

Press Release

Sonodyne International Private Limited

February 16, 2021



Rating Update

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|-------------------------------------|---|
| Total Bank Facilities Rated* | Rs.18.05 Cr |
| Long Term Rating | ACUITE BB+ (Downgraded and Indicative) |
| Short Term Rating | ACUITE A4+ (Downgraded and Indicative) |

Refer Annexure for details

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

Rating Rationale

Acuité has downgraded the long-term rating of '**ACUITE BBB-**' (read as ACUITE triple B minus) to '**ACUITE BB+**' (read as ACUITE double B plus) and the short term rating of '**ACUITE A3**' (read as ACUITE A three) to '**ACUITE A4+**' (read as ACUITE A four plus) on the Rs.18.05 crore bank facilities of Sonodyne International Private Limited. This rating is now an indicative rating and is based on best available information. The downgrade is due to information risk.

Incorporated in 1960, Sonodyne International Private Limited (SIPL) is a Kolkata-based company, which is a part of Sonodyne Group promoted by Mr. Ashok Kumar Mukherjee. SIPL is engaged in the business of manufacturing and export of amplifiers, power amplifiers, audio distribution amplifiers, high power amplifiers, QSC amplifiers and professional amplifiers, among others for high quality audio system.

Incorporated in 2006, Sonodyne Technologies Private Limited (STPL) is a Kolkata-based company promoted by Mr. Ashok Kumar Mukherjee. STPL is engaged in the business of speakers and sound producing apparatus.

Sonodyne Electronics Company Private Limited has been merged with Sonodyne Technologies Private Limited with effect from April 1, 2017.

Analytical Approach

Acuité has consolidated the business and financial risk profiles of Sonodyne Technologies Private Limited (STPL) and Sonodyne International Private Limited (SIPL) (referred to as the Sonodyne Group), owing to the similarities in the lines of business, significant operational and financial linkages and common management. Extent of consolidation: Full.

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 the due date.

The 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/view-rating-criteria-52.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>
- Consolidation Of Companies - <https://www.acuite.in/view-rating-criteria-60.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). 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.

Liquidity Indicators:

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

Rating Sensitivity:

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

About the Rated Entity - Key Financials

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

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

Not applicable

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 |
|-------------|--|------------|-----------------|--------------------------------------|
| 09-Dec-2020 | Export Packing Credit / Foreign Bill Discounting | Long Term | 7.25 | ACUITE BBB- (Indicative) |
| | Proposed Long Term Facility | Long Term | 9.70 | ACUITE BBB- (Indicative) |
| | Letter of Credit | Short Term | 1.00 | ACUITE A3 (Indicative) |
| | Bank Guarantee | Short Term | 0.10 | ACUITE A3 (Indicative) |
| 16-Sep-2019 | Term Loan | Long Term | 1.50 | ACUITE BBB- (Withdrawn) |
| | Export Packing Credit / Foreign Bill Discounting | Long Term | 7.25 | ACUITE BBB-/Stable (Reaffirmed) |
| | Proposed Long Term Facility | Long Term | 9.70 | ACUITE BBB-/Stable (Reaffirmed) |
| | Letter of Credit | Short Term | 1.00 | ACUITE A3 (Reaffirmed) |
| | Bank Guarantee | Short Term | 0.10 | ACUITE A3 (Reaffirmed) |
| 28-Mar-2019 | Term Loan | Long Term | 1.50 | ACUITE BBB- (Issuer not cooperating) |
| | Packing Credit | Long Term | 5.00 | ACUITE BBB- (Issuer not cooperating) |
| | Foreign Bill Discounting | Long Term | 2.50 | ACUITE BBB- (Issuer not cooperating) |
| | Letter of Credit | Short Term | 2.00 | ACUITE A3 (Issuer not cooperating) |
| | Bank Guarantee | Short Term | 0.10 | ACUITE A3 (Issuer not cooperating) |

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|--|-------------------------|-----------|------|--------------------------------------|
| | Proposed Packing Credit | Long Term | 6.95 | ACUITE BBB- (Issuer not cooperating) |
|--|-------------------------|-----------|------|--------------------------------------|

***Annexure – Details of instruments rated**

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings/Outlook |
|--|------------------|----------------|----------------|-----------------------------|--|
| Export Packing Credit / Foreign Bill Discounting | Not Applicable | Not Applicable | Not Applicable | 7.25 | ACUITE BB+ (Downgraded and Indicative) |
| Proposed Long Term Facility | Nov,2019 | 10.75 | May,2025 | 9.70 | ACUITE BB+ (Downgraded and Indicative) |
| Letter of Credit | Not Applicable | Not Applicable | Not Applicable | 1.00 | ACUITE A4+ (Downgraded and Indicative) |
| Bank Guarantee | Not Applicable | Not Applicable | Not Applicable | 0.10 | ACUITE A4+ (Downgraded and Indicative) |

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

Contacts

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|---|---|
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About Acuité Ratings & Research:

Acuité Ratings & Research 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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