



Press Release

Visaman Global Sales Limited

October 07, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Facilities	77.60	IVR BB+/ Stable (IVR Double B Plus with Stable Outlook)	-	Assigned	Simple
Total	77.60 (Rupees Seventy-Seven Crore and Sixty Lakh Only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale:

Infomerics Ratings has assigned its 'IVR BB+ /Stable' ratings on the long-term bank facilities Visaman Global Sales Limited (VGSL).

The rating assigned factors the extensive experience of promoters, product diversification backed by installation of cutting and slitting plant and improvement in profitability margins despite decline in revenue. However, these strengths are partially offset by the elongated working capital cycle, moderated financial risk profile and exposure to intense competition and cyclical nature of steel industry.

'Stable' outlook reflects Infomerics' belief that the company will continue to benefit from the experience of the promoters and long track record of operations in the steel industry.

Key Rating Sensitivities:

Upward Factors

- Significant and sustained growth in scale of operations with improvement in profitability and cash accruals.
- Substantial improvement in capital structure and debt protection metrics on a sustained basis.
- Managing working capital requirements efficiently leading to improvement in the operating cycle with improvement in liquidity on a sustained basis.



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Downward Factors

- Substantial decline in the revenue and / or profits leading to an overall deterioration in the financial risk profile of the company.
- Sustained deterioration in the capital structure and/ or coverage indicators
- Substantial elongation in the operating cycle with moderation in liquidity

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Extensive experience of the promoters in the industry**

Visaman Global Sales Limited (VGSL) is promoted and currently managed by Mr. Sureshchandra Gulabchand Vasa, Ms. Ilaben Sureshchandra Vasa, Mr. Mitulkumar Sureshchandra Vasa, Ms. Avni M Vasa and Mr. Kular Brijesh N. Most of the Promoters and Directors have more than one and a half decades of experience in the industry. The promoters look after the day-to-day affairs of the company. Given the long-track record of operations since 2019, business has sustained many economic cycles with the support of experienced promoters.

- **Product diversification**

VSGL has transformed itself from a trading-based company to a manufacturing company. The Company shifted its focus from ERW Tubes trading to the Prime Steel category (HR Coils and HR Plates) along with value-added services (cutting and slitting). From April 2025, the manufacturing facility has become fully functional. Funds raised from IPO proceeds were being deployed for setting up a cutting and slitting plant, which is a forward integration initiative.

- **Improved profitability margin albeit decline in revenue**

The EBITDA margin has improved to 2.67% in FY25 (refers to period from April 2024 to March 2025) from 2.46% in FY24 and 1.63% in FY23 as the company primarily deals with premium products. The PAT margin of the company increased to 0.80% in FY25 from 0.43% in FY24 and 0.30% in FY23 despite the revenue of the company decreased by



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13.74% to ₹265.63 crore in FY25 from ₹307.93 crore in FY24 and ₹407.67 in FY23 on account decline in average realization of the products as well as decline in volume sales supported by a plunge in steel price. The decline in turnover of VGSL is attributable to strategic decision of management to move from trading to value-added manufacturing and reduced dependency on ERW tube trading and expansion into HR coil slitting and cutting. Further, any significant decline in scale of operations leading to substantial moderation in operating profitability will remain a key monitorable.

Key Rating Weaknesses

- **Elongated working capital cycle**

The operating cycle of the company has elongated to 80 days as on March 31, 2025 as compared to 63 days as on March 31, 2024 which is predominantly driven by comparatively high debtor and inventory level during the same period. The average collection period stood at 49 days as on March 31, 2025 as compared to 36 days as on March 31, 2024. Further, the inventory holding stood at 38 days as on March 31, 2025 as compared to 32 days as on March 31, 2024.

