

## Viviana Power Tech Limited

September 01, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Issuer rating	0.00	CARE BBB-; Stable	Assigned

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

The rating assigned to Viviana Power Tech Limited (VPTL) derives strength from its experienced promoters, growing despite moderate scale of operations and healthy profitability margins.

However, the rating remains constrained considering its moderate orderbook position despite reputed clientele, moderate capital structure although satisfactory debt coverage indicators and working capital intensive operations. The rating further remained constrained considering intense competition in the industry with tender-based nature of operations.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Timely execution of its orders on hand and consequent increase in total operating income (TOI) to above ₹350 crore on a sustained basis, while maintaining profit before interest, lease, depreciation and tax (PBILDT) margins at current level.
- Improvement in capital structure with overall gearing below 0.75x and improvement in debt coverage indicators.
- Prudent working capital management with notably improving operating cycle and gross current assets days below 200 days on a sustained basis.

#### Negative factors

- Delay in execution of ongoing orders resulting in TOI below ₹200 crore on sustained basis and sustained dip in PBILDT margins to below 9%.
- Increase in working capital intensity or debt-funded acquisition of equipment and machinery adversely affecting debt coverage and liquidity indicators of the company.

### Analytical approach: Consolidated

Consolidated financials comprising VPTL (Standalone), its two subsidiaries and one step-down subsidiary. Details of subsidiaries and stepdown-subsiidiary consolidated are listed under **Annexure-6**.

### Outlook: Stable

CARE Ratings Limited (CareEdge Ratings) believes that the entity will continue to benefit from extensive experience of promoters in the construction industry and reputed client base.

### Detailed description of key rating drivers:

#### Key strengths

##### Experienced promoters

VPTL was established in 2014 by Nikesh Choksi and Richi Choksi, who bring extensive industry expertise to the company. Nikesh Choksi, Managing Director, has over 34 years of experience in the power sector, having held key roles at prominent organisations such as GETCO, Torrent Power, and Adani Transmission.

Richi Choksi serves as a whole-time director with over a decade of industry experience and holds a bachelor's degree in electrical engineering. His wife, Priyanka Choksi, was recently appointed as a whole-time director in FY25. She holds an MBA in Finance and brings over nine years of experience in financial management.

#### Growing-yet-moderate scale of operations

VPTL's TOI grew at a compound annual growth rate (CAGR) of 57% for five years ended FY25. In FY25, TOI increased by 234% y-o-y and stood at ₹218.96 crore against ₹65.53 crore in FY24. Increase was considering healthy order book execution and revenue earned from its step-down subsidiary 'Viviana Life Spaces' for flats sold of real estate project 'Viviana Westin'.

On standalone basis, VPTL's TOI grew by 187% y-o-y during FY25 and stood at ₹188.37 crore.

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

### Healthy profitability

VPTL maintained healthy PBILDT margins over the years, owing to the management's cautious and measured bidding strategy. In FY25, PBILDT margin stood at 14.70% in FY25 against 17.68% in FY24, moderation in margin was considering higher raw material costs and nascent stage of operations of its subsidiary. In line with the PBILDT margin, profit after taxation (PAT) margin declined by 95 bps in FY25 but remained comfortable at 9.04%.

### Key weaknesses

#### Moderate and concentrated orderbook position despite reputed clientele

As of August 11, 2025, VPTL had an outstanding order book of ~₹289 crore, resulting in an order book to TOI ratio of 1.32x, indicating revenue visibility in the short-to-medium term. The order book is majorly concentrated in Gujarat, with ~74% of the work slated for execution within the state. However, VPTL has also submitted bids for projects in several other states and secured an order in Punjab state in August 2025.

VPTL also holds L1 status for orders worth ₹507.11 crore, with letters of award (LOAs) expected to be issued soon. These orders have been primarily secured from reputed clients such as DGVCL, PGVCL and MGVL.

#### Moderate capital structure although satisfactory debt coverage indicators

As on March 31, 2025, capital structure of VPTL remained moderately leveraged marked by overall gearing of 1.42x on a net-worth base of ₹57.37 crore. In FY25, VPTL raised ₹19.15 crore from high net-worth individuals (HNIs) through preferential allotment. Further, ₹2.41 crore was raised in July 2025 against share warrants issued in FY25.

