

Press Release

United Engineering Industries Private Limited (UEIPL)

October 31, 2018



Rating Withdrawn

| | |
|-------------------------------------|-------------------------------|
| Total Bank Facilities Rated* | Rs. 12.00 Cr. |
| Long Term Rating | ACUITE B+/ Stable (Withdrawn) |
| Short Term Rating | ACUITE A4 (Withdrawn) |

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn long-term rating of '**ACUITE B+**' (**read as ACUITE B plus**) and short term rating of '**ACUITE A4**' (**read as ACUITE A4**) on the Rs. 12.00 crore bank facilities of United Engineering Industries Private Limited. The rating withdrawal is in accordance with the Acuité's 'policy on withdrawal of rating.

United Engineering Industries Private Limited (UEIPL) incorporated in 2011 is engaged in the heavy steel fabrication business. The company undertakes designing of heat exchangers, steel bridge girders among others for railways. It also offers installation and maintenance services and end-to-end solutions. The installed capacity is 80 metric tonnes per annum.

About the Rated Entity - Key Financials

In FY2016-17(Provisional), the company reported profit after tax (PAT) of Rs.0.05 crore on operating income of Rs.25.39 crore, compared to PAT of Rs.0.09 crore on operating income of Rs.22.18 crore in the previous year. The net worth stood at Rs.4.19 crore as on 31 March, 2017 against Rs.4.14 crore a year earlier.

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

None

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Entities In Services Sector - <https://www.acuite.in/view-rating-criteria-8.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Up to last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|-------------|---------------------------------|------------|------------------|--------------------|
| 29-Aug-2017 | Cash Credit | Long Term | INR 8.5 | ACUITE B+ / Stable |
| | Proposed Long Term Loan | Long Term | INR 1.5 | ACUITE B+ / Stable |
| | Bank Guarantee | Short Term | INR 2 | ACUITE A4 |

***Annexure – Details of instruments rated**

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings/Outlook |
|-------------------------|------------------|----------------|----------------|-----------------------------|-------------------------------|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 8.50 | ACUITE B+/ Stable (Withdrawn) |
| Proposed Long term loan | Not Applicable | Not Applicable | Not Applicable | 1.50 | ACUITE B+/ Stable (Withdrawn) |
| Bank guarantee | Not Applicable | Not Applicable | Not Applicable | 2.00 | ACUITE A4 (Withdrawn) |

Contacts

| Analytical | Rating Desk |
|--|---|
| Aditya Gupta Head - Corporate and Infrastructure Sector Ratings Tel: 022-49294041 aditya.gupta@acuite.in Ayushi Rathore Analyst - Rating Operations Tel: 02249294033 ayushi.rathore@acuiteratings.in | Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in |

About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings 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 6,000 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 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.