



**Press Release**  
**United Polyfab Gujarat Limited**  
**August 26, 2024**

**Rating Downgraded, Reaffirmed and Issuer not co-operating**

Product	Quantum (Rs. Cr)	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*
Total Outstanding Quantum (Rs. Cr)	140.00	-	-

**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 has reaffirmed the short-term rating to '**ACUITE A4**' (read as **ACUITE A Four**) on the Rs. 140.00 crore bank facilities of United Polyfab Gujarat Limited (UPGL) 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**

United Polyfab Gujarat Limited, an Ahmedabad-based company incorporated in 2010, 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.

**Unsupported Rating**

Not Applicable

**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. Acuité 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 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 endeavoured 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.

**Rating Sensitivity**

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

**Liquidity Position**

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

**Outlook**

Not Applicable

**Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	911.31	653.50
PAT	Rs. Cr.	6.61	5.48
PAT Margin	(%)	0.73	0.84
Total Debt/Tangible Net Worth	Times	1.58	1.79
PBDIT/Interest	Times	3.78	3.35

### 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>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite 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
07 Jun 2023	Cash Credit	Long Term	2.00	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Cash Credit	Long Term	7.00	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Term Loan	Long Term	7.10	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Term Loan	Long Term	4.66	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Term Loan	Long Term	23.65	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Term Loan	Long Term	27.37	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Cash Credit	Long Term	5.00	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Term Loan	Long Term	6.89	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Term Loan	Long Term	3.17	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Cash Credit	Long Term	6.00	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Term Loan	Long Term	14.22	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Proposed Long Term Bank Facility	Long Term	27.44	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB-)
	Bank Guarantee (BLR)	Short Term	4.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee (BLR)	Short Term	1.50	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
11 May 2022	Cash Credit	Long Term	2.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
	Cash Credit	Long Term	7.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
	Term Loan	Long Term	7.10	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
	Term Loan	Long Term	4.66	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
	Term Loan	Long Term	23.65	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
	Term Loan	Long Term	27.37	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
	Cash Credit	Long Term	5.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
	Term Loan	Long Term	6.89	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
	Term Loan	Long Term	3.17	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
	Cash Credit	Long Term	6.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
	Term Loan	Long Term	14.22	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
	Proposed Long Term Bank Facility	Long Term	27.44	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB)
		Short		ACUITE A4 (Reaffirmed & Issuer not co-

	Bank Guarantee (BLR)	Term	4.00	operating*)
	Bank Guarantee (BLR)	Short Term	1.50	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
09 Feb 2021	Cash Credit	Long Term	2.00	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Cash Credit	Long Term	7.00	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Bank Guarantee (BLR)	Short Term	4.00	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Bank Guarantee (BLR)	Short Term	1.50	ACUITE A4 (Downgraded & Issuer not co-operating* from ACUITE A4+)
	Cash Credit	Long Term	5.00	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Cash Credit	Long Term	6.00	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Proposed Long Term Bank Facility	Long Term	27.44	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Term Loan	Long Term	7.10	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Term Loan	Long Term	4.66	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Term Loan	Long Term	23.65	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Term Loan	Long Term	27.37	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Term Loan	Long Term	6.89	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Term Loan	Long Term	3.17	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+   Stable)
	Term Loan	Long Term	14.22	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
State Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	4.00	ACUITE A4   Reaffirmed   Issuer not co-operating*
Punjab National Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.50	ACUITE A4   Reaffirmed   Issuer not co-operating*
State Bank of India	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+ )
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	7.00	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Punjab National Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	5.00	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Indian Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	6.00	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	27.44	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Indian Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	14.22	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
Punjab	Not			Not avl.	Not avl.			ACUITE B   Downgraded   Issuer not

National Bank	avl. / Not appl.	Term Loan	Not avl. / Not appl.	/ Not appl.	/ Not appl.	Simple	6.89	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	3.17	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	7.10	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	4.66	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	23.65	ACUITE B   Downgraded   Issuer not co-operating* ( from ACUITE B+ )
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	27.37	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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