

## Sunrise Knitting Mills Private Limited

July 10, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	24.00	CARE B; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable;
Short Term Bank Facilities	6.00	CARE A4; 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 May 08, 2023, placed the rating(s) of Sunrise Knitting Mills Private Limited (SKMPL) under the 'issuer non-cooperating' category as SKMPL 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. SKMPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 23, 2024, April 02, 2024, April 12, 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).**

The ratings assigned to the bank facilities of SKMPL have been revised on account of non-availability of requisite information. The revision further considers decline in operating income and net profit levels during FY23 over FY22.

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [May 08, 2023](#)

### Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the company

Sunrise Knitting Mills Private Limited was incorporated in 2015 as a private limited company by Mr. R. Mahesh and Mr. B. Shanmugavadivel. The company is engaged in manufacturing of fabrics and readymade garments. The export customers of SKMPL are located at USA, UK and Canada. The company generates around 95% of revenue through exports. The company had an installed capacity of producing 1,00,000 units per day depends on the types of the garments.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	56.29	34.54
PBILDT	3.86	5.02
PAT	0.83	0.40
Overall gearing (times)	2.50	1.52
Interest coverage (times)	1.35	1.68

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 covenants of the rated instruments/facilities is given in Annexure-3

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

**Lender details:** 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-Packing Credit in Foreign Currency		-	-	-	15.00	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	January 2025	9.00	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - ST-FBN / FBP		-	-	-	6.00	CARE A4; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

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

S r . N o .	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	9.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (08-May-23)	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (04-Mar-22)
2	Fund-based - LT-Packing Credit in Foreign Currency	LT	15.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (08-May-23)	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (04-Mar-22)

3	Fund-based - ST-FBN / FBP	ST	6.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (08-May-23)	-	1)CARE A4; ISSUER NOT COOPERATING* (04-Mar-22)
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\*Issuer did not cooperate; Based on best available information  
LT: Long term; ST: Short term

**Annexure-3: Detailed explanation of the 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-Packing Credit in Foreign Currency	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - ST-FBN / FBP	Simple

#### Annexure-5: Lender details

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

**Note on complexity levels of the rated instrument:** 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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