

Press Release

Milesh Marine Exports Private Limited

April 07, 2023



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	64.79	ACUITE BB+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	24.00	-	ACUITE A4+ Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	88.79	-	-

Rating Rationale

Acuite has downgraded its long term rating to '**ACUITE BB+**' (read as **ACUITE double Bplus**) and short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.88.79 Cr bank facilities of Milesh Marine exports private limited (MMPL).

The rating is now an indicative rating as the issuer is not cooperating, and it is based on best available information. The rating has been downgraded on account of information risk.

About the Company

Andhra Pradesh based Milesh Marine Exports Private Limited (MMEPL) was established as a partnership firm in 2011 and was later re-constituted as a private limited company in December, 2012. MMEPL, a closed-family owned business, is promoted by Mr. Baalaje Rao Pattapu Mrs. Narmada Pattapu and Mr Milesh Kumar Pattapu. Mr. Baalaje (Managing Director); MD has more than 2 decades of experience in the field of aquaculture. MMEPL is engaged in the business of trading, processing and exporting of shrimps procured from the domestic farmers. MMEPL exports shrimps to countries like USA, Europe and China. MMEPL is a 100 percent export-oriented unit.

Non-cooperation by the issuer/borrower

Acuite has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. Acuite has also 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.

Acuite 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. This rating is therefore being flagged as "Issuer not cooperating", in line with prevailing SEBI regulations and Acuite'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). Acuite has endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

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

Material Covenants

None

Liquidity Position

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

Outlook: Not applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 21 (Provisional)	FY 20 (Actual)
Operating Income	Rs. Cr.	211.47	163.34
PAT	Rs. Cr.	7.13	1.72
PAT Margin	(%)	3.37	1.05
Total Debt/Tangible Net Worth	Times	1.93	2.40
PBDIT/Interest	Times	4.21	2.19

Status of non-cooperation with previous CRA

None

Any other information

Acuite is not in receipt of latest No Default Statement (NDS). Last NDS was received on December 2022.

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Rating Process and Timeline: <https://www.acuite.in/view-rating-criteria-67.htm>
- Trading Entitie: <https://www.acuite.in/view-rating-criteria-61.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite 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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
04 Feb 2022	Term Loan	Long Term	4.10	ACUITE BBB- Stable (Assigned)
	Packing Credit	Long Term	28.00	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	3.83	ACUITE BBB- Stable (Assigned)
	Bills Discounting	Short Term	23.00	ACUITE A3 (Assigned)
	Letter of Credit	Short Term	1.00	ACUITE A3 (Assigned)
	Packing Credit	Long Term	20.00	ACUITE BBB- Stable (Assigned)
	Working Capital Term Loan	Long Term	1.26	ACUITE BBB- Stable (Assigned)
	Standby Line of Credit	Long Term	7.60	ACUITE BBB- Stable (Assigned)

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 Applicable	FBN/FBP/FBD/PSFC/FBE	Not Applicable	Not Applicable	Not Applicable	Simple	23.00	ACUITE A4+ Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	1.00	ACUITE A4+ Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	Simple	48.00	ACUITE BB+ Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Stand By Line of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	7.60	ACUITE BB+ Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	3.83	ACUITE BB+ Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	4.10	ACUITE BB+ Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	Simple	1.26	ACUITE BB+ Downgraded Issuer not co-operating*

Contacts

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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.

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