

ESAB India Limited

April 1, 2020

Type of Rating	Rating ¹	Rating Action	
Issuer Rating	CARE AA-(Is); Stable	Rating placed on Notice of	
	(Double A minus (Issuer Rating);	Withdrawal for 3 months	
	Outlook:Stable)		

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has placed the outstanding Issuer Rating assigned to ESAB India Limited on 'Notice of Withdrawal' with immediate effect. The aforesaid rating would continue to remain on 'Notice of Withdrawal' for a period of three months, after which it would stand withdrawn. The above action has been taken at the request of ESAB India Limited.

Analytical approach: Not Applicable

Applicable Criteria

Policy on Withdrawal of ratings

About the Company

ESAB India started its operations in 1987 by acquiring the welding business of Peico Electronics & Electricals Limited (now Philips India Limited). The Company continued its expansion in the Indian market with the purchase of Indian Oxygen Limited's welding business in 1991 and Flotech Welding & Cutting Systems Limited in 1992, followed by the merger of Maharashtra Weldaids Limited in 1994. ESAB India is part of the ESAB Group (holding 73.72% stake). The ultimate holding company of ESAB is Colfax Corporation USA listed in New York Stock Exchange. ESAB India is one of the leading suppliers of welding and cutting products in the country. With a comprehensive sales and distribution network of ~200 distributors spread across India, ESAB India is one of the major players in the organized sector in the welding/ electrode manufacturing segment.

Brief Financials (Rs. crore) – Standalone	FY18 (A)	FY19 (A)
Total Operating Income	535.83	674.39
PBILDT	53.25	82.11
РАТ	37.15	57.59
Overall Gearing (times)	0.00	0.00
Interest coverage (times)	242.05	293.25

A: Audited

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Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
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²Complete definitions of the ratings assigned are available at <u>www.careratings.com</u> and in other CARE publications.

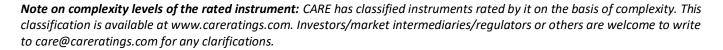
Press Release



Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Issuer Rating-Issuer Ratings	-	-	-	0.00	CARE AA- (Is); Stable

Annexure-2: Rating History of last three years

Sr.	Name of the	Current Ratings			Rating history			
No.	Instrument/Bank Facilities	Туре	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Issuer Rating-Issuer Ratings	lssuer rating	0.00	CARE AA- (Is); Stable	1)CARE AA- (Is); Stable (04-Apr- 19)	1)CARE AA- (Is); Stable (17-Apr- 18)	-	-



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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

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Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

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