

Press Release

Brickwork Ratings assigns the following ratings to the Working Capital facilities of Anand Transport Pvt. Ltd.

- ‘BWR BBB-’ for the Fund based Working Capital limits of ₹ 35.00 Crores
- ‘BWR A3’ for Non-fund based Bank Guarantee limits of ₹ 5.00 Crores

Brickwork Ratings (BWR) has assigned the following ratings to Anand Transport Pvt. Ltd.

Facility	Limits (₹ Crs)	Tenure	Rating
Fund Based Working Capital	35.00	Long Term	<p>BWR BBB- (BWR Triple B Minus) (Outlook – Stable)</p> <p>Credit Facilities with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such Facilities carry moderate credit risk.</p>
Non-Fund Based Bank Guarantee	5.00	Short Term	<p>BWR A3 (BWR A Three)</p> <p>Credit Facilities with this rating are considered to have moderate degree of safety regarding timely payment of financial obligations. Such Facilities carry higher credit risk as compared to Facilities rated in the two higher categories.</p>

BWR has essentially relied upon the audited financial results of Anand Transport Pvt Ltd up to FY12, provisional half yearly results for FY13 and information and clarifications provided by the Company.

MGM Group promoted by Dr. M.G. Muthu started its transportation activity in the year 1965. ATPL started its operations in the year 1987 as partnership firm. After retirement of one of the partners during the year 2010, the firm decided to convert into a Private Limited Company with the inclusion of additional shareholders. The key management personnel include Mr. M.G Muthu as the Chairman of the Company, who heads the MGM Group, which has interests in Distilleries, Entertainment and Hospitality industry, etc. The Directors include Mr.MGM. Maran

and Mr. MGM. Anand. The Company is engaged in stevedoring, ship chartering and transportation at major ports on the eastern coast from Orissa to Tamil Nadu. The major clientele include Global Coal Mining Pvt Ltd with whom the Company has a long term arrangement for shipment of Washed Coal from Talcher, Orissa to thermal power plant based in Muddanar, Andhra Pradesh by Rail-Sea-Rail route.

ATPL has availed fund and non-fund based working capital facilities from State Bank of Hyderabad. The overall limit provided by the Bank amounts to ₹ 40.00 Crores in FY12. The Fund Based facilities consist of Cash Credit limit of ₹ 35.00 Crores. Non-Fund Based facilities include Bank Guarantee (BG) limit of ₹ 5.00 Crores. The borrowings are secured by a charge on book-debts of the Company, by a charge on specific fixed assets of the Company and guarantees by its associates and directors.

As per audited financials for FY12, the Net income from operation decreased from ₹ 169.48 Crores in FY11 to ₹ 154.23 Crores in FY12, which has been mainly due to ban on transportation of Coal at Chennai port. The Company's current ratio has been on a lower side mainly due to longer receivables period. The Company has managed to maintain healthy profitability margin over the past two years.

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