



Press Release

V-Marc India Limited

July 17, 2025

Ratings

Instrument Facility /	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	271.75* (enhanced from Rs.163.07 crore)	IVR BBB+/ Stable (IVR triple B plus with Stable outlook)	IVR BBB+/ Stable (IVR triple B plus with Stable outlook)	Rating reaffirmed	Simple
Short Term Bank Facilities	192.00* (enhanced from Rs.68.00 crore)	IVR A2 (IVR A Two)	IVR A2 (IVR A Two)	Rating reaffirmed	Simple
Total	463.75 (INR four hundred sixty-three crore and seventy-five lakhs only)				

*(The term loans of Rs. 4.97 crore, cash credit of Rs. 15.00 crore, WCTL(ECLGS) of Rs. 0.60 crore, Bank Guarantee of Rs.5.00 crore, Letter of Credit of Rs.10.00 crore from Axis Bank, GECL of Rs. 0.59 crore from Punjab National Bank, and proposed cash credit of Rs. 0.86 crore rated in the previous year has been withdrawn based on the No Objection Certificate received from Axis Bank, No Due Certificate from Punjab National Bank and at the request of the company, and is in line with Infomerics policy on withdrawal)

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

The reaffirmation of the ratings assigned to the bank facilities of V-Marc India Limited (VMIL) considers its long track record of operations under experienced promoters, improvement in the financial performance with improvement in profitability, comfortable capital structure with adequate debt protection metrics, pan India presence with diversified dealer network, its reputed clientele base and revenue visibility backed by its healthy order book. However, these rating strengths remain constrained due to susceptibility of its profitability to fluctuation in input prices, on-going capex leading to project stabilisation risk, elongated operating cycle and intense competition in the industry.



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The outlook assigned on the long-term rating is stable due to stable business operation, long track record of the promoters and favourable industry outlook.

Infomerics has also withdrawn the outstanding long-term rating of 'IVR BBB+/ Stable' and short-term rating of 'IVR A2' assigned to the term loans of Rs. 4.97 crore, cash credit of Rs. 15.00 crore, WCTL(ECLGS) of Rs. 0.60 crore, Bank Guarantee of Rs.5.00 crore, Letter of Credit of Rs.10.00 crore from Axis Bank, GECL of Rs. 0.59 crore from Punjab National Bank, and proposed cash credit of Rs. 0.86 crore facilities of VMIL with immediate effect. The withdrawal has been taken on the basis of No Objection Certificate received from Axis Bank, No Due Certificate from Punjab National Bank and at the request of the company. The rating is withdrawn in accordance with Infomerics' policy on withdrawal. Link to the withdrawal policy is provided below

Key Rating Sensitivities:

Upward Factors

- Significant growth in scale of business with further improvement in profitability metrics thereby leading to overall improvement in cash accruals and liquidity.
- Sustenance of the capital structure and further improvement in debt protection metrics

Downward Factors

- Dip in operating income and/or profitability thereby impacting the debt coverage indicators and/or any deterioration in the financial risk profile.
- Moderation in capital structure with overall gearing ratio and interest coverage

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

Improvement in the financial performance with improvement in profitability

The total operating income increased with a CAGR of ~90.47% from Rs. 249.41 crore FY23 (refers to period April 1st, 2022, to Mar 31, 2023) to Rs.904.87 crore in FY25 (refers to period April 1st, 2024, to Mar 31, 2025) and grew by y-o-y growth of 60.23% from Rs.564.75 crore in



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FY24 (refers to period April 1st, 2023, to Mar 31, 2024). This robust growth was primarily driven by increased demand from DISCOMs, supported by various government initiatives. Additionally, the company benefited from the addition of new clients to its portfolio, strengthening market presence, expansion in the product portfolio, and better execution of order. With the increase in the topline, the absolute EBIDTA and PAT increased to Rs.97.14 crore and Rs.36.09 crore in FY25 respectively from Rs.65.78 crore and Rs.26.85 crore in FY24 respectively. GCA also improved to Rs. 54.43 crore in FY25 from 36.03 crore in FY24.

Comfortable capital Structure with adequate debt protection metrics

Capital structure of the company had remained comfortable over the past three fiscal years with its satisfactory net worth base of Rs.189.45 crore supported by accretion of profits as on March 31, 2025. Total debt level of the company elevated in FY25 due to term loans availed to fund its capacity expansion capex coupled with rise in working capital borrowings to support its increased scale of operations leading to increase in total debt to Rs.174.99 crore as on March 31, 2025, from Rs.140.50 crore as on March 31, 2024. The overall gearing stood at 0.92x as on March 31, 2025, as against 1.32x as on March 31, 2024. Long Term debt to equity to 0.46x as on March 31, 2025, as against 0.59x as on March 31, 2024. Further, total indebtedness of the company marked by TOL/TNW stood to 2.41x as on March 31, 2025 as against 3.27x as on March 31, 2024. Debt protection metrics of the company remained comfortable with improvement in the interest coverage ratio 3.17x in FY25 from 3.02x in FY24 led by increase in operating profit. Total debt to EBIDTA also improved to 1.80x in FY25 from 2.14x in FY24. DSCR also remains comfortable at 2.10x in FY25 as against 2.14x in FY24.

