

Date: 10.12.2025

The Secretary,
BSE Limited
Phiroze Jeejeebhoy Tower
Dalal Street,
Mumbai-400001.
Scrip Code: 517467

Dear Sir,
Sub: Intimation of Credit Rating under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations'), we wish to inform that Brickwork Ratings vide its press release dated December 5, 2025 has assigned credit rating for the Bank Facilities of 35 Crs of the Company.

Summary of the credit rating is given below:

Particulars

Facilities	Amount (cr)	Tenure	Rating
Fund based	5.00	Long Term	BWR BBB+ /Stable Assignment
Non- Fund based	30.00	Long Term	BWR BBB+ /Stable Assignment
	(10.00)	Short Tem	BWR A2 Assignment
Total	35.00 (Thirty Five crores only)		

Copy of aforesaid press release issued by the Brickwork Ratings is enclosed herewith in Annexure.

The above rating communication was received by the Company on December 5, 2025 at 2:52 p.m. (IST).

Kindly take the same on records and oblige.

Yours Faithfully,
For Marsons Ltd

Uttara Sharma

(Uttara Sharma)
Company Secretary
(M.No.A48464)



Marsons Limited

RATING RATIONALE

05Dec2025

Marsons Ltd.

Brickwork Ratings assigns the long-term and short-term ratings for the Bank Loan Facilities of Rs. 35.00 Crs. of Marsons Ltd.

Particulars

Facilities**	Amount(Rs.Crs.)	Tenure	Rating#
Fund Based	5.00	Long Term	BWR BBB + /Stable Assignment
Non Fund Based	30.00	Long Term	BWR BBB + /Stable Assignment
	(10.00)	Short Term	BWR A2 Assignment
Grand Total	35.00	(Rupees Thirty Five Crores Only)	

#Please refer to BWR website www.brickworkratings.com for definition of the ratings

**Details of Bank Loan facilities,consolidation or instruments are provided in Annexure

RATING ACTION / OUTLOOK

Brickwork Ratings (BWR) assigned the ratings BWR BBB+/Stable/A2 as the long-term and short-term ratings for the bank loan facilities of Marsons Limited, amounting to Rs. 35 crores. The ratings factor in the company's extensive industry experience, the management expertise, strong order-book visibility, and the strategic plant location, which provides access to raw materials and skilled labor. The assessment also considers the company's diversified product portfolio, a reputable client base, improved revenue performance, higher profitability (EBITDA and PAT margins), achievable financial projections and satisfactory banker feedback—each of which contributes to the overall credit strength.

However, the ratings are constrained by several factors such as risks associated with the working capital-intensive nature of operations, susceptibility to raw material price fluctuations as well as the highly competitive and fragmented nature of the industry and order execution-related risks due to nature of business. The ratings also reflect exposure risks associated with stringent pollution control norms and evolving ESG (Environmental, Social, and Governance) regulations.

The ratings could improve with a significant enhancement in the scale of operations, leading to improved profitability (EBITDA and PAT margins), stronger satisfactory debt protection metrics, an improved debt servicing track record with strong liquidity and an improvement in tangible net worth (TNW), gearing ratio and current ratio.

Conversely, the outlook may be revised to negative if there is a decline in the scale of operations, deterioration in profitability, or weakening of key financial indicators such as gearing (Total Debt/Tangible Net Worth), coverage ratios (ISCR and DSCR), or the current ratio falling below existing levels. Furthermore, a delay in receivables resulting in working capital gaps could adversely affect the company's overall financial risk profile.

The stable outlook indicates a moderate likelihood of a rating change over the medium term. BWR expects the company to enhance its scale of operations, improve profitability margins and strengthen its working capital cycle by on-time execution of orders, all of which could lead to a positive outlook. However, any significant underperformance in revenue, deterioration in profitability or liquidity challenges could result in a revision to a negative outlook.

KEY RATING DRIVERS

Credit Strengths:

- **Extensive management experience and strong track record with order book visibility :**

The company has been operating in the transformer manufacturing industry for more than four decades and is led by management with over 30 years of experience. Management has a proven track record of ethical business practices and maintains a strong brand reputation supported by their commitment to corporate social responsibility. The executive management team is highly qualified and effectively leverages the technical expertise of the management to build long-standing relationships with customers and suppliers, resulting in repeat business and the onboarding of new clients.

The company specializes in manufacturing both conventional transformers and renewable energy transformers for solar and wind applications. It currently maintains a healthy order book of approximately Rs.294 crores, comprising orders from state utilities as well as the domestic EPC sector. While this provides strong visibility of future revenues, the company's operational performance remains closely tied to government-driven programs,

state DISCOMs, and large EPC contractors.

