



Press Release

Oyster Steel & Iron Private Limited [OSIPL]

March 05, 2021

Ratings

Instrument/Facility	Amount (Rs. Crores)	Rating	Rating Action
Long/Short Term Bank Facilities	140.00	IVR D (IVR D) ISSUER NOT COOPERATING category*	Rating reaffirmed at IVR D (IVR D) and continued in Issuer not cooperating category
Short Term Bank Facilities	20.00	IVR D (IVR D) ISSUER NOT COOPERATING category*	Rating reaffirmed at IVR D (IVR D) and continued in Issuer not cooperating category
Total	160.00		

**Issuer did not cooperate; based on best available information*

Details of Facility are in Annexure 1

Detailed Rationale

Infomerics, vide press release dated February 17, 2020, had migrated the rating of Oyster Steel & Iron Private Limited [OSIPL] under the "ISSUER NOT COOPERATING" category as the company had failed to provide information for monitoring of its assigned rating to the bank facilities. Further, Infomerics has been consistently following up with OSIPL for obtaining information through emails dated 26th February 2021 and March 02, 2021. However, the issuer has remained non cooperative.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information.



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The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

Detailed Key Rating Drivers

Annual review for ISSUER NOT COOPERATING category based on best available information.

Analytical Approach & Applicable Criteria

Standalone

Rating Methodology for Trading Companies

Financial Ratios & Interpretation – (Non-financial Sector)

Guidelines on what constitutes Non-Cooperation by clients.

Default Recognition & Post-Default Curing Period

About the Company

Oyster Steel & Iron Pvt Ltd (OSIPL) was incorporated in November 2008. The other companies in the group are Olympus Metal Pvt Ltd (OMPL), Worldwide Metals Pvt Ltd (WMPL) and Draken Metals Trading Pvt Ltd (DMTPL). All the companies are involved in wholesale trading of mainly metals products such as aluminium wire rods, ingots, extrusions and copper wire rods. The companies procure their trading materials from two main suppliers namely Vedanta Ltd and Bharat Aluminium Co. Ltd (BALCO). The companies operate out of offices in New Delhi, Haryana and Rajasthan and have built up a network of around 150 customers.

Status of non-cooperation with previous CRA: Care Ratings in its press release published on January 13, 2010 has classified the case under Issuer Not Cooperating status on account of non-submission of relevant information.

Any other information: Nil



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Rating History for last three years:

Name of Instrument/ Facility	Current Rating (Year: 2020-21)			Rating History for the past 3 years		
	Type	Amount outstanding (INR Crore)	Rating	Rating assigned in 2019-20, (February 17, 2020)	Rating assigned in 2018-19 (October 08, 2018)	Rating assigned in 2017-18 (December 14, 2017)
LC/ Buyer's Credit / CC Facility	Long Term	140.00	IVR D (IVR D) ISSUER NOT COOPERATING	IVR D (IVR D) ISSUER NOT COOPERATING	IVR D	IVR BB/IVR A4
Bank Guarantee	Short Term	20.00	IVR D (IVR D) ISSUER NOT COOPERATING	IVR D (IVR D) ISSUER NOT COOPERATING	IVR D	IVR A4
	Total	160.00				

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
LC / Buyer's Credit / CC Facility	--	--		140.00	IVR D (IVR D) and continued in Issuer not cooperating category*
Bank Guarantee	--	--	--	20.00	IVR D (IVR D) and continued in Issuer not cooperating category*

**Issuer did not cooperate; based on best available information*