



Press Release
United Techfab Private Limited
September 04, 2024

Rating Downgraded, Reaffirmed and Issuer not co-operating

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

Rating Rationale

Acuite has downgraded the long-term rating to **'ACUITE B' (read as ACUITE B)** from **'ACUITE B+' (read as ACUITE B plus)** and reaffirmed the short-term rating of **'ACUITE A4' (read as ACUITE A four)** on the Rs. 28.35 crore bank facilities of United Techfab Private Limited on account of information risk. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

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.

Unsupported Rating

Not Applicable

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 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.

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 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 ratings 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 Acuite to comment upon."

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

None

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

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

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial

Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
07 Jun 2023	Bank Guarantee (BLR)	Short Term	1.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	2.00	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Proposed Long Term Bank Facility	Long Term	1.72	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Term Loan	Long Term	23.63	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
12 May 2022	Cash Credit	Long Term	2.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
	Proposed Long Term Bank Facility	Long Term	1.72	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
	Bank Guarantee (BLR)	Short Term	1.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	23.63	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
09 Feb 2021	Bank Guarantee (BLR)	Short Term	1.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Cash Credit	Long Term	2.00	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+ Stable)
	Term Loan	Long Term	23.63	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+ Stable)
	Proposed Long Term Bank Facility	Long Term	1.72	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+ Stable)

Annexure - Details of instruments rated

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

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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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