April 16, 2020

Singer India Limited: Ratings reaffirmed and withdrawn

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term / Short Term - Fund Based	26.00	26.00	[ICRA]BBB (Stable)/[ICRA]A3+; Reaffirmed and Withdrawn
Short Term – Non-fund Based	19.00	19.00	[ICRA]A3+; Reaffirmed and Withdrawn
Total	**45.00**	**45.00**	

**Instrument details are provided in Annexure-1*

Rationale

The outstanding rating of [ICRA]BBB (Stable)/[ICRA]A3+ on Rs. 45.00 crore bank loan borrowing programme of Singer India Limited stands withdrawn. The ratings have been withdrawn in accordance with ICRA's policy on withdrawal and suspension (click here for policy), and as desired by the company on receipt of no objection certificate from the lending banks.

Key rating drivers

Key rating drivers have not been captured as the rated instruments are being withdrawn.

Liquidity position: Not Applicable

Rating sensitivities: 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	For arriving at the ratings, ICRA has considered the consolidated financials of Singer India Limited

About the company

SIL was incorporated in 1977 as Indian Sewing Machine Company Limited, which was the Indian branch of the Singer Sewing Machine Company, USA. It is involved in the assembling and trading of sewing machines and home appliances. The company has been marketing sewing machines under the trademarks, Singer and Merritt.

[1] For complete rating scale and definitions, please refer to ICRA's website www.icra.in or other ICRA Rating Publications

Key financial indicators (consolidated)

	FY2018	FY2019	9M FY2020 (unaudited)
Operating Income (Rs. crore)	421.5	483.0	349.6
PAT (Rs. crore)	9.0	9.4	7.1
OPBDIT/OI (%)	3.1%	3.1%	3.8%
RoCE (%)	21.7%	20.8%	NA
Total Outside Liabilities/Tangible Net Worth (times)	1.5	1.8	NA
Total Debt/OPBDIT (times)	1.1	1.5	NA
Interest Coverage (times)	23.2	12.8	7.8
DSCR	17.4	11.1	NA

NA - Not available

Status of non-cooperation with previous CRA: None

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2021)				Rating History for the past 3 years						
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Rating	FY2020	FY2019			FY2018		
					16-Apr-2020	30-May-2019	14-Jan-2019	20-Apr-2018	5-Apr-2018	1-Nov-2017	6-Apr-2017	
1	Fund Based	Long Term/ Short Term	26.00		[ICRA]BBB (Stable)/ [ICRA]A3+; reaffirmed and withdrawn	[ICRA]BBB (Stable)/ [ICRA]A3+	[ICRA]BBB (Stable)/ [ICRA]A3+	[ICRA]BBB (Stable)/ [ICRA]A3+	[ICRA]BBB (Stable)/ [ICRA]A3+	[ICRA]BBB (Stable)/ [ICRA]A3+	[ICRA]BBB (Stable)/ [ICRA]A3+	
2	Non-fund Based	Short Term	19.00		[ICRA]A3+; reaffirmed and withdrawn	[ICRA]A3+	[ICRA]A3+	[ICRA]A3+	[ICRA]A3+	[ICRA]A3+	[ICRA]A3+	

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	Cash Credit	NA	NA	NA	20.50	[ICRA]BBB (Stable)/[ICRA]A3+; reaffirmed and withdrawn
NA	Working Capital Demand Loan	NA	NA	NA	2.50	[ICRA]BBB (Stable)/[ICRA]A3+; reaffirmed and withdrawn
NA	Export Credit	NA	NA	NA	3.00	[ICRA]BBB (Stable)/[ICRA]A3+; reaffirmed and withdrawn
NA	LC/BG	NA	NA	NA	19.00	[ICRA]A3+; reaffirmed and withdrawn

Source: Singer India Limited

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Brand Trading (India) Private Limited	100.00%	Full Consolidation

ANALYST CONTACTS

K. Ravichandran
+91 44 4596 4301
ravichandran@icraindia.com

Manish Ballabh
+91 124 4545 812
manish.ballabh@icraindia.com

Vipin Jindal
+91 124 4545 355
vipin.jindal@icraindia.com

Prerna Aggarwal
+0124- 4545 891
prerna.aggarwal@icraindia.co
m

RELATIONSHIP CONTACT

Jayanta Chatterjee
+91 80 4332 6401
jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries:

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Corporate Office
Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002
Tel: +91 124 4545300
Email: info@icraindia.com
Website: www.icra.in

Registered Office
1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001
Tel: +91 11 23357940-50

Branches

Mumbai	+ (91 22) 24331046/53/62/74/86/87
Chennai	+ (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,
Kolkata	+ (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,
Bangalore	+ (91 80) 2559 7401/4049
Ahmedabad	+ (91 79) 2658 4924/5049/2008
Hyderabad	+ (91 40) 2373 5061/7251
Pune	+ (91 20) 2556 0194/ 6606 9999