

**Press Release**  
**MANGALA SEA FOODS**  
**May 23, 2024**



**Rating Downgraded, Reaffirmed and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Ra
Bank Loan Ratings	5.00	ACUITE BB   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	30.00	-	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	35.00	-	-

**Rating Rationale**

Acuite has downgraded its long-term rating to 'ACUITE BB' (read as ACUITE double B) from 'ACUITE BB+' (read as ACUITE double B plus) and reaffirmed its short-term rating of 'ACUITE A4+' (read as ACUITE A four plus) on th Rs. 35.00Cr. bank facilities of Mangala Sea Foods (MSF). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

**About the Company**

Kochi based, Mangala Sea Foods (MSF) was established in 2009 by Mr.Ashok Bhat, Mr.Premchandra Bhat, Mr.Suresh Bhat and Mr. Sreenivasa Bhat. The firm is a part of the Mangala Group which is engaged in the seafood industry since a significant amount of time. The firm is engaged in the processing and export of sea food products i.e. shrimps and cuttle fish to US, Canada, Europe, Japan and China. The company procures the catch from the southern coastal districts of Kerala, Andhra Pradesh and Tamil Nadu.

**About the Group**

Mangala Group, promoted by Mr. Premchand Bhat, Mr. Sreenivasa Bhat, Mr. Ashok Bhat and Mr. Suresh Bhat. The group comprises of Mangala Sea Foods, engaged in processing and exporting of shrimps and cuttle fish, Mangala Marine Exim India Private Limited, engaged in the processing and export of sea food products i.e. shrimps, cuttle fish, squid, octopus, to name a few.

**Unsupported Rating**

Not Applicable

**Non-cooperation by the issuer/borrower:**

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuité believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. Therefore, this rating is being flagged as "Issuer not cooperating", in line with prevailing SEBI regulations and Acuité's policies.

### Limitation regarding information availability:

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

### About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

### Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

### Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

### Outlook

Not applicable

### Other Factors affecting Rating

None

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

None

### Applicable Criteria

- Rating Process and Timeline: <https://www.acuite.in/view-rating-criteria-67.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
23 Feb 2023	Bank Guarantee (BLR)	Short Term	3.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3+)
	Bills Discounting	Short Term	12.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3+)
	PC/PCFC	Short Term	15.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3+)
	Working Capital Demand Loan (WCDL)	Long Term	5.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB   Stable)
01 Dec 2021	Bank Guarantee (BLR)	Short Term	3.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Bills Discounting	Short Term	12.00	ACUITE A3+ (Upgraded from ACUITE A3)
	PC/PCFC	Short Term	15.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Working Capital Demand Loan (WCDL)	Long Term	5.00	ACUITE BBB   Stable (Upgraded from ACUITE BBB-   Stable)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Canara Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	3.00	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Canara Bank	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	12.00	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Canara Bank	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	15.00	ACUITE A4+   Reaffirmed   Issuer not co-operating*
Canara Bank	Not avl. / Not appl.	Working Capital Demand Loan (WC DL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	5.00	ACUITE BB   Downgraded   Issuer not co-operating* ( from ACUITE BB+ )

## Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022-49294017 <a href="mailto:mohit.jain@acuite.in">mohit.jain@acuite.in</a>  Sahil Sawant Associate-Rating Operations Tel: 022-49294065 <a href="mailto:sahil.sawant@acuite.in">sahil.sawant@acuite.in</a>	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>

### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, 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. Ratings assigned by Acuité 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. Ratings assigned by Acuité 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. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.