

Rating Rationale

Sical Logistics Limited

Brickwork Ratings reaffirms the rating for the Bank Loan Facilities of Rs.563.45 Crores of Sical Logistics Limited based on best available information, as the issuer did not cooperate.

Facility [^]	Amount(Rs. Cr)		Tenure	Rating*	
	Previous	Present		Previous (23 Sep 2020)	Present
Fund Based			Long Term	BWR D	BWR D ISSUER NOT COOPERATING* Reaffirmed and migrated to Issuer Not Cooperating category
Cash Credit	275.00	275.00			
Term Loans	38.45	38.45			
Non Fund Based			Short Term		
Bank Guarantee	250.00	250.00			
Total	563.45	563.45	Rupees Five Hundred Sixty Three Crores and Forty Five Lakhs Only		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings; [^]Details of Bank facilities are provided in Annexure-I; *Issuer did not cooperate, based on best available information

Rating Action/Outlook

The rating for the bank loan facilities of Sical Logistics Limited (Sical or the company) was last reviewed in September 2020. Reaffirmation of the rating at BWR D factored in the delays in servicing its debt obligations and classification of the asset as non-performing assets (NPA) by the lenders. Sical is part of the Coffee Day group of entities and a step down subsidiary of Coffee Day Enterprises Ltd. The rating continued to factor in the significantly reduced financial flexibility of the Coffee Day Group following the demise of its Founder, (Late) Mr V G Siddhartha, the related developments that resulted in business uncertainty, strained refinancing ability, deteriorated liquidity and adversely impacted business and credit profiles of the Company.

Sical is under the Corporate Insolvency Resolution Process (CIRP) of the Insolvency and Bankruptcy code 2016, as per the publicly available information. Hon'ble National Company Law Tribunal, Chennai Division Bench – 1, vide its order dated 10 Mar 2021, ordered the initiation of CIRP and the company's affairs, business and assets are being managed by the Interim Resolution Professional.



Brickwork Ratings (BWR) has consistently taken up with the company to provide financial and operational information for the periodic monitoring and surveillance of the ratings. Despite the best efforts of BWR to get at least the minimum required information for a review, the company has not provided the same. Due to the continued lack of management cooperation and in the absence of adequate information from the company, BWR is unable to assess its financial performance and its ability to service its debt and maintain a valid rating. Hence, based on the best available information, Brickwork Ratings has reaffirmed the rating at BWR D and migrated the rating to the Issuer Not Cooperating category.

Limitations of the Rating

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

Key Financial Indicators-Consolidated*

Particulars	31 Mar 2020	31 Mar 2021
Result Type	Audited	Audited
Total Operating Income (Rs Cr)	1005.93	503.63
EBITDA (Rs Cr)	(22.47)	(951.86)
PAT (Rs Cr)	(121.84)	(1166.03)
Tangible Net worth (Rs Cr)	667.88	(498.05)
Total Debt/TNW (Times)	2.60	Negative
Current ratio (Times)	0.32	0.22

*As per the publicly available information

Note: The Company had reported revenue of Rs.73.94 Cr and net loss of Rs.36.82 Crs in Q1FY22 (unaudited).

Company Profile:

Sical Logistics Limited (Sical) was incorporated in 1955 and is an established integrated logistics solutions provider with over 5 decades of experience in providing end to end logistics solutions. The Company is engaged in port handling, road and rail transport, warehousing, shipping, stevedoring, customs handling, trucking, retail logistics, mining and integrated logistics. The registered office is in Chennai and the corporate office is in Bangalore. Sical is listed on BSE and NSE.

Non-Cooperation with previous Credit Rating Agency: ICRA has moved the rating of Sical Logistics Limited to the 'ISSUER NOT COOPERATING' category vide its press release dated 17 May 2021.

Rating History for the last three years [including withdrawal and suspended]:

Facility	Current Rating (Sep 2021)			Rating History		
	Amount (Rs. Cr)	Type	Rating	23 Sep 2020 ²	2019	27 Jul 2018 ¹
Fund Based Cash Credit	275.00	Long Term	BWR D ISSUER NOT COOPERATING*	BWR D	31 July 2019¹ BWR BBB+/A3+ Credit Watch with Negative Implications	BWR BBB+/ Stable
Term Loans	38.45				23 Aug 2019² BWR BB-/A4 Credit Watch with Negative Implications	
Non-Fund Based Bank Guarantee	250.00	Short Term			10 Sep 2019² BWR D	BWR A3+
Total	563.45	Rupees Five Hundred Sixty Three Crores and Forty Five Lakhs Only				

Note : Bank loan facility of Rs. 597.36 Cr was initially rated BWR BBB+/Stable/A3+ on 31 Mar 2015 and ratings were subsequently reaffirmed for Rs. 634.84 Cr on 12 Apr 2016 and for Rs.581.14 Cr on 13 Oct 2017.

¹Rated Amount was Rs.602.64 Cr; ² Rated Amount was Rs.563.45 Cr; *Issuer did not cooperate, based on best available information

Complexity Levels of the Instruments

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria:

General Criteria	Approach to Financial Ratios
Services Sector	What Constitutes Non-cooperation
Consolidation of Companies	Default Recognition and Default Curing Period



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Sical Logistics Limited

Annexure I – Details of Bank Loan Facilities rated by BWR*

Sl. No.	Name of the Bank	Type of Facilities	Long Term (Rs. Cr)	Short Term (Rs. Cr)	Total (Rs. Cr)
1	Bank of Baroda	Cash Credit	275.00	-	275.00
		Bank Guarantee	-	250.00	250.00
2	Canara Bank	Term Loan	12.50	-	12.50
3	IndusInd Bank	Term Loan	12.94	-	12.94
4	South Indian Bank	Term Loan	4.17	-	4.17
5	Corporation Bank	Equipment Loan	8.84	-	8.84
Total - Rupees Five Hundred Sixty Three Crores and Forty Five Lakhs Only					563.45

*As per information furnished to BWR in 2020



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