Rating Rationale
21 Sep 2026

Venkateswara Wires Pvt. Ltd.

Brickwork Ratings is upgrading & assigning the long-term & short term ratings for the Bank Loan Facilities of Rs. 169.84 crores, respectively, for Venkateswara Wires Pvt. Ltd.

Facilities**	Amount (Rs. Crs)			Rating#		Name of the Regulator
	Previous	Present	Tenure	Previous (13-April-2026)	Present	
Fund Based						
Cash Credit - Sanctioned	16	**24**	**Long Term**	BWR BB /Stable Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	**BWR BBB/Stable Upgraded and Removed from INC**	**RBI**
Term Loan -Outstanding	2.16	**0**	**Long term**	BWR BB /Stable Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	**Withdraw**	**RBI**
Term Loan -sanctioned	0	**32.75**	**Long term**		**BWR BBB/Stable /Assignment**	**RBI**
Term Loan -LAP	3.36	**0**	**Long Term**	BWR BB /Stable Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	**Withdraw**	**RBI**
Invoice Discounting Facility-Sanctioned	1	**0**	**Short term**	BWR BB /Stable Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	**Withdraw**	**RBI**
Channel Financing Facility -Sanctioned	2	**0**	**Short term**	BWR BB /Stable Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	**Withdraw**	**RBI**
Supply Chain Finance -Sanctioned	0	**3**	**Short term**		**BWR A2 /Assignment**	**RBI**
Emergency Credit Line Guarantee Scheme (ECLGS)-Outstanding	1.83	**0**	**Long term**	BWR BB /Stable Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	**Withdraw**	**RBI**
ECGLS Loan	0	**0.16**	**Long term**		**BWR BBB/Stable /Assignment**	**RBI**
Working capital Demand loan	3	**3**	**Long term**	BWR BB /Stable Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	**BWR BBB/Stable Upgraded and Removed from INC**	**RBI**
Revolving Line of Credit	0	**3.00**	**Short term**		**BWR A2/Assignment**	**RBI**
Working capital Term loan	0	**1.03**	**Long term**		**BWR BBB/Stable /Assignment**	**RBI**

Sub total	29.35	**66.94**	**(Rupees sixty-six crores and ninety-four lakh only)**

Non-Fund Based						
Bank Guarantee	76.9	**102.9**	**Short term**	BWR A4 Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	**BWR A2 /Upgraded and Removed from INC**	**RBI**
Sub Total	76.9	**102.9**	**(Rupees One hundred two crores and ninety lakhs only)**			
Grand Total	106.25	**169.84**	**(Rupees One hundred sixty-nine crore and eighty-four lakhs only)**			

Note:

1. Please refer to the BWR website www.brickworkratings.com for the definition of the ratings
2. Refer to Annexures I, II, and III for details of rated bank loan facilities, debt instruments, and the List of Entities Consolidated**.**

RATING ACTION/OUTLOOK

Brickwork Ratings assigns the long-term and short-term ratings of "BWR BBB/Stable/ upgraded and removed from INC " and "BWR A2/ upgraded and removed from INC" for the Bank Loan Facilities of Rs. 169.84.00 Crs. for Venkateswara Wires Pvt. Ltd. Additionally, BWR has withdrawn the ratings for bank loan facilities amounting to Rs. 10.35 Crores based on a confirmation received from various banks. The withdrawal of the ratings complies with the BWR Withdrawal policy. A total of 129.9 cr limit is upgraded and removed from INC and amount 39.94 cr is newly assigned limit .

The ratings are supported by the company's experienced promoters, Mr.Sanjay Saboo and Mr. Siddharath Saboo, who bring a proven operational track record of over two decades in the specialized automobile segment.

The rating outlook is assigned as "Stable," reflecting BWR's expectation that Venkateswara Wires Pvt Ltd's business risk profile will remain steady over the medium term. A stable outlook indicates a low probability of a rating change during this period. The outlook may be revised to "Positive" if the company achieves sustained improvement in revenue and profitability margins, while it may be revised to "Negative" in the event of a deterioration in its financial risk profile.

KEY COVENANTS OF THE INSTRUMENT/FACILITY

There are standard covenants as per the sanction letter**.**

ANALYTICAL APPROACH & APPLICABLE RATING CRITERIA

Analytical Approach	Comments
Applicable Rating Criteria	• General Criteria • Approach to Financial Ratios • Short Term-Debt • BWR Withdrawal Policy • Manufacturing criteria
Parent/Group/Government Support	NA
Analytical Approach (Consolidation/Standalone)	Standalone

KEY RATING DRIVERS WITH DETAILED DESCRIPTION

Credit Strengths:

- **Experience of the management :**
  Venkateswara Wires was established in 1988 at Jaipur, Rajasthan, by Shri Sanjay Saboo Managing Director), who has extensive knowledge of cable & conductor manufacturing and financial management, and the company is growing continuously under his leadership with more than 35 years of experience. Further, Shri Siddharth Saboo (Director) has joined the company in 2014 and leads the company's marketing & production team with more than 10 years of experience.

