



Corporate Office : 20, Pragati Industrial Estate
N. M. Joshi Marg, Mumbai 400 011, India
T : +91-22-4028 5800 / 809 • F : +91-22-2308 0785
E : orient@orientpressltd.com • W : www.orientpressltd.com
CIN: L22219MH1987PLC042083



STAR EXPORT HOUSE

20th March, 2018

The General Manager
Corporate Relations Department
BSE Ltd.
1st Floor, New Trading Ring
Phiroz Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

The General Manager
Listing Agreement
The National Stock Exchange of India Ltd.
"Exchange Plaza", C-1, Block 'G'
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051

Scrip Code: 526325

Scrip Code: ORIENTLTD

Dear Sir(s),

Sub.: Intimation for Credit Rating for Credit Facilities and Fixed Deposits

As per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed Letter dated 19th March, 2018 received from Care Ratings for giving Credit Ratings for various Credit Facilities availed by the Company from Banks and for the Fixed Deposits accepted by the Company from its Members.

The rating Agency has reaffirmed their earlier ratings.

This is for your information and record.

Thanking you
Yours faithfully
For ORIENT PRESS LIMITED



Ramvilas Maheshwari
(Chairman & Managing Director)
DIN: 00250378

No. CARE/HO/RL/2017-18/4693
Shri Ramvilas Maheshwari
Chairman & Managing Director
Orient Press Limited
1102, G-Wing, Lotus Coporate Park, 11th Floor
Off Western Express Highway, Goregaon (East)
Mumbai – 400063

March 19, 2018

Confidential

Dear Sir,

Credit rating for bank facilities

On the basis of recent developments including operational and financial performance of your company for FY17 (audited) and 9MFY18 (provisional), our Rating Committee has reviewed the following ratings:

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long term Bank Facilities	40.41	CARE BBB; Stable (Triple B; Outlook: Stable)	Reaffirmed
Long term/Short term Bank Facilities	14.50	CARE BBB; Stable/A3+ (Triple B; Outlook: Stable/A Three Plus)	Reaffirmed
Short term Bank Facilities	21.00	CARE A3+ (A Three Plus)	Reaffirmed
Medium-term Fixed Deposits	8.00	CARE BBB (FD); Stable [Triple B (Fixed Deposit); Outlook:Stable]	Reaffirmed
Total	83.91 (Eighty Three Crore and Ninety One Lakhs Only)		

2. Refer **Annexure 1** for details of rated facilities.
3. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as **Annexure-2**. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by **March 20, 2018**, we will proceed on the basis that you have no any comments to offer.

4. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
5. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
6. CARE ratings do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.
7. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
8. CARE ratings are **not** recommendations to sanction, renew, disburse or recall the concerned bank facilities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,



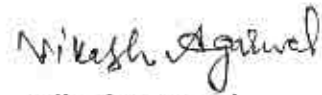
Page 2 of 11

CARE Ratings Limited
(Formerly known as Credit Analysis & Research Limited)



Narendra Chaudhari
Analyst
narendra.chaudhari@careratings.com

Yours faithfully,



Vikash Agarwal
Sr. Manager
vikash.agarwal@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure 1
Details of Rated Facilities

1. Long-term facilities

1.A. Facility 1 (e.g. Secured rupee term loans)

(Rs. crore)

Sr. No.	Lender	Rated Amount (Rs. Crore)	Remarks
1.	Allahabad Bank – Term Loan 1	1.42	Repayable 20 Equal Quarterly installments of Rs. 0.20 Crore commencing from 31.12.2014
2.	Allahabad Bank – Term Loan 2	0.34	Repayable 16 Equal Quarterly installments of Rs.0.04 Crore commencing from 30.09.2016
3.	Allahabad Bank – Term Loan 3	0.90	
4.	Kotak Mahindra Bank – Term Loan 1	8.00	Term Loan Repayable in 20 Equal Quarterly installments.
5.	Kotak Mahindra Bank – Term Loan 2	4.00	Repayable 20 Equal Quarterly installments of Rs.0.25 Crore commencing from 25.01.2017.
6.	Axis Bank – Term Loan 1	2.00	Repayable Quarterly installments of Rs.0.10 Crore.
7.	Axis Bank – Term Loan 2	2.25	Repayable Quarterly installments of Rs.0.1125 Crore.
	Total Facility 1 (e.g. Rupee term loans)	18.91	

1.B. Fund Based limits

(Rs. crore)

Sr. No.	Name of Bank	Fund Based Limits	
		CC*	Total fund-based limits
1	Axis Bank	11.50	11.50
2	Allahabad bank	10.00	10.00
	TOTAL	21.50	21.50

*CC=Cash credit; LC=Letter of credit; BG=Bank guarantee

Total long-term facilities (1.A.+1.B.) Rs. 40.41 crore

2. Short-term facilities

2.A. Facility 2 (e.g. Non fund based limits)

