



Press Release

Unique Infra Engineering India Private Limited (UIE IPL)

February 19, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities- Cash Credit	54.95	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	Rating Reaffirmed	Simple
Long Term Bank Facilities- Term Loan	7.05	IVR BBB-/Stable and Withdrawn (IVR Triple B Minus with Stable Outlook and Withdrawn)	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	Rating Reaffirmed & Withdrawn	Simple
Proposed Long Term Facilities- Cash Credit	0.45	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	IVR BBB-/ Stable (IVR Triple B Minus with Stable Outlook)	Rating Reaffirmed	Simple
Short Term Bank Facilities	56.05	IVR A3 (IVR A Three)	IVR A3 (IVR A Three)	Rating Reaffirmed	Simple
Total	118.50 (Rupees One Hundred Eighteen Crore and Fifty Lakhs Only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Ratings has reaffirmed its rating assigned to the bank facilities of Unique Infra Engineering India Private Limited (UIE IPL). The ratings derive strength from increase in topline along with improved profitability, comfortable capital structure and debt protection metrics and healthy order book. However, these ratings are constrained due to exposure to intense competition in the EPC contracting industry entailing inherent risks in the form of slowdown in capex by the government of private sector, delays in payment by clients, and delays in execution due to extraneous factors. Additionally, revenue visibility is dependent on successful bidding in tenders which entails significant degree of uncertainty.

The ratings have been assigned a stable outlook as the Company's business and financial risk profile is expected to be maintained over the medium term. The company's revenue and margins are expected to remain stable and grow further in the projected period



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Infomerics Ratings has simultaneously withdrawn the rating of the outstanding Term Loan worth Rs. 7.05 crore based on the request letter from the company and No objection certificate received from Union Bank Of India dated February 07, 2025, The rating withdrawn is in line with Infomerics' policy on withdrawal of ratings.

Key Rating Sensitivities:

Upward Factors

- Growth in scale of operation with improvement in profit margins leading to improvement in cash accruals on sustained basis.
- Increase in order book and timely execution of the same

Downward Factors

- Decline in operating income and profitability.
- Substantial decline in execution of work orders.
- Stretch in the working capital cycle negatively impacting liquidity position.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Increase in topline along with improved profitability** - The total operating income improved to Rs. 313.13 crore in FY24 (refers to the period April 01, 2023, to March 31 2024) from Rs. 294.03 crore in FY23. Simultaneously, the EBITDA of the company improved to Rs 47.37 crore in FY24 from Rs 41.61 crore in FY23 and the PAT of the company stood improved to Rs 20.19 crore in FY24 from Rs 18.22 crore in FY23. The company has achieved revenues to the tune of Rs 99.81 crore for a period from April 24 to December 24 as informed by the management of the company.
- **Comfortable capital structure and debt protection metrics** - The capital structure of the company weakened in FY24 yet remained comfortable marked by an overall gearing of 1.22x as on March 31, 2024 (weakening from 0.77x as on March 31, 2023) due to increase in total debt from 45.52 crore in FY23 to Rs. 96.47 crore in FY24. The increase was driven mainly by working capital bank borrowings which stood at Rs.66.86cr as at end



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FY24 (Rs.22.30cr as at end FY23). The net worth of the company stood at Rs.78.88 crore in FY 2024 as compared to Rs.58.79 crore in FY 2023. The debt service coverage ratio (DSCR) of the company remained moderate at 1.84x in FY2024.

- **Healthy Order book** - The firm has unexecuted order book of Rs 1579.11 crores as on December 2024 which is executable in upcoming 12-18 months which provides healthy revenue visibility over short- medium term. The current order book has a concentration of medical infrastructure projects from the Rajasthan comprising medical colleges and hospitals, where the funding is secured from state government (40%) as well as the central government (60%). Out of total order book ~60% of order book consist of construction of medical colleges and hospitals.

