

March 31, 2026

VRKP Sponge and Power Plant LLP: Ratings Withdrawn

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term-Fund-based-Term loan	6.27	6.27	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING*; Withdrawn
Long-term/Short-term-Fund-based-Cash credit	40.00	40.00	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING*/[ICRA]A4+; ISSUER NOT COOPERATING*; Withdrawn
Short-term-non-fund based-Letter of credit	25.00	25.00	[ICRA]A4+; ISSUER NOT COOPERATING*; Withdrawn
Total	71.27	71.27	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-I

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of VRKP Sponge and Power Plant LLP at the request of the company and in accordance with ICRA's policy on withdrawal. 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 and their description, Liquidity Position, Rating Sensitivities have not been captured as the rated instruments are being withdrawn.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	Iron & Steel Corporate Credit Rating Methodology Policy in respect of non-cooperation by the rated entity Policy on Withdrawal of Credit Ratings
Parent/group Support	Not Applicable
Consolidation/standalone	Standalone

About the company

VRKP Sponge and Power Plant LLP (VRKP), incorporated in 2015 by Bangalore-based Mr. Vinod Kumar Agarwal, manufactures sponge iron, MS billets, TMT bars and generates power primarily for captive consumption, besides trading in various steel products in relatively limited quantity. Its manufacturing facilities are at Bellary, Karnataka. The entity has an installed manufacturing capacity of 120,000 MT-per-annum (MTPA) sponge iron plant, a 150,000-MTPA MS billet plant and a 140,000-MTPA TMT bar plant. The entity has a captive 12-MW power plant as well. The Group has further set up a project in VISIPL, wherein the sponge iron is 165000 MT and 47 TPH WHRB boiler. The steam generated from the boiler is being used for the captive power plant in VRKP, resulting in significant cost savings at the Group level. The project achieved its commercial operations date (COD) on February 28, 2024.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Type	Amount Rated (Rs. Crore)	Current Rating (FY2026)		Chronology of Rating History for the past 3 years			
				Date & Rating in		Date & Rating in FY 2025	Date & Rating in FY 2024		Date & Rating in FY 2023
				Mar 31, 2026	Dec 30, 2025	Sep 30, 2024	Nov 15, 2023	Oct 20, 2023	Jul 22, 2022
1	Term loan	Long Term	6.27	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING; Withdrawn	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Stable)	-	-
2	Cash credit	Long Term/Short Term	40.00	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING/ [ICRA]A4+; ISSUER NOT COOPERATING; Withdrawn	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING/ [ICRA]A4+; ISSUER NOT COOPERATING	[ICRA]BBB+ (Stable)/ [ICRA]A2	[ICRA]BBB+ (Stable)/ [ICRA]A2	[ICRA]BBB+ (Stable)/ [ICRA]A2	[ICRA]BBB (Stable)/ [ICRA]A3+
3	Letter of credit	Short Term	25.00	[ICRA]A4+; ISSUER NOT COOPERATING; Withdrawn	[ICRA]A4+; ISSUER NOT COOPERATING	[ICRA]A2	[ICRA]A2	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term - Fund-based - Term loan	Simple
Long-term/Short-term - Fund-based - Cash credit	Simple
Short-term - Non-fund based - Letter of credit	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 No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term loan	FY2023	-	FY2027	6.27	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING; Withdrawn
NA	Cash credit	-	-	-	40.00	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING/[ICRA]A4+; ISSUER NOT COOPERATING; Withdrawn
NA	Letter of credit	-	-	-	25.00	[ICRA]A4+; ISSUER NOT COOPERATING; Withdrawn

Source: VRKP Sponge and Power Plant LLP

[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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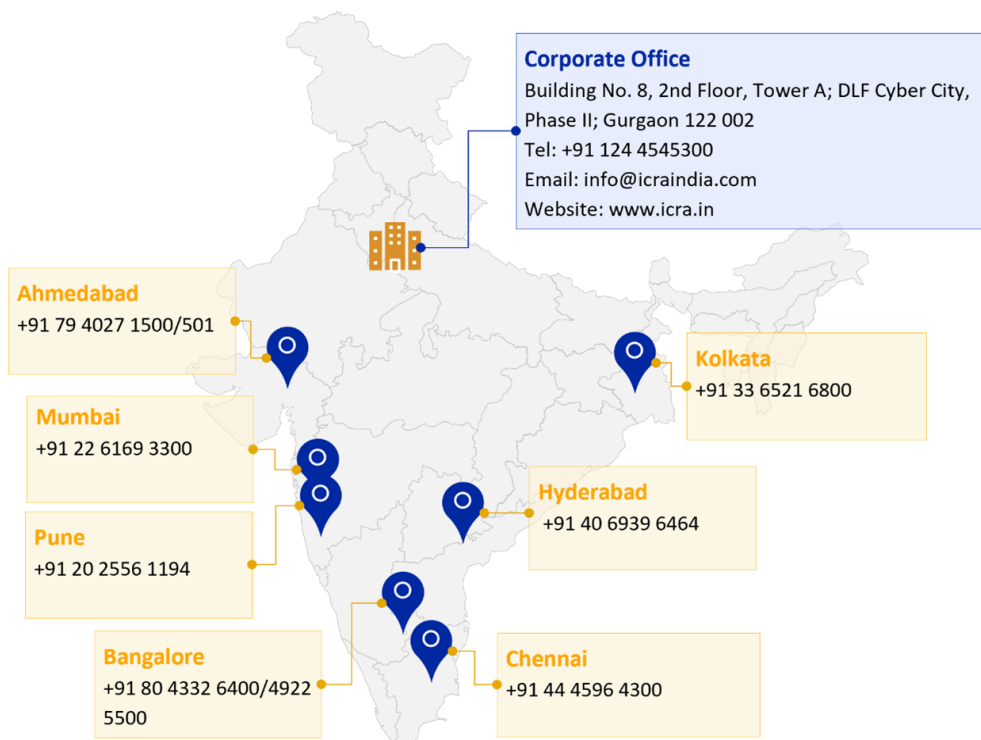


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