

Press Release

Mangalam Timbers

September 28, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 8.00 Cr.#
Long Term Rating	ACUITE B Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

#Refer Annexure for details

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

Rating Rationale

Acuite has reviewed the long term rating of '**ACUITE B**' (read as **ACUITE B**) and the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) to the Rs.8.00 crore bank facilities of Mangalam Timbers (MT). This rating is now an indicative rating and is based on best available information.

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 due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios and Adjustments: <https://www.acuite.in/view-rating-criteria-20.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-17.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 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 rating is based.

About the Rated Entity:

Mangalam Timbers, established as a proprietorship firm in 1995 by Mr. Mahesh Ramji Patel is engaged in the manufacturing of plywood and trading of wooden logs. The firm imports timber from several countries such as Tanzania, Sudan, Malaysia for sale in the domestic market and for export to the Gulf.

For FY2015-16, the firm reported profit after tax (PAT) of Rs.0.15 crore on operating income of Rs.9.43 crore compared with PAT of Rs.0.13 crore on operating income of Rs.8.83 crore for FY2014-15. The networth (includes quasi equity) stood at Rs.3.85 crore as on 31 March, 2016 compared to Rs.3.89 crore as on 31 March, 2015.

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

None

Any other information

Acuite 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
13-Oct-2017	Cash Credit	Long term	4.00	ACUITE B/Stable (Reaffirmed)
	Letter of Credit	Short term	2.50	ACUITE A4 (Reaffirmed)
	Proposed Long Term Loan	Long term	1.50	ACUITE B/Stable (Reaffirmed)
11-Jun-2016	Cash Credit	Long term	4.00	ACUITE B/Stable (Assigned)
	Letter of Credit	Short term	2.50	ACUITE A4 (Assigned)
	Proposed Bank Facility	Long term	1.50	ACUITE B/Stable (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE B Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	2.50	ACUITE A4 Issuer not co-operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE B Issuer not co-operating*

Contacts

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About Acuite Ratings & Research:

Acuite Ratings & Research Limited (*erstwhile SMERA Ratings 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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