



Press Release

United Techfab Private Limited

May 12, 2022

Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Bank Loan Ratings	27.35	ACUITE BB- Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	28.35	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB**' (read as **ACUITE double B**) and reaffirmed the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 28.25 crore bank facilities of United Techfab Private Limited (UTPL). The rating is on account of the best available information and is flagged as Issuer not Cooperating.

About the Company

UTPL is an Ahmedabad-based company incorporated in 2012 by Mr. Mittal and family. The company manufactures grey denim fabric. It derives around 46.00 percent of its revenue from job work activity and the remaining 54.00 percent from manufacturing. The company undertakes job work for its group company, Vinod Denim Limited and sells its products to local textile manufacturers and traders in the domestic market. The raw material is procured from the local market.

About the Group

Based in Ahmedabad, Vinod group (VG) was established in the year 1983. The group is engaged in spinning, weaving, processing and trading of textile products. The group provides diversified products including yarn, grey fabric and denim fabric, to name a few. The group comprises of seven companies which comprise of Vinod Denim Limited (VDL), Vinod Fabrics Private Limited (VFPL), United Polyfab Private Limited (UPPL), United Polyfab Gujarat Limited (UPGL), Vinod Spinners Private Limited (VSPL), Vinod Cotfab Private Limited (VCFPL) and United Techfab Private Limited (UTPL) in the textile division. The group is promoted by Mittal family and has presence of over three decades in the textile industry. Further, VG is having presence in various industries including textile industry, education sector and real estate.

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 the due date.

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

Limitation regarding information availability:

Acuite Ratings & Research Limited

www.acuite.in

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 endeavored 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.

Rating Sensitivity

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

Material Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
09 Feb 2021	Term Loan	Long Term	23.63	ACUITE BB (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	2.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	1.72	ACUITE BB (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	1.00	ACUITE A4 (Downgraded and Issuer not co-operating*)
15 Nov 2019	Proposed Bank Facility	Short Term	1.72	ACUITE A4+ (Downgraded from ACUITE A3)
	Cash Credit	Long Term	2.00	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
	Bank Guarantee	Short Term	1.00	ACUITE A4+ (Downgraded from ACUITE A3)
	Term Loan	Long Term	23.63	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
28 Mar 2019	Term Loan	Long Term	23.63	ACUITE BBB- Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	1.72	ACUITE BBB- Stable (Assigned)
	Bank Guarantee	Short Term	1.00	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	2.00	ACUITE BBB- Stable (Reaffirmed)
16 Jan 2019	Cash Credit	Long Term	2.00	ACUITE BBB- (Issuer not co-operating*)
	Term Loan	Long Term	25.35	ACUITE BBB- (Issuer not co-operating*)
	Bank Guarantee	Short Term	1.00	ACUITE A3 (Issuer not co-operating*)
17 Nov 2017	Cash Credit	Long Term	2.00	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	25.35	ACUITE BBB- Stable (Assigned)
	Bank Guarantee	Short Term	1.00	ACUITE A3 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4 Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE BB- Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	1.72	ACUITE BB- Downgraded Issuer not co-operating*
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	23.63	ACUITE BB- Downgraded Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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