

September 25, 2020

Myoung Shin India Automotive Private Limited: Ratings withdrawn

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term - Fund Based TL	190.10	190.10	[ICRA]BBB- (Stable); withdrawn
Long Term - Fund Based/ CC	3.48	3.48	[ICRA]BBB- (Stable); withdrawn
Long Term - Interchangeable	(65.00)	(65.00)	[ICRA]BBB- (Stable); withdrawn
Short Term - Interchangeable	(27.00)	(27.00)	[ICRA]A3; withdrawn
Long Term – Unallocated	16.42	16.42	[ICRA]BBB- (Stable); withdrawn
Total	210.00	210.00	

*Instrument details are provided in Annexure-1

Rationale

The ratings assigned to Myoung Shin India Automotive Private Limited (MSIAPL) have been withdrawn at the request of the company, upon receipt of no objection certificates (NOC) from the bankers, in accordance with ICRA's policy on withdrawal and suspension of credit rating. Also, ICRA does not have requisite information to suggest that the credit risk has changed since the time the rating was last reviewed.

Link to the last Press Release published on ICRA website

<https://www.icra.in/Rationale/ShowRationaleReport?Id=87436>

Key rating drivers and their description

The key rating drivers have not been captured as the rated instrument has been withdrawn.

Liquidity Position: Not applicable

Rating Sensitivities: Not applicable

Analytical approach:

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Rating Methodology for Auto Component Manufacturers
Parent/Group Support	Not Applicable
Consolidation / Standalone	The ratings are based on the standalone financial profile of the company.

About the company:

Myoung Shin India Automotive Private Limited was setup in India in 2006, as a subsidiary of MS Autotech Co Ltd, Korea. MSIAPL is into manufacturing and supply of pressed sheet metal components to Hyundai Motors India Limited (HMIL). MSIAPL has one manufacturing facility located in Sriperumbudur. The company is the sole supplier for specific body parts to HMIL for its models -Santro, i10, Grand i10, i20, Accent, fluidic verna, elite i20, Creta and next generation Verna.

Key financial indicators

	FY2018 (Audited)	FY2019 (Audited)
Operating Income (Rs. crore)	621.7	738.8
PAT (Rs. crore)	-74.7	39.7
OPBDIT/OI (%)	5.8%	12.8%
RoCE (%)	-23.2%	17.5%
Total Debt/TNW (times)	0.5	1.0
Total Debt/OPBDIT (times)	3.0	2.6
Interest coverage (times)	3.8	10.9

Source: Company, ICRA research

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

	Instrument	Current Rating (FY2021)				Rating History for the Past 3 Years		
		Type	Amount Rated (Rs. crore)	Amount O/s (Rs. crore) *	25-Sep-2020	FY2020	FY2019	FY2018
						02-Aug-2019	27-Nov-2018	-
1	Term Loan 1	Long Term	65.00	NA	[ICRA]BBB- (Stable); withdrawn	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	-
2	Term Loan 2	Long Term	62.20	NA	[ICRA]BBB- (Stable); withdrawn	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	-
3	Term Loan 3	Long Term	2.90	NA	[ICRA]BBB- (Stable); withdrawn	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	-
4	Term Loan 4	Long Term	60.00	NA	[ICRA]BBB- (Stable); withdrawn	[ICRA]BBB- (Stable)	-	-
5	Buyer's Credit	Long Term	3.48	NA	[ICRA]BBB- (Stable); withdrawn	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	-
6	Buyer's Credit sublimit	Long Term	(65.00)		[ICRA]BBB- (Stable); withdrawn	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	
7	Capex Letter of Credit sublimit	Short Term	(27.00)		[ICRA]A3; withdrawn	[ICRA]A3	[ICRA]A3	
8	Unallocated limits	Long Term	16.42		[ICRA]BBB- (Stable); withdrawn	[ICRA]BBB- (Stable)	[ICRA]BBB- (Stable)	-

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	Term Loan 1	Jun 2018	NA	Jan 2025	65.00	[ICRA]BBB- (Stable); withdrawn
NA	Term Loan 2	Jun 2018	NA	Mar 2022	62.20	[ICRA]BBB- (Stable); withdrawn
NA	Term Loan 3	Jun 2018	NA	Mar 2022	2.90	[ICRA]BBB- (Stable); withdrawn
NA	Term Loan 4	Aug 2018	NA	Aug 2023	60.00	[ICRA]BBB- (Stable); withdrawn
NA	Buyer's Credit				3.48	[ICRA]BBB- (Stable); withdrawn
NA	Buyer's Credit sublimit				(65.00)	[ICRA]BBB- (Stable); withdrawn
NA	Capex Letter of Credit sublimit				(27.00)	[ICRA]A3; withdrawn
NA	Unallocated limits				16.42	[ICRA]BBB- (Stable); withdrawn

Source: Myoung Shin India Automotive Private Limited

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