Growth prospects remain encouraging, with the company expected to deliver improved performance in FY26 and FY27, potentially surpassing projected revenues. Transformer demand in Eastern India continues to rise due to government and private-sector initiatives, including rural electrification, grid modernization, and the integration of renewable energy. Additionally, growing investments in industrial corridors, metro rail projects, manufacturing clusters, and solar/wind power installations are significantly contributing to the increasing demand for medium-capacity, industrial-duty, and EHV transformers. These industry trends are expected to support sustained growth for the company over the foreseeable future.

- **Reputed client base, diversified product portfolio and access to skilled labor :**

Marson has a well-diversified product portfolio, manufacturing a wide range of transformers, including Distribution and Power Transformers (from 10 KVA to 160 MVA, 220 kV class), Furnace Transformers, Dry-Type Transformers, Special Application Transformers, EHV Transformers, and Industrial Duty Transformers (IDTs). The company is increasingly focusing on the growing EHV and IDT segments. Notably, Marsons is the only manufacturer in Eastern India capable of producing transformers of 132 kV class and above, giving it a strong competitive edge in a region with limited players. The company caters to a reputed and diversified client base across key domestic markets such as Bihar, West Bengal, Uttar Pradesh, and Maharashtra. Its longstanding relationships with major state utilities include West Bengal State Electricity Distribution Company Limited (WBSEDCL), West Bengal State Electricity Transmission Company Limited (WBSETCL), and Madhyanchal Vidyut Vitran Nigam Limited (MVVNL) ,.. In the EPC segment, Marsons works with leading contractors such as Shreetech Data Ltd., Laser Power & Infra Pvt. Ltd., Gopi Krishna Infrastructure Pvt. Ltd. (RDSS), Montecarlo Ltd. (RDSS), and KEC International Ltd and Banaras Locomotive Works (BLW). The company is also active in renewable energy projects across Bihar and Maharashtra, supplying equipment to clients such as GH2 Solar Ltd., Inox Wind Ltd., Cabcon India Ltd., and Anvil Energy Pvt. Ltd.

The company is steadily strengthening its position in the transformer industry by focusing on Extra High Voltage (EHV) transformers and Industrial Duty Transformers (IDTs). It stands out as the only manufacturer in Eastern India capable of producing transformers of 132 kV class and above, providing a strong technological and regional edge. This strategic emphasis on high-capacity, advanced transformers offers a clear competitive advantage, enabling the company to meet evolving market demand, enhance operational efficiency, and align with industry trends toward energy-efficient and environmentally compliant solutions.

The company's manufacturing facility at budge budge tank road, chakmir, kolkata, west bengal offers significant strategic advantages, including low operating overheads and ready access to a well-trained workforce. The region's proximity to technical institutes and vocational training centers ensures a consistent supply of skilled and semi-skilled labour to support both routine operations and the specialized requirements of transformer manufacturing. This enhances operational efficiency, quality control, and overall productivity.

- **Healthy financial risk profile with adequate liquidity supported by an improving scale of operations :**

The company's scale of operations expanded significantly from Rs. 6.46 crore in FY24 to Rs. 168.36 crore in FY25, driven by higher transformer sales supported by increased market demand. Profitability also strengthened, with the operating margin at 14.98% in FY25 and the net margin improving from 9.73% in FY24 to 16.18% in FY25. Debt-servicing indicators remain robust, reflected in an ISCR of 130.49 times and a DSCR of 147.88 times in FY25, supported by healthy net cash accruals of Rs. 28.39 crore.

The capital structure improved considerably, with the Total Debt/TNW ratio reducing from 0.63 times in FY24 to 0.02 times in FY25, aided by higher tangible net worth and lower debt levels. Liquidity is adequate by strengthening with the current ratio rising from 1.10 times in FY24 to 3.37 times in FY25, while the TOL/TNW ratio improved from 0.57 times to 0.24 times over the same period. The company also reported a healthy ROCE of 33% in FY25. As of H1 FY26, the company has achieved revenue of Rs. 107 crores, representing 49% of the projected FY26 revenue, indicating performance in line with annual expectations.

Credit Risks:

- **Susceptibility of profitability to raw material price volatility and high working-capital intensity :**

The company profitability is vulnerable to fluctuations in major raw material prices such as copper, aluminum, CRGO steel, transformer oil, and other structural and insulation inputs, which significantly influence production costs. The business remains highly working-capital intensive due to the need for large inventory buffers and extended receivable cycles of 3–4 months. With good number of orders in hand the company requires substantial working capital and additional bank guarantees to support ongoing projects. Further, nearly 30% of revenue comes from state utilities, which typically operate on longer payment cycles of 45–90 days, increasing receivable buildup and exerting pressure on liquidity.