- **Moderated financial risk profile buoyed by leveraged capital structure**

The capital structure of the company had remained leveraged. VGSL has provided corporate guarantee to the debt facilities of Visaman Infra Projects Pvt Ltd (VIPL) and Visaman Steel Pipe Pvt Ltd (VSPPL) hence the company's adjusted total debt consists of the debt of both the group companies. The Adjusted Total debt including Corporate Guaranteed debt stood at ₹165.27 crore as on March 31, 2025, as against ₹113.92 crore as on March 31, 2024 and ₹43.46 crore as on March 31, 2023. The adjusted overall gearing of the company without corporate guarantee stood moderate at 1.08x as on March 31, 2025 (2.34x as on March 31, 2024), however, including corporate guarantee stood high at 6.09x as on March 31, 2025, as against 11.39x as on March 31, 2024. Total outside liabilities to adjusted tangible net worth (TOL/ATNW) of the company without corporate guarantee stood at 2.63x as on March 31, 2025 (6.02x as on March 31, 2024) and including corporate guarantee stood higher at 6.33x as on March 31, 2025, as against 12.18x as on March 31, 2024. Further, the risk is mitigated as the debt protection metrics



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of VGSL stood comfortable marked by Interest Coverage Ratio at 1.36x and Debt Service Coverage Ratio at 1.13x as on March 31, 2025.

- **Intense competition and inherent cyclical nature of steel industry**

The inherent cyclical nature of the steel industry is driven by fluctuations in global demand, economic conditions, and government infrastructure spending poses further challenges. Volatility in the prices of raw materials and finished steel products adds to the uncertainty, impacting cost structures and profitability. To mitigate these challenges, VGSL focuses on operational efficiency, supply chain optimization, and strengthening customer relationships to maintain competitiveness in a dynamic market.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Trading Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria for assigning Rating outlook](#)

[Policy on Default Recognition and Post-Default Curing Period](#)

[Complexity Level of Rated Instruments/Facilities](#)

Liquidity – Adequate

The liquidity of the company is adequate marked by anticipated annual cash accruals of ₹4.65 crore – ₹6.16 crore from FY26 – FY28 as against annual debt repayment of ₹1.37 crore – ₹0.05 crore reflecting sufficient cushion over short-term debt repayments. The cash and bank balance stands at ₹12.80 crore as on March 31, 2025. The current ratio of the company stood at 1.30x as on March 31, 2025. The working capital (Rs. 76.80 crore) utilization for the past 12 months ending August 2025 stands at around ~94% which shows higher utilization.

About the Company

Visaman Global Sales Limited (VGSL), Rajkot, Gujarat based company was incorporated in 2019 and is engaged in the business of supply of round pipes, square pipes, rectangle pipes,



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various specification of structural steels, BGL coils, GP(GI) coils, HR coils, CR coils, colour coated coils, MS sheets, GP and GC sheets, CR sheets, HR sheets and plates, colour coated sheets, roofing PUF panel, wall PUF panel etc. The company is promoted and currently managed by Mr. Sureshchandra Gulabchand Vasa, Ms. Ilaben Sureshchandra Vasa, Mr. Mitulkumar Sureshchandra Vasa, Ms. Avni M Vasa and Mr. Kular Brijesh N. The Promoters and Directors have more than one and a half decade of experience in the industry. Currently, from April 2025 the company is engaged in the manufacturing of HR coils and plates with installed capacity of 50100 MT p.a.

Financials (Standalone):

For the year ended/ As on*	(Rs. crore)	
	31-03-2024	31-03-2025
	Audited	Audited
Total Operating Income	307.93	265.63
EBITDA	7.58	7.10
PAT	1.31	2.14
Total Debt	52.26	64.95
Adjusted Tangible Net Worth	10.01	27.12
EBITDA Margin (%)	2.46	2.67
PAT Margin (%)	0.43	0.80
Overall Gearing Ratio (x)#	11.39	6.09
Interest Coverage (x)	1.38	1.36

* Classification as per Infomerics' standards.

#Overall Gearing Ratio is on Adjusted Tangible Net worth (including corporate guarantee)

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					Date (Month xx, 202x)	Date (Month xx, 202x)	Date (Month xx, 202x)
1.	ECLGS	Long Term	0.80	IVR BB+ / Stable	-	-	-
2.	Cash Credit	Long Term	76.80	IVR BB+ / Stable	-	-	-



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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

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Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
ECLGS	-	-	-	February 2027	0.80	IVR BB+ / Stable
Cash Credit	-	-	-	-	76.80	IVR BB+ / Stable

Annexure 2: Facility wise lender details

[LEN- Visaman Global Sales Ltd07Oct25.pdf](#)

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for combined analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.