September 14, 2026

Mangalore Electricity Supply Company Limited: Continues to remain under issuer non-cooperating category, Rating downgraded based on best available information

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial Sector Regulator#
Long-term - Fund-based - Overdraft	500.00	500.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING^; Rating downgraded from [ICRA]BB+(Stable); ISSUER NOT COOPERATING^ and continues to remain under 'Issuer Not Cooperating' category	RBI
Long-term - Fund-based - Term loan	1,532.19	1,532.19	[ICRA]B+(Stable); ISSUER NOT COOPERATING^; Rating downgraded from [ICRA]BB+(Stable); ISSUER NOT COOPERATING^ and continues to remain under 'Issuer Not Cooperating' category	RBI
Short-term - Fund-based - Short-term loan	40.00	40.00	[ICRA]A4; ISSUER NOT COOPERATING^; Rating downgraded from [ICRA]A4+; ISSUER NOT COOPERATING^ and continues to remain under 'Issuer Not Cooperating' category	RBI
Short-term - Non-fund based - Others	275.00	275.00	[ICRA]A4; ISSUER NOT COOPERATING^; Rating downgraded from [ICRA]A4+; ISSUER NOT COOPERATING^ and continues to remain under 'Issuer Not Cooperating' category	RBI
Unallocated limits	2.81	2.81	[ICRA]B+(Stable); ISSUER NOT COOPERATING^; Rating downgraded from [ICRA]BB+(Stable); ISSUER NOT COOPERATING^/[ICRA]A4; ISSUER NOT COOPERATING^; Rating downgraded from [ICRA]A4+; ISSUER NOT COOPERATING^ and continues to remain under 'Issuer Not Cooperating' category	RBI
Total	**2,350.00**	**2,350.00**		

**Instrument details are provided in Annexure-I*
^Issuer did not cooperate; based on best available information.
#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Rationale

ICRA has Downgraded the Long-term and Short term ratings of Mangalore Electricity Supply Company Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]B+(Stable); ISSUER NOT COOPERATING/[ICRA]A4; ISSUER NOT COOPERATING."

The rating is downgrade because of lack of adequate information regarding Mangalore Electricity Supply Company Limited performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at www.icra.in. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with Mangalore Electricity Supply Company Limited, ICRA has been trying to seek information from the entity so as to monitor its performance Further. ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities, Key Financials Indicators: **Click here** ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Power- Distribution Policy in respect of non-cooperation by the rated entity
Parent/group Support	Not Applicable
Consolidation/standalone	Standalone

About the company

Mangalore Electricity Supply Company Limited (MESCOM), incorporated in 2002 is one of the five state-owned distribution utilities in Karnataka, which are licensed to supply electricity in the five designated areas of the state. MESCOM is licensed to distribute electricity in four districts of Karnataka, namely Dakshina Kannada, Udupi, Shivamogga and Chikkamagaluru with total consumers of 2.56 million as on March 31, 2022. The other distribution utilities in Karnataka are Bangalore Electricity Supply Company Limited (BESCOM), Gulbarga Electricity Supply Company Limited (GESCOM), Hubli Electricity Supply Company Limited (HESCOM) and Chamundeshwari Electricity Supply Corporation Limited (CESC). The transmission function in Karnataka is under state-owned Karnataka Power Transmission Corporation Limited (KPTCL), while the state-owned power generation assets are under Karnataka Power Corporation Limited (KPCL). The Government of Karnataka (GoK) initiated the reforms process in the state power sector in 1999-2000 with the setting up of the Karnataka Electricity Regulatory Commission (KERC) and corporatization of the electricity board.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for past three years

