May 30, 2019

Vibhor Steel Tubes (P) Limited: Ratings moved to Issuer Non Cooperating category

Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund-based – Cash Credit	38.00	38.00	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING*; Rating moved to be in the 'Issuer Not Cooperating' category
Fund-based – Term loan	16.96	16.96	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING*; Rating moved to be in the 'Issuer Not Cooperating' category
Non-fund based – Letter of Credit	21.00**	21.00**	[ICRA]A3 ISSUER NOT COOPERATING*; Rating moved to be in the 'Issuer Not Cooperating' category
Non-fund based – Bank Guarantee	21.00**	21.00**	[ICRA]A3 ISSUER NOT COOPERATING*; Rating moved to be in the 'Issuer Not Cooperating' category
Fund-based – Forward Contract Limit	(5.00)***	(5.00)***	[ICRA]BBB- (Stable)/[ICRA]A3 ISSUER NOT COOPERATING*; Rating moved to be in the 'Issuer Not Cooperating' category
Fund-based – EPC/PCFC//EBC/FBD/ODBC	(5.00)***	(5.00)***	[ICRA]BBB- (Stable)/[ICRA]A3 ISSUER NOT COOPERATING*; Rating moved to be in the 'Issuer Not Cooperating' category
Fund-based – Derivative / CEL	0.10	0.10	[ICRA]BBB- (Stable)/[ICRA]A3 ISSUER NOT COOPERATING*; Rating moved to be in the 'Issuer Not Cooperating' category
Unallocated	7.94	7.94	[ICRA]BBB- (Stable)/[ICRA]A3 ISSUER NOT COOPERATING*; Rating moved to be in the 'Issuer Not Cooperating' category
Total	**105.00**	**105.00**	

**Issuer did not cooperate; based on best available information.*
***fully interchangeable*
****sublimit of cash credit facility*
^Instrument details are provided in Annexure-1

Rating action

The rating for the Rs. 105.00 crore bank facilities of Vibhor Steel Tubes (P) Limited is moved to the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]BBB- (Stable) / [ICRA]A3 ISSUER NOT COOPERATING".

ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

Analytical approach

ICRA has applied its rating methodologies/policies as indicated below:

Links to applicable criteria:

Policy in respect of non-cooperation by the rated entity

About the company:

VSTPL was promoted by Mr. Vibhor Kaushik and Mr. Vijay Kaushik in 2003. The company is engaged in manufacturing of hollow section, GI and ERW (Electric Resistance Welded) black pipes, ranging from size 1/2” to 8” in diameter. It has two manufacturing facilities, one located at Raigarh, Maharashtra; with a production capacity of 1,25,000 MT per annum and the second located in Mehboob Nagar, Telangana; with a production capacity of 96,000 MT per annum.

The previous detailed rating rationale is available on the following link: Click here

Key financial indicators: NA

Status of non-cooperation with previous CRA: CRISIL BB (Stable) / CRISIL A4+ (Issuer Not Cooperating) (May 2018)

Any other information

Not applicable

Rating history for last three years

	Instrument	Current Rating (FY2020)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs Crore)	Date & Rating	Date & Rating in FY2019	Date & Rating in FY2018	Date & Rating in FY2017
					May 2019	-	Nov 2017	Jan 2017
1	Cash Credit	Long Term	38.00	-	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING*	-	[ICRA]BBB- (Stable)	[ICRA]BB+ (Stable)
2	Term Debt	Long Term	16.96	Not available	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING*	-	[ICRA]BBB- (Stable)	[ICRA]BB+ (Stable)
3	Letter of Credit	Short Term	21.00**	-	[ICRA]A3 ISSUER NOT COOPERATING*	-	[ICRA]A3	[ICRA]A4+
4	Bank Guarantee	Short Term	21.00**		[ICRA]A3 ISSUER NOT COOPERATING*	-	[ICRA]A3	[ICRA]A4+
5	Forward Contract Limit	Long Term / Short Term	(5.00)***		[ICRA]BBB- (Stable) / [ICRA]A3 ISSUER NOT COOPERATING*	-	[ICRA]BBB- (Stable) / [ICRA]A3	[ICRA]BB+ (Stable) / [ICRA]A4+
6	EPC/PCFC//EBC/FBD/ODBC	Long Term / Short Term	(5.00)***		[ICRA]BBB- (Stable) / [ICRA]A3 ISSUER NOT COOPERATING*	-	[ICRA]BBB- (Stable) / [ICRA]A3	[ICRA]BB+ (Stable) / [ICRA]A4+
7	Derivative / CEL	Long Term / Short Term	0.10		[ICRA]BBB- (Stable) / [ICRA]A3 ISSUER NOT COOPERATING*	-	[ICRA]BBB- (Stable) / [ICRA]A3	[ICRA]BB+ (Stable) / [ICRA]A4+
8	Unallocated	Long Term / Short Term	7.94		[ICRA]BBB- (Stable) / [ICRA]A3 ISSUER NOT COOPERATING*	-	[ICRA]BBB- (Stable) / [ICRA]A3	[ICRA]BB+ (Stable) / [ICRA]A4+

**Issuer did not cooperate; based on best available information.*
***fully interchangeable*
****sublimit of cash credit facility*

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1

Instrument Details

ISIN No	Instrument	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	38.00	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING*
NA	Term Debt	FY2014	-	FY2020	16.96	[ICRA]BBB- (Stable) ISSUER NOT COOPERATING*
NA	Letter of Credit	-	-	-	21.00**	[ICRA]A3 ISSUER NOT COOPERATING*
NA	Bank Guarantee	-	-	-	21.00**	[ICRA]A3 ISSUER NOT COOPERATING*
NA	Forward Contract Limit	-	-	-	(5.00)***	[ICRA]BBB- (Stable) / [ICRA]A3 ISSUER NOT COOPERATING*
NA	EPC/PCFC//EBC/FBD /ODBC	-	-	-	(5.00)***	[ICRA]BBB- (Stable) / [ICRA]A3 ISSUER NOT COOPERATING*
NA	Derivative / CEL	-	-	-	0.10	[ICRA]BBB- (Stable) / [ICRA]A3 ISSUER NOT COOPERATING*
NA	Unallocated	-	-	-	7.94	[ICRA]BBB- (Stable) / [ICRA]A3 ISSUER NOT COOPERATING*

**Issuer did not cooperate; based on best available information*
***fully interchangeable*
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Source: Vibhor Steel Tubes (P) Limited

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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