

Press Release

United Infra Minerals Private Limited

December 16, 2021



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	3.00		ACUITE A4+ Downgraded Issuer not co-operating*
Bank Loan Ratings	12.66	ACUITE BB+ Downgraded Issuer not co-operating*	
Total	15.66	-	-

Rating Rationale

Acuité has downgraded the long term rating to '**ACUITE BB+** (read as **ACUITE double B plus**) from '**ACUITE BBB+**' (read as **ACUITE Triple B Plus**) and the short term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A2+**' (read as **ACUITE A Two Plus**) to the Rs. 15.66 Cr bank facilities of United Infra Minerals Private Limited. The ratings are now indicative and is downgraded on account of information risk.

About the Entity

United Infra Minerals Pvt Ltd incorporated in 2011 is a 60 percent subsidiary of UGCL and based out of Bangalore with major operations in Telangana and Andhra Pradesh. The company is promoted by Mr M Vamsidhar and is engaged in the business of manufacturing of alternative of sand which is called manufactured sand or M-Sand, Plaster Sand or P-Sand, aggregates and fillers which are used in construction and also manufactures plaster, granular sub base, aggregates and fillers which are used as ingredients in mortar and concrete. The company markets these products under the brands NEOSAND, NEOPLAST, NEOGSB, NEOAGGREGATES and NEOFILLERS.

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 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 rating is based.

Material Covenants

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

Outlook

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

Liquidity Position

Not Applicable

Rating Sensitivities

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

Key Financial

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

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-up

Applicable Criteria

- Complexity Level Of Financial Instruments: <https://www.acuite.in/view-rating-criteria-55.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
19 Dec 2019	Letter of Credit	Short Term	3.00	ACUITE A2+ (Reaffirmed)
	Term Loan	Long Term	4.17	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	7.50	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	0.45	ACUITE BBB+ Stable (Reaffirmed)
28 Jun 2019	Term Loan	Long Term	5.16	ACUITE BBB+ (Issuer not co-operating*)
	Cash Credit	Long Term	7.50	ACUITE BBB+ (Issuer not co-operating*)
	Letter of Credit	Short Term	3.00	ACUITE A2+ (Issuer not co-operating*)
10 Apr 2018	Cash Credit	Long Term	7.50	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	5.16	ACUITE BBB+ Stable (Assigned)
	Letter of Credit	Short Term	3.00	ACUITE A2+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Initial Quantum (Rs. Cr.)	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.50	7.50	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB+)
Canara Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	3.00	3.00	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A2+)
Not Applicable	Not Applicable	Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	0.45	0.45	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB+)
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	4.71	4.71	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB+)

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in
Hariprasad J Senior Analyst-Rating Operations Tel: 022-49294065 hariprasad.j@acuite.in	

About Acuité Ratings & Research

Acuité Ratings & Research 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 8,850 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 Kanjurmarg, Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.