Key Rating Weaknesses

- **Exposure to competitive segment and inherent risk in nature of business**- Intense rivalry, many participants, and low entry barriers are characteristics of the EPC contracting industry. Additionally, the fierce competition in this market may lead to aggressive project bidding, which would affect the company's profit margins. The primary business risks faced by any company in the sector include economic downturns leading to lower capex by corporates, slowdown in government spending, delays in government payments, project execution risk (including delays in land acquisition) and variable input costs.
- **Tender-based nature of operations with intense competition in the industry** -The domestic infrastructure/construction market is extremely competitive, with many competitors of all sizes and skill levels present. Additionally, the company derives 90% of its work orders from government departments via tenders put forth by the departments and the size of its order book is based on its success in winning these tenders amid fierce pricing competition. Due to the competitive nature of the industry, the company's profit margin may be under pressure.

Analytical Approach: Standalone



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Applicable Criteria:

[Rating Methodology for Infrastructure Companies.](#)

[Criteria on assigning rating outlook](#)

[Policy on Default Recognition and Post-Default Curing Period](#)

[Complexity Level of Rated Instruments/Facilities](#)

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

[Policy on withdrawal of ratings](#)

Liquidity – Adequate

The liquidity of the company is expected to remain adequate in the near to medium term with sufficient accruals in the range of Rs.41.84 crore to Rs.54.76 crore in the projected period FY25-27 to meet the term debt repayment of Rs.7.00 crore to Rs.8.50 crore in the similar period. The current ratio remained comfortable at 1.56x as on March 31, 2024. The average monthly fund based working capital utilization of the company stood at 67.94% for the past 12 months period ended January 2025 indicating moderate liquidity cushion. The company's free cash and bank balance stood at Rs. 1.44 Crore as of March 2024.

About the Company

Unique Infra Engineering India Pvt. Ltd. (UIE IPL) is a registered Company under the Indian Companies Act which was founded in the year 1999, in Udaipur, Rajasthan. The business was originally founded by Mr. R.S. Yadav in the year 1994 as a partnership firm in the name of M/s Unique Engineers. UIE IPL is currently directly owned by Chetanya Yadav and Atul Yadav, sons of Mr.R.S.Yadav, who have 50% stake each.



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Financials (Standalone):

For the year ended/ As on*	(Rs. crore)	
	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	294.03	313.13
EBITDA	41.61	47.37
PAT	18.22	20.19
Total Debt	45.52	96.47
Tangible Net Worth	58.79	78.88
EBITDA Margin (%)	14.15	15.13
PAT Margin (%)	6.19	6.43
Overall Gearing Ratio (x)	0.77	1.22
Interest Coverage (x)	3.23	2.97

* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (2024-2025)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-2024	Date(s) & Rating(s) assigned in T-2	Date(s) & Rating(s) assigned in T-3
					Date (December 20, 2023)	Date (Month XX, 20XX)	Date (Month XX, 20XX)
1.	Cash Credit	Long Term	54.95	IVR BBB-/Stable	IVR BBB-/Stable	-	-
2.	Term Loan	Long Term	7.05	IVR BBB-/Stable & Withdrawn	IVR BBB-/Stable	-	-
3.	Proposed Cash Credit	Long Term	0.45	IVR BBB-/Stable	IVR BBB-/Stable		
4.	Bank Guarantee	Short Term	56.05	IVR A3	IVR A3	-	-

Analytical Contacts:

Name: Sudarshan Shreenivas

Tel: (022) 6239 6023

Email: Sudarshan.Shreenivas@infomerics.com



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About Infomerics:

Infomerics Valuation And Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

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Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	-	54.95	IVR BBB-/Stable
Term Loan	-	-	-	-	7.05	IVR BBB-/Stable & Withdrawn
Proposed Cash Credit	-	-	-	-	0.45	IVR BBB-/Stable
Bank Guarantee	-	-	-	-	56.05	IVR A3

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/Len-Unique-Infra-Engi-19feb25.pdf>

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Name of the Security	Detailed Explanation
Financial Covenant	
i.	
ii.	
Non-financial Covenant	
i.	
ii.	

Annexure 4: List of companies considered for consolidated/Combined analysis: 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