

## Press Release

**Shankhadeep Exports Private Limited**

**D-U-N-S® Number: 67-763-3416**



January 05, 2019

### Rating Assigned

<b>Total Bank Facilities Rated</b>	Rs.24.00 crore
<b>Short Term Rating</b>	ACUITE A4+ (Assigned)

### Rating Rationale

Acuité has assigned the short term rating of '**ACUITE A4+**' (**read as ACUITE A four plus**) to the Rs.24.00 crore bank facilities of Sankhadeep Exports Private Limited (SEPL).

Incorporated in 2008 by the Jana family of Kolkata, SEPL is engaged in processing and export of sea food, primarily Vannami and black tiger prawns. SEPL has its processing facilities at Kolkata (West Bengal). The facility has an aggregate installed capacity of 60 TPD for processing of seafood. The company has Star Export House status from the Government of India. The company exports its products mainly to Japan, Vietnam, China, Singapore, Malaysia and Thailand.

### **Analytical Approach:**

Acuité has taken a standalone view of the business and financial risk profile of SEPL to arrive at the rating.

### **Key Rating Drivers:**

#### **Strengths**

#### **Experienced management**

The Directors, Mr. Mahadev Jana, Ms. Tanushree Jana, Mr. Sahadeb Jana and Mr. Kamdev Jana have more than a decade of experience in processing of sea food.

#### **Modest scale of operation**

The scale of operation of the company stood at modest at Rs.162.35 crore in FY2018 as compared to Rs.157.65 crore. The company has booked revenue of Rs.146.96 crore till November FY2018 (Provisional).

#### **Weaknesses**

#### **Low profitability margin**

Though the operating profit of the company had increased, still stood low at 2.01 percent in FY2018 as compared to 1.71 percent in FY2017. The net profitability is also low at 0.77 percent in FY2018 as compared to 0.65 percent in the previous year.

#### **Average financial risk profile**

SEPL's average financial risk profile is marked by moderate net worth of Rs.7.41 crore as on 31 March, 2018, increased from Rs.5.66 crore as on 31 March, 2017, mainly on account of retention of current year profit. The gearing of the company stood moderate at 1.53 times as on 31 March, 2018 as against 2.25 times as on 31 March, 2017. The total debt of Rs.11.34 crore consists of short term debt. The interest coverage ratio (ICR) of the company stood comfortable at 2.73 times in FY2018 as compared to 2.38 times in the previous year. Debt service coverage ratio (DSCR) of the company stood comfortable at 2.24 times in FY2018 as compared to 2.00 times in previous year. Net cash accrual to total debt stood comfortable at 0.14 times in FY2018 as compared to 0.10 times in the previous year.

### About the Rated Entity - Key Financials

	Unit	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	162.35	157.65	109.31
EBITDA	Rs. Cr.	3.27	2.69	2.00
PAT	Rs. Cr.	1.25	1.03	0.61
EBITDA Margin	(%)	2.01	1.71	1.83
PAT Margin	(%)	0.77	0.65	0.56
ROCE	(%)	16.91	17.67	25.06
Total Debt/Tangible Net Worth	Times	1.53	2.25	2.05
PBDIT/Interest	Times	2.73	2.38	2.37
Total Debt/PBDIT	Times	3.28	4.04	4.58
Gross Current Assets (Days)	Days	34	34	35

### Status of non-cooperation with previous CRA (if applicable)

None

### Any other information

None

### Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

### Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

### Rating History (Upto last three years)

Not Applicable

### \*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Export Packing Credit	Not Applicable	Not Applicable	Not Applicable	24.00	ACUITE A4+ (Assigned)

### Contacts:

Analytical	Rating Desk
Pooja Ghosh Head- Corporate and Infrastructure Sector Ratings Tel: 033-66201203 <a href="mailto:pooja.ghosh@acuite.in">pooja.ghosh@acuite.in</a>  Abhishek Dey Rating Analyst Tel: 033-66201208 <a href="mailto:abhishek.dey@acuiteratings.in">abhishek.dey@acuiteratings.in</a>	Varsha Bist Manager - Rating Desk Tel: 022-67141160 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>

**About Acuité Ratings & Research:**

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings 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. Acuité 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](http://www.acuite.in)) for the latest information on any instrument rated by Acuité.