

Press Release

A S Cargo Movers Private Limited

June 12, 2024

Rating Downgraded and Issuer not co-operating



| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---------------------------------------|---------------------|--|----------------------|
| Bank Loan Ratings | 80.00 | ACUITE B+ Downgraded Issuer not co-operating* | - |
| Total Outstanding Quantum (Rs. Cr) | 80.00 | - | - |

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) on the Rs.80.00 crore bank facilities of A S Cargo Movers Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Incorporated in 1992, A S Cargo Movers Private Limited (ASCMPL) is a Chennai based company promoted by Mr. Amar Rahman and Mrs. Shahana Rahman. The company is engaged in the business of leasing warehouses. Currently, ASCMPL possesses around 6.1 lakh sq. feet area of warehouses, which are leased out to reputed clients, Delta Electronics India Private Limited, Caterpillar India Private Limited, TVS Logistics Services Limited, to name a few.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower:

Acuite 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. Acuite believes that information risk is a critical component in such ratings, and non-cooperation 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). Acuité endeavoured 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.

Rating Sensitivity

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

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating None

Key Financials

| Particulars | Unit | FY 23 (Actual) | FY 22 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income | Rs. Cr. | 14.75 | 13.75 |
| PAT | Rs. Cr. | 0.29 | 1.45 |
| PAT Margin | (%) | 1.96 | 10.52 |
| Total Debt/Tangible Net Worth | Times | 0.89 | 0.94 |
| PBDIT/Interest | Times | 1.44 | 1.77 |

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Service Sector: <https://www.acuite.in/view-rating-criteria-50.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>

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 |
|-------------|--------------------------------|-----------|-----------------|--|
| 17 Mar 2023 | Lease Rental Discounting | Long Term | 54.50 | ACUITE BB- (Reaffirmed & Issuer not co-operating*) |
| | Term Loan | Long Term | 13.00 | ACUITE BB- (Reaffirmed & Issuer not co-operating*) |
| | Lease Rental Discounting | Long Term | 4.80 | ACUITE BB- (Reaffirmed & Issuer not co-operating*) |
| | Term Loan | Long Term | 7.00 | ACUITE BB- (Reaffirmed & Issuer not co-operating*) |
| | Proposed Term Loan | Long Term | 0.70 | ACUITE BB- (Reaffirmed & Issuer not co-operating*) |
| 20 Dec 2021 | Proposed Long Term Loan | Long Term | 0.70 | ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB Stable) |
| | Term Loan | Long Term | 7.00 | ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB Stable) |
| | Lease Rental Discounting | Long Term | 4.80 | ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB Stable) |
| | Term Loan | Long Term | 13.00 | ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB Stable) |
| | Lease Rental Discounting | Long Term | 54.50 | ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB Stable) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Complexity Level | Quantum (Rs. Cr.) | Rating |
|----------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|------------------|-------------------|---|
| Indian Bank | Not avl. / Not appl. | Lease Rental Discounting | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple | 54.50 | ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-) |
| ICICI Bank Ltd | Not avl. / Not appl. | Lease Rental Discounting | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple | 4.80 | ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-) |
| Not Applicable | Not avl. / Not appl. | Proposed Term Loan | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple | 0.70 | ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-) |
| Indian Overseas Bank | Not avl. / Not appl. | Term Loan | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple | 7.00 | ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-) |
| Union Bank of India | Not avl. / Not appl. | Term Loan | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | Simple | 13.00 | ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-) |

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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