

Press Release

Orient Steel & Industries Limited

March 23, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	15.00	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	16.00	-	ACUITE A4 Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	31.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE B+**' (read as **ACUITE single B plus**) and short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 31.00 crore bank facilities of Orient Steel & Industries Limited. This rating continues to be an indicative rating and is based on best available information.

About the Company

Orient Steel & Industries Limited (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. The director of the OSIL, Mr. Nilesh Rajgharia, Mrs. Shuchi Rajgharia, Mr. Nawal Kishore Rajgharia having an experience of more than four decades in iron and steel industry.

Non-cooperation by the issuer/borrower:

Acuite 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 Acuite's policies.

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). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite 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.

Rating Sensitivity

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

Material Covenants

Not Applicable

Liquidity Position

No information provided by the issuer / available for Acuité 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
22 Dec 2020	Letter of Credit	Short Term	12.00	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	15.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Bills Discounting	Short Term	0.50	ACUITE A4 (Downgraded and Issuer not co-operating*)
	Bank Guarantee	Short Term	3.50	ACUITE A4 (Downgraded and Issuer not co-operating*)
04 Oct 2019	Cash Credit	Long Term	15.00	ACUITE BB- (Issuer not co-operating*)
	Bills Discounting	Short Term	0.50	ACUITE A4+ (Issuer not co-operating*)
	Letter of Credit	Short Term	12.00	ACUITE A4+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	3.50	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	15.00	ACUITE BB- Stable (Downgraded from ACUITE BB)

27 Jul 2018	Bills 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 (Issuer not co-operating*)
	Bills Discounting	Short Term	0.50	ACUITE A4+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	3.50	ACUITE A4+ (Issuer not co-operating*)
	Letter of Credit	Short Term	12.00	ACUITE A4+ (Issuer not co-operating*)
06 Mar 2017	Cash Credit	Long Term	15.00	ACUITE BB Stable (Reaffirmed)
	Bills 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)
	Bills 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

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
UCO Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	3.50	ACUITE A4 Reaffirmed Issuer not co-operating*
UCO Bank	Not Applicable	Bills Discounting	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE A4 Reaffirmed Issuer not co-operating*
UCO Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE B+ Reaffirmed Issuer not co-operating*
UCO Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE A4 Reaffirmed Issuer not co-operating*

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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.

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