

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Singer India Limited: Ratings reaffirmed and withdrawn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Long Term / Short Term - Fund Based	26.00	26.00	[ICRA]BBB (Stable)/[ICRA]A3+; Reaffirmed and Withdrawn
Short Term – Non-fund Based	19.00	19.00	[ICRA]A3+; Reaffirmed and Withdrawn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rating of [ICRA]BBB (Stable)/[ICRA]A3+ on Rs. 45.00 crore bank loan borrowing programme of Singer India Limited stands withdrawn. The ratings have been withdrawn in accordance with ICRA's policy on withdrawal and suspension ([click here for policy](#)), and as desired by the company on receipt of no objection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Key rating drivers have not been captured as the rated instruments are being withdrawn.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

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