- **Intense competition from established players in the market and execution-related risks due to nature of business :**

The power distribution transformer manufacturing industry is highly competitive, with numerous established players exerting strong market pressure. Large manufacturers such as ABB India, Kirloskar Electric Company Limited, Arja Techniques (India) Pvt. Ltd., and Uttam Bharat benefit from significant economies of scale, advanced technology, and long-standing relationships with state utilities and industrial clients. Their strong market presence often results in pricing pressure, reduced profit margins, and challenges for smaller companies in securing high-value contracts.

Furthermore, the nature of transformer manufacturing—characterized by long execution timelines, stringent technical specifications, and strict testing and inspection requirements—intensifies execution-related risks. Competition in tender-driven segments, particularly from DISCOMs, remains high, while ongoing R&D into alternative materials and new technologies continues to reshape industry standards. These factors collectively heighten operational challenges and limit pricing flexibility for smaller players.

• **Risk associated with stringent pollution control norms and ESG regulations :**

The transformer manufacturing industry is increasingly subject to stringent pollution control norms and evolving ESG (Environmental, Social, and Governance) regulations. Compliance requires continuous investment in environmentally responsible production processes, waste management systems, and emission-control technologies, particularly for handling transformer oil, metal fabrication, and insulation materials. Any non-compliance can lead to penalties, operational disruptions, delays in obtaining statutory approvals, or reputational impact. Additionally, tightening ESG expectations from institutional buyers and utilities may require enhanced reporting, sustainable sourcing practices, and higher operational transparency, which can increase compliance costs and operational complexity for the company.

ANALYTICAL APPROACH - Standalone

For arriving at its ratings, BWR has applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale). BWR has principally relied upon the Standalone audited financials up to FY25 & H1 FY25-26 and clarification/information provided by the company.

RATING SENSITIVITIES

The company's ability to increase its scale of operations, improve profitability and margins, efficiently manage its working capital requirements with strong liquidity, debt protection metrics and strengthen overall credit profile would be the key rating sensitivities.

Positive Rating Factors:

- The rating outlook may be positive if the company exceeds its FY26 projected revenue from operations by more than 20%, supported by improved profitability with EBITDA margins above 16%.
- A healthier debt profile, including Total Debt/TNW below 1.00x, TOL/TNW below 1.50x, debt protection metrics of DSCR above 2x and ISCR above 3x along with improved liquidity indicator of current ratio above current level.

Negative Rating Factors:

- The ratings may be negative if revenue declines by more than 10% YoY due to weaker demand or orders or if profitability weakens, with EBITDA margins below 10%.
- A rising debt burden, accompanied by a decline in key ratios such as Total Debt to Tangible Net Worth (TOD/TNW) above 1.00x, Current Ratio (CR) below 1.00x, Interest Coverage Ratio (ISCR) below 1.5x, and Debt Service Coverage Ratio (DSCR) falling below 1.5x.

LIQUIDITY INDICATORS - Strong

The company has reported an EBITDA of Rs.25.22 crores in FY25 and net cash accruals of Rs.28.39 crores, which are sufficient to cover interest and finance charges of Rs. 0.19 crores and NIL term loan obligations. Additional comfort comes from a cash balance of Rs.1.26 crores, current ratio at 3.37 times and an optimum working capital cycle of 80 days in FY25, facilitating timely collections. With average working capital utilization of around 50% and unutilized working capital limits will provide additional cushion for managing its short-term liquidity mismatches. Additionally, the company maintains investments of approximately Rs.38 crores in mutual funds in FY 25 which and can be readily liquidated to meet any additional cash requirements of the business. Based on these factors, the liquidity is assessed as "**Strong**".

ABOUT THE ENTITY

Macro Economic Indicator	Sector	Industry	Basic Industry
Industrials	Capital Goods	Electrical Equipment	Heavy Electrical Equipment

Marsons Limited, (Company or Marsons) incorporated on 26 August 1976, is a public limited company has been operating in the transformer manufacturing industry for more than four decades. The company underwent a major transition when it was taken over by new management pursuant to the NCLT Resolution Order dated 25 January 2022.Marsons is a reputed multi-product and service organization with deep expertise in the design, manufacture, supply, erection, testing, and commissioning of Power and Distribution Transformers. Over the years, the company has built a strong brand reputation by consistently adhering to international quality standards, delivering reliable customer service, and maintaining technological excellence.

