

Press Release

Yentop Manickavel Sons Edible Oils Private Limited

November 27, 2020

Rating Update



| | |
|-------------------------------------|--|
| Total Bank Facilities Rated* | Rs. 45.50 Cr.# |
| Long Term Rating | ACUITE B+ (Downgraded from BB-) Issuer not co-operating* |

#Refer Annexure for details

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

Acuité has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-(read as ACUITE double B minus)**' on the Rs.45.50 crore bank facilities of Yentop Manickavel Sons Edible Oils Private Limited (YMPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the 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 the 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-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 attempts.

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 |
|--------------|---------------------------------|-----------|-----------------|---|
| 17 Sep, 2019 | Letter Of Credit | Long Term | 44.00 | ACUITE BB- (Issuer Not co-operating) |
| | Bank Guarantee | Long Term | 1.50 | ACUITE BB- (Issuer Not co-operating) |
| 06 Sep, 2018 | Letter Of Credit | Long Term | 44.00 | ACUITE BB-/Stable (Assigned) |
| | Bank Guarantee | Long Term | 1.50 | ACUITE BB-/Stable (Assigned) |

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

*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 | 44.00 | ACUITE B+ (Downgraded from BB-) (Issuer Not co-operating) |
| Bank Guarantee | Not Applicable | Not Applicable | Not Applicable | 1.50 | ACUITE B+ (Downgraded from BB-) (Issuer Not co-operating) |

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

Contacts

| Analytical | Rating Desk |
|---|--|
| Pooja Ghosh Head- Corporate and Infrastructure Sector Ratings Tel: 033-66201203 pooja.ghosh@acuite.in Tonoy Banerjee Analyst - Rating Operations Tel: 033-66201212 tonoy.banerjee@acuite.in | Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in |

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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial

liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuite ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuite.