- **Improvement in scale of operations, with stable profitability margins :**
  The company has registered a growth of ~12% y-o-y in total operating income to Rs. 532 crore in FY26 (prov) as compared to Rs. 475 crore in FY 25. The profitability margins have shown consistent growth over the past three years. EBITDA margin was 6.13% in FY26 (prov), 4.49% in FY25, and 3.74% in FY24, and PAT margin was 2.41% in FY26 (prov), 1.57% in FY25, and 1.12% in FY24.

- **Despite the increase, leverage was maintained at a favorable level**
  The debt-to-equity ratio of the company in FY25 is 0.56 times, as compared to FY26, which is 0.84 times, which is still favourable as it stands below 1.

- **Strong relationship with customers and suppliers**
  As the company's customers mostly include government transmission and distribution companies as well as EPC contractors in the transmission domain having strong credit ratings, it significantly mitigates counterparty risk.

Credit Risks:

- **Limited degree of integration in operations** :
  VWPL procures conductors aluminium wire rods from large manufacturers such as BALCO, NALCO and HINDALCO and converts the same into conductors and cables. The value addition in the business is limited.
    -
- **Presence in highly competitive industry and tender - driven nature of business :**
  The Conductor and cable industry is highly fragmented with the presence of many organized and unorganized players. Further, the tender - driven nature of business places pressure on the profitability of the company.

- **Margin constraints**
  Given the limited bargaining power with suppliers, there is limited control over raw material pricing. The impact on smaller companies is more significant as they lack economies of scale benefits in their operations. This impacts the profitability of the companies.

RATING SENSITIVITY FACTORS

Going forward, the company's ability to manage working capital efficiently, improve the scale of operations, and improve and maintain profitability, along with the debt servicing capability and liquidity, will be key rating sensitivities.

Positives:

- Significant and sustained growth in revenue from current levels of Rs.532 Cr while maintaining operational efficiency. Expansion of operating profit margin above current 6.3%, driving higher gross cash accruals (GCA >14.8 Cr)

- Sustained improvement in debt protection metrics with Interest Service Coverage Ratio (ISCR) consistently above 2.15 x.

Negatives:

- Significant decline in top-line revenue from the current level of 532 Cr.Compression of operating margin below 3.5%
- Withdrawal of unsecured loans (up to 11.00 Cr), leading to capital structure moderation and a sharp spike in overall gearing.
- Deterioration of ISCR to below 1.00x, indicating severe interest-servicing stress.

LIQUIDITY POSITION - Adequate

Venkateswara Wires Pvt Ltd maintains an adequate liquidity position, supported by healthy cash accruals and a sufficient cushion in its working capital facilities. The company reported cash and bank balances of Rs. 14.68 crore as on 31 March 2025 (Rs. 15.3 crore FY26 UA). The current ratio stood at 1.62 times in FY25 (2.02 times in FY26 UA). The company generated cash accruals of Rs. 9.4 crore during FY25 against the current portion of long-term debt (CPLTD) of Rs. 2.17 crore. This resulted in comfortable coverage metrics, with a debt service coverage ratio (DSCR) of 1.66 times and an interest service coverage ratio (ISCR) of 2.08 times in FY25 (DSCR at 1.78 times and ISCR at 2.30 times in FY26 UA).

Considering the above factors, the company's liquidity position is assessed as Adequate.

ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) PRACTICES

Environmental: Environmental risks are driven by high water usage, waste generation, and reliance on energy-intensive processes, making disclosures on water consumption, waste-management practices, renewable energy share, and emissions levels particularly important.

Social: Social factors hinge on adherence to labour laws, accident prevention frameworks, and human-capital development, with metrics such as workforce mix , safety performance, and training initiatives offering insights into operational resilience.

Governance: Governance assessment focuses on board independence, committee effectiveness, and robustness of compliance systems, supported by readily available disclosures on board structure, audit mechanisms, and risk-management practices.

COMPANY/FIRM PROFILE

Industry Classification			
Macroeconomic Indicator	**Sector**	**Industry**	**Basic Industry**
Industrials	**Capital Goods**	**Electrical Equipment**	**Other Electrical Equipment Listing Status- Unlisted**

Venkateswara Wires Pvt. Ltd., incorporated in 1988, is a private limited company having its registered office at Jaipur. Venkateswara Wires Pvt. Ltd. is engaged in the business of manufacturing Strand conductors, ACSR Conductors, AAC Conductors, AAAC conductors, and Aerial Bunched Cables. The company is also in the business of power generation, having an installed capacity of 1800 KW per annum. The company has three windmills having a capacity of 600 KW each. The mills are located at Sangli(MH), Jaisalmer (Raj), and Barmer (Raj). The company is accredited with ISO 9001:2008 certification. At present, the company has 2 manufacturing facilities: one at C-116, Road No. 8, VKI Area, Jaipur, and the second at E-55, Road No. 5, VKI Road, Jaipur, with a total annual production capacity of 50,000 kms. The directors of the company are Siddharth Saboo and Sanjay Saboo. The company's foundation is built on timely deliveries, cost-effective operations, and a commitment to quality.

