

## VFPLASIP JV Company

August 07, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	49.85	CARE B+; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable;

Details of instruments/facilities in Annexure-1

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

### Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated July 10, 2023, placed the rating(s) of VFPLASIP JV Company (VJC) under the 'issuer non-cooperating' category as VJC had failed to provide information for monitoring of the rating. VJC continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated May 25, 2024, June 04, 2024, June 14, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

The ratings assigned to the bank facilities of VJC have been revised on account of non-availability of requisite information.

**Analytical approach:** Standalone factoring linkage with group entity i.e., Alope Steel Industries Pvt. Ltd. and Vikash Fastners Pvt. Ltd.

**Outlook:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [July 10, 2023](#)

### Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on Default Recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

[Notching by Factoring Linkages in Ratings](#)

### About the firm

VFPL-ASIP JV Company (VJC), part of the RC Rungta group, was set up as a Joint venture between Vikash Fast ners Pvt Ltd (VFPL) and Alope Steel Industries Pvt Ltd (ASIP) in 2011 with the profit sharing ratio of 80:20. The JV is engaged in extrac tion, loading and transportation of Coal from various sites of Mahanadi Coalfields Limited (MCL). The contract is obta ined through applying in tenders/bids and currently VJC is executing 5 contracts at various sites of MCL for carrying out extraction, mechanical transfer and transportation of coal. Mr. Alope Rungta, son of Mr. R. C. Rungta, acts as the authorized representative.

Brief Financials (Rs. crore)	March 31, 2019 (A)	March 31, 2020 (Prov.)
Total operating income	222.36	242.27
PBILDT	28.72	38.90
PAT	6.08	2.35
Overall gearing (times)	2.19	1.81
Interest coverage (times)	5.30	6.06

A: Audited, Prov.: Provisional, Note: 'the above results are latest financial results available'

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

**Rating history for last three years:** Please refer Annexure-2

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	3.75	CARE B+; Stable; ISSUER NOT COOPERATING*
Non-fund-based - LT-Bank Guarantee	-	-	-	-	46.10	CARE B+; Stable; ISSUER NOT COOPERATING*

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

#### Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	3.75	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (10-Jul-23)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (16-Jun-22)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (09-Apr-21)
2	Non-fund-based - LT-Bank Guarantee	LT	46.10	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (10-Jul-23)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (16-Jun-22)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (09-Apr-21)

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

LT: Long term

**Annexure-3: Detailed explanation of covenants of the rated instruments/facilities:** Not applicable

#### Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - LT-Bank Guarantee	Simple

#### Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

**Note on the complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

### Contact us

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### About us:

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### Disclaimer:

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