

Raymond UCO Denim Private Limited

November 23, 2018

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term - Fund Based/Cash Credit	284.00	284.00	[ICRA]BBB+ (Stable); withdrawn
Long Term - Fund Based Term Loan	244.68	244.68	[ICRA]BBB+ (Stable); withdrawn
Short Term - Fund Based	75.00	75.00	[ICRA]A2; withdrawn
Short Term - Non Fund Based	108.00	108.00	[ICRA]A2; withdrawn
Total	711.68	711.68	

*Instrument details are provided in Annexure-1

Rating action

ICRA has withdrawn the long-term rating of [ICRA]BBB+ (pronounced ICRA triple B plus)¹ and short-term rating of [ICRA]A2 (pronounced ICRA A two) assigned to the Rs. 711.68-crore bank facilities of Raymond UCO Denim Private Limited (RUDPL).

Rationale

The ratings have been withdrawn in accordance with ICRA's policy on withdrawal and suspension, as desired by the company and based on the no-objection certificate provided by the company's bankers.

Analytical approach: For arriving at the ratings, ICRA has applied its rating methodologies as indicated below.

Links to applicable criteria:

[ICRA Policy on Withdrawal and Suspension of Credit Rating](#)

About the company:

Incorporated in 2006, Raymond UCO Denim Private Limited (RUDPL) is a 50:50 joint venture between Raymond Limited and European denim major, UCO NV (Belgium). The company is involved in the manufacturing and marketing of denim fabric. It manufactures and sells specialty ring colour and stretch denim and is a leading supplier of premium denim fabric in the global market. The company has approximate current combined fabric capacity of 56 million meters per annum, with manufacturing facilities spread across Yavatmal, Maharashtra (India) and Romania (Europe). RUDPL also undertakes garmenting activities and has entered into a business-conducting agreement with Raymond Limited's subsidiary, Everblue Apparel Limited (EBAL) for the use of its denim-garmenting facility in Bangalore.

¹ For complete rating scale and definitions, please refer to ICRA's website (www.icra.in) or other ICRA rating publications

Key financial indicators: Not applicable

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Instrument	Current Rating (FY2019)				Chronology of Rating History for the past 3 years				
	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating in FY2018			Date & Rating in FY2017	Date & Rating in FY2016
				November 2018	September 2017	August 2017	August 2016	July 2015	
1 Cash Credit	Long term	284.00	-	[ICRA]BBB+ (Stable); withdrawn	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)	
2 Term Loan	Long term	244.68	244.68	[ICRA]BBB+ (Stable); withdrawn	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)	
3 Electronic Vendor Financing	Short term	75.00	-	[ICRA]A2; withdrawn	[ICRA]A2	[ICRA]A2	[ICRA]A2+	[ICRA]A2+	
4 Letter of Credit/Bank Guarantee	Short term	108.00	-	[ICRA]A2; withdrawn	[ICRA]A2	[ICRA]A2	[ICRA]A2+	[ICRA]A2+	

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	284.00	[ICRA]BBB+ (Stable); withdrawn
NA	Term Loan	FY2014	-	FY2023	244.68	[ICRA]BBB+ (Stable); withdrawn
NA	Electronic Vendor Financing	-	-	-	75.00	[ICRA]A2; withdrawn
NA	Letter of Credit/Bank Guarantee	-	-	-	108.00	[ICRA]A2; withdrawn

Source: RUDPL

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For more information, visit www.icra.in

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