

Rating Rationale
07 October 2026

East West Freight Carriers Ltd.

SUMMARY OF RATING ACTION

Facilities / Instrument	Tenure	Amount (₹ crore)		Rating Assigned & Outlook		Regulator
		Previous	Present	Previous (09 June 2026)	Present	
Fund-Based	Long Term	43.13 (4.30) (1.00)	41.12 (4.50) (1.00)	BWR BB /Negative to Stable Downgraded and a change in outlook	BWR BB /Stable Reaffirmed	RBI
		3.74	0.00	BWR BB /Negative to Stable Downgraded and a change in outlook	Withdrawal	
	Short Term	8.00 (5.00)	10.85 (5.00)	BWR A4 Downgrade	BWR A4 Reaffirmed	RBI
Non-Fund-Based	Short Term	(2.00) (8.00)	(2.00) (8.60)	BWR A4 Downgrade	BWR A4 Reaffirmed	RBI
Total		54.87	51.97	(Rupees Fifty-One Crores and ninety-seven Lakhs Only)		

Note:

1. Please refer to the BWR website www.brickworkratings.com for the definition of the ratings
2. Refer to Annexures I, II, and III for details of rated bank loan facilities, debt instruments, and the List of Entities Consolidated.

RATING ACTION/OUTLOOK

Brickwork Ratings has withdraws the rating for the Bank Loan Facilities of Rs. 3.74 Crs. and reaffirms the long-term and short-term Ratings of “BWR BB /Stable/BWR A4” for the bank loan facilities of Rs. 51.97 Crs. of East West Freight Carriers Ltd.

Brickwork Ratings (BWR) has reaffirmed the ratings of East West Freight Carriers Ltd. (the company), considering factors such as Experienced management, a Moderate financial risk profile, and a wide customer portfolio across different industry verticals. The rating also factors in the fact that the company has posted a positive EBITDA and Net profit in Q1FY27. However, the ratings are constrained by a Medium Scale of Operations and Revenue Decline, Deterioration in EBITDA, Low profitability margin due to intense competition, and Foreign trade restrictions, which could materially and adversely affect the business, financial condition and results of operations.

The rating outlook has been retained as "Stable" as BWR believes that East West Freight Carriers Ltd.'s business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the scale of operations and profitability margins show sustained improvement. The rating outlook may be revised to 'Negative' if the financial risk profile deteriorates.

For assigning the rating, BWR has relied upon the last 3 years of audited financials till FY26 and projected financials for FY27 and FY28, and publicly available information and clarification provided by management.

KEY COVENANTS OF THE INSTRUMENT/FACILITY

The terms of sanction include standard covenants normally stipulated for such facilities.

ANALYTICAL APPROACH & APPLICABLE RATING CRITERIA

Analytical Approach	Comments
Applicable Rating Criteria	• General Criteria • Approach to Financial Ratios • Service Sector Company • Short Term Debt • Consolidation of Companies • BWR Withdrawal Policy
Parent/Group/Government Support	• Consolidation of Companies
Analytical Approach (Consolidation)	Brickwork Ratings (BWR) has consolidated the business and financial risk profiles of EWFCL and its subsidiaries, driven by strong operational and managerial linkages. As of March 31, 2026, the company had one subsidiary: Unique Air Freight Express and Logistics Private Limited.

KEY RATING DRIVERS WITH DETAILED DESCRIPTION

Credit Strengths:

- **Experienced management :**

The company continues to benefit from an experienced and professionally qualified management team. Over the years, the promoters have established long-standing relationships with key customers and suppliers, which has supported the company in successfully navigating various business cycles. Additionally, the company has developed a strong logistical and marketing network, with 14 branches spread all over the country, enabling effective support for its export operations to 176 countries.

- **Moderate financial risk profile :**

The financial risk profile of the company is expected to remain moderate over the medium term. This is supported by a healthy net worth of Rs 55.72 Crores as of March 31, 2026. With a Total Debt/TNW ratio of 1.28 times as of March 31, 2026, compared to 1.17x as on March 31, 2025 the company's leverage is manageable, and it is expected to remain moderate throughout the year 2027. Sustained revenue growth is a key monitoring factor for the credit profile.

