

February 05, 2025

RK World Infocom Private Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long- term/ short- term- Fund based- Cash Credit	200.00	200.00	[ICRA]BBB-(Stable)/[ICRA]A3; withdrawn
Long- term/ short- term- Fund based/ Non-fund based working capital facilities	300.00	300.00	[ICRA]BBB-(Stable)/[ICRA]A3; withdrawn
Total	500.00	500.00	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **RK World Infocom Private Limited** at the request of the company and based on the No Objection (NOC) received from the lenders, and in accordance with ICRA's policy on withdrawal of credit ratings. 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rating drivers, Liquidity position and Rating sensitivities have not been captured as the rated instruments are being withdrawn.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	Corporate Credit Rating Methodology Rating Methodology - Retail Policy on withdrawal of Credit Ratings
Parent/Group support	Group support - RK Group ICRA expects the Group to be willing to extend financial support to RKWIPL, should there be a need, given the managerial linkages and strategic importance it holds for the Group.
Consolidation/Standalone	The ratings are based on the company's standalone financial profile

About the company

Incorporated in 2008, RK World Infocom Private Limited began as a distributor for Nokia handsets in July 2003 (through the proprietorship concern of Mr. Ramesh Kumar Shah). Since Q4 FY2022, the company started to operate as an online retailer on Amazon Marketplace, selling FMCG products. RKWIPL will source its products from vendors like P&G, HUL, Reckitt Benckiser, L'Oréal, Unicharm, Himalaya, J&J, Nivea, etc.

Key financial indicators (audited)

	Audited	
	FY2023	FY2024
Operating income	4,399.8	5854.2
PAT	6.9	45.0
OPBDIT/OI	0.7%	1.7%
PAT/OI	0.2%	0.8%
Total outside liabilities/Tangible net worth (times)	34.6	14.8
Total debt/OPBDIT (times)	16.8	6.0
Interest coverage (times)	1.3	2.2

Source: Company, ICRA Research; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2025)			Chronology of rating history for the past 3 years					
	FY2025			FY2024		FY2023		FY2022	
	Type	Amount Rated (Rs Crore)	Feb 05, 2025	Date	Rating	Date	Rating	Date	Rating
Fund based- Cash credit	Long Term/ Short Term	200.00	[ICRA]BBB-(Stable)/[ICRA]A3; withdrawn	27-Mar-2024	[ICRA]BBB-(Stable)/[ICRA]A3	31-Mar-2023	[ICRA]BBB-(Stable)/[ICRA]A3	-	-
Fund-based/Non-fund based working capital facilities	Long Term/ Short Term	300.00	[ICRA]BBB-(Stable)/[ICRA]A3; withdrawn	27-Mar-2024	[ICRA]BBB-(Stable)/[ICRA]A3	31-Mar-2023	[ICRA]BBB-(Stable)/[ICRA]A3	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Fund-based – Cash credit	Simple
Fund-based/Non-fund based working capital facilities	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 analysing 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 are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Fund- based/ Non- fund based working capital facilities	NA	NA	NA	150.00*	[ICRA]BBB-(Stable)/[ICRA]A3; withdrawn
NA	Fund-based – cash credit	NA	NA	NA	150.00**	[ICRA]BBB-(Stable)/[ICRA]A3; withdrawn
NA	Fund- based/ Non- fund based working capital facilities	NA	NA	NA	150.00	[ICRA]BBB-(Stable)/[ICRA]A3; withdrawn
NA	Fund-based – cash credit				50.00***	[ICRA]BBB-(Stable)/[ICRA]A3; withdrawn

Source: Company; *includes a combined limits of Rs. 150 crore with sublimits of Working capital loan of Rs. 150.0 crore, guarantee/ bond facility of Rs. 50.0 crore, import controlling limit of Rs. 50.0 crore, standby documentary credit facility of Rs. 50.0 crore and OD of Rs. 60.0 crore; **includes sublimit of WCDL of Rs. 150.0 crore, ***includes sublimit of WCDL of Rs. 50.0 crore

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis – Not Applicable

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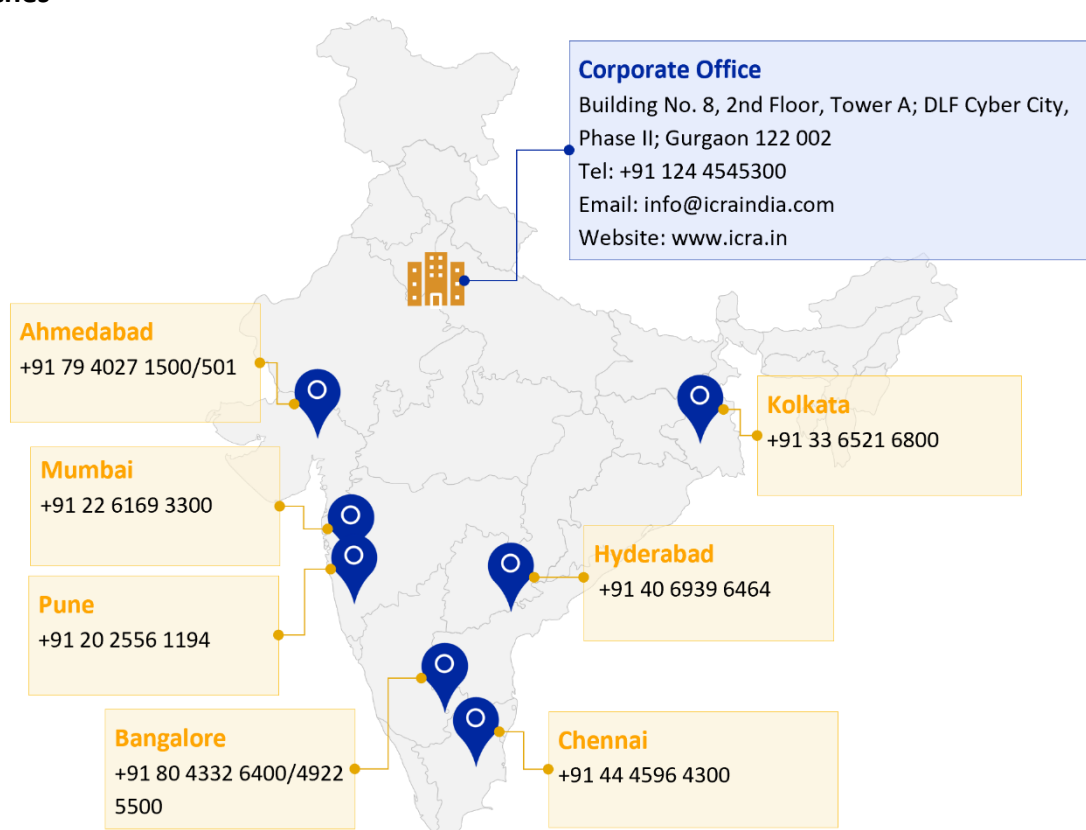
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