

## MDH Trucks Private Limited

June 17, 2021

### Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	10.00	CARE C; Stable; ISSUER NOT COOPERATING* (Single C; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	2.00	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Facilities</b>	<b>12.00</b> (Rs. Twelve Crore Only)		

*Details of instruments/facilities in Annexure-1*

#### Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated May 05, 2020 placed the rating(s) of MDH Trucks Private Limited under the 'issuer non-cooperating' category as MDH Trucks Private Limited had failed to provide information for monitoring of the rating for the rating exercise as agreed to in its Rating Agreement. MDH Trucks Private Limited continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and mails dated March 21, 2021, April 10, 2021 and among others.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

#### Detailed description of the key rating drivers

Please refer to PR dated [May 05, 2020](#)

**Analytical approach:** Standalone

#### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[CARE's Policy on Default Recognition](#)

[Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings](#)

#### About the Company

Andhra Pradesh based, MDH Trucks Private Limited (MDHTPL) was incorporated in the year 2011 as a Private Limited Company by Mr.S.MD.Naveed (Managing Director) and Mrs. S.Feroza (Director). The operation of the company started in the year 2012. The company is an authorized dealer of Tata Motors Limited. The Company is engaged in sale of new vehicles and spare parts as well as servicing of vehicles. The vehicles sold by MDHTPL are small commercial vehicles (Tata Ace, Tata Magic, Tata xenon etc.), medium and heavy vehicles (Star bus, City ride, LPT'S etc.).

Brief Financials (Rs. crore)	FY17 (A)	FY18(A)
Total operating income	64.09	9.95
PBILDT	2.45	1.40
PAT	0.13	1.08
Overall gearing (times)	4.60	3.00
Interest coverage (times)	1.21	1.30

**\*A-Audited**

**Status of non-cooperation with previous CRA:** ACUITE has conducted the review on the basis of best available information and classified MDH Trucks Private Limited vide its press release dated September 03, 2020

**Any other information:** Not Applicable

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications

\*Issuer did not cooperate; Based on best available information

**Rating History for last three years:** Please refer Annexure-2

**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	8.00	CARE C; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Stand by Line of Credit	-	-	-	0.50	CARE A4; ISSUER NOT COOPERATING*
Fund-based - LT-Bank Overdraft	-	-	-	2.00	CARE C; Stable; ISSUER NOT COOPERATING*
Fund-based - ST-Others	-	-	-	1.50	CARE A4; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1.	Fund-based - LT-Cash Credit	LT	8.00	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (05-May-20)	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (20-Feb-19)
2.	Non-fund-based - ST-Stand by Line of Credit	ST	0.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (05-May-20)	-	1)CARE A4; ISSUER NOT COOPERATING* (20-Feb-19)
3.	Fund-based - LT-Bank Overdraft	LT	2.00	CARE C; Stable; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (05-May-20)	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (20-Feb-19)
4.	Fund-based - ST-Others	ST	1.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (05-May-20)	-	1)CARE A4; ISSUER NOT COOPERATING* (20-Feb-19)

\*Issuer did not cooperate; Based on best available information

**Annexure-3: Detailed explanation of covenants of the rated instrument -Not Applicable**

**Annexure 4: Complexity level of various instruments rated for this Company**

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Bank Overdraft	Simple
2.	Fund-based - LT-Cash Credit	Simple
3.	Fund-based - ST-Others	Simple
4.	Non-fund-based - ST-Stand by Line of Credit	Simple

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

### Contact us

**Media Contact**

Mradul Mishra

Contact no. +91-22-6837 4424

 Email ID – [mradul.mishra@careratings.com](mailto:mradul.mishra@careratings.com)
**Analyst Contact**

P Shanti

Contact no: 040-67937417

 Email: [p.shanti@careratings.com](mailto:p.shanti@careratings.com)
**Business Development Contact**

Ravi Babu

Contact no: 040-40102030

 E-mail: [ravi.babu@careratings.com](mailto:ravi.babu@careratings.com)
**About CARE Ratings:**

CARE Ratings commenced operations in April 1993 and over nearly two decades; it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporate to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

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