The company's debt profile consists of term loan of ₹12.44 crore, unsecured loans (USL) from promoters of ₹11.17 crore, working capital borrowings of ₹27.43 crore and letter of credit (LC) backed acceptances of ₹30.59 crore.

The entity's debt coverage indicators remained satisfactory marked by PBILDT Interest coverage of 8.49x and total debt to gross cash accruals (TD/GCA) of 4.07x.

### Working capital intensive operations

The company operates in a working capital-intensive industry marred by stretched collection period. The company's receivable days improved, although continue to remain elongated at 148 days in FY25 compared to 164 days in FY24, as the company majorly deals with DISCOMs and state transmission companies, where collection is relatively slow. Debtors include retention money, which are held with the authorities for 1-2 years. Payments for material supply are processed according to the contract terms: approximately 60% after supply, 30% after erection, and 10% on final project completion. For the service component, 90% of the payment is made upon completion, while the remaining 10% is kept as retention. The company's operating cycle stood elongated at 75 days in FY25 (165 days in FY24). The cycle improved due to increased scale of operations and elongated creditor period.

### High competition with tender-based operations

The construction sector in India is highly fragmented, comprising numerous small and mid-sized players. This fragmentation, combined with the tendering system for order procurement, leads to intense competition, resulting in fluctuating revenues and limited profitability. External challenges such as delays in land acquisition, regulatory clearances, aggressive bidding, interest rate risks, and project delays due to environmental clearances continue to impact the execution process and affect credit profiles of industry participants.

### Liquidity: Adequate

VPTL's liquidity remained adequate marked by sufficient GCA in the range of ₹26- 41 crore against its gross loan repayment of ₹0.25-6.10 crore in FY26-FY28. Average utilisation for its fund-based working capital limits remained at 76% for 12 months ending May 2025. However, cash flow from operations remained negative at ₹6.10 crore in FY25, compared to a negative ₹2.08 crore in FY24. This was primarily due to an increase in year-end receivables driven by a higher execution in Q4FY25. VPTL had free cash and bank balance of ₹1.02 crore as on FY25-end.

### Applicable criteria

[Definition of Default](#)

[Issuer Rating](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Service Sector Companies](#)

[Construction Sector](#)

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil construction

Vadodara (Gujarat) based VPTL was incorporated as a private limited company in December 2014. Subsequently, the company was converted into the Public Limited company and the name of the company changed from Viviana Power Tech Private Limited to VPTL vide a fresh certificate of incorporation dated May 14, 2022. The company was listed on September 16, 2022, on Emerge platform of NSE.

The company is engaged in power transmission, distribution, and industrial electrical engineering, procurement, and construction (EPC) projects, including a wide range of services such as supply, erection, testing and commissioning power transmission lines, EHV substations, power distribution network establishment, underground cable laying, and upgradation and modification of existing power systems.

VPTL's subsidiaries include Aarsh Transformers Private Limited (ATPL), engaged in transformers manufacturing with capacities ranging from 25 KVA to 500 KVA and Viviana Life Spaces Private Limited (VLSPL), engaged in civil construction business and is incorporated with purpose to diversify into EPC of buildings.

Brief Financials (₹ crore)-Consolidated	March 31, 2024 (A)	March 31, 2025 (Pb)	Q1FY26 (UA)
Total operating income	65.53	218.96	31.68
PBILDT	11.58	32.20	6.79
PAT	6.55	19.78	3.26
Overall gearing (times)	0.68	1.42	NA
Interest coverage (times)	4.23	8.59	3.97

A: Audited Pb: Abridged Published UA: Unaudited NA: Not available; Note: these are latest available financial results

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated:** Annexure-4

**Lender details:** Annexure-5

### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Issuer Rating-Issuer Ratings		-	-	-	0.00	CARE BBB-; Stable

### Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Issuer Rating-Issuer Ratings	LT	0.00	CARE BBB-; Stable				

LT: Long term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities-** Not applicable

**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Issuer Rating-Issuer Ratings	Simple

**Annexure-5: Lender details**

To view lender-wise details of bank facilities please [click here](#)

**Annexure-6: List of entities consolidated**

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Aarsh Transformers Private Limited	Full	Subsidiary
2	Viviana Life Space Private Limited	Full	Subsidiary
3	Viviana Life Spaces	Full	Step-down subsidiary

**Note on complexity levels of rated instruments:** CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for clarifications.

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