



Press Release
VAAAN INFRA PRIVATE LIMITED
July 30, 2025
Rating Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	23.23	ACUITE BBB+ Stable Reaffirmed	-
Bank Loan Ratings	101.77	-	ACUITE A2 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	125.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long term rating of ‘**ACUITE BBB+ (read as ACUITE triple B plus)**’ and short term rating of ‘**ACUITE A2 (read as ACUITE A two)**’ on the Rs.125.00 crore bank facilities of Vaaan Infra Private Limited (VIPL). The outlook is ‘**Stable**’.

Rationale for Rating

The rating factors steady growth in scale of operations reported in FY 25(prov), to Rs.181.13 crore in FY 2025(prov) as compared to Rs.170.32 crore in FY 2024 and Rs.162.13 crore in FY 2023 due to execution of the orders related to Toll management system (TMS) full forms and Advance Traffic Management system (ATMS) full forms. VIPL has an outstanding order book of Rs.154.94 cr. providing revenue visibility over the medium term. The operating profit margin increased from 12.91% in FY 2024 to 16.08% in FY 2025 (prov.), mainly due to reduced material consumption costs, especially in toll and traffic management systems, and net profit margin improved from 9.21% in FY24 to 11.45% in FY25 (prov.). VIPL has maintained low gearing, a strong coverage ratio and has no long-term debt exposure. These strengths are however offset by the working capital intensive nature of operations, with GCA days of 424 days in FY 2025 (prov.), primarily due to an increase in debtors, which is mainly due to payment terms and high year-end revenues.

About the Company

Delhi based, Vaaan Infra Private Limited (VIPL) has started its operation since 2011. VIPL is promoted by Mr. Arnav Kishore and Mrs. Neetu Kishore. VIPL is mainly engaged into supply and installation, commissioning, after-sales- related services, and AMC of toll management system (TMS), advanced traffic management system (ATMS), and marginally towards smart city solutions. Under smart city solutions, the company provides smart parking solutions, city security and surveillance systems, system integration, and client support centres.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has taken standalone financial and business risk profile of Vaaan Infra Private Limited to arrive at this rating.

Strengths

Experience Management:

Mr. Arnav Kishore and Mrs. Neetu Kishore are the key promoters of VIPL and have more than two decades of expertise in the toll management sector. The business has been able to sustain enduring relationships with both suppliers and customers for more than ten years. Back-to-back order execution has allowed the business to reach a healthy size of operations. As of June'25, the company has an outstanding order book of Rs. 154.94 crore from reputable clients including Larsen & Turbo Ltd., PNC Infratech Limited, Indian Highway Management Co. Ltd. Gawar Construction Limited, etc. Acuite believes the company will continue to gain from the promoters experience and long-term operational track record of the Company.

Stable operational performance:

VIPL continues to exhibit stable operational performance, with operating revenue rising consistently over the past three fiscal years Rs.181.13 Crore in FY2025 (Prov), up from Rs.170.32 Crore in FY2024 and Rs.162.13 Crore in FY2023 marking a growth of 6.35% year-over-year. The company's topline is predominantly supported by its TMS & ATMS businesses, contributing 60% from supply and installation and 40% from Annual Maintenance Contracts (AMC). While quarterly revenue has fluctuated due to the dependency on operational roadways, VIPL recorded Rs.34 Crore in Q1FY26, reflecting realization momentum. Profitability has improved substantially, with operating margin increasing to 16.08% from 12.91%, and PAT margin rising to 11.45% from 9.21% in FY 25 (prov.) from FY24, primarily due to lower material and finance costs. A healthy ROCE of 24.45% as on March 31, 2025 (prov.), underscores VIPL's operational efficiency. Acuite believes VIPL's consistent revenue growth, improving margins, and healthy order pipeline will continue to strengthen its credit profile in the near to medium term.

Healthy financial risk profile:

VIPL maintains a healthy financial risk profile, backed by steady growth in tangible net worth to Rs.111.63 Crore in FY25 (Prov.) from Rs.91.11 Crore in FY2024 and Rs.75.43 crore in FY2023, driven by internal accruals. Despite an increase in short-term working capital borrowings, the gearing ratio remains comfortable at 0.25x in FY2025(prov) compared to 0.19x in FY2024 and 0.17x in FY2023. The company's TOL/TNW and NCA/TD ratio stood stable at 1.18x and 0.75x in FY2025(prov). Strong debt protection metrics DSCR at 11.27x and ISCR at 15.16x up from 7.91x and 11.81x respectively, reflect minimal debt servicing pressures due to the absence of long-term borrowings. Acuite believes VIPL's prudent capital structure, high coverage ratios, and consistent net worth growth provide a solid foundation for continued financial stability and favourable credit positioning.

