

Press Release

Upper India Inorganic Industries Limited

December 13, 2019

Rating Update



Total Bank Facilities Rated#	Rs.16.00 Cr.
Long Term Rating	ACUITE B+ (Issuer not co-operating*; Withdrawn)

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

#Refer Annexure for details

Rating Rationale

Acuite has withdrawn the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs. 16.00 crore bank facilities of Upper India Inorganic Industries Limited (UIIL). This rating is now withdrawn, indicative and is based on best available information.

The rating is being withdrawn on account of request received from the company and NOC received from the bank.

Incorporated in 1995, UIIL is a Haryana-based company promoted by Mr. Atul Gupta, Mr. Amit Gupta, Mr. Aakarsh Gupta and Mr. Rahul Goyal. The operations of the company commenced in 2016. The company is engaged in manufacturing of zinc oxide chemical. The company has its manufacturing unit located in Haryana with installed capacity of 6000 metric tonnes per annum.

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.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>
- Acuite withdrawal policies - <https://www.acuite.in/withdrawal.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.

About the Rated Entity- Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)
Operating Income	Rs. Cr.	80.75	54.41
PAT	Rs. Cr.	1.50	0.98
PAT Margin	(%)	1.86	1.81
Total Debt/Tangible Net Worth	Times	3.34	4.08
PBDIT/Interest	Times	2.76	2.41

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 (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
31-July-2017	Cash Credit	Long term	14.00	ACUITE B+/Stable (Assigned)
	Term Loan	Long Term	2.00	ACUITE B+/Stable (Assigned)
05-Oct-2018	Cash Credit	Long term	14.00	ACUITE B+/Stable (Reaffirmed)
	Term Loan	Long term	2.00	ACUITE B+ / Stable (Withdrawn)
	Proposed Long Term Facility	Long term	2.00	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	14.00	ACUITE B+ Withdrawn; Issuer not cooperating*
Proposed Long Term Facility	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE B+ Withdrawn; Issuer not cooperating*

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

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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