



National Steel & Agro Industries Ltd

27th June, 2018
Ref. No.: NSAIL/SEC/2018

To,
BSE Limited
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort,
Mumbai - 400 001

To,
National Stock Exchange of India Limited
'Exchange Plaza', C-1, Block G,
Bandra - Kurla Complex,
Bandra (E)
Mumbai 400 051

Sub: Rating by India Rating & Research

Ref: Regulation 30 of SEBI (LODR) Regulations, 2015

Dear Sir/Madam,

We would like to inform you that "India Rating & Research" has published rating of the Company at its website. The summary of the rating is as under:

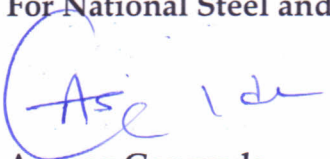
Instrument Type	Rating / Outlook
Fund-based working capital limit	IND BBB-/RWN
Term loans	IND BBB-/RWN
Non-fund-based working capital limit	IND A3/RWN

The communication published at the website of "India Rating & Research" is attached herewith.

Kindly take the same on your record.

Thanking you,
Yours faithfully,

For National Steel and Agro Industries Limited


Anurag Gangrade
Company Secretary
Membership No: FCS-9187

CIN : L27100MH1985PLC140379

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India Ratings Places National Steel and Agro Industries on RWN

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By Barath Ramjee

JUN 2018

India Ratings and Research (Ind-Ra) has placed National Steel and Agro Industries Limited's (NSAIL) Long-Term Issuer Rating of 'IND BBB-' on Rating Watch Negative (RWN). The Outlook was Negative. The instrument-wise rating actions are as follows:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/Rating Watch	Rating Action
Fund-based working capital limits	-	-	-	INR2,006	IND BBB-/RWN	Placed on RWN
Term loans	-	-	1 April 2019	INR89.4	IND BBB-/RWN	Placed on RWN
Non-fund-based working capital limits	-	-	-	INR11,995	IND A3/RWN	Placed on RWN

KEY RATING DRIVERS

The RWN follows the deferment of the annual results for FY18 of NSAIL by 1 month to 30 June 2018 due to the lack of quorum of the board of directors, as confirmed by the management, and the non-submission of the monthly no default statement over April-May 2018.

To read the last published rating rationale, please click [here](#).

RATING SENSITIVITIES

Ind-Ra expects to resolve the RWN after gaining clarity on the declaration of the annual results and timely submission of the no default statement.

COMPANY PROFILE

NSAIL manufactures cold-rolled sheet (capacity: 300,000 metric tons per annum (mtpa)), galvanised plain and corrugated sheets (330,000mtpa) and colour-coated sheets and coils (170,000mtpa) at its plant in the Dhar district of Madhya Pradesh. Moreover, it trades agro and steel products, and has a captive 6MW gas-based power plant.

FINANCIAL SUMMARY

Particulars	FY17	FY16
Revenue (INR million)	39,804	37,503
EBITDA (INR million)	1,686	1,524
Interest cost (INR million)	1,349	1,374
EBITDA margins (%)	4.2	4.1
Net leverage (x)	2.06	2.73
Gross interest coverage (x)	1.24	1.11
Source: NSAIL, Ind-Ra		

RATING HISTORY

Instrument Type	Current Rating/Rating Watch			Historical Rating/Outlook	
	Rating Type	Rated Limits (million)	Rating	19 April 2018	14 February 2017
Issuer rating	Long-term	-	IND BBB-/RWN	IND BBB-/Negative	IND BBB-/Stable
Term loans	Long-term	INR2,006	IND BBB-/RWN	IND BBB-/Negative	IND BBB-/Stable
Fund-based working capital limits	Long-term	INR89.4	IND BBB-/RWN	IND BBB-/Negative	IND BBB-/Stable
Non-fund-based limit	Short-term	INR11,995	IND A3/RWN	IND A3	IND A3

COMPLEXITY LEVEL OF INSTRUMENTS

For details on the complexity levels of the instrument, please visit <https://www.indiaratings.co.in/complexity-indicators>.

SOLICITATION DISCLOSURES

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

ABOUT INDIA RATINGS AND RESEARCH

India Ratings and Research (Ind-Ra) is India's most respected credit rating agency committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies, structured finance and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

Ind-Ra is a 100% owned subsidiary of the Fitch Group.

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Applicable Criteria

[Corporate Rating Methodology](#)

Analyst Names

[Primary Analyst](#)

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Associate Director

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