

Magnum Sea Foods Limited

February 07, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	3.40	CARE B+; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-;
Short Term Bank Facilities	60.30	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated December 08, 2022, placed the rating(s) of Magnum Sea Foods Limited (MSFL) under the 'issuer non-cooperating' category as MSFL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. MSFL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 24, 2023, November 03, 2023, November 13, 2023.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The rating assigned to the bank facilities of MSFL have been revised on account of non-availability of requisite information. The revision also factored in decline in net profitability, increase debt levels as well as deteriorated debt coverage indicators during last three years.

Analytical approach: Combined

CARE has taken a combined view of Magnum Estate Private Limited (MEPL) and Magnum Estates Private Limited (MSFL) for arriving at the ratings due to operational linkages, common management and similar line of business of the companies.

Outlook: Not applicable

Detailed description of the key rating drivers:

Please refer to PR dated [December 08, 2022](#)

Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[CARE Ratings' criteria on consolidation & combined approach](#)

About the company

MSFL was promoted by Mr. Ramesh Mahapatra in the year 2002. The company is engaged in processing and export of sea food, primarily Vannami and black tiger prawns. MSFL has its own sea food processing plant at Botanda, Jankia, Orissa, with a processing capacity of 64 Metric Tonne Per Day (MTPD) and a cold storage capacity of 3,628 metric tonne. MEPL is also engaged in processing and export of sea food. MEPL has two aqua farms with 45 ponds, spread over an area of around 150 acres, for culturing of prawns. The company also has its own pre-processing plant, including an ice-making plant at Naupalgadi, Balasore.

Standalone:

Brief Financials (Rs. crore)	March 31, 2020 (A)	March 31, 2021 (A)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	255.29	229.25	204.37	284.86
PBILDT	14.01	4.49	6.16	8.39
PAT	6.84	0.66	1.05	0.92
Overall gearing (times)	0.46	0.29	0.56	0.73
Interest coverage (times)	4.68	2.73	2.49	1.84

A: Audited, Note: 'the above results are latest financial results available'

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Combined:

Brief Financials (Rs. crore)	March 31, 2020 (UA)	March 31, 2021 (UA)	March 31, 2022 (UA)	March 31, 2023 (UA)
Total operating income	387.83	314.06	340.37	437.88
PBILDT	21.39	6.44	8.87	11.65
PAT	10.91	1.15	1.82	1.45
Overall gearing (times)	0.46	0.21	0.38	0.49
Interest coverage (times)	5.30	2.31	2.60	1.94

UA: Unaudited, Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	June 2020	3.40	CARE B+; ISSUER NOT COOPERATING*
Fund-based - ST-PC/Bill Discounting	-	-	-	-	50.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC	-	-	-	-	10.30	CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Term Loan	LT	3.40	CARE B+; ISSUER NOT COOPERATING*	-	1)CARE BB-; ISSUER NOT COOPERATING* (08-Dec-22)	1)CARE BB; ISSUER NOT COOPERATING* (27-Sep-21)	1)CARE BB+; ISSUER NOT COOPERATING* (04-Sep-20)
2	Fund-based - ST-PC/Bill Discounting	ST	50.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (08-Dec-22)	1)CARE A4; ISSUER NOT COOPERATING* (27-Sep-21)	1)CARE A4+; ISSUER NOT COOPERATING* (04-Sep-20)
3	Non-fund-based - ST-BG/LC	ST	10.30	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (08-Dec-22)	1)CARE A4; ISSUER NOT COOPERATING* (27-Sep-21)	1)CARE A4+; ISSUER NOT COOPERATING* (04-Sep-20)

*Issuer did not cooperate; based on best available information.

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - ST-PC/Bill Discounting	Simple
3	Non-fund-based - ST-BG/LC	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Annexure-6: List of all the entities consolidated: Not applicable

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

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About us:

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