

Maa Subhala Cold Storage Private Limited

December 04, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	10.00	CARE B+; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The ratings assigned to the bank facilities of Maa Subhala Cold Storage Private Limited (MSCSPL) continue to be constrained by its small scale of operations, regulated nature of business, seasonality of business and susceptibility to vagaries of nature, risk of delinquency in loans extended to farmers, competition from other local players, working capital nature of business resulting in leveraged capital structure. The rating also factors in the current potato oversupply condition in the West Bengal market. However, the aforesaid constraints are partially offset by its experienced management and long track record of operations and proximity to potato growing area.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sizeable increase in scale of operations from present level (Total Operating Income above Rs.25 crore) of the entity on a sustainable basis.
- Improvement in overall gearing level below 1.00x on a sustained basis.

Negative factors

- Decrease in scale of operations from present level (Total Operating Income below Rs. 3.00 crore) of the entity on a sustainable basis.
- Deterioration in overall gearing level above 3.50x on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

Stable outlook reflects the ability of the company to sustain its operational and financial performance on back of high advances and renting of its cold storage unit to the potato growing farmers and traders.

Detailed description of key rating drivers:

Key weaknesses

Small scale of operations albeit improved profitability margins: The company's major sources of income comprise of its earnings through cooling charges in the form of rental income against the potato stored and interest income from financing extended to the potato growers and also income from trading of potatoes which the company does itself. MSCSPL is a relatively small player in the cold storage business having total operating income and net profit of Rs.4.91 crores and Rs.0.73 crores, respectively, in FY25 as against Rs 4.51 crores and Rs 0.05 crores in FY24. The increase in operating income is supported by growth in earnings from cooling & drying charges on account of higher rent charged by the company and increase in interest income from rentiers (farmers). However the small size restricts the financial flexibility of the company in times of stress and deprives it from economies of scale. PBILDT margin recorded an improvement from 24.29% in FY24 to 31.99% in FY25 on account of lower operating expenses. PAT margin also exhibited an improvement from 1.05% in FY24 to 14.78% in FY25, although the PAT margin was low last year due to provisioning of taxes. The company generally collects rent of around Rs 134 per quintal plus Rs 13 per quintal as drying charges, around Rs 12 per quintal towards insurance charges and Rs. 48 per quintal for loading (labour) charges, taking the total to Rs 207 per quintal.

In H1FY26, the company has achieved revenue of around Rs. 3.91 crores, of which around Rs 2.75 crores is from cooling/renting charges and remaining from interest and trading of potatoes.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Seasonality of business with susceptibility to vagaries of nature: MSCSPL's operation is seasonal in nature as potato is a winter season crop with its harvesting period commencing in March. The loading of potatoes in cold storages begins by the end of February and lasts till March. Additionally, with potatoes having a preservable life of around eight months in the cold storage, the farmers liquidate their stock from the cold storage by end of season i.e., generally in the month of November. The unit remains non-operational during the period between December to February. Furthermore, lower agricultural output may have an adverse impact on the rental collections as the cold storage units collect rent based on quantity stored and the production of potato is highly dependent on vagaries of nature.

Potato oversupply condition in West Bengal: The potato oversupply in West Bengal puts significant pressure on cold storages as inventories remain full for longer periods, delaying unloading and extending the working capital cycle. Potatoes remain stored due to weak market prices, leading to higher electricity and operating costs, delayed cash inflows, and increased reliance on working capital loans, thereby raising interest costs. Financial stress on farmers and traders heightens the risk of delayed payments or defaults on storage charges. Prolonged storage also increases spoilage risk, creating operational challenges and reducing stock value.

Risk of delinquency in loans extended to farmers: MSCSPL provides interest bearing advances only to farmers & traders who store their potato in the company's cold storage. Before the closure of the season in November, the farmers & traders are required to clear their outstanding dues with the interest. In view of this, there exists a risk of delinquency in loans extended, in case of downward correction in potato or other stored goods prices, as all such goods are agro commodities. The company mitigates the same by extending 50-60% loan against the value of potato kept in its cold storage.

Regulated nature of industry: In West Bengal, the basic rental rate for cold storage operations is regulated by the state government through West Bengal SLBC (State level Bankers' Committee). The rent of these cold storages is decided by considering various parameters related to pre-harvest and post -harvest costs involved in cultivation and storage. Due to government intervention, the cold storage facility providers cannot increase rental charge commensurate with increased power tariff and labour charge.

