

United Insulation Industries

June 13, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	1.81	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable;
Long Term / Short Term Bank Facilities	9.00	CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; Stable / CARE A4;

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated May 18, 2023, placed the rating(s) of United Insulation Industries (UII) under the 'issuer non-cooperating' category as UII had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. UII continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 02, 2024, April 12, 2024, April 22, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to the bank facilities of UII have been revised on account of non-availability of requisite information.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

Please refer to PR dated [May 18, 2023](#)

Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on Default Recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Firm

Vadodara-based (Gujarat) UII commenced its operations as a Proprietorship firm in the year 1996, promoted by Mr. Hridaynarayan Shukla. During January 2016, the proprietorship firm converted into partnership by admission of other two brothers of Shukla family. UII is engaged in manufacturing of power and distribution transformers along with transformers parts, which are used in the various industries including private players and government entities to increase or decrease the varying voltages in electric power applications. The main raw materials required for production of transformers are copper, mild steel and other insulations items which are largely procured from domestic suppliers. UII currently operates from its sole manufacturing unit located in Vadodara (Gujarat).

Brief Financials (Rs. crore)	March 31, 2019(A)	March 31, 2020(A)
Total operating income	47.10	31.96
PBILDT	2.82	3.01
PAT	0.87	0.75
Overall gearing (times)	1.43	0.91
Interest coverage (times)	3.89	4.39

A: Audited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Working capital Term Loan		-	-	January 2022	1.81	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT/ST-Cash Credit		-	-	-	7.00	CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - LT/ST-Bank Guarantee		-	-	-	2.00	CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT/ST-Cash Credit	LT/ST	7.00	CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE B; Stable / CARE A4; ISSUER NOT COOPERATING* (18-May-23)	1)CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING* (16-May-22)	-
2	Fund-based - LT-Working capital Term Loan	LT	1.81	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B; Stable; ISSUER NOT COOPERATING* (18-May-23)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (16-May-22)	-
3	Non-fund-based - LT/ST-Bank Guarantee	LT/ST	2.00	CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE B; Stable / CARE A4; ISSUER NOT COOPERATING* (18-May-23)	1)CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING* (16-May-22)	-

*Issuer did not cooperate; based on best available information; LT: Long term; LT/ST: Long term/Short term

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

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Working capital Term Loan	Simple
2	Fund-based - LT/ST-Cash Credit	Simple
3	Non-fund-based - LT/ST-Bank Guarantee	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About us:

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