

January 28, 2022

V K Industrial Corporation Limited: Ratings Withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term - Fund Based/ CC	52.50	52.50	[ICRA]B+ (Stable); ISSUER NOT COOPERATING; Withdrawn
Short Term – Fund Based/ Non-Fund Based	260.00	260.00	[ICRA]A4; ISSUER NOT COOPERATING; Withdrawn
Total	312.50	312.50	

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of V K Industrial Corporation Limited at the request of the company and based on the No Objection Certificate and No Due Certificate/Closure Certificate received from the banker. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities, Key Financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here.](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology ICRA Policy on Withdrawal of Credit Ratings
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

About the company

V K Industrial Corporation Limited is engaged in the trading of specialized steel products, including boiler quality (BQ) plates, high tensile (HT) steel plates, structural steel plates, profiles and shipbuilding plates. VKICL was founded in 1985 by Mr. Virendra K. Mehta, as a partnership firm for trading in steel products and subsequently it was incorporated as a limited company in 2004. Ms. Kairavi Mehta daughter of Mr. Virendra Mehta joined the business in 2014 with the vision to create a benchmark in the steel industry. The company owns three warehouses located in Mumbai, Chennai and Baroda for stocking inventory and catering to clients Pan India.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

		Current Rating (FY2022)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding	Date & Rating in		Date & Rating in FY2021	Date & Rating in FY2020	Date & Rating in FY2019
					Jan 28, 2022	Sep 23, 2021			
1	Cash Credit	Long Term	52.50	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING; Withdrawn	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING	[ICRA]BBB+ (Stable); ISSUER NOT COOPERATING	-
2	Letter of Credit	Short Term	260.00	-	[ICRA]A4; ISSUER NOT COOPERATING; Withdrawn	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; ISSUER NOT COOPERATING	[ICRA]A2+; ISSUER NOT COOPERATING	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Letter of Credit	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analyzing an entity's financial business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	52.50	[ICRA]B+(Stable); ISSUER NOT COOPERATING; Withdrawn
NA	Letter of Credit	-	-	-	260.00	[ICRA]A4; ISSUER NOT COOPERATING; Withdrawn

Source: V K Industrial Corporation Limited

Annexure-2: List of entities considered for consolidated analysis – Not applicable

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