent of the palm oil is imported from Singapore and Malaysia and is distributed in Kerala and Tamil Nadu. Although the group has processing facilities, due to the increased duty on imported crude Palmolein oil for the past two years, the group is importing refined oil.

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.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.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 (consolidated)

	Unit	FY19 (Provisional)	FY18 (Actual)	FY17 (Actual)
Operating Income	Rs. Cr.	1,026.11	953.69	661.59
EBITDA	Rs. Cr.	(1.53)	0.08	1.02
PAT	Rs. Cr.	0.65	0.63	0.37
EBITDA Margin	(%)	(0.15)	0.01	0.15
PAT Margin	(%)	0.06	0.07	0.06
ROCE	(%)	1.94	3.19	5.93
Total Debt/Tangible Net Worth	Times	1.67	2.46	0.68
PBDIT/Interest	Times	1.86	1.78	1.57
Total Debt/PBDIT	Times	22.30	24.48	5.80
Gross Current Assets (Days)	Days	120	103	250

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
6-Sep-2018	Letter of Credit	Long term	78.00	ACUITE BB-/Stable (Assigned)
	Bank Guarantee	Long term	1.50	ACUITE BB-/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
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	78.00	ACUITE BB- Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE BB- Issuer not co-operating*

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

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings 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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