- **Wide customer portfolio across different industry verticals :**

As of March 31, 2026, they have successfully served a diverse range of customers spanning various industries, including chemicals, textiles, pharma, paper, electronics, and agricultural products. Each of these sectors presents unique challenges, and their ability to cater to such varied industries demonstrates the company's operational efficiency and versatility in addressing their specific logistics needs.

Credit Risks

- **Medium Scale of Operations and Revenue Decline :**

Revenue decreased to Rs 201.63 crore in FY26 from Rs 285.32 crore in FY25, largely due to operational disruptions caused by the closure of Middle Eastern airspace during the US-Iran conflict. While non-operating income increased to Rs 3.03 crore in FY26 (compared to Rs 1.15 crore in FY25), the scale of operations moderated, with the company achieving revenue of Rs 45.56 crore in Q1 FY27. Management expects revenue to improve in FY27, with BWR anticipating marginal growth driven by a recovery in the Indian business segment.

- **Deterioration in EBITDA :**

The company reported a significant decrease in EBITDA to Rs 1.89 crore in FY26, compared to Rs 11.05 crore in FY25 and Rs 12.51 crore in FY24. This was primarily due to higher shipment and customs clearing costs, alongside rising fixed expenses and reduced business volume. However, performance has shown signs of recovery, with the company achieving an EBITDA of Rs 3.27 crore in Q1 FY27. Looking ahead, EBITDA margins are expected to improve in subsequent quarters, contingent upon revenue growth and the successful execution of fixed-cost reduction strategies.

- **Low profitability margin due to intense competition :**

Profitability margins in the transportation and logistics segments remain thin due to intense competition from both organized and unorganized players. Furthermore, overall macroeconomic headwinds for logistics services in recent years have further depressed operating margins for companies operating within the transportation sector.

- **Foreign trade restrictions could materially and adversely affect the business, financial condition and results of operations :**

Foreign trade restrictions could materially impact EWFCL's business and financial condition. The company is exposed to risks from changes in trade policies, tariffs, embargoes, import/export bans, and other restrictions that may disrupt international cargo movement. Political tensions, conflicts, or regulatory actions could further delay cross-border transportation, affect insurance coverage, and impede freight forwarding operations. However, EWFCL has experienced adverse impact from such trade restrictions during the last financial years.

RATING SENSITIVITY FACTORS

Going forward, the company's ability to improve the scale of operations, improve liquidity, and manage its working capital efficiently will be the key rating sensitivities.

Positive :

- Increase in total operating income (TOI over Rs.230 crore) with operating margin above 2.50% on a sustained basis.
- A healthier debt profile, ISCR above 1.00x, and DSCR above 1.00x, along with better liquidity and other key credit metrics.

Negative :

- Increase in total operating income (TOI below Rs.181 crore) with operating margin below existing level on a sustained basis.
- Deterioration in the scale of operations and if profitability weakens, with EBITDA margins falling below 1%.

LIQUIDITY POSITION - Stretched

The liquidity profile of the company is stretched, marked by low net cash accruals of Rs 2.93 Crs and -3.46 Crs against CPLTD of Rs 6.05 Crs and 3.25 Crs in FY25 and FY26(Audited), indicating a decline in cash accruals in FY26. However, the resourcefulness of the promoters is expected to support the liquidity of the company. Additionally, the company has projected to generate internal cash accruals of around Rs. 3.28 Crs against a repayment obligation of around Rs. 3.21 Crs for the current fiscal year FY27. The average fund-based working capital limit utilisation also remained high at 95% during the last 12-month period ended August 2026. Furthermore, the company has free cash and bank balance of Rs. 4.88 Crs and the current ratio stood comfortable at 2.01x as on March 31, 2026. Additionally, the company has prepaid two of its GECL and term loans amounting to Rs.3.74 crore in March 2026.

Considering all these factors, the liquidity position is assessed as **"stretched"**.

ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) PRACTICES

The company's ESG profile demonstrates an adequate profile across environmental, social, and governance dimensions, aligned with the operational characteristics of the services sector.

