



**Press Release**  
**UTTAM CYLINDERS PRIVATE LIMITED**  
**February 06, 2025**  
**Rating Downgraded and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	87.11	ACUITE C   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	12.89	-	ACUITE A4   Downgraded   Issuer not co-operating*
<b>Total Outstanding Quantum (Rs. Cr)</b>	100.00	-	-
<b>Total Withdrawn Quantum (Rs. Cr)</b>	0.00	-	-
* The issuer did not co-operate; based on best available information.			

**Rating Rationale**

Acuite has downgraded its long-term rating to 'ACUITE C' (read as ACUITE Cf) from 'ACUITE BB+' (read as ACUITE double B plus) and short-term rating to 'ACUITE A4' (read as ACUITE four) from 'ACUITE A4+' (read as ACUITE A four plus) on the Rs. 100.00 Cr. bank facilities of Uttam Cylinders Private Limited (UCPL). The rating is now flagged as "Issuer Not-Cooperating" on account of information risk and is based on the best available information.

The downgrade is based on delays in debt servicing being reflected in the Credit Information Bureau Report and other publicly available information. Additionally, the company has not provided latest No Default Statements (NDS) for last 3 months consecutively.

**About the Company**

Uttam Cylinders Private Limited (UCPL) was incorporated in November 2008 by Mr. Karan Bhatia and Ms. Aanchal Bhatia. The company is one of the flagship entity of Uttam Group. UCPL is engaged in manufacturing of Bulk Gas Transport (BGT) System for compressed natural gas (CNG) and hydrogen. In addition to this, the company is also involved in trading of high-pressure gas cylinder made of aluminium and carbon composite. The company also manufactures mobile refuelling unit for CNG. The aluminium cylinder is utilized in medical and industrial field whereas the carbon composite is utilized in clean energy and aerospace field. The manufacturing facility for BGT system is located at Faridabad, Haryana.

**About the Group**

Uttam Composite LLC; incorporated on October 08th 2020 in California, USA is a wholly owned subsidiary of UCPL, engaged in manufacturing of carbon composite cylinders. Approximately 60% of total production is purchased by the holding company for manufacturing of BGT Systems in their Faridabad unit in India. The key management personnel include Mr. Aaryaman Bhatia.

**Unsupported Rating**

Not Applicable

**Non-cooperation by the issuer/borrower**

Acuité has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months.

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**

This 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. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

#### **Rating Sensitivities**

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

## Key Financials

Particulars	Unit	FY 24 (Provisional)	FY 23 (Actual)
Operating Income	Rs. Cr.	82.39	167.78
PAT	Rs. Cr.	(19.59)	(5.22)
PAT Margin	(%)	(23.77)	(3.11)
Total Debt/Tangible Net Worth	Times	(7.13)	8.63
PBDIT/Interest	Times	(1.29)	0.73

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

None

### Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Trading Entitie: <https://www.acuite.in/view-rating-criteria-61.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
31 May 2024	Bank Guarantee (BLR)	Short Term	2.89	ACUITE A4+ (Downgraded from ACUITE A2)
	Letter of Credit	Short Term	10.00	ACUITE A4+ (Downgraded from ACUITE A2)
	Cash Credit	Long Term	15.00	ACUITE BB+   Stable (Downgraded from ACUITE BBB   Stable)
	Bills Discounting	Long Term	10.00	ACUITE BB+   Stable (Downgraded from ACUITE BBB   Stable)
	Proposed Long Term Bank Facility	Long Term	22.11	ACUITE BB+   Stable (Downgraded from ACUITE BBB   Stable)
	Term Loan	Long Term	25.00	ACUITE BB+   Stable (Downgraded from ACUITE BBB   Stable)
	Cash Credit	Long Term	15.00	ACUITE BB+   Stable (Downgraded from ACUITE BBB   Stable)
03 Mar 2023	Bank Guarantee (BLR)	Short Term	5.00	ACUITE A2 (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BBB   Stable (Reaffirmed)
	Bills Discounting	Long Term	10.00	ACUITE BBB   Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	70.00	ACUITE BBB   Stable (Reaffirmed)
27 Jan 2022	Bank Guarantee (BLR)	Short Term	5.00	ACUITE A2 (Assigned)
	Proposed Long Term Bank Facility	Long Term	70.00	ACUITE BBB   Stable (Assigned)
	Bills Discounting	Long Term	10.00	ACUITE BBB   Stable (Assigned)
	Cash Credit	Long Term	15.00	ACUITE BBB   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
ICICI Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.89	Simple	ACUITE A4   Downgraded   Issuer not co-operating* ( from ACUITE A4+ )
ICICI Bank Ltd	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE C   Downgraded   Issuer not co-operating* ( from ACUITE BB+ )
ICICI Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE C   Downgraded   Issuer not co-operating* ( from ACUITE BB+ )
Union Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE C   Downgraded   Issuer not co-operating* ( from ACUITE BB+ )
ICICI Bank Ltd	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A4   Downgraded   Issuer not co-operating* ( from ACUITE A4+ )
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	22.11	Simple	ACUITE C   Downgraded   Issuer not co-operating* ( from ACUITE BB+ )
TATA Capital Financial Service Ltd.	Not avl. / Not appl.	Term Loan	31 Mar 2023	Not avl. / Not appl.	05 Jun 2027	25.00	Simple	ACUITE C   Downgraded   Issuer not co-operating* ( from ACUITE BB+ )

\* The issuer did not co-operate; based on best available information.

### \*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr. No.	Company Name
1	Uttam Composite LLC
2	Uttam Cylinders Private Limited

## Contacts

Mohit Jain Senior Vice President-Rating Operations	<b>Contact details exclusively for investors and lenders</b>
Kruti Patel Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: <a href="mailto:analyticalsupport@acuite.in">analyticalsupport@acuite.in</a>

### 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.

**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. Ratings assigned by Acuité 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. Ratings assigned by Acuité 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](http://www.acuite.in)) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.

**Note:** None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.