

Press Release

Sonarg Plastics Private Limited

September 17, 2020



Rating Update

Total Bank Facilities Rated	Rs. 10.15 Cr. #
Long Term Rating	ACUITE BB+ Downgraded; Issuer not co-operating*
Short Term Rating	ACUITE A4+ Downgraded; Issuer not co-operating*

Refer Annexure for details

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

Acuité has downgraded the long-term rating to '**ACUITE BB+**' (**read as ACUITE double B plus**) from '**ACUITE BBB-**' (**read as ACUITE triple B minus**) and the short term rating to '**ACUITE A4+**' (**read as ACUITE A four plus**) from '**ACUITE A3**' (**read as ACUITE A three**) on the Rs. 10.15 crore bank facilities of Sonarg Plastics Private Limited. This rating is now an indicative rating and is based on the best available information. The rating is downgraded on account of information risk.

Incorporated in 1999, Sonarg Plastics Private Limited is a Gujarat-based company promoted by Mr. Surekh Desai, Mrs. Hetal Desai and Mrs. Sonal Agrawala. The company is engaged in manufacturing of PVC compound for cables and wires. The company has its manufacturing facility located at Silvassa in Dadar & Nagar Haveli with an installed capacity of 12000 MTPA.

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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an 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 Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.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). Acuité endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

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

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
11-Jul-2019	Cash Credit	Long Term	9.75	ACUITE BBB-/Stable (Reaffirmed)
	Proposed Bank Facility	Short Term	0.40	ACUITE A3 (Reaffirmed)
16-Apr-2018	Cash Credit	Long Term	6.75	ACUITE BBB-/Stable (Reaffirmed)
	Term Loan	Long Term	0.40	ACUITE BBB-/Stable (Reaffirmed)
	Proposed Letter of Credit	Short Term	2.00	ACUITE A3 (Assigned)
29-Mar-2018	Cash Credit	Long Term	6.75	ACUITE BBB-/Stable (Assigned)
	Term Loan	Long Term	0.40	ACUITE BBB-/Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	9.75	ACUITE BB+ Issuer not co-operating* (Downgraded from ACUITE BBB-/Stable)
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.40	ACUITE A4+ Issuer not co-operating* (Downgraded from ACUITE A3)

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

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President - Corporate and Infrastructure Sector Ratings Tel: 022-49294041 aditya.gupta@acuite.in	Varsha Bist Senior Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in
Grishma Muni Analyst - Rating Operations Tel: 02249294035 grishma.muni@acuite.in	

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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind.

arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.