Experienced promoters with long track record of operation in wires and cables industry

Mr. Vikas Garg has 25 years of experience in the business of wires & cables since 1996 in trading of wires and cables. He started the business as partnership and gradually converted into listed company. Mrs. Meenakshi Garg also has experience of more than 15 years of trading business of wires and cables. She is responsible for Company's Human Resource Development and Finance related functions. Also, the overall management of the company is highly experienced with relevant background.

Pan India presence with sound dealer network



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The company's dealer network is present in 19 states across India with 950 dealers/distributors.

Healthy order book position providing revenue visibility

VIML's unexecuted order book position as on June 30, 2025, stood at Rs. 544.25 crore which is to be executed in next one year indicating a healthy revenue visibility. The total work order includes 36.39% from government companies, 50.47% from EPC turnkey contractor and rest 13.14% purchase order from authorised channel partner.

Reputed clientele with low counter party payment risk

VIML has a diversified client base comprising various government discoms, departments and reputed private players. Some of the reputed clientele of the company include Uttarakhand Power Corporation Limited (UPCL), Chhattisgarh State Renewable Energy Development Agency (CREDA), Punjab State Power Corporation Limited, Paschimanchal Vidyut Vitran Nigam Limited, Haryana Vidyut Prasaran Nigam Limited. The repeat orders received from its clientele validates its capabilities. The clientele base has sound credit risk profile, which does reduce the counter party payment risk to a certain extent.

Key Rating Weaknesses

Susceptibility of operating margin to fluctuations input prices

VIML's operating margin is susceptible to volatility in its input prices especially aluminium. The company procures raw material from majors like NALCO, Hindalco along with various traders. Any upward movements in the prices of aluminium, the primary raw material used in the manufacture of cables and conductors can have an adverse effect on the profit margins.

Elongated Operating Cycle

The receivable cycle of VIML increased to 86 days in FY25 from 65 days in FY24 though remained high on account of elongated payment cycle from government companies. The higher revenues booked at the end of the last quarter which makes the debtors receivables elongated at the end of the financial year. The working capital cycle increases marginally stood at 51 days in FY24 against 48 days in FY24. However, the operating cycle is managed by stretching the creditors. The average creditors period stood to 96 days in FY25 from 93 days



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in F24. Further, average inventory period has improved significantly over the last three years, decreasing from 126 days in FY23 to 77 days in FY24 and further to 60 days in FY25. This indicates better inventory management and faster inventory turnover.

Exposure to intense competition; leading to range-bound margins

The industry is characterized by high fragmentation with large number of unorganised players, constraining the pricing power of organised sector players. Apart from the unorganized sector, VIML also faces competition from the organized sector players. The EBITDA margins have remained range-bound between 10-11% over the last few years given the intense competition and fragmentation in the industry

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies.](#)

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

[Criteria of assigning rating outlook](#)

[Policy on default recognition](#)

[Complexity level of rated Instruments/Facilities](#)

[Policy on Withdrawal of Ratings](#)

Liquidity – Adequate

Liquidity position of VIML remain adequate characterized by expected sufficient cushion in cash accruals in FY26 to FY28 respectively vis-à-vis its repayment obligations in the same period. The current ratio also remained comfortable at 1.22x as on March 31, 2025. However, the fund based remain utilized ~91% during the past 12 months ended March 2025, indicating a adequate liquidity buffer.

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About the Company

V-Marc India Limited (VMIL) was originally formed in 1996 as a partnership firm carrying on its business under the name & style of “Asian Wires & Cables Industries manufacturing and marketing firm dealing in electrical wires & cables for modern needs with brand name “VMarc”.



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The partnership business was then converted into private limited by the name Asian Galaxy Private Limited (AGPL) incorporation date being 04.03.2014 with the partners becoming the directors. The existing company was then converted into limited company by the name V Marc India Limited in 2021 and got listed on NSE on April 09, 2021. Presently the company is engaged in manufacturing and distribution of HT/LT cables and housing wire to discoms, PSUs, EPC contractors and dealers. The company got listed in NSE SME exchange in April 2021.

Financials (Standalone):

For the year ended/ As on*	(Rs. crore)	
	31-03-2024	31-03-2025
	Audited	Audited
Total Operating Income	564.75	904.87
EBITDA	65.78	97.14
PAT	26.85	36.09
Total Debt	140.50	174.99
Tangible Net Worth	106.44	189.45
EBITDA Margin (%)	11.65	10.73
PAT Margin (%)	4.75	3.98
Overall Gearing Ratio (x)	1.32	0.92
Interest Coverage (x)	3.02	3.17

*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of 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
					Dec 19, 2024	Sept 16, 2024	Aug 07, 2024	March 11, 2024	August 1, 2023	May 30, 2022
1.	Cash Credit	Long Term	160.50*	IVR BBB+/Stable	IVR BBB+/Stable	IVR BBB under Rating Watch with Developing Implications	IVR BBB under Rating Watch with Developing Implications	IVR BBB under Rating Watch with Developing Implications	IVR BBB/Stable	IVR BBB-/Positive



