



Press Release
VI-SON WIRES PRIVATE LIMITED
October 17, 2025
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	32.50	ACUITE BB+ Stable Assigned	-
Total Outstanding Quantum (Rs. Cr)	32.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has assigned the long-term rating of '**ACUITE BB+**' (read as **ACUITE Double B plus**) on the Rs.32.50 Cr. bank facilities of Vi-Son Wires Private Limited (VWPL). The outlook is '**Stable**'.

Rationale for rating

The rating assigned takes into consideration the established experience of the promoters in automotive, wiring & cabling sector along with growing operating performance of the group driven by increasing orders from reputed clientele. However, the rating is constrained by the intensive working capital operations and moderate financial risk profile. Furthermore, the margins are susceptible to raw material price volatility and any expansion plans backed by major debt funded capex, affecting the financial risk profile shall remain a key monitorable.

About the Company

Incorporated in 2008, Vi-Son Wires Private Limited is a Maharashtra based company, engaged in manufacturing of wiring harness and battery cables having primary end uses in appliances, generators, elevators and automotive. The manufacturing facility is located at Chakan, Pune. The company is currently promoted by Mr. Paramjit Singh Virk and Mrs. Jasbeer Kaur Virk.

About the Group

Established in 1997, Vi-Son group of companies is a diversified and integrated manufacturing group specializing in wires & cables, battery cable assemblies, wiring harness, power cords, copper bus-bar, lugs & terminals, PVC Compounds, brake and control cables etc. catering to the key sectors like automotive, home appliances along with uses in elevators, generators, electric vehicles etc. The group has strong & reputed customer base like Mahindra & Mahindra, Piaggio, Godrej, Samsung, Fortis Elevators etc. Further, it has 6 manufacturing plants located across Pune, Daman, Bangalore and Himachal Pradesh.

Unsupported Rating

Not Applicable.

Analytical Approach

Extent of Consolidation

- Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuité has consolidated the business and financial risk profile of Vi-Son Wires Private Limited (VWPL) along with its group companies namely- Vi-Son Cables Private Limited, Vi-Son

Industries, V-Tech Industries India Private Limited to arrive at the rating (hereinafter referred to as 'Vi-Son Group' or 'the group'). The consolidation is on basis of common promoters, similar line of business along with significant financial and operational linkages.

Key Rating Drivers

Strengths

Experienced promoters and established track record of operations

Established in 1997, Vi-Son group has a strong legacy of operations, backed by extensive expertise of its promoters in both the automotive and wiring & cable sector. With over 35 years of industry experience, Mr. Paramjeet Singh Virk provides strategic support towards the phased expansion which is witnessed from enhanced Y-o-Y production capacity and diversifying product offerings of the group.

Improving scale of operations

The revenue of the group improved from Rs.262.59 Cr. in FY23 to Rs.286.14 Cr. in FY24 and further grew to Rs. 355.71 Cr. in FY25 (Est.). The FY25 growth is primarily driven by increase in orders from one of its reputed client owing to increase in demand from automotive sector on account of certain policy changes in the sector. Further, the group's order book stood at ~Rs.30 Cr. as on June 2025. Moreover, the operating margins also improved to 5.30% in FY25(Est.) from 4.74% in FY24 and 4.61% in FY23 driven by better absorption of fixed costs.

Weaknesses

Moderate financial risk profile

The net-worth (considering subordinated unsecured loans of Rs.4.72 Cr. and partner withdrawal of ~Rs.2.08 Cr.) of the group stood moderate at Rs.43.54 Cr. as per FY25(Est.) as against Rs.36.77 Cr. in FY24, growth driven by profit accretions. Further, owing to significant working capital borrowings, the gearing remained moderate at 1.42 times as on March 31, 2025 (Est.) (1.78 times as on March 31, 2024). Moreover, the Debt/EBITDA stood high at 3.17 times as on March 31, 2025 (Est.) (4.59 times as on March 31, 2024). However, interest coverage ratio stood healthy at 3.35 times in FY25(Est.) (2.35 times in FY24). Going forward, the group has capex plans for setting up of new plant in Haryana (2 phases) and Gujarat at an overall cost of ~Rs.11.00 Cr. (Rs.3.00 Cr. incurred till date) to be funded by a mix of debt & internal accruals. Therefore, continued maintenance of financial risk profile supported by steady cash accrual shall be a key rating monitorable.

Intensive working capital management

The working capital management of the group has improved yet remain intensive in nature marked by gross current assets (GCA) of 160 days in FY25(Est.) (180 days in FY24). This is primarily due to high inventory maintenance (57 days in FY25(Est.), 83 days in FY24) and elevated receivable periods (96 days in FY25(Est.), 86 day in FY24). Therefore, the average bank limit utilization remained high at ~97-99% for the last 6 months ended August 2025.

Presence in highly competitive industry and exposure to volatile raw material prices

The wires and electrical cables industry comprises of many unorganized as well as organized players. Hence, intense competition may continue to constrain scalability, pricing power and profitability. However, the group has plans for phased expansion through increased production capacity which will help to cater orders more efficiently. Further, the main raw material includes copper, and pricing variations in which impact the company's operating margins. However, as the prices are reset on a quarterly basis with customers and major portion of fluctuations are passed on, the margins remain protected to an extent.

Rating Sensitivities

- Growing scale of operations while maintaining profitability margins.
- Significant increase in debt levels or withdrawal in partnership firm impacting the financial risk profile.
- Significant elongation in working capital cycle thereby affecting the liquidity.

Liquidity Position

Adequate

The liquidity position of group is adequate as reflected from sufficient net cash accruals of Rs.11.50 Cr. in FY25(Est.) (Rs.6.93 Cr. in FY24) against maturing debt obligations of Rs.0.31 Cr. Going forward, the group is expected to generate cash accruals in the range of Rs.12.00-14.00 Cr. over the medium term, while repayment obligations are expected to be in the range of Rs.0.24-0.31 Cr. for the same period. The cash and bank balance stood at Rs.0.60 Cr. during FY25(Est.). Moreover, the group has unencumbered fixed deposits of ~Rs.3.00 Cr. as on year end. The current ratio stood moderate at 1.17 times during FY25(Est.). However, the average bank limit utilization for fund-based limits stood high in the range of ~97-99% for the last 6 months ended August, 2025.

Outlook: Stable**Other Factors affecting Rating**

None.

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	286.14	262.59
PAT	Rs. Cr.	4.08	2.73
PAT Margin	(%)	1.43	1.04
Total Debt/Tangible Net Worth	Times	1.78	1.95
PBDIT/Interest	Times	2.35	1.99

Status of non-cooperation with previous CRA (if applicable)

None.

Any Other Information

None.

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History :

Not Applicable

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Apna Sahakari Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	27.50	Simple	ACUITE BB+ Stable Assigned
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.15	Simple	ACUITE BB+ Stable Assigned
Apna Sahakari Bank Ltd	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE BB+ Stable Assigned
Apna Sahakari Bank Ltd	Not avl. / Not appl.	Working Capital Term Loan	25 Mar 2022	Not avl. / Not appl.	01 Feb 2032	3.85	Simple	ACUITE BB+ Stable Assigned

***Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr. No	Company Name
1	Vi-Son Wires Private Limited
2	Vi-Son Cables Private Limited
3	V-Tech Industries India Private Limited
4	Vi-Son Industries

Contacts

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About Acuité Ratings & Research

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