



## Press Release

Sar Transport Systems Private Limited

June 24, 2024

### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	28.40	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	4.60	-	ACUITE A4+   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	33.00	-	-

### Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE A-**' (read as **ACUITE A minus**) and the short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A1**' (read as **ACUITE A one**) on the Rs. 33.00 crore bank facilities of SAR Transport Systems Private Limited. The rating is now flagged as "Issuer Not-Cooperating" and is based on the best available information. The rating is downgraded on account of information risk.

### About the Company

Incorporated in 2005, SAR Transport Systems Private Limited (STSPL) is a Maharashtra based company engaged in providing supply chain and logistics solutions across the globe. The company has eight major revenue segments namely Ocean freight, Air freight, Trucking services, Clearing house Agent, Custom Broking, warehousing, 3PL and ISO Tank services. The major source of revenue of the company is from ocean freight. The company has its presence majorly in India, USA, Indonesia and Singapore through its subsidiaries. STSPL is promoted by Mr. Anil Kaul, Mr. Jaiprakash Singh and Mr. Mithlesh Kumar.

### About the Group

Incorporated in 2005, Mumbai based SAR group (SG) is engaged in providing supply chain and logistics solutions across the globe through its flagship company SAR Transport Systems Private Limited (STSPL) and its four subsidiaries (mentioned in Annexure 2). SG is promoted by Mr. Anil Kaul, Mr. Jaiprakash Singh and Mr. Mithlesh Kumar.

### 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 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 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 has 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 Sensitivities**

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

## Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	1904.10	732.85
PAT	Rs. Cr.	57.63	20.64
PAT Margin	(%)	3.03	2.82
Total Debt/Tangible Net Worth	Times	0.41	0.89
PBDIT/Interest	Times	19.18	8.40

## Status of non-cooperation with previous CRA

Not Applicable

## Any other information

None

## Applicable Criteria

- 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>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.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. Acuité'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
04 Apr 2023	Bank Guarantee (BLR)	Short Term	0.05	ACUITE A1 (Assigned)
	Bank Guarantee (BLR)	Short Term	2.00	ACUITE A1 (Assigned)
	Stand By Line of Credit	Short Term	2.55	ACUITE A1 (Assigned)
	Cash Credit	Long Term	14.30	ACUITE A-   Stable (Assigned)
	Cash Credit	Long Term	14.00	ACUITE A-   Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	0.10	ACUITE A-   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
Standard Chartered Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.05	ACUITE A4+   Downgraded   Issuer not co-operating* (from ACUITE A1)
Axis Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.00	ACUITE A4+   Downgraded   Issuer not co-operating* (from ACUITE A1)
Axis Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	14.00	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A-)
Standard Chartered Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	14.30	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A-)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.10	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A-)
Standard Chartered Bank	Not avl. / Not appl.	Stand By Line of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	2.55	ACUITE A4+   Downgraded   Issuer not co-operating* (from ACUITE A1)

**\*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr.No.	Company Name
1	RTW Global PTE Limited

2	RTW Global INC
3	Pt RTW Global Pte
4	SAR Supply Chain Solutions Private Limited
5	SAR Transport Systems Private Limited

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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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