

Press Release

Suncity Sheets Private Limited

December 26, 2019

Rating Withdrawn



Total Bank Facilities Rated*	Rs.72.00 Cr.#
Long Term Rating	ACUITE BB+ (Revised from ACUITE BBB+) Issuer not cooperating: Withdrawn*
Short Term Rating	ACUITE A4+ (Revised from ACUITE A2) Issuer not cooperating: Withdrawn*

#Refer Annexure for details

*The issuer did not cooperate; based on best available information

Rating Rationale

Acuite has downgraded and withdrawn the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB+**' (read as **ACUITE triple B plus**) and the short term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A2**' (read as **ACUITE A two**) on the Rs.72.00 crore bank facilities of Suncity Sheets Private Limited. This rating is now withdrawn and indicative and is based on best available information.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

Jodhpur based Suncity Sheets Private Limited (SSPL), (erstwhile known as Bhansali Rubber Private Limited) was incorporated in 1981. The company promoted by Mr. Ram Agarwal and Mr. Mukesh Agarwal is engaged into manufacturing of SS Coils, Sheets, Circles and Utensils. The company is selling its products at domestic as well as international market. They have been granted ISO 9002 from QIS, Zurich.

Non-cooperation by the issuer/borrower

Acuite 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.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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

Analytical Approach

ACUITE has considered the consolidated view of business and financial risk profiles of Suncity Strips and Tubes Private Limited (SSTPL), Suncity Sheets Private Limited (SSHPL), Suncity Alloys Private Limited (SAPL), Suncity Metals Private Limited (SMPL) and Suncity Strips Private Limited (SSPL) hereinafter referred as Suncity Group. The consolidation is mainly on account of similarity in the line of business, strong operational & financial synergies, common management and stated intent of management to merge these entities in the near term.

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). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation of companies- <https://www.acuite.in/view-rating-criteria-60.htm>

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Any other information

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

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
June 28, 2019	Cash credit	Long Term	29.00	ACUITE BBB+ (Indicative)
	Term Loan	Long Term	4.40	ACUITE BBB+ (Indicative)
	Term Loan	Long Term	3.90	ACUITE BBB+ (Indicative)
	Term Loan	Long Term	1.70	ACUITE BBB+ (Indicative)
	Letter of Credit	Long Term	33.00	ACUITE A2 (Indicative)
April 09, 2018	Cash credit	Long Term	29.00	ACUITE BBB+/Stable (Assigned)
	Term Loan	Long Term	4.40	ACUITE BBB+/Stable (Assigned)
	Term Loan	Long Term	3.90	ACUITE BBB+/Stable (Assigned)
	Term Loan	Long Term	1.70	ACUITE BBB+/Stable (Assigned)
	Letter of Credit	Long Term	33.00	ACUITE A2 (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
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Cash credit	Not Applicable	Not Applicable	Not Applicable	29.00	ACUITE BB+ (Revised from ACUITE BBB+) Withdrawn: Issuer not co-operating
Term Loan	Not Applicable	Not Applicable	Not Applicable	4.40	ACUITE BB+ (Revised from ACUITE BBB+) Withdrawn: Issuer not co-operating
Term Loan	Not Applicable	Not Applicable	Not Applicable	3.90	ACUITE BB+ (Revised from ACUITE BBB+) Withdrawn: Issuer not co-operating
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.70	ACUITE BB+ (Revised from ACUITE BBB+) Withdrawn: Issuer not co-operating
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	33.00	ACUITE A4+ (Revised from ACUITE A2) Withdrawn: Issuer not co-operating

Contacts

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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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