

## Press Release

**Sun Acrylics Private Limited**

May 08, 2019



### Rating Update

<b>Total Bank Facilities Rated*</b>	Rs. 8.50 Cr. #
<b>Long Term Rating</b>	ACUITE D (Downgraded from ACUITE B) Issuer not co-operating*
<b>Short Term Rating</b>	ACUITE D (Downgraded from ACUITE A4) Issuer not co-operating*

# Refer Annexure for details

\* The issuer did not co-operate; based on best available information.

Acuité has reviewed and downgraded the long-term rating to '**ACUITE D' (read as ACUITE D)**' from '**ACUITE B' (read as ACUITE B)**' and short term rating to '**'ACUITE D' (read as ACUITE D)**' from '**'ACUITE A4' (read as ACUITE A4)**' on the Rs. 8.50 crore bank facilities of Sun Acrylic Private Limited (SAPL). This rating is now an indicative rating and is based on best available information.

The downgrade reflects delays in servicing of debt obligation.

SAPL, incorporated in 1990, is a Mumbai-based company promoted by Mr. Naresh Mehta, Mr. Jay Naresh Mehta and Mr. Jagdish Ojha. The company is engaged in manufacturing and trading of acrylic sheets, monomer, polymer granules and other plastic products.

#### Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

#### Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-40.htm>

#### Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

#### About the Rated Entity - Key Financials

	Unit	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	18.70	17.97	10.91
EBITDA	Rs. Cr.	1.61	1.19	0.52
PAT	Rs. Cr.	0.15	0.12	0.07
EBITDA Margin	(%)	8.60	6.64	4.74
PAT Margin	(%)	0.78	0.69	0.62
ROCE (%)	(%)	12.97	15.75	10.64
Total Debt/Tangible Net Worth	Times	8.58	6.44	1.98
PBDIT/Interest	Times	1.23	1.19	1.32

Total Debt/PBDIT	Times	7.55	6.77	7.14
Gross Current Assets (Days)	Days	319	293	265

#### Status of non-cooperation with previous CRA (if applicable)

None

#### Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

#### Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
21-Feb-2018	Cash Credit	Long Term	2.75	ACUITE B / Stable (Reaffirmed)
	Working Capital Demand Loan	Long Term	1.25	ACUITE B / Stable (Assigned)
	Term Loan	Long Term	0.90	ACUITE B / Stable (Reaffirmed)
	Letter of Credit	Short Term	3.25	ACUITE A4 (Reaffirmed)
	Proposed Long Term Loan	Long Term	0.35	ACUITE B / Stable (Assigned)
23-Sep-2017	Cash Credit	Long Term	2.00	ACUITE B / Stable (Reaffirmed)
	Term Loan	Long Term	1.00	ACUITE B / Stable (Reaffirmed)
	Letter of Credit	Short Term	2.50	ACUITE A4 (Reaffirmed)
18-May-2016	Cash Credit	Long Term	2.00	ACUITE B / Stable (Assigned)
	Term Loan	Long Term	1.00	ACUITE B / Stable (Assigned)
	Letter of Credit	Short Term	2.50	ACUITE A4 (Assigned)

#### #Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.75	ACUITE D (Downgraded from ACUITE B) Issuer not co-operating*
WCDL	Not Applicable	Not Applicable	Not Applicable	1.25	ACUITE D (Downgraded from ACUITE B) Issuer not co-operating*
Term loans	Not Applicable	Not Applicable	Not Applicable	0.90	ACUITE D (Downgraded from ACUITE B) Issuer not co-operating*
Letter of credit	Not Applicable	Not Applicable	Not Applicable	3.25	ACUITE D (Downgraded from ACUITE A4) Issuer not co-operating*
Proposed Long Term Facility	Not Applicable	Not Applicable	Not Applicable	0.35	ACUITE D (Downgraded from ACUITE B) Issuer not co-operating*

\*The issuer did not co-operate; based on best available information.

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### About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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