

## Drive India Enterprise Solutions Limited

April 10, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term / Short Term Bank Facilities	165.00	CARE B; Stable / CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable / CARE A4;

Details of instruments/facilities in Annexure-1.

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated January 31, 2023, placed the rating(s) of Drive India Enterprise Solutions Limited (DIESL) under the 'issuer non-cooperating' category as DIESL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. DIESL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 17, 2023, December 27, 2023, January 06, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'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).**

The ratings assigned to the bank facilities of DIESL have been revised on account of non-availability of requisite information. The revision, further, consider decline in operating income, operating as well as net losses, leveraged capital structure and debt coverage indicators during FY23 over FY22.

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [January 31, 2023](#)

### Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the company

Incorporated in the year 2000, Drive India Enterprise Solutions Limited (DIESL) is a wholly-owned subsidiary of TVS Supply Chain Solutions Limited. DIESL is engaged in Sourcing & Distribution Services (SDS) including Trading, Large Format Retail (LFR), Online Sales and Channel Development, to its customers from a various sector including telecom, consumer durable, FMCG, apparels, and others. DIESL was earlier part of TATA group of companies mainly engaged in the trading of telecom products for TATA Tele Services Limited (Trading division). During the year 2006, DIESL ventured into the 3rd party logistics services (3PL division) business and begun providing transportation services, logistics services & freight forwarding services. During September 2015, TVSSCS acquired DIESL by buying the entire shareholding of DIESL from TATA group. TVSSCS in line with their strategy to expand business operations in India through inorganic route decided to demerge 3PL division from DIESL and merge it with TVSSCS. Presently, DIESL is engaged in trading only.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	0.88	0.77
PBILDT	-4.73	-1.49
PAT	0.00	-1.19
Overall gearing (times)	NM	NM
Interest coverage (times)	NM	NM

A: Audited; NM: Not Meaningful; Note: 'the above results are latest financial results available'

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

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

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT/ ST-Working Capital Demand loan		-	-	-	75.00	CARE B; Stable / CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - LT/ ST-Letter of credit		-	-	-	90.00	CARE B; Stable / CARE A4; ISSUER NOT COOPERATING*

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

**Annexure-2: Rating history for the last three years**

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT/ ST-Working Capital Demand loan	LT/ST <sup>^</sup>	75.00	CARE B; Stable / CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* (31-Jan-23)	1)CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* (23-Nov-21)
2	Non-fund-based - LT/ ST-Letter of credit	LT/ST <sup>^</sup>	90.00	CARE B; Stable / CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* (31-Jan-23)	1)CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* (23-Nov-21)

\*Issuer did not cooperate; Based on best available information; ^ LT/ST: Long term/Short term

**Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities:** Not Applicable**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT/ ST-Working Capital Demand loan	Simple
2	Non-fund-based - LT/ ST-Letter of credit	Simple

**Annexure-5: Lender details**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

## Contact us

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**About us:**

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

**Disclaimer:**

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