Weaknesses

Working Capital Intensive Operations

VIPL operates in a working capital-intensive environment, reflected in the stretch of Gross Current Asset (GCA) days to 424 day in FY2025 (Prov) from 330 day in FY2024 and 291 day in FY2023, primarily due to elongated debtor cycles. Debtors days surged to 372 day in FY2025 (prov) from 281 day in the prior year, attributable to milestone-based payment structures with its customers and increased year-end revenue recognition. Despite the extended cycle, Acuite believes recoveries to materialize given the company's strong clientele and reliable payment history. The other current assets of Rs 20.81 crore also contributor to stretched GCA days which mainly includes retention money, advance to suppliers GST receivable etc. Creditor days stood at 184 days in FY2025 (prov), reflecting dependency on receivable realization. Acuite believes that the current nature of operations will entail high working capital requirements and the same will continue to be monitorable.

Rating Sensitivities

1. Timely execution of highway projects by Governments
2. Working Capital management
3. Timely acquisition and execution of order book

Liquidity Position

Adequate

VIPL demonstrates an adequate liquidity profile, supported by consistent cash accrual generation and a prudent financial management approach. The company reported net cash accruals of Rs.21.28 Crore in FY2025 (Provisional) against minimal debt servicing requirements of Rs.0.05 Crore, improving from Rs.16.30 Crore against Rs.0.21 Crore in FY2024. The current ratio remained stable at 1.73x in FY2025 (prov) as compared to 1.65x in the prior financial year, indicating sound short-term solvency. Additional liquidity support was derived

from director- infused unsecured loans of Rs. 6.79 Cr. in FY 2025. Average fund-based limit utilization stood at 54%, suggesting moderate reliance on working capital facilities. Acuité believes the company's consistent accrual generation, low repayment burden, and efficient capital deployment would continue to underpin its adequate liquidity.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	181.13	170.32
PAT	Rs. Cr.	20.73	15.68
PAT Margin	(%)	11.45	9.21
Total Debt/Tangible Net Worth	Times	0.25	0.19
PBDIT/Interest	Times	15.16	11.81

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

Not Applicable.

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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. Acuité'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

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
05 Jun 2024	Bank Guarantee (BLR)	Short Term	16.50	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	20.00	ACUITE A2 (Reaffirmed)
	Bills Discounting	Short Term	9.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	19.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	15.00	ACUITE A2 (Reaffirmed)
	Proposed Short Term Bank Facility	Short Term	7.27	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	15.00	ACUITE A2 (Reaffirmed)
	Cash Credit	Long Term	6.00	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB+ Stable (Reaffirmed)
	Secured Overdraft	Long Term	0.90	ACUITE BBB+ Stable (Reaffirmed)
	Secured Overdraft	Long Term	5.00	ACUITE BBB+ Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	1.33	ACUITE BBB+ Stable (Reaffirmed)
08 Mar 2023	Bank Guarantee (BLR)	Short Term	16.50	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	12.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	20.00	ACUITE A2 (Reaffirmed)
	Bills Discounting	Short Term	9.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	19.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	14.00	ACUITE A2 (Reaffirmed)
	Proposed Short Term Bank Facility	Short Term	17.00	ACUITE A2 (Reaffirmed)
	Cash Credit	Long Term	6.00	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB+ Stable (Reaffirmed)
	Secured Overdraft	Long Term	1.50	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	4.00	ACUITE BBB+ Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Punjab National Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	19.00	Simple	ACUITE A2 Reaffirmed
Yes Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE A2 Reaffirmed
Kotak Mahindra Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	16.50	Simple	ACUITE A2 Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE A2 Reaffirmed
ICICI Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE A2 Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	9.00	Simple	ACUITE A2 Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.00	Simple	ACUITE BBB+ Stable Reaffirmed
Yes Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE BBB+ Stable Reaffirmed
Punjab National Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE BBB+ Stable Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.27	Simple	ACUITE A2 Reaffirmed
ICICI Bank Ltd	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE BBB+ Stable Reaffirmed
Kotak Mahindra Bank	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.90	Simple	ACUITE BBB+ Stable Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Working Capital Term Loan	07 Aug 2020	Not avl. / Not appl.	31 Dec 2025	1.33	Simple	ACUITE BBB+ Stable Reaffirmed

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	Contact details exclusively for investors and lenders
Shreya Banerjee Analyst-Analytical Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

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