



**Press Release**  
**UNITED POLYFAB GUJARAT LIMITED**  
**June 07, 2023**

**Rating Downgraded, Reaffirmed and issuer not co-**

Product	Quantum (Rs. Cr)	<b>operating</b> Long Term Rating	Short Term Rating
Bank Loan Ratings	134.50	ACUITE B+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	5.50	-	ACUITE A4   Reaffirmed   Issuer not co-operating*
<b>Total Outstanding Quantum (Rs. Cr)</b>	140.00	-	-

**Rating Rationale**

Acuite has downgraded the long-term rating from '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and has reaffirmed the short-term rating of '**ACUITE A4**' (read as **ACUITE A Four**) on the Rs. 140.00 crore bank facilities of United Polyfab Gujarat Limited (UPGL). The rating continues to be flagged as "Issuer Not Cooperating" and is downgraded and Reaffirmed on account of information risk.

**About the Company**

UPGL, an Ahmedabad-based company incorporated in 2005, was promoted by Mr. Mittal and family. The company is engaged in the manufacturing of grey denim fabric. It undertakes job work for its group company, Vinod Denim Limited. The job work contributes around 22.00 percent with the remaining 78.00 percent derived from manufacturing and trading activities. The company purchases raw material - cotton yarn from the local market and sells its grey fabric to local traders.

**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. Acuite believes that information risk is a critical component in such ratings, and noncooperation 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 Acuite'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). 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 ratings is based.

**About the Rated Entity - Key Financials**

The rated entity has not shared the latest financial statement for Acuite comment.

**Rating Sensitivity**

No information has been shared by the entity/ available for Acuite to comment.

### **Material Covenants**

None

**Liquidity Position**

No information has been shared by the entity/ available for Acuite to comment.

**Outlook: Not Applicable****Other Factors affecting Rating**

None

**Status of non-cooperation with previous CRA**

None

**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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
11 May 2022	Term Loan	Long Term	14.22	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	6.89	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	27.44	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	6.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	2.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	1.50	ACUITE A4 ( Issuer not co-operating*)
	Term Loan	Long Term	3.17	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	4.66	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	5.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	23.65	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	27.37	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	4.00	ACUITE A4 ( Issuer not co-operating*)
	Term Loan	Long Term	7.10	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	7.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
09 Feb 2021	Cash Credit	Long Term	7.00	ACUITE BB (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	1.50	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	27.44	ACUITE BB (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	4.00	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	23.65	ACUITE BB (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	27.37	ACUITE BB (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	6.89	ACUITE BB (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	4.66	ACUITE BB (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	3.17	ACUITE BB (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	14.22	ACUITE BB (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	7.10	ACUITE BB (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	1.50	ACUITE A4 (Downgraded and Issuer not co-operating*)
		Long		ACUITE BB (Downgraded and Issuer not co-operating*)

Cash Credit	Term	6.00	co-operating*)
Proposed Bank Facility	Long Term	27.44	ACUITE BB (Downgraded and Issuer not co-operating*)
Bank Guarantee	Short Term	4.00	ACUITE A4 (Downgraded and Issuer not co-operating*)
Cash Credit	Long Term	2.00	ACUITE BB (Downgraded and Issuer not co-operating*)
Cash Credit	Long Term	5.00	ACUITE BB (Downgraded and Issuer not co-operating*)
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Term Loan	Long Term	14.22	ACUITE BB (Downgraded and Issuer not co-operating*)
Term Loan	Long Term	7.10	ACUITE BB (Downgraded and Issuer not co-operating*)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
State Bank of India	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	4.00	ACUITE A4   Reaffirmed   Issuer not co-operating*
Punjab National Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	1.50	ACUITE A4   Reaffirmed   Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	2.00	ACUITE B+   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	7.00	ACUITE B+   Downgraded   Issuer not co-operating*
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	5.00	ACUITE B+   Downgraded   Issuer not co-operating*
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	6.00	ACUITE B+   Downgraded   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	27.44	ACUITE B+   Downgraded   Issuer not co-operating*
Indian Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	14.22	ACUITE B+   Downgraded   Issuer not co-operating*
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	6.89	ACUITE B+   Downgraded   Issuer not co-operating*
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	3.17	ACUITE B+   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	7.10	ACUITE B+   Downgraded   Issuer not co-

								operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	4.66	ACUITE B+   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	23.65	ACUITE B+   Downgraded   Issuer not co-operating*
State Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	27.37	ACUITE B+   Downgraded   Issuer not co-operating*

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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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