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Sr. No.	Name of 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
					Dec 19, 2024	Sept 16, 2024	Aug 07, 2024	March 11, 2024	August 1, 2023	May 30, 2022
2.	Term Loan	Long Term	109.48*	IVR BBB+/Stable	IVR BBB+/Stable	IVR BBB under Rating Watch with Developing Implications	IVR BBB under Rating Watch with Developing Implications	IVR BBB under Rating Watch with Developing Implications	IVR BBB/Stable	IVR BBB-/Positive
3	WCTL (ECLGS)	Long Term	0.60	IVR BBB+/Stable Withdrawn	IVR BBB+/Stable	IVR BBB under Rating Watch with Developing Implications	IVR BBB under Rating Watch with Developing Implications	IVR BBB under Rating Watch with Developing Implications	IVR BBB/Stable	-
4	GECL	Long Term	1.17	IVR BBB+/Stable	IVR BBB+/Stable	IVR BBB under Rating Watch with Developing Implications	IVR BBB under Rating Watch with Developing Implications	IVR BBB under Rating Watch with Developing Implications	IVR BBB/Stable	-
5	Bank Guarantee	Short Term	82.00*	IVR A2	IVR A2	IVR A3+ under Rating Watch with Developing Implications	IVR A3+ under Rating Watch with Developing Implications	IVR A3+ under Rating Watch with Developing Implications	IVR A3+	IVR A3
6	Letter of Credit	Short Term	110.00*	IVR A2	IVR A2	IVR A3+ under Rating Watch with Developing Implications	IVR A3+ under Rating Watch with Developing Implications	IVR A3+ under Rating Watch with Developing Implications	IVR A3+	IVR A3
7	Proposed Cash Credit	-	-	Withdrawn	IVR BBB+/Stable	IVR BBB under Rating Watch with Developing Implications	-	-	-	-
8	Unallocated Limits	-	-	-	-	-	-	-	Withdrawn	IVR BBB-/Positive/IVR A3

*(The term loans of Rs. 4.97 crore, cash credit of Rs. 15.00 crore, WCTL(ECLGS) of Rs. 0.60 crore, Bank Guarantee of Rs.5.00 crore, Letter of Credit of Rs.10.00 crore from Axis Bank, rated in the previous year has been withdrawn based on the No Objection Certificate received from Axis Bank and at the request of the company, and is in line with Infomerics policy on withdrawal)



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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.

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Annexure 1: Instrument/Facility Details

Name of Facility	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan I	-	-	-	May 2031	27.49	IVR BBB+/ Stable
Term Loan II	-	-	-	September 2029	11.18	IVR BBB+/ Stable
Term Loan III	-	-	-	December 2031	40.00	IVR BBB+/ Stable
Term Loan IV				September 2026	4.97	IVR BBB+/ Stable Withdrawn
Term Loan V	-	-	-	December 2030	16.88	IVR BBB+/ Stable
GECL 1.0 Ext	-	-	-	October 2026	1.17	IVR BBB+/ Stable
WCTL-1	-	-	-	February 2027	0.45	IVR BBB+/ Stable Withdrawn
WCTL- 2	-	-	-	January 2025	0.15	IVR BBB+/ Stable Withdrawn
Term Loan VI	-	-	-	September 2026	3.51	IVR BBB+/ Stable
Term Loan VI	-	-	-	July 2028	5.45	IVR BBB+/ Stable
Cash Credit I	-	-	-	-	65.50	IVR BBB+/ Stable
Cash Credit II	-	-	-	-	15.00	IVR BBB+/ Stable Withdrawn
Cash Credit III	-	-	-	-	30.00	IVR BBB+/ Stable
Cash Credit IV	-	-	-	-	10.00	IVR BBB+/ Stable
Cash Credit V	-	-	-	-	15.00	IVR BBB+/ Stable



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Cash Credit VI	-	-	-	-	10.00	IVR BBB+/ Stable
Cash Credit VII	-	-	-	-	15.00	IVR BBB+/ Stable
Bank Guarantee I	-	-	-	-	44.00	IVR A2
Bank Guarantee II	-	-	-	-	5.00	IVR A2 Withdrawn
Bank Guarantee III	-	-	-	-	5.00	IVR A2
Bank Guarantee IV	-	-	-	-	5.00	IVR A2
Bank Guarantee V	-	-	-	-	23.00	IVR A2
Letter of Credit I	-	-	-	-	32.00	IVR A2
Letter of Credit II	-	-	-	-	10.00	IVR A2 Withdrawn
Letter of Credit III	-	-	-	-	7.00	IVR A2
Letter of Credit IV	-	-	-	-	5.00*	IVR A2
Letter of Credit V	-	-	-	-	10.00	IVR A2
Letter of Credit VI	-	-	-	-	16.00	IVR A2
Letter of Credit VII	-	-	-	-	30.00	IVR A2
GECL	-	-	-	-	-	Withdrawn
Proposed Cash Credit	-	-	-	-	-	Withdrawn

*LC/BG is interchangeable

Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-V-Mar-India-17july25.pdf>

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

Annexure 4: List of companies considered for consolidated/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.