

January 22, 2026

Vatsalya Paper Industries LLP: Ratings withdrawn

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term/Short-term-Unallocated limits	5.00	5.00	[ICRA]BB-(Stable) / [ICRA]A4; Withdrawn
Long-term-Fund-based-Working capital term loan	5.06	5.06	[ICRA]BB-(Stable); Withdrawn
Long-term-Fund-based-Cash credit	32.00	32.00	[ICRA]BB-(Stable); Withdrawn
Long-term-Fund-based-Term loan	30.50	30.50	[ICRA]BB-(Stable); Withdrawn
Long-term-Fund-based-Overdraft	5.00	5.00	[ICRA]BB-(Stable); Withdrawn
Short-term-Non-fund based-Bank guarantee	2.50	2.50	[ICRA]A4; Withdrawn
Total	80.06	80.06	

*Instrument details are provided in Annexure-I

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of Vatsalya Paper Industries LLP at the company's request and based on the no objection certificate (NOC) received from the bankers, and in accordance with ICRA's policy on withdrawal of credit ratings. ICRA does not have information to suggest that the credit profile has changed since the time the rating was last reviewed.

The Key rating drivers and their description, Liquidity position and Rating sensitivities have not been captured as the rated instruments are being withdrawn.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 Policy on Withdrawal of Credit Ratings
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on the standalone financial profile of Vatsalya Paper Industries LLP.

About the company

Vatsalya Paper Industries LLP (VPIL), established in March 2017, was set up by Mr. Ankit Dalmia to manufacture kraft paper. The firm manufactures kraft paper at its plant in Surat, Gujarat. It commenced operations in September 2018 with an installed capacity of 72,000 MTPA, which was enhanced to 90,000 MTPA in FY2021. The firm is now promoted by Mr. Dalmia, Ms. Shalini Kanodiya, Mr. Manoj Kalani, Omkarchand Rathie & Sons, Mr. Rahul Dhoot, and Mr. Rajesh Kalani.

Key financial indicators (audited)

Standalone	FY2024	FY2025
Operating income	217.8	250.3
PAT	-1.0	4.5
OPBDIT/OI	5.4%	7.9%
PAT/OI	-0.5%	1.8%
Total outside liabilities/Tangible net worth (times)	7.3	5.8
Total debt/OPBDIT (times)	5.9	4.3
Interest coverage (times)	1.5	2.4

Source: Company, ICRA Research; All ratios as per ICRA's calculations; 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 ratings (FY2026)				Chronology of rating history for the past 3 years					
					FY2025		FY2024		FY2023	
	Type	Amount rated (Rs crore)	January 22, 2026	November 28, 2025	Date	Rating	Date	Rating	Date	Rating
Cash credit	Long Term	32.00	[ICRA]BB-(Stable); withdrawn	[ICRA]BB-(Stable)	Aug 14, 2024	[ICRA]BB-(Stable)	May 19, 2023	[ICRA]BB-(Stable)	May 25, 2022	[ICRA]BB-(Stable)
Overdraft	Long Term	5.00	[ICRA]BB-(Stable); withdrawn	[ICRA]BB-(Stable)	-	-	-	-	-	-
Unallocated limits-	Long Tem/Short Term	5.00	[ICRA]BB-(Stable)/[ICRA]A4; withdrawn	[ICRA]BB-(Stable)/[ICRA]A4	Aug 14, 2024	[ICRA]BB-(Stable)/[ICRA]A4	May 19, 2023	[ICRA]BB-(Stable)/[ICRA]A4	-	-
Term loan	Long Term	30.50	[ICRA]BB-(Stable); withdrawn	[ICRA]BB-(Stable)	Aug 14, 2024	[ICRA]BB-(Stable)	May 19, 2023	[ICRA]BB-(Stable)	May 25, 2022	[ICRA]BB-(Stable)
Working capital term loan	Long Term	5.06	[ICRA]BB-(Stable); withdrawn	[ICRA]BB-(Stable)	Aug 14, 2024	[ICRA]BB-(Stable)	May 19, 2023	[ICRA]BB-(Stable)	May 25, 2022	[ICRA]BB-(Stable)
Bank guarantee	Short Term	2.50	[ICRA]A4; withdrawn	[ICRA]A4	Aug 14, 2024	[ICRA]A4	May 19, 2023	[ICRA]A4	May 25, 2022	[ICRA]A4

Complexity level of the rated instruments

Instrument	Complexity indicator
Short-term-Non-fund based-Bank guarantee	Simple
Long-term-Fund-based-Overdraft	Simple
Long-term-Fund-based-Term loan	Simple

Long-term-Fund-based-Cash credit	Simple
Long-term-Fund-based-Working capital term loan	Simple
Long-term/Short-term-Unallocated limits-Unallocated limits	NA

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	Long-term Fund-based – Term loan	FY2018	NA	FY2026	30.50	[ICRA]BB- (Stable); withdrawn
NA	Long-term Fund-based – Cash credit	NA	NA	NA	32.00	[ICRA]BB- (Stable); withdrawn
NA	Short-term Non Fund-based – Bank Guarantee	NA	NA	NA	2.50	[ICRA]A4; withdrawn
NA	Long-term Fund-based – Working capital term loan	FY2022	NA	FY2027	5.06	[ICRA]BB- (Stable); withdrawn
NA	Long-term/Short-term – Unallocated limits	NA	NA	NA	5.00	[ICRA]BB- (Stable)/[ICRA]A4; withdrawn
NA	Long-term Fund-based – Overdraft	NA	NA	NA	5.00	[ICRA]BB- (Stable); withdrawn

Source: Company

[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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