



**Press Release**  
**Southern Cargo Carriers (INDIA )**  
**October 25, 2023**

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

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	14.00	ACUITE BB   Reaffirmed   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	14.00	-	-

**Rating Rationale**

Acuite has reaffirmed the long term rating of '**ACUITE BB**' (read as **ACUITE double B**) on the Rs. 14.00 crore bank facilities of Southern Cargo Carriers (India) ("SCC"). The rating continues to be flagged as "Issuer Not Cooperative" and is based on the best available information.

**About the Company**

Southern Cargo Carriers (India) (SSCI), established in 1991, is a Bangalore-based partnership firm promoted by Mr Mittal and family. The firm is engaged in providing goods transportation services with a fleet of around 500 trucks and caters to corporate clients. The firm has a fleet of about 500 trucks of which 79 are owned and remaining are attached vehicles (Taken on rent basis).

**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). Acuite endeavored 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 Sensitivity**

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

**All Covenants**

Not Applicable.

### **Liquidity Position**

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

### **Outlook**

Not Applicable.

### **Other Factors affecting Rating**

Not Applicable.

## Key Financials

Particulars	Unit	FY 19 (Actual)	FY 18 (Actual)
Operating Income	Rs. Cr.	196.79	158.41
PAT	Rs. Cr.	8.61	6.75
PAT Margin	(%)	4.37	4.26
Total Debt/Tangible Net Worth	Times	0.71	0.31
PBDIT/Interest	Times	10.54	3.29

### Status of non-cooperation with previous CRA

Not Applicable.

### Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

### Applicable Criteria

- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.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, 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
03 Aug 2022	Proposed Bank Facility	Long Term	2.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Secured Overdraft	Long Term	12.00	ACUITE BB (Downgraded and Issuer not co-operating*)
07 May 2021	Proposed Bank Facility	Long Term	2.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Secured Overdraft	Long Term	12.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
10 Feb 2020	Secured Overdraft	Long Term	12.00	ACUITE BBB   Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	2.00	ACUITE BBB   Stable (Reaffirmed)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	2.00	ACUITE BB   Reaffirmed   Issuer not co- operating*
Canara Bank	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	12.00	ACUITE BB   Reaffirmed   Issuer not co- operating*

## 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>  Abhishek Singh Analyst-Rating Operations Tel: 022-49294065 <a href="mailto:abhishek.s@acuite.in">abhishek.s@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.

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