



Press Release
UNIQUE STRUCTURES AND TOWERS LIMITED
March 20, 2025
Rating Downgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	24.79	ACUITE C Downgraded	-
Bank Loan Ratings	92.21	-	ACUITE A4 Downgraded
Total Outstanding Quantum (Rs. Cr)	117.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE C**' (read as **ACUITE C**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) and the short-term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A four plus**) on Rs.117.00 Cr. bank facilities of Unique Structures and Towers Limited (USTL).

Rationale for Downgrade

The rating downgrade is based on delays reported in servicing of debt obligation in the credit bureau information report of Unique Structures and Towers Limited (USTL).

About the Company

Unique Structures and Towers Limited (USTL) was incorporated in 1985 by Mr. V.K. Bansal at Chhattisgarh. In 1995, the company started galvanized steel structure fabrication unit for transmission towers. The company has been regularly supplying galvanized steel structures and towers to Power Grid Corporation of India Limited (PGCIL), Indian Railway, Departments of Telecommunication (DoT) among others. USTL also ventured into EPC contract. Currently company is into Engineering, Procurement and Construction (EPC) for Power Grid Corporation India Ltd (PGCIL), Indian Railway and Department of Telecommunication (DoT) among others. The directors of the company are Mr. Ajay Kumar, Mr. Rishi Kumar Bansal, Mrs. Sonika Bansal, Mr. Shree Gopal Kankani and Mr. Sujitkumar Laxminarayan Sharma. The registered office is located Chhattisgarh.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone business and financial risk profile of Unique Structures and Towers Limited for arriving at the rating.

Key Rating Drivers

Strengths

Experienced management and long track record of operation

Established in 1985 by Mr. VK Bansal, USTL, a Chhattisgarh-based company, is engaged into tower fabrication and galvanized steel structures. Currently led by Mr. Rishi Kumar Bansal, the company's management boasts more than two decade of experience in tower fabrication and LPC business. Other directors, Mr. Ajay Kumar, Mrs. Sonika Bansal, Mr. Shree Gopal Kankani and Mr. Sujitkumar Laxminarayan Sharma, also bring extensive industry experience. The promoters' enduring expertise and the company's longstanding operational success have fostered strong relationships with key suppliers and esteemed clients.

Weaknesses

Delays in servicing debt obligations

There have been delays reported in servicing debt obligation as per the credit bureau information report (CRIF) of Unique Structures and Towers Limited (USTL). The account has been classified as SMA0 for the months of December 2024 and January 2025.

Highly competitive and fragmented nature of industry

The sector is marked by the presence of several mid-to large-sized players. The company specialises in tower fabrication and galvanized steel units, mainly for Power Grid Corporation of India (PGCIL), Indian Railways and Department of Telecommunication (DoT). Company faces competition from large players as well as local and small unorganized players. Most of its projects are tender based and face intense competition. This can impact the profitability of the company. However, this risk is mitigated to an extent on account of the experience of the management and the group's well-established presence.

Rating Sensitivities

- Timely servicing of debt obligations

Liquidity Position**Stretched**

The liquidity position of the company is marked stretched due to instance of delay in servicing loan obligation in December 2024 and January 2025.

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

None

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	87.01	53.67
PAT	Rs. Cr.	2.09	1.10
PAT Margin	(%)	2.41	2.05
Total Debt/Tangible Net Worth	Times	0.87	0.73
PBDIT/Interest	Times	1.62	1.48

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)

Not applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.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, 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
29 Aug 2024	Bank Guarantee (BLR)	Short Term	35.78	ACUITE A4+ (Reaffirmed)
	Proposed Short Term Bank Facility	Short Term	12.17	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	2.25	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	2.25	ACUITE A4+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	39.76	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	11.00	ACUITE BB+ Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	1.50	ACUITE BB+ Stable (Reaffirmed)
	Cash Credit	Long Term	11.00	ACUITE BB+ Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	1.29	ACUITE BB+ Stable (Reaffirmed)
01 Feb 2024	Letter of Credit	Short Term	2.25	ACUITE A4+ (Downgraded from ACUITE A3)
	Bank Guarantee (BLR)	Short Term	39.76	ACUITE A4+ (Downgraded from ACUITE A3)
	Bank Guarantee (BLR)	Short Term	35.78	ACUITE A4+ (Downgraded from ACUITE A3)
	Proposed Short Term Bank Facility	Short Term	9.53	ACUITE A4+ (Downgraded from ACUITE A3)
	Letter of Credit	Short Term	2.25	ACUITE A4+ (Downgraded from ACUITE A3)
	Cash Credit	Long Term	11.00	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
	Working Capital Demand Loan (WCDL)	Long Term	2.92	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
	Cash Credit	Long Term	11.00	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
	Working Capital Demand Loan (WCDL)	Long Term	2.51	ACUITE BB+ Stable (Downgraded from ACUITE BBB- Stable)
10 Nov 2022	Letter of Credit	Short Term	2.25	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	39.76	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	35.78	ACUITE A3 (Reaffirmed)
	Proposed Short Term Bank Facility	Short Term	9.53	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	2.25	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	11.00	ACUITE BBB- Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	2.92	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	11.00	ACUITE BBB- Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	2.51	ACUITE BBB- Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	39.76	Simple	ACUITE A4 Downgraded (from ACUITE A4+)
Bank of Baroda	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	35.78	Simple	ACUITE A4 Downgraded (from ACUITE A4+)
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.00	Simple	ACUITE C Downgraded (from ACUITE BB+)
Bank of Baroda	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.00	Simple	ACUITE C Downgraded (from ACUITE BB+)
Bank of Baroda	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.25	Simple	ACUITE A4 Downgraded (from ACUITE A4+)
State Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.25	Simple	ACUITE A4 Downgraded (from ACUITE A4+)
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	12.17	Simple	ACUITE A4 Downgraded (from ACUITE A4+)
Bank of Baroda	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	30 Nov 2026	1.29	Simple	ACUITE C Downgraded (from ACUITE BB+)
State Bank of India	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 Dec 2026	1.50	Simple	ACUITE C Downgraded (from ACUITE BB+)

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About Acuité Ratings & Research

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