



RATING RATIONALE

28 Sept 2020

Sunil Industries

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of ₹ 5.80 Crores of Sunil Industries based on best available information, as the issuer did not cooperate.

Particulars

Facility Rated	Amount(Rs Crs)		Tenure	Rating#	
	Previous	Present		Previous (Jan 2018)	Present
Fund Based Cash credit	5.00	5.00	Long Term	BWR B- Stable Issuer Not Cooperating	BWR C+ Downgrade Issuer Not Cooperating*
Term Loan	0.80	0.80	Long Term		
Total	5.80	5.80	(Rupees Five Crores and Eighty Lakhs Only)		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings .

* Issuer did not cooperate, based on best available information.

Details of Bank facilities is provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

In view of the non-availability of information and lack of cooperation from **Sunil Industries** Brickwork Ratings has downgraded the long term rating to '**BWR C+**', along with continuation of the rating in the "**Issuer Not Cooperating**" category, based on best available information as the Issuer did not cooperate. There is no outlook

The lenders/investors may note to exercise due caution while using the above ratings which mentions "**Issuer Not Cooperating**" since the ratings lack any projections or forward looking component as it is arrived based on the best available information without any management interaction.

The rating was due for a review in Jan 2019. BWR took up with the firm to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same.



In the absence of adequate information from the issuer, BWR is unable to assess the firm's financial performance and its ability to service its debt and maintain a valid rating.

LIMITATIONS OF THE RATING: Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account possible deterioration in the credit quality of the rated entity arising from its non-transparency withholding of information required for a review of the rating.

KEY FINANCIAL INDICATORS (in (Rs Cr) [AS AVAILABLE WITH BWR]

Key Parameters	Units	FY 13	FY 12
Result Type		Audited	Audited
Operating Revenue	Rs in Crores	16.11	14.97
EBITDA	Rs in Crores	1.05	0.96
PAT	Rs in Crores	0.11	0.06
Tangible Networth	Rs in Crores	2.19	1.96
Total Debt : TNW	Times	1.65	1.61
Current Ratio	Times	1.15	1.18

COMPANY PROFILE(As per the information available in Feb 2014)

Sunil Industries was started in 1998 as a partnership firm and commenced its business operations in the same year. It is promoted by Mr. Chanmallappa, Mr. Udayakumar, Mr. Vishwanath and Mr. Basavaraj. They all are family members and the firm has rice mill at Raichur, Karnataka. The firm is engaged in paddy milling and trading of rice, and by-products such as bran and husk. It procures paddy from farmers, agriculture board and rice dealers. It sells rice to wholesale customers in Tamilnadu region under brand name of "Y Gold" and "Honey". The firm's managing partner Mr. Chanmallappa with a 25 per cent shareholding is having more than 50 years of experience in the rice industry. Other partners, Mr. Udayakumar, Mr. Vishwanath and Mr. Basavaraj are actively involved in day to day business operations and they have ~ more than 15 years of experience in the same line of business.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY : ICRA B+(Stable) Issuer Not Cooperating for BLR of Rs 7.25 Crs on 21 July 2020



RATING HISTORY FOR THE PREVIOUS THREE YEARS(including withdrawn or suspended rating)

Instrument / Facilities	Current Rating			Rating History		
	Tenure	Amount (Rs Cr)	Rating	2019	04.01.2018	2017
Fund Based Cash Credit	Long Term	5.00	BWR C+ Downgraded Issuer Not Cooperating	---	BWR B- Stable Issuer Not Cooperating	---
Term Loan	Long Term	0.80				
Total		5.80	INR Five Crores and Eighty Lakhs Only			

RNR on 29 Dec 2016. Rating of BWR B(Stable) assigned on 21 Feb 2014 for BLR of Rs 5.80 Crs

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- **General Criteria**
- **Approach to Financial Ratios**
- **What Constitutes Non-Cooperation**

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ANNEXURE I

Sunil Industries

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [Rs Cr]	Short Term [Rs Cr]	Total [Rs Cr]
1)	Corporation Bank	Fund Based Cash Credit	5.00	-	5.00
2)	now Union Bank Of India	Term Loan	0.80	-	0.80
TOTAL					5.80

Total Rupees Five Crores and Eighty Lakhs Only

ANNEXURE II



INSTRUMENT (NCD/Bonds/CP) DETAILS

Instrument	Issue Date	Amount in ₹ Cr	Coupon Rate	Maturity Date	ISIN Particulars
NA	NA	NA	NA	NA	NA

ANNEXURE III

List of entities consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
NA	NA	NA	NA

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