

May 27, 2021

Seoyon E-Hwa Summit Automotive Anantapur Private Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term - Fund Based TL	415.33	415.33	[ICRA]BB+ (Stable); withdrawn
Long Term / Short Term - Unallocated	34.67	34.67	[ICRA]BB+ (Stable)/[ICRA]A4+; withdrawn
Total	450.00	450.00	

*Instrument details are provided in Annexure-1

Rationale

The ratings assigned to Seoyon E-Hwa Summit Automotive Anantapur Private Limited have been withdrawn at the request of the company, upon receipt of no objection certificate (NOC) from the bankers, in accordance with ICRA's policy on withdrawal and suspension of credit rating

ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key rating drivers, Liquidity position, Rating sensitivities, Key financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA Policy on Withdrawal and Suspension of Credit Rating Rating Methodology for Auto Component Manufacturers
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Seoyon Group was established in 1972 as a manufacturer car interiors and bus seats. Over the decades, the Group diversified into producing various products in the auto component space such as moulded plastic components, sheet metal components, electronic components, tools and dies, etc. Seoyon Anantapur's parent, Seoyon E-Hwa Korea is a global supplier of injection moulded plastic components such as bumpers, door trims, etc., to automotive OEMs such as HMC, KMC, etc. Over the years, Seoyon E-Hwa Korea has established strong relationships with HMC and KMC, resulting in healthy business share for the components it supplies. In India, the Seoyon Group has several subsidiaries that cater to auto component segments such as moulded plastic and electronic components. The subsidiaries are held by Seoyon E-Hwa Korea, while the ultimate parent is Seoyon Company Limited, Korea.

Seoyon Anantapur was established in September 2017, to manufacture and supply injection moulded plastic components (bumpers, door trims, etc.) for Kia Motors. The company was created as a JV between the Seoyon Group (60% shareholding) and the Summit Group (40% shareholding). The project was developed at an estimated cost of over Rs. 500 crore and with a capacity to generate monthly revenues of ~Rs. 125 crore. The project was funded through ~Rs. 415 crore of foreign

denominated debt and Rs. 201.1 crore of equity. Construction of the plant began in June 2018 and it became fully operational in July 2019. With the launch of “Kia Motors” brand of cars in India in FY2020, the company recorded revenues of Rs. 373.8 crore in FY2020.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in	Date & Rating in FY2021	Date & Rating in FY2020	Date & Rating in FY2019
					May 27, 2021			
1	Long Term - Fund Based TL	Long-term	415.33	NA	[ICRA]BB+ (Stable); withdrawn	[ICRA]BB+ (Stable)	-	-
2	Long Term / Short Term - Unallocated	Long-term and short term	34.67	--	[ICRA]BB+ (Stable)/[ICRA]A4+; withdrawn	[ICRA]BB+ (Stable)/[ICRA]A4+	-	-

&= Under watch with developing implications

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long Term - Fund Based TL	Simple
Long Term / Short Term - Unallocated	Not Applicable

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 analyzing 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, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
NA	BC/FCTL/ECB	FY2019	4.14%	FY2027	415.33	[ICRA]BB+ (Stable); withdrawn
NA	Long Term / Short Term - Unallocated	NA	NA	NA	34.67	[ICRA]BB+ (Stable)/[ICRA]A4+; withdrawn

Source: Company

Annexure-2: List of entities considered for consolidated analysis- NA

ANALYST CONTACTS

Shamsher Dewan

+91 124 4545328

shamsherd@icraindia.com

Srikumar K

+91 44 4596 4318

srikumark@icraindia.com

Vinutaa S

+91 44 4596 4305

vinutaa.s@icraindia.com

Ishwarya Lakshmi

+89 3919 4680

ishwarya.lakshmi@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee

+91 80 4332 6401

jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



© Copyright, 2021 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.