

Rating Rationale

Anand Transport Private Limited

Brickwork Ratings downgrades the ratings for the Bank Loan Facilities of Rs.109.57 Crores of Anand Transport Pvt Ltd ('ATPL' or the 'Company') based on best available information, as the company did not cooperate.

Particulars

Facility**	Amount (Rs Cr)		Tenure	Rating*	
	Previous (Rs. Crs)	Present (Rs. Crs)		Previous	Present
Fund Based					
Cash Credit	5.00	5.00	Long Term	BWR BBB-/Negative Downgraded	BWR BB/Negative Downgraded and migrated to Issuer not cooperating
Non Fund Based					
Bank Guarantee	66.57	66.57	Short Term	BWR A3 Reaffirmed	BWR A4 Downgraded and migrated to Issuer not cooperating
Proposed Bank Guarantee	38.00	38.00			
Total	109.57	109.57	INR One Hundred And Nine Crores And Fifty Seven Lakhs Only		

*Please refer to BWR website www.brickworkratings.com for definition of the ratings ; ** Details of Bank facilities are provided in Annexure I;

Rating Action/Outlook

The ratings were due for a review in February 2021. BWR had taken up with the company to provide required information for conducting a review of the ratings through emails and telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the company had not provided the same. Due to the continued lack of management cooperation and in the absence of adequate information, BWR is unable to assess the Company's financial performance and its ability to service its debt and maintain a valid rating. Hence, based on best available information, Brickwork Ratings downgrades the ratings to BWR BB/Negative/BWR A4 and migrates the ratings 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 non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the rating.



Analytical approach

For arriving at its ratings, Brickwork Ratings has applied its ratings methodology as detailed in the Rating Criteria below (hyperlinks provided at the end of this rationale).

About the Company

Anand Transport Pvt Ltd was initially established as a partnership firm - M/s Anand Transport in 1994. It was later reconstituted as Anand Transport Pvt Ltd in 2010. ATPL is part of Chennai based MGM group which has presence in various industries such as logistics, entertainment, liquor industry etc. The company is engaged in transportation/shipment of coal at major ports such as Paradip, Krishnapatnam, Kakinada, Tuticorin, Ennore and Chennai. ATPL also carries out stevedoring, ship chartering etc. The core activity of the company involves shipment of coal within the country. Over the years ATPL has handled shipment/transportation of various items such as iron ore, non coking coal, coking coal, pig iron, steam coal, washed thermal coal and steam coal.

Mr. M.G Muthu is the Chairman and Mr. Nesamani Maran and Mr. M.Joseph Anand are the directors.

Financial performance

Key Parameters	Units	2018	2019
Result Type		Audited	Audited
Revenue from Operations	Rs. Cr	99.80	107.63
EBITDA	Rs. Cr	14.55	7.59
PAT	Rs. Cr	6.49	4.84
Tangible Net Worth	Rs. Cr	132.22	137.06
Total Debt/Tangible Net Worth	Times	0.03	0.19
Current Ratio	Times	2.08	3.34

Key Covenants of the facility rated: The terms of sanction include standard covenants normally stipulated for such facilities.

Status of non-cooperation with previous CRA - NA

Rating History for the last three years (including suspension and withdrawals):

Facility	Current Rating (Apr 2021)		Rating History				
	Type	Amount (Rs. Crs)	Rating	Feb 2020	30 Sep 2019	28 Jun 2018	31 Mar 2018
Fund Based							
Cash Credit	Short Term	5.00	BWR BB/Negative Downgraded and migrated to issuer not cooperating	BWR BBB-/Negative	Rating Not Reviewed	BWR BBB/Stable	BWR BBB-/Stable
Non Fund Based							
Bank Guarantee	Short Term	66.57	BWR A4 Downgraded and migrated to issuer not cooperating	BWR A3 Reaffirmed	Rating Not Reviewed	BWR A3	BWR A3
Proposed Bank Guarantee		38.00					
Total		109.57	Rupees One Hundred And Nine Crores And Fifty Seven Lakhs Only				

Note: Initial rating of BWR BBB-/Stable/A3 was assigned on 05 Oct 2012

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](#)
- [Short Term Debt](#)

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Anand Transport Private Limited
Annexure I
Details of Bank Facilities rated*

SI No.	Facility	Long Term (Rs Crs)	Short Term (Rs Crs)	Total (Rs Crs)
1	Cash Credit	5.00	-	5.00
	Bank Guarantee	-	25.00	25.00
2	Bank Guarantee	-	41.57	41.57
3	Proposed BG	-	38.00	38.00
Total : Rupees One Hundred And Nine Crores And Fifty Seven Lakhs Only				109.57

*as per last rating review



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