Environmental: The company focuses on using energy efficiently in its offices and daily transport operations. It tries to cut down its carbon footprint by optimizing delivery routes and saving fuel. Office waste (like paper and electronic equipment) is managed responsibly, and the company maintains a clean record with no major environmental penalties or violations.

Social: The company values its workforce by providing fair wages, standard employee benefits, and safe working conditions. It focuses on keeping workplaces secure with a safe record free of major workplace accidents. Employee training programs and skill-building initiatives are regularly conducted to support career growth.

Governance: The company maintains clear corporate governance through an independent board of directors that oversees business operations and protects shareholder interests. It follows strict anti-corruption policies, a transparent code of ethics, and proper customer grievance mechanisms to ensure fair business practices and data security.

COMPANY/FIRM PROFILE

Industry Classification			
Macroeconomic Indicator	Sector	Industry	Basic Industry
Services	Services	Transport Services	Logistics Solution Provider

KEY FINANCIAL INDICATORS

Standalone Financial Indicators (in ₹ crore)	FY 24 -25(A)	FY 25 - 26(A)	FY 26 - 27(UA) Q1FY27
Operating Revenue	270.48	181.73	40.69
EBITDA	8.96	-0.17	2.62
PAT	0.63	-4.62	0.00
Tangible Net worth	56.34	51.52	NA
Total Debt/ Tangible Net worth	1.20	1.35	NA
Current Ratio	1.96	1.96	NA

* A: Audited UA: Unaudited NA: Not Available P: Provisional PROJ: Projected

Note: These are the latest available financial results. All ratios as per BWR's calculations; Amount in ₹ crore

Consolidated Financial Indicators (in ₹ crore)	FY 24 -25(A)	FY 25 - 26(A)	FY 26 - 27(UA) Q1FY27
Operating Revenue	285.32	201.63	45.56
EBITDA	11.05	1.89	3.27
PAT	1.52	-3.75	0.29
Tangible Net worth	59.08	55.72	NA
Total Debt/ Tangible Net worth	1.17	1.28	NA
Current Ratio	2.01	2.01	NA

* A: Audited UA: Unaudited NA: Not Available P: Provisional PROJ: Projected

Note: These are the latest available financial results. All ratios as per BWR's calculations; Amount in ₹ crore

RATING HISTORY FOR THE PREVIOUS THREE YEARS

Facilities	Current Rating (2026)			Rating History							
				2026		2025		2025		2025	
Type	Tenure	Amount (Rs.Crs.)	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	LT	0.00	Withdrawal	09 June 2026	-	24 Nov 2025	-	09 July 2025	Withdrawn	21 April 2025	BWR BB/Stable (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)
FB SubLimit	LT	(4.50) (1.00)	BWR BB /Stable Reaffirmed	09 June 2026	BWR BB /Negative to Stable Downgraded and change in outlook	24 Nov 2025	BWR BB+ /Stable to Negative Reaffirmation and change in outlook	09 July 2025	BWR BB+ /Stable removal from ISSUER NOT COOPERATING* category/Upgraded	21 April 2025	BWR BB/Stable (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)
Fund Based	ST	10.85	BWR A4 Reaffirmed	09 June 2026	BWR A4 Downgrade	24 Nov 2025	BWR A4+ (Reaffirmed)	09 July 2025	BWR A4+ removal from ISSUER NOT COOPERATING* category/Reaffirmed	21 April 2025	BWR A4+ (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)
Non-Fund Based	ST	0.00	-		-		-	09 July 2025	Withdrawn	21 April 2025	BWR A4+ (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)
NFB SubLimit	ST	(8.60)	BWR A4 Reaffirmed	09 June 2026	BWR A4 Downgrade	24 Nov 2025	BWR A4+ (Reaffirmed)	09 July 2025	BWR A4+ removal from ISSUER NOT COOPERATING* category/Reaffirmed	21 April 2025	BWR A4+ (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)
Fund Based	LT	41.12	BWR BB /Stable Reaffirmed	09 June 2026	BWR BB /Negative to Stable Downgraded and change in outlook	24 Nov 2025	BWR BB+ /Stable to Negative Reaffirmation and change in outlook	09 July 2025	BWR BB+/Stable (Assignment)	-	-
FB SubLimit	ST	(5.00)	BWR A4 Reaffirmed	09 June 2026	BWR A4 Downgrade	24 Nov 2025	BWR A4+ (Reaffirmed)	09 July 2025	BWR A4+ (Assignment)	-	-
NFB SubLimit	ST	(2.00)	BWR A4 Reaffirmed	09 June 2026	BWR A4 Downgrade	24 Nov 2025	BWR A4+ (Reaffirmed)	09 July 2025	BWR A4+ (Assignment)	-	-

