



Press Release

Grand Marine Foods

January 09, 2025

Ratings

Security Facility /	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	34.50	IVR B+; Negative; ISSUER NOT COOPERATING* (IVR Single B Plus with Negative outlook; ISSUER NOT COOPERATING)	IVR BB-; Negative; ISSUER NOT COOPERATING* (IVR Double B Minus with Negative outlook; ISSUER NOT COOPERATING)	Downgraded and continued under ISSUER NOT COOPERATING category	Simple
Short Term Bank Facilities	0.50	IVR A4; ISSUER NOT COOPERATING* (IVR A Four; ISSUER NOT COOPERATING)	IVR A4; ISSUER NOT COOPERATING* (IVR A Four; ISSUER NOT COOPERATING)	Reaffirmed and continued under ISSUER NOT COOPERATING category	Simple
Total	35.00 (Rupees thirty-five crore only)				

*Issuer did not cooperate; based on best available information

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Ratings has downgraded the ratings assigned to the bank facilities of Grand Marine Foods (GMF) because of continuous non-cooperation by the firm despite repeated follow ups and lack of adequate information leading to information availability risk and hence uncertainty around its credit risk.

Infomerics Ratings assesses whether the information available about the firm is commensurate with its rating and reviews the same as per its policy. The outlook remains negative due to information availability risk.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Non-cooperation by Issuer



Press Release

Infomerics Ratings has been regularly following up with the firm to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications dated December 17, 2024, December 20, 2024, December 24, 2024, December 30, 2024, and concurrently over several phone calls. However, despite repeated requests by Infomerics Ratings, the firm's management has not submitted all the essential details required for detailed review of the assigned ratings. Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics Ratings has to assign the rating based on the best available information.

Analytical Approach: Combined. For arriving at the rating, Infomerics has combined the business & financial risk profile of Grand Marine Foods & Safa Enterprises, as these entities run under a common management and have strong operational and financial linkages. Further, both the entities are engaged in similar line of business. The firms combined are referred as Safa group hereafter. List of entities considered for combined analysis are given in **Annexure 4**.

Applicable Criteria:

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria of assigning Rating outlook](#)

[Rating Methodology for Manufacturing companies](#)

[Rating Methodology for Trading companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Policy of default recognition](#)

[Consolidation of companies](#)

[Criteria of complexity](#)

Liquidity: Unable to comment due to non-availability of information despite repeated follow ups.

About the firm

In 2005, Grand Marine foods (GMF), a partnership firm was constituted with the second-generation members of the same family. The managing partner of GMF is Mr. P.A. Muhamed Sageer. There are six partners, including the managing partner, each having a 16.67% stake in the firm. GMF gradually started processing as well as exporting frozen marine products to countries like Spain, Italy, USA etc. Presently, export sales accounts for the total sales of the Safa group.



Press Release

About the Group

The Safa group comprises Safa Enterprises and Grand Marine foods which is a partnership firm was constituted with the second-generation members of the same family. GMF gradually started processing as well as exporting frozen marine products to countries like Spain, Italy, USA etc. The SAFA group set up their own production factory in around 2010- 11 & started operating on a larger scale.

Financials (Standalone): Latest financials not available

(Rs. crore)

For the year ended/ As on	31-03-2021	31-03-2022
	Audited	Provisional
Total Operating Income	69.99	150.84
EBITDA	5.69	5.70
PAT	0.35	0.59
Total Debt	37.67	35.71
Tangible Net Worth	9.33	9.98
EBITDA Margin (%)	8.12	3.78
PAT Margin (%)	0.50	0.39
Overall Gearing Ratio (x)	4.04	3.58
Interest Coverage (x)	2.17	1.77

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: The ratings of Grand Marine Foods continue to be classified under ISSUER NOT COOPERATING category by Crisil Ratings as per Press Release dated November 18, 2024, due to unavailability of information.

Any other information: Nil

Rating History for last three years:

Sr. No	Name of Security/Facilities	Current Ratings (Year 2024-2025)			Rating History for the past 3 years		
		Type (Long Term/ Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
					Dec 08, 2023	Nov 08, 2022	-
1.	Term Loan	Long Term	2.34	IVR B+; Negative; ISSUER NOT COOPERATING*	IVR BB-; Negative; ISSUER NOT COOPERATING*	IVR BB; Stable	-
2.	GECL	Long Term	3.43	IVR B+; Negative; ISSUER NOT COOPERATING*	IVR BB-; Negative; ISSUER NOT COOPERATING*	IVR BB; Stable	-



Press Release

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					Dec 08, 2023	Nov 08, 2022	-
3.	ECLGS	Long Term	2.93	IVR B+; Negative; ISSUER NOT COOPERATING*	IVR BB-; Negative; ISSUER NOT COOPERATING*	IVR BB; Stable	-
4.	EPC	Long Term	16.00	IVR B+; Negative; ISSUER NOT COOPERATING*	IVR BB-; Negative; ISSUER NOT COOPERATING*	IVR BB; Stable	-
5.	EPC (Proposed)	Long Term	0.60	IVR B+; Negative; ISSUER NOT COOPERATING*	IVR BB-; Negative; ISSUER NOT COOPERATING*	IVR BB; Stable	-
6.	FBP	Long Term	5.00	IVR B+; Negative; ISSUER NOT COOPERATING*	IVR BB-; Negative; ISSUER NOT COOPERATING*	IVR BB; Stable	-
7.	Export Gold Card	Long Term	4.20	IVR B+; Negative; ISSUER NOT COOPERATING*	IVR BB-; Negative; ISSUER NOT COOPERATING*	IVR BB; Stable	-
8.	Bank Guarantee	Short Term	0.50	IVR A4; ISSUER NOT COOPERATING*	IVR A4; ISSUER NOT COOPERATING*	IVR A4	-

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

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).



Press Release

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

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Annexure 1: Instrument/Facility Details

Name of Facility/ Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	-	-	-	FY25	2.34	IVR B+; Negative; ISSUER NOT COOPERATING*
GECL	-	-	-	FY25	3.43	IVR B+; Negative; ISSUER NOT COOPERATING*
ECLGS (Extension)	-	-	-	FY25	2.93	IVR B+; Negative; ISSUER NOT COOPERATING*
EPC	-	-	-	-	16.00	IVR B+; Negative; ISSUER NOT COOPERATING*



Press Release

EPC Proposed	-	-	-	-	0.60	IVR B+; Negative; ISSUER NOT COOPERATING*
FBP	-	-	-	-	5.00	IVR B+; Negative; ISSUER NOT COOPERATING*
Export Gold Card				-	4.20	IVR B+; Negative; ISSUER NOT COOPERATING*
Bank Guarantee	-	-	-	-	0.50	IVR A4; ISSUER NOT COOPERATING

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

Annexure 2: Facility wise lender details: Not Available

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis:

Name of the Firm	Consolidation Approach
Grand Marine Foods	Full Consolidation
Safa Enterprises	Full Consolidation

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.