

Press Release

Orient Steel & Industries Limited

October 04, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 31.00 Cr.
Long Term Rating	ACUITE BB- Issuer non-cooperating*
Short Term Rating	ACUITE A4+ Issuer non-cooperating*

* Refer Annexure for details

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

Acuité has reviewed the long-term rating of '**ACUITE BB-**' (read as **ACUITE double B minus**) and short term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs. 31.00 crore bank facilities of Orient Steel & Industries Limited. This rating is now an indicative rating and is based on best available information.

Orient Steel & Industries (OSIL), established in 1957, manufactures steel casting (used in rail wagons), CR strips, LHB coaches, sheet piles used in irrigation projects for dredging in dams and soil retention. The manufacturing facilities are located in West Bengal and Haryana.

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 due date.

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

Applicable Criteria

- Default Recognition- <https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.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 endeavoured 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 attempts.

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
27-July-2018	Cash Credit	Long Term	15.00	ACUITE BB-/Stable (Downgraded from ACUITE BB)
	Bill Discounting	Short Term	0.50	ACUITE A4+ (Reaffirmed)
	Bank Guarantee	Short Term	3.50	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	12.00	ACUITE A4+ (Reaffirmed)
26-Apr-2018	Cash Credit	Long Term	15.00	ACUITE BB (Indicative)
	Bill Discounting	Short Term	0.50	ACUITE A4+ (Indicative)
	Bank Guarantee	Short Term	3.50	ACUITE A4+ (Indicative)
	Letter of Credit	Short Term	12.00	ACUITE A4+ (Indicative)
06-Mar-2017	Cash Credit	Long Term	15.00	ACUITE BB/Stable (Reaffirmed)
	Bill Discounting	Short Term	0.50	ACUITE A4+ (Reaffirmed)
	Bank Guarantee	Short Term	3.50	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	12.00	ACUITE A4+ (Reaffirmed)
08-Mar-2016	Cash Credit	Long Term	15.00	ACUITE BB/Stable (Assigned)
	Bill Discounting	Short Term	0.50	ACUITE A4+ (Assigned)
	Bank Guarantee	Short Term	3.50	ACUITE A4+ (Assigned)
	Letter of Credit	Short Term	12.00	ACUITE A4+ (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE BB- Issuer not co-operating*
Bill Discounting	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE A4+ Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	3.50	ACUITE A4+ Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE A4+ Issuer not co-operating*

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

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings 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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