

January 17, 2020

Flow Link Systems Private Limited : Rating Withdrawn

Summary of rating action

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund based limit	35.00	35.00	[ICRA]A- (Stable); Withdrawn
Term Loans	14.00	14.00	[ICRA]A- (Stable); Withdrawn
Cash Credit facility	(4.00)	(4.00)	[ICRA]A- (Stable); Withdrawn
Unallocated facility	4.50	4.50	[ICRA]A- (Stable); Withdrawn
Non-fund based facility	1.05	1.05	[ICRA]A2+; Withdrawn
Total	54.55	54.55	

Rationale

The ratings are withdrawn in accordance with ICRA's policy on withdrawal and suspension, as desired by the company and based on the no dues certificate provided by its banker.

Key Rating Drivers

Key rating drivers has not been captured as the rated instruments are being withdrawn.

Liquidity Position:

Liquidity position has not been captured as the rated instruments are being withdrawn.

Rating Sensitivities

Rating sensitivities have not been captured as the rated instruments are being withdrawn.

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

Incorporated in 1992 by Mr. N. Govindarajan, Flow Link manufactures steel castings and industrial valves catering to industries like power, oil and gas, paper and pulp, sugar, fertiliser, chemical and other process industries. The company caters mainly to export customers (~88% of the revenue in FY2018), predominantly in North America. Flow Link's manufacturing facilities are located in Coimbatore, and it operates three foundry units with a combined installed capacity of 7,800 metric tonne per annum against a licensed capacity of 9,000 metric tonne per annum. Eighty per cent of the company's shares are held by VTPL, a subsidiary of Voith Turbo Auslandsbeteiligungen GmbH (with 95.23%

shareholding), which manufactures components for customers worldwide catering to industries like energy, oil and gas, paper, transport and automotive. VTPL specialises in a wide range of products including mechanical, hydrodynamic, electric and electronic propulsion as well as braking systems.

Key Financial Indicators: Not applicable

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not Applicable

Rating history for last three years:

	Instrument	Current Rating (FY2020)			Rating History for the Past 3 Years			
		Type	Amount Rated	Amount Outstanding	Rating	FY2019	FY2018	FY2017
					17-Jan-20	07-Aug-18	01-May-17	24-Jun-16
1	Fund based limit	Long Term	35	-	[ICRA]A- (Stable); Withdrawn	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
2	Term Loans	Long Term	14	-	[ICRA]A- (Stable); Withdrawn	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
3	Cash Credit facility	Long Term	(4.00)	-	[ICRA]A- (Stable); Withdrawn	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
4	Unallocated facility	Long Term	4.5	-	[ICRA]A- (Stable); Withdrawn	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
5	Non-fund based facility	Short Term	1.05	-	[ICRA]A2+; Withdrawn	[ICRA]A2+	[ICRA]A2+	[ICRA]A2+

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 limit	-	-	-	35.00	[ICRA]A- (Stable); Withdrawn
NA	Term Loans	-	-	-	14.00	[ICRA]A- (Stable); Withdrawn
NA	Cash Credit facility	-	-	-	(4.00)	[ICRA]A- (Stable); Withdrawn
NA	Unallocated facility	-	-	-	4.50	[ICRA]A- (Stable); Withdrawn
NA	Non-fund based facility	-	-	-	1.05	[ICRA]A2+; Withdrawn

Source: Flow Link Systems Private Limited

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