

Press Release

Uni Sourcce Treend India

February 11, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	4.30	ACUITE BB Downgraded Issuer not co-operating*	-
Bank Loan Ratings	24.00	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	28.30	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB**' (**read as ACUITE double B**) from '**ACUITE BB+**' (**read as ACUITE double B plus**) and reaffirmed the short term rating of '**ACUITE A4+**' (**read as ACUITE A four plus**)' on the Rs. 28.30 crore bank facilities of Uni Sourcce Treend India (USTI). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

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. The firm is in the said line of business since 2004. The firm is promoted by Mr. C V Sudhakar, Mr. Jagathan and other partners, who possess more than two decades of experience in the textile industry.

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.

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.

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

Limitation regarding information availability:

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.

About the Rated Entity - Key Financials

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

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

Not Applicable.

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

Not Applicable.

Status of non-cooperation with previous CRA

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.

Applicable Criteria

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

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
11 Nov 2020	Term Loan	Long Term	1.08	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Bills Discounting	Short Term	8.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	2.59	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	0.63	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Packing Credit	Short Term	16.00	ACUITE A4+ (Downgraded and Issuer not co-operating*)
23 Aug 2019	Term Loan	Long Term	1.08	ACUITE BBB- Stable (Assigned)
	Bills Discounting	Short Term	8.00	ACUITE A3 (Assigned)
	Packing Credit	Short Term	16.00	ACUITE A3 (Assigned)
	Term Loan	Long Term	2.59	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	0.63	ACUITE BBB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not Applicable	Bills Discounting	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Union Bank of India	Not Applicable	PC/PCFC	Not Applicable	Not Applicable	Not Applicable	16.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	2.59	ACUITE BB Downgraded Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	1.08	ACUITE BB Downgraded Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	0.63	ACUITE BB Downgraded Issuer not co-operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in
Salony Goradia Senior Analyst-Rating Operations Tel: 022-49294065 salony.goradia@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 8,850 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 Kanjurmarg, Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.