



## Press Release

### Uralungal Labour Contract Cooperative Society

August 29<sup>th</sup>, 2023

#### Ratings

Instrument / Facility	Amount (Rs. Crore)	Ratings	Rating Action	Complexity Indicator (Simple / High / Complex)
Long Term Bank Facilities (Cash Credit)	697.23	IVR B+ / Negative Outlook; ISSUER NOT COOPERATING* (IVR B Plus with Negative Outlook; ISSUER NOT COOPERATING)	Revised and continues under ISSUER NOT COOPERATING* category	<a href="#">Simple</a>
<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 revision in the ratings to the bank facilities of Uralungal Labour Contract Cooperative Society reflects lack of adequate information available about the performance of the company and 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 rating revision.

#### Note on non-cooperation.

Infomerics has repeatedly followed up with the company to provide information to monitor the ratings vide emails June 20, 2023, June 29, 2023 and July 06, 2023, along with telephonic conversations. However, despite repeated requests, the company has failed to submit data for review.

Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has moved the ratings assigned to the bank loan facilities of Uralungal Labour Contract Cooperative Society aggregating to



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Rs. 697.23 crore to the 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR B+/ Negative Outlook; ISSUER NOT COOPERATING for the long-term bank facilities.

**Analytical Approach:** Standalone Approach

**Applicable Criteria:**

[Policy on Issuer not cooperating and surveillance/review of existing rating](#)

[Rating Methodology for Infrastructure Companies](#)

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

### **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, Vadakara T2, Kozhikode (Dt), Kerala State.

### **Financials (Standalone)\*:**

**(INR Crore)**

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

\* Classification as per Infomerics' standards

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

Brickwork Rating has continued the ratings of Uralungal Labour Contract Cooperative Society in the 'Issuer not cooperating' category vide its press release dated March 30<sup>th</sup>, 2023, due to non-submission of the relevant information.



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**Any other information:** Nil

**Rating History for last three years:**

Sr. No.	Name of Instrument / Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (June 10, 2022)	Date(s) & Rating(s) assigned in 2021-22 (May 31 <sup>st</sup> , 2021)	Date(s) & Rating(s) assigned in 2020-21 (April 09, 2020)
1.	Long Term Bank Facilities (Cash Credit)	Long Term	697.23	IVR B+/ Negative Outlook; ISSUER NOT COOPERATING	IVR BB/ ISSUER NOT COOPERATING*	IVR BB+ ISSUER NOT COOPERATING*	IVR BB+/ Stable
<b>Total</b>			697.23				

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

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### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) 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 visit [www.infomerics.com](http://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
Long Term Bank Facilities (Cash Credit)	--	--	--	697.23	IVR B+/ Negative ISSUER NOT COOPERATING*

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

**Annexure 3: Facility wise lender details: 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](http://www.infomerics.com)