Sr. No.	Name of Bank	Non-Fund Based Limits		
		LCs/ BGs*	LER*	Total Non-fund-based
1	Axis Bank	13.50	1.50	15.00
2	Allahabad Bank	6.00	-	6.00
	TOTAL	19.50	1.50	21.00

*LC=Letter of credit; BG=Bank guarantee; LER=Loan Equivalent Risk

Total short-term facilities (2.A.) Rs 21.00 crore

3. Long /Short term Facilities

Sr. No.	Name of Bank	Nature of Facility	Amount (Rs. Crore)
1	Axis Bank	EPC/PCFC/CC*	12.50
2	Allahabad Bank	EPC/PCFC/CC*	2.00
	TOTAL		14.50

* EPC – Export packing credit, PCFC – Packing credit in foreign currency, CC-Cash credit

Total short-term/long-term facilities (3) Rs 14.50 crore

4. Medium Term Fixed deposite

Sr. No.	Lender	Rated Amount (Rs. Crore)	Remarks
1.	Fixed Deposits-Medium Term	8.00	Tenor to be decided
	Total Facility	8.00	

Total rated Facilities (1+2+3+4) Rs 83.91 crore

Annexure 2
Orient Press Limited

Ratings

Facilities	Amount (Rs. crore)	Rating ²	Rating Action
Long term Bank Facilities	40.41	CARE BBB; Stable (Triple B; Outlook: Stable)	Reaffirmed
Long term/Short term Bank Facilities	14.50	CARE BBB; Stable/A3+ (Triple B; Outlook: Stable/A Three Plus)	Reaffirmed
Short term Bank Facilities	21.00	CARE A3+ (A Three Plus)	Reaffirmed
Medium-term Fixed Deposits	8.00	CARE BBB (FD); Stable [Triple B (Fixed Deposit); Outlook: Stable]	Reaffirmed
Total	83.91 (Eighty Three Crore and Ninety One Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The reaffirmation of the ratings assigned to the bank facilities and the fixed deposits of Orient Press Ltd (OPL) continue to derive strength from the long track record of the company along with extensive experience of its promoters, having well-established relationship with its clients, steady operational performance along with comfortable capital structure and debt protection metrics

However, the rating strengths are tempered by OPL's modest scale and working capital intensive nature of operations leading to higher utilisation of working capital sanctioned limits, profit margins susceptible to volatile raw material prices and forex fluctuations, sensitivity to any adverse government regulations along with high competition in the flexible packaging (plastic) industry.

The company's ability to increase its scale of operations, improve its profit margins on the back of higher contribution expected from the printing segment as a result of

²Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

buoyancy in the primary market along with stabilization of its flexible packaging unit at Noida while effectively managing its working capital cycle would be the key rating sensitivities.

Detailed description of the key rating drivers

Key Rating Strengths

Long track record of the company along with experienced promoters

Incorporated in 1987, the company has an established track record of over three decades in the field of printing and packaging. Besides, the promoters of the company have extensive experience in various aspects of printing and packaging industry. Under the present management and able guidance of Mr. Ramvilas Maheshwari (Chairman and Managing Director), having rich experience of more than three decades, the company has been able to move from a primary printing company to a packaging and printing company. They are further supported by qualified management having substantial experience in their respective fields.

Well established relationships with reputed clientele

Being in business for more than three decades, OPL has created a long-standing relationship with many of its reputed companies helping it to procure repeat orders from these clients ensuring steady demand. It has also added newer clients in the packaging division. In printing sector, OPL caters to several banks, capital market offerings, mutual funds, railways etc. The company is one of the leading players in the capital market offering print segment. OPL has tie-ups with state education boards, schools and universities for their stationery printing requirements. The company is also engaged in printing annual reports, office stationery, diaries etc. for many corporates.

Steady operational performance in FY17 and 9MFY18

The company's income from operations remained fairly stable at Rs. 190.75 crore in FY17 as compared to Rs.203.65 crore in FY16. The marginal drop in revenue was from the packaging as well as printing division. However the company has reported y-o-y

growth of 14% for the period of 9MFY18 due to increase in the revenue from its printing division by 38.31% while the revenue of packaging division has remained stable. The PBILDT margins and the PAT margins improved marginally to 8.51% and 1.46% in FY17 from 7.70% and 1.17% in FY16 respectively.

OPL's is also continuously undertaking efforts to make its presence felt in international market and in FY17 its revenue from exports which accounted for about 13% of total operating income. Packaging division contributes the most to the exports. The company has also received the "Export House" status from the Govt. of India for its consistent export performance. However, going forward, growth in revenues as envisaged from the printing as well as from the expanded packaging facility is critical from credit perspective.

Comfortable capital structure and debt coverage indicators

OPL's overall gearing has remained comfortable at 1.05x as on March 31, 2017 as compared to 1.01x as on March 31, 2016 on account of increase in term loan taken towards funding its expansion plans. The gearing levels improved and remained comfortable in 9MFY18 owing to repayment of unsecured loans and equity infusion. Further, debt coverage indicators like interest coverage have also remained comfortable at 2.86x for FY17 while Total Debt to GCA remained high at 8.41x as on March 31, 2017. In 9MFY18, interest coverage ratio and Total Debt to GCA remained comfortable.

