

Press Release

Uni Sourcce Treend India

November 11, 2020



Rating Update

Total Bank Facilities Rated#	Rs.28.30 Cr.#
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Short Term Rating	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB+** (read as ACUITE double B plus) from '**ACUITE BBB-**' (read as ACUITE triple B minus) and the short term rating to '**ACUITE A4+**' (read as ACUITE A four plus) from '**ACUITE A3**' (read as ACUITE A three) on the Rs.28.30 crore bank facilities of Uni Sourcce Treend India (USTI). This rating is now an indicative rating and is based on the best available information. The rating downgrade is on account of information risk.

Uni Sourcce Treend India (USTI) is a Tamil Nadu based firm established as a proprietorship firm in 2004 and later in 2006 converted to a partnership firm. The firm is engaged in manufacturing of readymade garments for men, women and children. The firm has installed capacity to manufacture 70 lakh pieces per annum. The firm sells its products to some of the reputed customers, namely Max Holding and Investment Limited, Dubai (MHIL), Shinsegae International, South Korea, Next Plc, among others.

Non-cooperation by the issuer/borrower: Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests

and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
23-Aug-2019	PC/PCFC*	Short Term	16.00	ACUITE A3 (Assigned)
	FBN/FBP/FBD/PSFC/FBE*	Short Term	8.00	ACUITE A3 (Assigned)
	Term Loans	Long Term	2.59	ACUITE BBB-/ Stable (Assigned)
	Term Loans	Long Term	1.08	ACUITE BBB-/ Stable (Assigned)
	Term Loans	Long Term	0.63	ACUITE BBB-/ Stable (Assigned)

*Interchangeability to the extent of Rs.4.00 crore from per shipment to post shipment and vice versa.

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
PC/PCFC*	Not Applicable	Not Applicable	Not Applicable	16.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
FBN/FBP/FBD/PSFC/FBE*	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE A4+ (Downgraded from ACUITE A3) Issuer not co-operating*
Term Loans	Not Available	Not Available	Not Available	2.59	ACUITE BB+ (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Term Loans	Not Available	Not Available	Not Available	1.08	ACUITE BB+ (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*
Term Loans	Not Available	Not Available	Not Available	0.63	ACUITE BB+ (Downgraded from ACUITE BBB-/Stable) Issuer not co-operating*

*Interchangeability to the extent of Rs.4.00 crore from per shipment to post shipment and vice versa.

Contacts

Analytical	Rating Desk
Aditya Gupta VP- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuite.in	Varsha Bist Senior Manager - Rating Desk Tel: 022-49294022 rating.desk@acuite.in
Nitul Dutta Analyst - Rating Operations Tel: 022-49294053 nitul.dutta@acuite.in	

About Acuité Ratings & Research:

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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