COMPLEXITY LEVEL OF THE RATED INSTRUMENTS

Instrument	Complexity Indicator
Fund Based	Simple
Non-Fund Based	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on BWR's website www.brickworkratings.com/download/ComplexityLevels.pdf

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY):

Credit Rating Agency	Status and Reason for Non-Cooperation	Date of Press Release
India Ratings	Due to the non-submission of the relevant information.	18 June 2026

ANY OTHER INFORMATION: None

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Annexure I: Details of Bank Loan Facilities

(Amount in Rupees Crore)

SL.N o.	Name of Bank	Facilities	Tenor	Amount (₹ Crore)	Regulator
1	Standard Chartered Bank	LAP - outstanding	Long term	8.04	RBI
2	Standard Chartered Bank	Import Invoice finance - Sanctioned	Short term	10.85	RBI
3	Standard Chartered Bank	Overdraft- Sub-limit of IIF - Sanctioned	Long term	(4.50)	RBI
4	Standard Chartered Bank	Bank Guarantee - Sub-limit of IIF - Sanctioned	Short term	(8.60)	RBI
5	Axis Bank	Cash Credit - Sanctioned	Long term	33.08	RBI
6	Axis Bank	Foreign Currency Demand Loan (FCDL)- sub-limit of CC	Long term	(1.00)	RBI
7	Axis Bank	Purchase Bill Discounting- sub-limit of CC	Short term	(5.00)	RBI
8	Axis Bank	Bank Guarantee - Sub-limit of CC	Short term	(2.00)	RBI

9	Axis Bank	Term Loan (LAP) - outstanding	Long term	0.00	RBI
10	Axis Bank	Working capital TL - outstanding	Long term	0.00	RBI
Total				51.97	

ANNEXURE II: Details of Instruments/Facilities

Name of the Instrument / Facility	Long Term/Short Term	ISIN	Date of Issuance (DD-MM-YYY)	Coupon Rate (%)	Maturity Date (DDMM-YYYY)	Size of the Issue (₹ cr)	Rating Assigned and Rating Outlook	Regulator
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

ANNEXURE III: List of Entities Consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
East West Freight Carriers Ltd.	100	Full	Holding Company
Unique Air Freight Express and Logistics Private Limited	100		Subsidiary Company

Annexure IV: List of Instruments and Names of Regulators of the Instruments

As required by SEBI CRA Circular dated Feb 10, 2026, a list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

A.	Rating activities	
Sr. No.	Instrument / activity Name	Regulator of the instruments
1	Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* \$	RBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)*	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)*	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI

10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts \$	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
22	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
23	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Brick Work Ratings India Private Limited (BWR) shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.

\$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

Note: Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

B.	Other Activities	Regulator of the Instruments
1	Monitoring Agencies	SEBI
2	Research activities incidental to rating such as research for Economy, Industries and Companies	NA

Grievance Management

For any grievances relating to rating of instruments regulated by SEBI, please contact sebigrievance@brickworkratings.com. Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

For any grievances relating to rating of instruments regulated by other FSR (Financial Services Regulators), please contact grievance@brickworkratings.com

Disclosure of Conflict of Interest

BWR Board of Directors have no influence over rating decisions, nor do they sit on the rating committees or review, discuss, or evaluate any credit ratings during the Board meetings.

About Brickwork Ratings

Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI]. BWR is the 5th agency to get a credit rating registration in India in 2009 and its corporate office in Bengaluru. It has a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. Canara Bank is an institutional investor in Brickwork.

Brickwork offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporate and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

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