

Taegutec India Private Limited

April 12, 2019

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund based-Long term/Short term	23.00	23.00	[ICRA]AA (Stable)/[ICRA]A1+; Withdrawn
Total	23.00	23.00	

*Instrument details are provided in Annexure-1

Rationale

The ratings assigned to Taegutec India Private Limited have been withdrawn at its request and based on the no objection letter provided by its bankers.

Outlook: Not applicable

Key rating drivers

Key rating drivers has not been captured since the ratings have been withdrawn

Liquidity position

Liquidity position has not been captured since the ratings have been withdrawn

Analytical approach:

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA's Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not applicable
Consolidation / Standalone	Not applicable

About the company:

Taegutec India Private Limited (TIPL / the company) is part of IMC International Metalworking Companies (Iscar) Group, which in turn is part of Berkshire Hathaway Inc. Iscar is the second largest player in the metal cutting tools industry. IMC International Metalworking Companies B.V. holds 65% stake in TIPL and the balance 35% is held by Shivangini Properties Limited, which is a part of Bhartia Group.

Incorporated in 1999, TIPL manufactures comprehensive range of tooling, which finds application in various industries and in various production processes. Operating out of its manufacturing facility in Bangalore, TIPL enjoys strong operational linkage from Taegutec Limited (Korea), a fellow subsidiary, provides technical assistance through regular technology transfers to TIPL. The company also sources its entire raw material requirement from its fellow subsidiary. While TIPL primarily sells its products in the domestic market; majority (~76%) of its supplies are sold through distributors, who further supply the company's products to the domestic automotive players. Further, around 24% of the total sales are made to direct customers (including OEMs and auto ancillaries).

Key financial indicators: Not applicable

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Current Rating (FY2019)					Chronology of Rating History for the past 3 years		
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding as on Mar 31, 2019 (Rs. crore)	Date & Rating in FY2020 Apr 2019	Date & Rating in FY2019 Jul 2018	Date & Rating in FY2018 -	Date & Rating in FY2017 Jan 2017
1 Fund based	Long term/ Short term	23.00	-	[ICRA]AA (Stable)/ [ICRA]A1+; Withdrawn	[ICRA]AA (Stable)/ [ICRA]A1+	-	[ICRA]AA- (Stable)/ [ICRA]A1+

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the 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	Fund based- Long term/Short term	-	-	-	23.00	[ICRA]AA (Stable)/[ICRA]A1+; Withdrawn
Source: Taegutec India Private Limited						

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