Instrument	Current rating(FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs crore)	September 14, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Fund-based - Short-term loan	Short-term	40.00	[ICRA]A4; ISSUER NOT COOPERATING	August 25, 2025	[ICRA]A4+;ISSUER NOT COOPERATING	May 10, 2024	[ICRA]A2+	-	-
Fund-based - Term loan	Long-term	1532.19	[ICRA]B+(Stable);ISSUER NOT COOPERATING	August 25, 2025	[ICRA]BB+ (Stable);ISSUER NOT COOPERATING	April 16, 2024	[ICRA]A- (Stable); ISSUER NOT COOPERATING	March 12, 2024	[ICRA]A- (Stable)
				-	-	May 10, 2024	[ICRA]A- (Stable)	-	-
Unallocated limits	Long-term/Short-term	2.81	[ICRA]B+(Stable); ISSUER NOT COOPERATING/[ICRA]A4;ISSUER NOT COOPERATING	August 25, 2025	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING/ [ICRA]A4+;ISSUER NOT COOPERATING	April 16, 2024	[ICRA]A- (Stable); ISSUER NOT COOPERATING/ [ICRA]A2+;ISSUER NOT COOPERATING	March 12, 2024	[ICRA]A- (Stable)/[ICRA]A2+
				-	-	May 10, 2024	[ICRA]A- (Stable)/[ICRA]A2+	-	-
Non-fund based - Others	Short-term	275.00	[ICRA]A4; ISSUER NOT COOPERATING	August 25, 2025	[ICRA]A4+;ISSUER NOT COOPERATING	April 16, 2024	[ICRA]A2+;ISSUER NOT COOPERATING	March 12, 2024	[ICRA]A2+
				-	-	May 10, 2024	[ICRA]A2+	-	-
Fund-based - Overdraft	Long-term	500.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING	August 25, 2025	[ICRA]BB+ (Stable);ISSUER NOT COOPERATING	April 16, 2024	[ICRA]A- (Stable); ISSUER NOT COOPERATING	March 12, 2024	[ICRA]A- (Stable)
				-	-	May 10, 2024	[ICRA]A- (Stable)	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term - Fund-based - Overdraft	Simple
Long-term - Fund-based - Term loan	Simple
Short-term - Fund-based - Short-term loan	Simple
Short-term - Non-fund based - Others	Simple
Unallocated limits	NA

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click here

Annexure I: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Long-term/Short-term-Unallocated limits	-	-	-	2.81	[ICRA]B+(Stable); ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING
NA	Long-term-Fund-based-Overdraft	-	-	-	500.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Short-term-Fund-based-Short-term loan	FY 2024	-	FY 2027-2028	40.00	[ICRA]A4; ISSUER NOT COOPERATING
NA	Short-term-non-fund based-Others	-	-	-	275.00	[ICRA]A4; ISSUER NOT COOPERATING
NA	Long-term-Fund-based-Term loan 1	June-2016	-	May-2024	8.33	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Long-term-Fund-based-Term loan 2	August-2015	-	July-2024	4.68	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Long-term-Fund-based-Term loan 3	Dec-2018	-	October-2028	84.72	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Long-term-Fund-based-Term loan 4	Sep-2016	-	August-2024	11.90	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Long-term-Fund-based-Term loan 5	Sep-2016	-	August-2024	6.20	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Long-term-Fund-based-Term loan 6	Nov-2017	-	Oct-2027	111.13	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Long-term-Fund-based-Term loan 7	March-2020	-	Feb-2030	105.56	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Long-term-Fund-based-	June-	-	May-2028	77.78	[ICRA]B+(Stable); ISSUER

	Term loan 8	2018				NOT COOPERATING
NA	Long-term-Fund-based-Term loan 9	March-2020	-	Feb-2030	182.98	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Long-term-Fund-based-Term loan 10	June-2021	-	May-2031	238.47	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Long-term-Fund-based-Term loan 11	March-2022	-	March-2032	203.70	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Long-term-Fund-based-Term loan 12	FY 2021	-	FY 2034	196.74	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Long-term-Fund-based-Term loan 13	Dec-2023	-	FY 2034	300.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING

Source: Mangalore Electricity Supply Company Limited

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Please Click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis: Not applicable

ANALYST CONTACTS

Girishkumar Kashiram Kadam
+91 22 6114 3406
girishkumar@icraindia.com

Surbhi Varun Ainapure
+91- 079-6933042
surbhi.ainapure@icraindia.com

Akash Chowdhury
+91-033 7150 1182
akash.chowdhury@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches