Alpha Marine

October 07, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long Term / Short Term Bank Facilities	RBI	152.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*	Downgraded from CARE BBB-; Stable / CARE A3 and moved to 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. has been seeking NDS from Alpha Marine vide email communications dated July 31, 2026, to October 05, 2026, among others and numerous phone calls. However, despite our repeated requests, the firm has not provided the NDS. In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating based on the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating. The rating on Alpha Marine's bank facilities will now be denoted as CARE BB+; Stable/ CARE A4+; ISSUER NOT COOPERATING

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 ratings have been revised on account of non-availability of requisite information due to non-cooperation by Alpha Marine with CARE's effort to undertake a review of the outstanding ratings as CARE views information availability risk as key factor in its assessment of credit risk profile.

Analytical approach: Consolidated

CARE Ratings Limited (CareEdge Ratings) has considered consolidated financial statements prepared under Alpha Marine Limited (AML), which include its subsidiaries, namely Alpha Marine (AM), Alpha Marine Limited (Standalone), Alpha Hatcheries, and Citron Marine Private Limited. The consolidated approach has been adopted considering the common promoter group, common management, and the demonstrated operational and financial linkages among these entities. (Refer to Annexure – 5 for the list of entities consolidated).

Outlook: Stable

The stable outlook factors that the entity will continue to benefit from extensive experience of promoters and management in the industry.

Detailed description of key rating drivers

At the time of last rating on July 08, 2026, the following were the rating weaknesses and strengths.

Key weaknesses

Leveraged capital structure

The group's capital structure remains leveraged, primarily considering debt-funded capital expenditure and high working capital requirements. Overall gearing increased from 1.19x as on March 31, 2022, to 2.52x as on March 31, 2026 (UA), while the total debt stood at ₹366.06 crore as on March 31, 2026 (UA). Increase in debt was mainly due to borrowings availed towards capacity expansion and incremental working capital requirements arising from the growth in operations. Despite the leveraged capital structure, debt protection metrics improved in FY26, with total debt/GCA improving to 7.96x from 11.86x in FY25, total debt/PBILDT improving to 4.56x from 6.60x and PBILDT interest coverage ratio improved to 2.63x in FY26 from 2.11x in FY25 supported by higher operating profitability and improved accrual generation. The group's capital structure is expected to continue to remain leveraged over the medium term, owing to the issuance of ₹110 crore of OCDs and NCDs in FY27 to fund incremental working capital requirements.

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

[2]Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Working capital intensive operations

The group's operations remain inherently working capital intensive due to the nature of the seafood processing and export business, which requires maintaining adequate inventory of raw shrimp and finished goods to cater to export orders, relatively long shipment and collection cycle associated with overseas customers. The group typically maintains an inventory holding period of ~4–5 months to ensure timely fulfilment of customer orders and uninterrupted product availability in lean procurement seasons. The group's working capital cycle has remained elongated in the last five years, fluctuating between 127 days in FY22 and 162 days in FY26 (UA). The average inventory holding period increased from 108 days in FY22 to 160 days in FY26, primarily due to higher inventory maintained to support the increasing scale of operations and export commitments. However, the average collection period improved from 67 days in FY22 to 53 days in FY26. 'Consequently, the group's dependence on bank working capital borrowings has increased in line with the expansion in operations, with working capital borrowings rising from ₹82.49 crore as on March 31, 2022, to ₹275.86 crore as on March 31, 2026 (UA). Working capital requirements are expected to remain high in the medium term, given the inventory intensive nature of the seafood export business and the need to maintain adequate stock to ensure uninterrupted supplies to customers.

Presence in a highly competitive and regulated industry

The Alpha group operates in the highly competitive seafood processing and export industry, which is characterised by the presence of numerous organised and unorganised players. The industry is exposed to intense competition from major shrimp-exporting countries such as Ecuador, Vietnam, Indonesia, and India, with Ecuador enjoying freight and transit-time advantages in key markets such as the US. The group's revenues are largely derived from exports, exposing it to changes in global demand, international shrimp prices, foreign exchange fluctuations, and trade policies in importing countries.

The industry is also highly regulated, with major export destinations such as the US, Japan, and Europe prescribing stringent food safety standards, traceability requirements, and quality certifications. Imposition of anti-dumping duties, countervailing duties (CVD), tariffs, and changes in import regulations by overseas markets may affect the competitiveness and profitability of Indian seafood exporters.

Susceptibility to climatic conditions and disease outbreaks

The group's operations remain vulnerable to risks associated with shrimp aquaculture, including adverse climatic conditions, disease outbreaks, and fluctuations in raw material availability and prices. The shrimp farming industry is susceptible to viral and bacterial diseases, which can adversely affect shrimp production, survival rates, and procurement costs. Such risks may impact availability and pricing of raw shrimp, affecting the group's operating performance. However, the group primarily processes Litopenaeus vannamei (Vannamei) shrimp, which is relatively more disease-resistant and offers better survival rates than the traditional Black Tiger shrimp. Through Alpha Hatcheries, the group commenced the production of Specific Pathogen Free (SPF) Vannamei shrimp seed, which helps reduce incidence of disease outbreaks, improves survival rates and productivity, and supports availability of quality seed for aquaculture. The group's backward integration into hatchery operations provides better control over the supply chain and partially mitigates the risks associated with disease outbreaks and raw material availability.

Key strengths

Experienced promoters

Alpha Marine Limited (AML) is promoted by Dudala Sudhakar, Dudala Madhavi and Dudala Janardhan. Sudhakar, holds Master's degree in Fisheries and has over 15 years of rich experience in the field of aquaculture and shrimp hatchery operations and management. Madhavi holds MSc (Graduate) in Fisheries and has rich experience of 10 years in the field of hatcheries and shrimp cultivation.

Improving scale of operations and satisfactory profitability margins

The Alpha Group has demonstrated a steady improvement in its scale of operations in the last five years, with total operating income increasing from ₹327.11 crore in FY22 to ₹612.18 crore in FY26 (UA), registering a compounded annual growth rate (CAGR) of ~17%. Revenue growth has been supported by higher processing volumes, improved capacity utilisation, and healthy demand from export markets.

In FY26, the group reported a healthy year-on-year growth of ~32.5%, with TOI increasing to ₹612.18 crore from ₹461.94 crore in FY25. Improvement was driven by higher export volumes, improved sales realisations, and increased capacity utilisation. The group's profitability witnessed some moderation from FY22–FY25 before improving significantly in FY26. profit before interest, lease rentals, depreciation and taxation (PBILDT) increased from ₹34.23 crore in FY22 to ₹80.31 crore in FY26, while the PBILDT margin improved from 10.47% to 13.12% in the same period. Although operating margins moderated in FY23 and FY24 due to industry headwinds profitability recovered thereafter, supported by favourable product mix. Profit after taxation (PAT) also

exhibited volatility in the period, declining from ₹19.74 crore in FY22 to ₹4.12 crore in FY25, primarily considering higher depreciation, following capitalisation of the group's processing facilities and increased finance costs associated with debt-funded capital expenditure.

PAT improved significantly to ₹28.97 crore in FY26 from ₹4.12 crore in FY25, with the PAT margin increasing to 4.73% from 0.89%. Consequently, gross cash accruals (GCA) increased to ₹45.98 crore in FY26 from ₹24.45 crore in FY25. Going forward, the group's profitability is expected to remain healthy, supported by higher capacity utilisation, increasing export volumes, and a greater contribution from value-added seafood products.

Established presence in the export market, despite geographical concentration risk

The Alpha Group has established a strong presence in the international seafood export market, with exports accounting for ~100% of its revenue. The group caters to diversified geographies, including the USA, Japan, Hong Kong, Canada, Europe, and the Middle East, supported by long-standing relationships with reputed overseas customers. Customer concentration risk remains moderate, with no single customer contributing over 20% of total sales in FY26. The US continues to be the group's largest export market, contributing ~40% of export sales, followed by Japan and other international markets. While the group has gradually diversified its geographical presence over the years, it is expected to continue deriving a significant proportion of its revenue from the US market in the medium term. With AML obtaining approval to export directly to the US and the proposed ramp-up in value-added product (VAP) exports from FY27 onwards, the group's exposure to the US market is expected to increase. Consequently, adverse changes in the US trade policies, including tariffs, anti-dumping or countervailing duties, import regulations, or a slowdown in demand, could have a bearing on the group's operational and financial performance and will remain a key monitorable.

Established quality standards and accreditations supporting export operations

The Alpha Group has established a strong quality assurance framework supported by internationally recognised certifications and accreditations, enabling it to cater to regulated export markets such as the USA, Japan, Europe, and other countries. The group's seafood processing facilities are accredited by the Marine Products Export Development Authority (MPEDA) and the Food Safety and Standards Authority of India (FSSAI) and are certified by the US Food and Drug Administration (USFDA), Aquaculture Stewardship Council (ASC), and Best Aquaculture Practices (BAP) 4-Star, the highest certification under the BAP programme. These certifications strengthen the group's acceptance in key export markets and support its customer acquisition efforts. The group has also established robust quality control processes, including in-house testing facilities equipped with Liquid Chromatography-Mass Spectrometry (LCMS), enabling comprehensive testing for antibiotic residues and adherence to stringent food safety standards. The group follows multi-stage quality checks across procurement, processing, and dispatch, resulting in nil export container rejections till date, reflecting its strong quality management practices. AML obtained required approvals to export directly to the US, which is expected to enhance the group's access to one of the largest shrimp-consuming markets. The group also continues to benefit from export incentive schemes notified by the Government of India, including the Remission of Duties and Taxes on Export Products (RoDTEP) scheme, which provides partial reimbursement of embedded taxes and duties on exports and supports the overall competitiveness of Indian seafood exporters.

Successful completion of capacity expansion and ramp-up of operations

The group successfully commissioned its new seafood processing facility at Nellore, Andhra Pradesh, in Q2FY25. The project cost increased to ~₹150 crore from the initially envisaged ₹92.68 crore, primarily due to the addition of facilities for manufacturing breaded and cooked value-added shrimp products. The project was funded through a mix of term loans, internal accruals, and promoter support. Following commissioning of the facility, operations gradually ramped-up, with the unit generating revenue of ~₹150 crore in FY25 at an estimated capacity utilisation of 15%, which further increased to ~₹270 crore in FY26 with capacity utilisation of ~30%. Going forward, the management expects revenue from the expanded facility to increase to ~₹450 crore in FY27, supported by higher utilisation levels, commencement of direct exports to the US, and increasing contribution from value-added products. To support incremental working capital requirements associated with planned scale-up, the group raised ₹110 crore through a combination of optionally convertible debentures (OCDs) and non-convertible debentures (NCDs)

Liquidity: Adequate

The group's liquidity position on a combined basis is adequate, characterised by a sufficient cushion in the projected GCA of ~₹53 crore against scheduled debt repayment obligations of ~₹27-28 crore in FY27. The group had cash and bank balances of ~₹10 crore as on May 31, 2026. Combined fund-based working capital limits were utilised to the extent of ~86% for 12 months ended May 2026, providing adequate liquidity cushion to meet its operational requirements.

Assumptions/Covenants- Not applicable

Environment, social, and governance (ESG) risks- Not applicable

Applicable criteria

Consolidation
Definition of Default
Information Adequacy Risk and Issuer Non-Cooperation
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Fast Moving Consumer Goods	Fast Moving Consumer Goods	Food Products	Seafood

Alpha Marine (AM)

AM was established in 2014, with commercial operations commencing in June 2016. Promoted by D Sudhakar and his family, the company is engaged in processing and selling frozen seafood products, from its processing facility in Nellore, Andhra Pradesh. The company primarily caters to export markets.

Brief Financials (₹ crore)- Standalone	March 31, 2024 (A)	March 31, 2026 (A)	March 31, 2026 (UA)
Total operating income	352.62	408.04	383.23
PBILDT*	30.14	37.31	38.91
Profit after tax (PAT)	10.99	15.38	14.65
Overall gearing (x)	2.14	1.63	1.73
Interest coverage (x)	2.56	2.56	2.29

A: Audited UA: Unaudited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

Alpha Marine Limited (AML)

AML was incorporated in February 2020 and is promoted by D Sudhakar and his family. The company is engaged in processing and selling frozen seafood products, from its processing facility in Nellore, Andhra Pradesh. AML is the group's holding company and holds a 90% stake in AM.

Brief Financials (₹ crore)- Consolidated	March 31, 2024 (A)	March 31, 2025 (A)	March 31, 2026 (UA)
Total operating income	353.55	461.94	612.18
PBILDT*	27.13	43.97	80.31
Profit after tax (PAT)	10.37	4.12	28.97
Overall gearing (x)	2.10	2.44	2.52
Interest coverage (x)	2.29	2.11	2.63

A: Audited UA: Unaudited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

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

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of the regulators:
A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	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/ ST-EPC/PSC	RBI	NA	-		-	-	152.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*

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

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 2026-2027	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
1	Fund-based - LT/ ST-EPC/PSC	LT/ST	152.00	CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING*	1)CARE BBB-; Stable / CARE A3 (08-Jul-26)	1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* (29-Jan-26)	1)CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING* (31-Dec-24)	1)CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING* (07-Dec-23)

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

To view lender-wise details of bank facilities please click here

Annexure-5: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Alpha Marine Limited	Full	Parent
2	Alpha Marine	Full	Subsidiary
3	Alpha Hatcheries	Full	Subsidiary
4	Citron Marine Private Limited	Full	Wholly Owned Subsidiary

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.

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