



## Press Release

### Uralungal Labour Contract Cooperative Society Limited (ULCCS)

June 10, 2022

#### Ratings:

(INR Crore)				
Instrument/ Facility	Amount	Current Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities (Cash Credit)	697.23	IVR BB/ ISSUER NOT COOPERATING* (IVR Double B ISSUER NOT COOPERATING)	Revised and Continued as ISSUER NOT COOPERATING	Simple
<b>Total</b>	<b>697.23</b>			

*\*Issuer did not cooperate; based on best available information.*

#### Details of Facilities are in Annexure 1

#### Detailed Rationale:

The rating revision is because of lack of adequate information regarding Uralungal Labour Contract Co-operative Society Limited and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

#### Non-cooperation by Issuer:

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated May 17<sup>th</sup>, 2022, and May 24<sup>th</sup>, 2022, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details and fees for surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term ratings for the bank loan facilities aggregating to INR 697.23 Crore of Uralungal Labour Contract Co-operative Society Limited shall continue to remain in the 'ISSUER NOT COOPERATING' category by Infomerics and



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the rating downgraded to 'IVR BB ISSUER NOT COOPERATING'; based on best available information. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Infrastructure Sector](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients.](#)

**About the Company:**

The Uralungal Labour Contract Cooperative Society Limited is registered as a cooperative society under Act 10 of 1952. The Society No.is 10957. Its registered office is at Madappally College (P.O), Pin 673103, VadakaraT2, Kozhikode (Dt), Kerala State.

**Financials: Standalone**

(INR Crore)

For the year ended/ As On	31-03-2018	31-03-2019
	(Audited)	(Audited)
Total Operating Income	596.12	746.61
EBITDA	79.39	141.41
PAT	2.20	3.23
Total Debt	487.23	709.00
Tangible Net-worth	272.64	297.96
<b><u>Ratios</u></b>		
EBITDA Margin (%)	13.32	18.94
PAT Margin (%)	0.36	0.43
Overall Gearing Ratio (x)	1.79	2.38

**Status of non-cooperation with previous CRA: NIL**

**Any other information: NIL**



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### Rating History for last three years:

(INR Crore)

Name of Instrument/ Facilities	Current Ratings (Year 2022-23)			Rating History for the past 3 years		
	Type	Amount	Rating	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21 (May 31, 2021)	Date(s) & Rating(s) assigned in 2019-20 (April 09, 2020)
Long Term Bank Facilities (Cash Credit)	Long Term	697.23	IVR BB/ ISSUER NOT COOPERATI NG*	--	IVR BB+ ISSUER NOT COOPERATI NG*	IVR BB+ /Stable Outlook
<b>Total</b>		<b>697.23</b>				

\*Issuer did not cooperate; based on best available information.

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### About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine-tune its product offerings to best suit the market.

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors



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### Annexure 1: Details of Facilities:

(INR Crore)

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility	Rating Assigned/ Outlook
Long Term Bank Facilities-Cash Credit	--	--	--	697.23	IVR BB/ ISSUER NOT COOPERATING*

\* Issuer did not cooperate; based on best available information.

**Annexure 2: List of companies considered for consolidated analysis: Not Applicable**

**Annexure 3: Facility wise lender details: Not Available**

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable**

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com)