

## Rex Sewing Machine Company Private Limited

June 12, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	12.25	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	2.75	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated April 28, 2023, placed the rating(s) of Rex Sewing Machine Company Private Limited (RSMCPL) under the 'issuer non-cooperating' category as RSMCPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. RSMCPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 13, 2024, March 23, 2024, April 02, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

**Analytical approach:** Standalone

**Outlook:** Not Applicable

### Detailed description of the key rating drivers:

Please refer to PR dated [April 28, 2023](#)

### Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)  
[Policy on Default Recognition](#)

### About the company

Set up in 1957 by Mr. Om Parkash Dandona, RSMCPL is engaged in the manufacturing of a wide range of sewing machines at its two manufacturing facilities located in Ludhiana. The company also engages in the export of its products. The sewing machines are sold under the brand name 'Rex' in the domestic markets as well as export markets. RSMCPL is currently being managed by Mr Dinesh Dandona and Mr Bhupesh Dandona (sons of Mr Om Prakash Dandona). All the machines manufactured by RSMCPL have an ISI registration. The company also has trading operations wherein it sources and sells allied machines like Bag Closing Machines, Button Presses & Button Moulding Machines, sewing machine components and spare parts.

Brief Financials (Rs. crore)	March 31, 2019 (A)	March 31, 2020 (A)
Total operating income	63.45	44.39
PBILDT	3.19	2.75
PAT	0.25	-0.12
Overall gearing (times)	2.35	2.43
Interest coverage (times)	1.48	1.41

A-Audited, Note: 'the above results are latest financial results available'.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

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

**Covenants of rated instrument/facility:** Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated for this company:** Please refer Annexure-4

**Lender details:** Please refer Annexure-5

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	9.84	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	January, 2020	2.41	CARE D; ISSUER NOT COOPERATING*
Fund-based - ST-EPC/PSC		-	-	-	2.75	CARE D; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information.

#### Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	2.41	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (28-Apr-23)	1)CARE B-; ISSUER NOT COOPERATING* (12-May-22)	-
2	Fund-based - LT-Cash Credit	LT	9.84	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (28-Apr-23)	1)CARE B-; ISSUER NOT COOPERATING* (12-May-22)	-
3	Fund-based - ST-EPC/PSC	ST	2.75	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (28-Apr-23)	1)CARE A4; ISSUER NOT COOPERATING* (12-May-22)	-

\*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term.

#### Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not Applicable

**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - ST-EPC/PSC	Simple

**Annexure-5: Lender details**

To view the lender wise details of bank facilities please [click here](#)

**Note on the complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

**Contact us**

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**About us:**

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