

## Magnus Plywood Private Limited

May 18, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	13.33	<b>CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable; (Single B Plus; Outlook: Stable)
Short Term Bank Facilities	7.00	<b>CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)</b>	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>20.33 (Rs. Twenty Crore and Thirty-Three Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated February 25, 2021, placed the rating(s) of Magnus Plywood Private Limited (MPPL) under the 'issuer non-cooperating' category as MPPL 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. MPPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 11, 2022, January 21, 2022, January 31, 2022.

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 MPPL have been revised on account of non-availability of requisite information. The revision also considers decline in scale of operation and profitability coupled with high overall debt during the FY21 compared to FY20.

### Detailed description of the key rating drivers

Please refer to PR dated [February 25, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

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

### About the Company

Magnus Plywood Private Limited (MPPL) (previously known as Shri Ram Panels Private Limited) was incorporated in July, 2008, as a private limited company and is currently being managed by Mr. Mahesh Gupta, Mr. Rajesh Gupta, and Mr. Rakesh Gupta collectively. The company is engaged in the manufacturing of plywood products like boards, flush doors, production palettes etc. at its manufacturing facility located in Mandi Gobindgarh, Punjab. The products are sold under brand name "Magnus" to various clients in construction and industrial sector all over India.

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other publications

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

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	31-03-2022 (Prov.)
Total operating income	44.29	33.78	NA
PBILD	7.51	5.46	NA
PAT	1.99	0.48	NA
Overall gearing (times)	1.53	1.46	NA
Interest coverage (times)	3.51	2.32	NA

A – Audited, Prov. – Provisional, NA – Not available

**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:** Please refer Annexure-3

**Complexity level of various instruments rated for this company:** Please refer Annexure-4

#### Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	7.00	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - ST-PC/Bill Discounting		-	-	-	3.00	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	4.00	CARE A4; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	January, 2027	6.33	CARE B-; Stable; ISSUER NOT COOPERATING*

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

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	7.00	CARE B-; Stable; ISSUER NOT COOPERATING *	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (25-Feb-21) 2)CARE BB-; Stable (01-Apr-20)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (02-Mar-20)
2	Fund-based - ST-PC/Bill Discounting	ST	3.00	CARE A4; ISSUER NOT COOPERATING *	-	-	1)CARE A4; ISSUER NOT COOPERATING* (25-Feb-21) 2)CARE A4 (01-Apr-20)	1)CARE A4; ISSUER NOT COOPERATING* (02-Mar-20)
3	Non-fund-based - ST-Letter of credit	ST	4.00	CARE A4; ISSUER NOT COOPERATING *	-	-	1)CARE A4; ISSUER NOT COOPERATING* (25-Feb-21) 2)CARE A4 (01-Apr-20)	1)CARE A4; ISSUER NOT COOPERATING* (02-Mar-20)
4	Fund-based - LT-Term Loan	LT	6.33	CARE B-; Stable; ISSUER NOT COOPERATING *	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (25-Feb-21) 2)CARE BB-; Stable (01-Apr-20)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (02-Mar-20)

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

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities:** Not Available**Annexure 4: Complexity level of various instruments rated for this company**

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - ST-PC/Bill Discounting	Simple
4	Non-fund-based - ST-Letter of credit	Simple

**Annexure 5: Bank Lender Details for this Company**

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

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. 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 for any clarifications.

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### About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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