Key Rating Weaknesses

Modest scale of operations

With operating income of Rs. 190.75 crore during FY17 and tangible net worth of Rs.66.75 crore as on March 31, 2017, OPL is a relatively modest sized entity.

Working capital intensive business

Being in a highly competitive packaging industry, OPL's working capital requirements are substantial in order to support extension of longer credit period to its customers and

inventory management. OPL's operating cycle remained higher at 112 days in FY17 as against 106 days in FY16. The average fund based working capital utilisation for a period of 12 months ended Dec'17 was high at 87.33%.

Profit margins susceptible to raw material price volatility and forex fluctuations

The principle raw materials required for flexible packaging is plastic granules which is crude derivative. The key raw material is price sensitive and highly volatile. Thus, OPL's profitability is susceptible to volatility in prices of raw materials. Further, the company's exports are around 13% of its revenues i.e. around Rs.20 crore while imports constitute around 11% of the total raw material consumption i.e. around Rs.13 crore. Hence, the company's profit is subject to foreign exchange risks to a minimal extent due to fluctuations in foreign currencies for its receivables for the export of Company's finished goods.

Sensitivity of flexible packaging operations to the government regulations

Given the environment hazards of plastics, the flexible packaging operation of OPL remains sensitive to any government regulations or actions that could negatively impact demand for its products. OPL is shifting its focus to increase exports in flexible packaging division and increase revenue share of paper board carton in order to protect itself from the risk. However, the company will continue to be prone to such regulations until satisfactory level of geographical as well as product diversification is attained.

Analytical approach: Standalone

Applicable Criteria

Criteria on assigning Outlook to Credit Ratings

CARE's Policy on Default Recognition

Criteria for Short Term Instruments

Financial ratios – Non-Financial Sector

Rating Methodology-Manufacturing Companies

About the Company

Incorporated on January 02, 1987 as a private limited company, Orient Press Limited (OPL) is promoted by the Maheshwari family - Mr. R. V. Maheshwari and Mr. R. R. Maheshwari. The company is engaged in the segments of Packaging and Printing. Under packaging, the company manufactures flexible packaging material of multi-layer film laminates and paper board cartons; while under its printing segment; it is involved in several activities such as (1) printing of capital market stationery such as IPO offer documents, RHPs etc. (2) commercial printing such as text books, annual reports, diaries etc. and (3) security printing like MICR cheques, dividend warrants, etc. Presently, OPL has manufacturing facilities at Tarapur in Maharashtra and Silvassa in Union Territory of Dadra & Nagar Haveli. The company also has set up its flexible packaging facilities at Noida in Uttar Pradesh.

Brief Financials (Rs. crore)	FY16 (A)	FY17 (A)
Total operating income	203.65	190.75
PBILDT	15.68	16.24
PAT	2.38	2.78
Overall gearing (times)	1.01	1.05
Interest coverage (times)	2.64	2.86

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Analyst Contact:

Name: Vikash Agarwal

Tel: 022-6754-3405

Email: vikash.agarwal@careratings.com

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the

entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	October-2021	18.91	CARE BBB; Stable
Fund-based - LT-Cash Credit	-	-	-	21.50	CARE BBB; Stable
Fund-based - LT/ ST-CC/Packing Credit	-	-	-	14.50	CARE BBB; Stable / CARE A3+
Non-fund-based - ST-BG/LC	-	-	-	21.00	CARE A3+
Fixed Deposit	-	-	-	8.00	CARE BBB (FD); Stable

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016	Date(s) & Rating(s) assigned in 2014-2015
1.	Fund-based - LT-Term Loan	LT	18.91	CARE BBB; Stable	-	1)CARE BBB; Stable (28-Feb-17)	1)CARE BBB (13-Jan-16)	1)CARE BBB (07-Oct-14)
2.	Fund-based - LT-Cash Credit	LT	21.50	CARE BBB; Stable	-	1)CARE BBB; Stable (28-Feb-17)	1)CARE BBB (13-Jan-16)	1)CARE BBB (07-Oct-14)
3.	Fund-based - LT/ ST-CC/Packing Credit	LT/ST	14.50	CARE BBB; Stable / CARE A3+	-	1)CARE BBB; Stable / CARE A3+ (28-Feb-17)	1)CARE BBB / CARE A3+ (13-Jan-16)	1)CARE BBB / CARE A3+ (07-Oct-14)
4.	Non-fund-based - ST-BG/LC	ST	21.00	CARE A3+	-	1)CARE A3+ (28-Feb-17)	1)CARE A3+ (13-Jan-16)	1)CARE A3+ (07-Oct-14)
5.	Fixed Deposit	LT	8.00	CARE BBB (FD); Stable	-	1)CARE BBB (FD); Stable (28-Feb-17)	1)CARE BBB (FD) (13-Jan-16)	1)CARE BBB (FD) (27-Oct-14)