

Press Release
Sunrise Distributors

March 22, 2023



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	12.54	ACUITE B Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	12.54	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B**' (read as **ACUITE B**) on the Rs. 12.54 crore bank facilities of Sunrise Distributors. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

About the Company

The Mumbai-based, Sunrise Distributors (SDS) was established in 2005 as a proprietorship firm by Mr. Sanjay K. Doshi. The firm's administrative office is located in Kandivali (Mumbai). SDS is authorised distributor of Fastrack Watches (Titan) and other watch brands like Tommy Hilfiger, Police, FCUK, Kenneth Cole (for which Titan has received the license for sales). They also distribute Vodafone recharge vouchers, Jockey Products, Skinn (Titan), among others. SDS caters mainly to retail customers through an established network of dealers/shop owners/agents that cater to retail customers and also online sales. Major distributors are wholesalers, retailers and chain stores like Time stores, Khamdhenu Departmental store, Om watches, Alfa stores.

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 the 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.

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 endeavoured 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 ratings is based.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

Not Applicable.

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable.

Other Factors affecting Rating

Not Applicable.

Key Financials

Particulars	Unit	FY 17 (Actual)	FY 16 (Actual)
Operating Income	Rs. Cr.	39.02	44.64
PAT	Rs. Cr.	0.45	0.55
PAT Margin	(%)	1.16	1.23
Total Debt/Tangible Net Worth	Times	6.58	5.60
PBDIT/Interest	Times	1.25	1.27

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
29 Dec 2021	Secured Overdraft	Long Term	2.54	ACUITE B (Issuer not co-operating*)
	Cash Credit	Long Term	10.00	ACUITE B (Issuer not co-operating*)
05 Oct 2020	Cash Credit	Long Term	10.00	ACUITE B (Issuer not co-operating*)
	Secured Overdraft	Long Term	2.54	ACUITE B (Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	10.00	ACUITE B Reaffirmed Issuer not co- operating*
Deutsche Bank	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	2.54	ACUITE B Reaffirmed Issuer not co- operating*

Contacts

Analytical	Rating Desk
Pooja Ghosh Vice President-Rating Operations Tel: 022-49294041 pooja.ghosh@acuite.in Abhishek Singh Analyst-Rating Operations Tel: 022-49294065 abhishek.s@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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