

## Press Release

Oriana Agro Infra Limited

August 08, 2022



### Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	0.35	-	ACUITE A4   Reaffirmed   Issuer not co-operating*
Bank Loan Ratings	14.65	ACUITE B+   Downgraded   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	15.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) and reaffirmed the the short term rating of '**ACUITE A4**' (read as **ACUITE A four**) to the Rs.15.00 Cr bank facilities of Oriana Agro Infra Limited (OAIL). The rating has been downgraded and flagged as "Issuer Not Cooperating" on account of information risk.

### About the Company

Incorporated in 2006, OAIL builds warehouses under DBOL (Design Build Own Lease) model in Odisha. The company is also engaged in logistics services of loading and unloading of food grains from these warehouses. Mr. Nalini Kanta Patnaik and Mr. Abhinandan Mohanty are the promoter directors in the company. In 2017, the company has signed contracts with Odisha State Civil Supplies Corporation Limited (OSCSCL) which is the nodal agency of GoO, to provide guaranteed monthly rental with an increment of 7.5 per cent annually on compounding basis for 10 years under the scheme irrespective of the quantity of monthly storage of food grains by the Government. Moreover, GoO has also given a counter guarantee as Letter of Comfort to fulfil all the obligations of the contract including disbursement of guaranteed subsidy amount of Rs.0.56 Cr per warehouse. Each warehouse has a storage capacity of 2500 metric tons on minimum 1.5 acres of company owned land along with allweather interior roads, water and electricity connection, weigh bridge, office and staff quarters.

### 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 the due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is 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). 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 ratings is based.

### Rating Sensitivities

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

### Material Covenants

None

### Liquidity Position

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

### Outlook

None

### Other Factors affecting Rating

None

### Key Financials:

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

### Status of non-cooperation with previous CRA

None

### Any other information

None

### Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
26 May 2021	Cash Credit	Long Term	13.05	ACUITE BB-   Stable (Assigned)
	Bank Guarantee	Short Term	0.35	ACUITE A4 (Assigned)
	Proposed Bank Facility	Long Term	1.60	ACUITE BB-   Stable (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	0.35	ACUITE A4   Reaffirmed   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	1.60	ACUITE B+   Downgraded   Issuer not co-operating*
UCO Bank	Not Applicable	Term Loan	01-11-2017	7.55	30-09-2031	13.05	ACUITE B+   Downgraded   Issuer not co-operating*

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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