

December 04, 2019

Volkswagen Group Sales India Private Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund Based/Non Fund Based Facilities	739.00	-	[ICRA]AA+(Stable)/[ICRA]A1+; Rating Withdrawn
Total	739.00	-	

*Instrument details are provided in Annexure-1

Rationale

The rating has been withdrawn at the request of the company on account of merger of Volkswagen Group Sales India Private Limited (VGS IPL) with Skoda Auto Volkswagen India Private Limited (SAVIPL), in accordance with ICRA's policy on withdrawal and suspension of credit rating.

Key Rating Drivers: Not applicable

Liquidity Position: Not applicable

Analytical approach:

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

About the company (issuer)

Headquartered in Pune, Maharashtra, the Volkswagen Group in India is represented by five brands - Skoda Auto, Volkswagen, Audi, Porsche and Lamborghini. VGS IPL was marketing arm of Volkswagen group in India, which retails and marketed products under Volkswagen, Porsche, Lamborghini and Audi brands in India.

Key financial indicators

VGSIPL (Standalone)	FY2018	FY2019
Operating Income (Rs. crore)	6098.6	5174.2
PAT (Rs. crore)	83.4	82.2
OPBDIT/OI (%)	-1.2%	-6.1%
RoCE (%)	21.6%	27.7%
Total Debt/TNW (times)	0.5	0.1
Total Debt/OPBDIT (times)	(3.9)	(0.3)
Interest coverage (times)	(1.3)	(3.7)

OI: Operating Income; PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; ROCE: PBIT/Avg (Total Debt + Tangible Net Worth + Deferred Tax Liability - Capital Work in Progress)

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Current Rating (FY2020)					Chronology of Rating History for the Past 3 Years				
Instrument	Type	Amount		Date & Rating 04-Dec 2019	Date & Rating in FY2019 21-Dec 2018	Date & Rating in FY2019 13-Apr 2018	Date & Rating in FY2018 01-May 2017	Date & Rating in FY2017 19-Jan 2017	Date & Rating in FY2016 18-Nov 2015
		Rated (Rs. crore)	Amount Outstanding* (Rs. crore)						
1 Fund-based/Non-fund Based Facilities	Long Term / Short Term	739.00	NA	Withdrawn	[ICRA]AA+ (Stable) and [ICRA]A1+	[ICRA]AA+ (Stable) and [ICRA]A1+	[ICRA]AA+ (Negative) and [ICRA]A1+	[ICRA]AA+ (Negative) and [ICRA]A1+	[ICRA]AA+ (Negative) and [ICRA]A1+

NA: Not Available

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
-	Fund-based/Non-fund Based Facilities	-	-	-	-	[ICRA]AA+ (Stable)/ [ICRA]A1+ Withdrawn

Source: Company

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