Competition from other local players: Despite being capital intensive, the entry barrier for new cold storage is low, backed by no capital subsidy schemes of the government. As a result, the potato storage business in the region has become competitive, forcing cold storage owners to lure farmers by providing them interest bearing advances against stored potatoes which augments the business risk profile of the companies involved in the trade.

Working capital intensive nature of business resulting in leveraged capital structure and debt coverage indicators: MSCSPL is engaged in the cold storage business and accordingly its operation is working capital intensive. The company utilizes working capital limits to give advances to potato farmers who store their crop in the company's cold storage. The quantum of funding is determined based on cost analysis done by West Bengal SLBC (State level Bankers' Committee) every year in December before the harvesting season. The bank provides the loans to the cold storage owners who act as intermediaries and provide loans to rentiers and earns margin in between. The bank generally finances 60-70% of the capacity and for the remaining 30-40% the farmers can keep their produce for free. Of the sanctioned debt, the amount which isn't borrowed by the farmers/rentiers is used by the company to trade in potatoes. The financing varies across years and is dependent on the prevailing market price. When the market prices are less, the demand for loan is less and vice versa. Overall gearing ratio deteriorated from 0.34x as on March 31, 2024 to 2.35x as on March 31, 2025, on account of higher utilization of cash credit limit as on balance sheet date. As on Nov 19, 2025, o/s working capital debt stood at Rs.3.19 crore.

Further the debt coverage indicators remained moderate marked by interest coverage at 3.41x and total debt to GCA at 10.12x as of March 31, 2025, as against 2.46x and 3.20x as of March 31, 2024.

Key strengths

Experienced management and long track record of operations: MSCSPL started its commencement from March 2004 and thus has long track record of operations. Mr. Asit Manna looks after overall management of the company. He has more than two decades of experience in cold storage business and is supported by a team of experienced professionals who have rich experience in the same line of business.

Proximity to potato growing area: MSCSPL's storing facility is situated in the Paschim Medinipur district of West Bengal which is one of the major potatoes growing regions of the state. The favourable location of the storage unit, near the leading potato growing areas provides it with a wide catchment and making it suitable for the farmers in terms of transportation and connectivity.

Liquidity: Adequate

The company earned a GCA of Rs 0.96 crores against no major repayments in FY25. Moreover, cash balance stood at Rs 0.33 crores as on March 31, 2025. The current ratio remained at 1.25x as on March 31, 2025. Average utilization of working capital limit stood at around 90% as articulated by lender.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Service Sector Companies](#)

About the company and industry**Industry classification**

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Transport Services	Logistics Solution Provider

Maa Subhala Cold Storage Private Limited (MSCSPL), incorporated in the year 2003, is a Paschim Medinipur (West Bengal) based company, promoted by the Manna family. It is engaged in the business of providing cold storage services to potato growing farmers and potato traders, having an installed storage capacity of 183,000 quintals in Paschim Medinipur district of West Bengal. The company also engages itself in trading of potato and provides loans to farmers. Mr. Asit Manna (aged, 49 years) and Mr. Banamali Manna (aged, 59 years) look after overall management of the company. Both the directors have more than two decades of experience in cold storage business and are supported by a team of experienced professionals who have rich experience in the same line of business.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	H1FY26 (UA)
Total operating income	4.51	4.91	3.91
PBILDT	1.10	1.57	-
PAT	0.05	0.73	-
Overall gearing (times)	0.34	2.35	-
Interest coverage (times)	2.46	3.41	-

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: CRISIL has continued the rating assigned to the bank facilities of MSCSPL into ISSUER NOT COOPERATING category vide press release dated December 26, 2024 on account of its inability to carry out a review in the absence of requisite information from the company.

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of 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 and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	10.00	CARE B+; Stable

Annexure-2: Rating history for 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 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Cash Credit	LT	10.00	CARE B+; Stable	-	1)CARE B+; Stable (05-Nov-24)	1)CARE B+; Stable (07-Dec-23)	1)CARE B+; Stable (27-Oct-22)

LT: Long term; ST: Short term; LT/ST: Long term/Short term

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

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple

Annexure-5: Lender details

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

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

Contact us

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