KEY FINANCIAL INDICATORS

Standalone Financial Indicators (in ₹ crore)	Units	FY 23-24 (A)	FY 24-25 (A)	FY 25-26 (P)
Operating Revenue	Rs. Crs.	346.46	475.94	532.01
EBITDA	Rs. Crs.	12.97	21.37	32.59
PAT	Rs.Crs	3.87	7.5	12.8
Tangible Net worth	Rs. Crs.	58.34	66.7	85.51
Total Debt/ Tangible Net Worth	Times	0.20	0.44	0.60
Current Ratio	Times	1.87	1.62	2.02

A: Audited; UA: Unaudited; NA: Not Available; Note: these are the latest available financial results; P: Provisional *PBILDT: Profit before interest, lease rentals, depreciation and tax. All ratios as per BWR's calculations; Amount in ₹ crore.

RATING HISTORY FOR THE LAST THREE YEARS

	Current Rating (2026)			Rating History					
				2026		2025		2024	
Instrument	Tenor	Amount (₹. Crore)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	Long term	60.94	BWR BBB/Stable Upgraded and Removed from INC simultaneously assigned and withdrawal of limits	13Apr2026	BWR BB /Stable, Continues to be in ISSUER NOT COOPERATING	08Apr2025	BWR BB /Stable, Continues to be in ISSUER NOT COOPERATING* /Downgraded	21Mar2024	BWR BB + /Stable ISSUER NOT COOPERATING* /Downgraded
	Short term	6.00	BWR A2 /Assignment simultaneously assigned and withdrawal of limits		-		-		-
Non-Fund Based	Short Term	102.9	BWR A2/Upgraded and Removed from INC	13Apr2026	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	08Apr2025	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/Downgraded)	21Mar2024	BWR A4 + (Continues to be in ISSUER NOT COOPERATING* category/Downgraded)
Grand Total		169.84	(Rupees One hundred sixty-nine crore and eighty-four lakhs only)						

COMPLEXITY LEVEL OF THE RATED INSTRUMENTS

Instrument	Complexity Indicator
Fund Based	Simple
Non-Fund Based	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on BWR's website www.brickworkratings.com/download/ComplexityLevels.pdf

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY):

Venkateswara Wires Pvt. Ltd. is non-cooperative with Infomerics Rating, with a rating of IVR BB+(INC)/ Negative /A4+(INC), Downgraded .

ANY OTHER INFORMATION: None

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Annexure I: Details of Bank Loan Facilities *(Amount in Rupees Crore)*

S. No	Name of Bank	facilities	Tenor	Amount	Regulator
1	ICICI Bank	Cash Credit	Long term	13 .00	RBI
2	HDFC Bank	Cash Credit	Long term	7 .00	RBI
3	IndusInd Bank	Cash Credit	Long term	4.00	RBI
4	IndusInd Bank	Term loan	Long term	32.75	RBI
5	ICICI Bank	ECGLS Loan	Long term	0.16	RBI
6	Kotak Mahindra Bank	Working capital Demand loan	Long Term	3.00	RBI
7	ICICI Bank	Revolving Line of credit	Short term	3.00	RBI
8	HDFC Bank	Working capital term loan	Long Term	1.03	RBI
9	Indian Bank	Supply Chain Financing	Short term	3.00	RBI
10	HDFC bank	Bank Guarantee	Short term	43.00	RBI
11	ICICI Bank	Bank Guarantee	Short term	45.90	RBI
12	IndusInd Bank	Bank Guarantee	Short term	14.00	RBI
Total	**(Rupees One Hundred sixty nine crores and eighty four lakh only)**			**169.84**	

ANNEXURE II: Details of Instruments/Facilities

Name of the Instrument / Facility	Long Term/Short Term	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ cr)	Rating Assigned and Rating Outlook	Regulator
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL-

ANNEXURE III: List of Entities Consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
NIL	NIL	NIL	NIL

Annexure IV: List of Instruments and Names of Regulators of the Instruments

As required by SEBI CRA Circular dated Feb 10, 2026, a list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

No.	Instrument/Activity Name	Regulator of the Instruments
1	Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* $	RBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)*	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)*	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs,HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts $	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
22	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
23	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Brickwork Ratings India Private Limited (BWR) shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.
@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.
$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

Grievance Management

For any grievances relating to rating of instruments regulated by SEBI, please contact **sebigrievance@brickworkratings.com**. Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

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BWR Board of Directors has no influence over rating decisions, nor do they sit on the rating committees or review, discuss, or evaluate any credit ratings during the Board meetings.

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Brickwork offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporate and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

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