



Press Release

United Polyfab Gujarat Limited

January 31, 2023

Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	113.00	IVR BB/ Negative ISSUER NOT COOPERATING* (IVR double B with Negative outlook Issuer Not Cooperating)	Revised from IVR BB+/Stable (IVR double B plus with Stable Outlook) and moved to Issuer Not Cooperating category	Simple
Short Term Bank Facilities	5.50	IVR A4 ISSUER NOT COOPERATING* (IVR A four Issuer Not Cooperating)	Revised from IVR A4+ (IVR A four plus) and moved to Issuer Not Cooperating category	Simple
Total	118.50 (One hundred eighteen crore and fifty lakh only)			

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

Details of Facilities are in Annexure 1

Detailed Rationale

The ratings revision is because of non-submission of no default statement from United Polyfab Gujarat Limited for the last three months i.e. October 2022, November 2022 and December 2022 and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the company 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 company.

Non-cooperation by Issuer



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Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications dated from October 2022 to January 2023 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the No Default Statements.

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 rating for the bank loan aggregating to Rs.113.00 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB/ Negative ISSUER NOT COOPERATING; Based on best available information (IVR double B with Negative outlook Issuer Not Co-operating) and short-term rating for the bank facilities aggregating to Rs. 5.50 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR A4 ISSUER NOT COOPERATING (IVR A four Issuer Not Co-operating) of United Polyfab Gujarat Limited.

Analytical Approach & Applicable Criteria: Standalone

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

[Rating Methodology for manufacturing companies](#)

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

[Criteria of assigning rating outlook](#)

About the company

Incorporated in November 2010, United Polyfab Gujarat Limited is engaged in the spinning of cotton yarn. Its manufacturing unit is located in Timba, Dascroi, Ahmedabad. The company has an installed yarn spinning capacity of 40,000 spinning spindles. The company is listed on NSE.



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Financials (Standalone)

(Rs. Crore)

For the year ended* / INR. Crore	31-03-2021	31-03-2022	H1FY22	H1FY23
	Audited	Audited	Unaudited	Unaudited
Total Operating Income	209.86	661.07	304.19	318.01
EBITDA	23.64	32.61	12.59	14.18
PAT	0.54	9.40	6.47	2.64
Total Debt	108.12	121.37	74.33	111.49
Tangible Net Worth	46.47	55.11	52.65	57.74
EBITDA Margin (%)	11.27	4.93	4.10	4.50
PAT Margin (%)	0.26	1.42	2.10	0.80
Overall Gearing Ratio (x)	2.33	2.20	1.41	1.93

* As per Infomerics Standard

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 February 21, 2022	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20
1.	Term Loans	Long Term	94.26	IVR BB/ Negative ISSUER NOT COOPERATING *	IVR BB+/ Stable	-	-
2.	GECL	Long Term	18.74	IVR BB/ Negative ISSUER NOT COOPERATING *	IVR BB+/ Stable	-	-



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Sr . N o.	Name of Instru ment/Faciliti es	Current Rating (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstan ding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 February 21, 2022	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20
3.	Bank Guarante e	Short Term	5.50	IVR A4 ISSUER NOT COOPERATING *	IVR A4+	-	-

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

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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

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

For more information visit www.infomerics.com



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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.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan-1	-	-	FY26	14.99	IVR BB/ Negative ISSUER NOT COOPERATING*
Term Loan-2	-	-	FY27	3.11	IVR BB/ Negative ISSUER NOT COOPERATING*
Term Loan-3	-	-	FY28	22.77	IVR BB/ Negative ISSUER NOT COOPERATING*
Term Loan-4	-	-	FY28	13.30	IVR BB/ Negative ISSUER NOT COOPERATING*
Term Loan-5	-	-	FY29	11.07	IVR BB/ Negative ISSUER NOT COOPERATING*
Term Loan-6	-	-	FY29	8.02	IVR BB/ Negative ISSUER NOT COOPERATING*
GECL-1	-	-	FY27	11.00	IVR BB/ Negative ISSUER NOT COOPERATING*



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GECL-2	-	-	FY27	5.00	IVR BB/ Negative ISSUER NOT COOPERATING*
GECL-3	-	-	FY27	2.74	IVR BB/ Negative ISSUER NOT COOPERATING*
Cash Credit-1	-	-		7.00	IVR BB/ Negative ISSUER NOT COOPERATING*
Cash Credit-2	-	-		6.00	IVR BB/ Negative ISSUER NOT COOPERATING*
Cash Credit-3	-	-		8.00	IVR BB/ Negative ISSUER NOT COOPERATING*
Bank Guarantee-1	-	-		4.00	IVR A4 ISSUER NOT COOPERATING*
Bank Guarantee-2	-	-		1.50	IVR A4 ISSUER NOT COOPERATING*

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

Annexure 2: Facility wise lender details: Not Applicable

Annexure 3: List of companies considered for consolidated analysis: Not Applicable

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