An ISO 9001:2008, ISO 9001:2015, and ISO 45001:2008 certified company, Marsons manufactures a wide range of transformers, including Distribution and Power Transformers (10 KVA to 160 MVA, 220 kV class), Furnace Transformers, Dry-Type Transformers, Special Application Transformers, as well as EHV and Industrial Duty Transformers (IDTs).The company's manufacturing unit is at Budge Budge Tank Road, Chakmir, Kolkata, West Bengal, spread over 4,00,000 sq. ft. (approximately 35,000 sq. m.)

The company has supplied over 500 plus transformers of various capacities across India over the past two years and operates a NABL-accredited transformer testing laboratory — the only privately owned facility of its kind in Eastern India — enabling full type testing for large renewable-energy transformers. It caters to major state utilities boards, renewable-energy projects and the EPC segment across India.

Mr. Munal Agarwal, Promoter, serves as the Managing Director and is supported by Mr. Subhash Kumar Agarwala, Promoter and Director, along with the other members of the Board of Directors and a team of qualified management professionals and employees.

KEY FINANCIAL INDICATORS (Standalone)

Key Parameters	Units	FY 23 - 24 (Audited)	FY 24 - 25 (Audited)	FY 25 - 26 (Certified - Midterm-H1)
Operating Revenue	Rs.Crs.	6.46	168.36	106.83
EBITDA	Rs.Crs.	1.19	25.22	15.88
PAT	Rs.Crs.	0.63	28.02	17.23
Tangible Net Worth	Rs.Crs.	14.22	122.49	139.72
Total Debt / Tangible Net Worth	Times	0.63	0.02	0.02
Current Ratio	Times	1.10	3.37	5.54

KEY COVENANTS OF THE FACILITY RATED

The terms of sanction include the standard covenants typically prescribed for such facilities.

STATUS OF NON-COOPERATION WITH PREVIOUS CRA

Not Applicable

ANY OTHER INFORMATION

Not Applicable.

RATING HISTORY FOR LAST THREE YEARS (including withdrawal and suspended)

Facilities	Current RatingÂ (2025)			2024		2023		2022	
Type	Tenure	Amount (Rs.Crs.)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	LT	5.00	BWR BBB+/Stable (Assignment)	NA	NA	NA	NA	NA	NA
Non Fund Based	LT	30.00	BWR BBB+/Stable (Assignment)	NA	NA	NA	NA	NA	NA
NFB SubLimit	ST	(10.00)	BWR A2 (Assignment)	NA	NA	NA	NA	NA	NA
Grand Total		35.00	(Rupees Thirty Five Crores Only)						

Hyperlink/Reference to applicable Criteria

- General Criteria
- Approach to Financial Ratios
- Short Term Debt
- Manufacturing Company

Analytical Contacts	
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Marsons Ltd.

ANNEXURE-I

Details of Bank Facilities rated by BWR

SL.No.	Name of the Bank/Lender	Type Of Facilities	Long Term(Rs.Crs.)	Short Term(Rs.Crs.)	Total(Rs.Crs.)	Complexity of the Instrument
1	ICICI Bank	Over Draft-Sanctioned	5.00	–	5.00	Simple##
2	ICICI Bank	Bank Guarantee-Sanctioned	29.00	–	29.00	Simple##
		Sub-Limit (Letter of Credit) - Sanctioned		(10.00)		
3	ICICI Bank	Bank Guarantee-Proposed	1.00	–	1.00	Simple##
Total			35.00	0.00	35.00	
TOTAL (Rupees Thirty Five Crores Only)						

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at [www.brickworkratings.com / download / ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf). Investors queries can be sent to info@brickworkratings.com.

ANNEXURE-II

INSTRUMENT DETAILS

Instrument	Issue Date	Amount (Rs.Crs)	Coupon Rate (%)	Maturity Date	ISIN Particulars	Complexity of the Instrument
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

Print and Digital Media

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

About Brickwork Ratings

Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], 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, Securitization Products, Municipal Bonds, etc. BWR has rated over 11,560 medium and large corporates and financial institutions'™ instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partner.

Disclaimer

Brickwork Ratings India Pvt. Ltd. (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by the Reserve Bank of India [RBI], offers credit ratings of Bank Loan facilities, 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, Securitization Products, Municipal Bonds, etc. [hereafter referred to as "Instruments"]. BWR also rates NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations.

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BWR keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of BWR may have information that is not available to other BWR business units. BWR has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

BWR clarifies that it may have been paid a fee by the issuers or underwriters of the instruments, facilities, securities etc., or from obligors. BWR's public ratings and analysis are made available on its web site, www.brickworkratings.com. More detailed information may be provided for a fee. BWR's rating criteria are also generally made available without charge on BWR's website.

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BWR is bound by the Code of Conduct for Credit Rating Agencies issued by the Securities and Exchange Board of India and is governed by the applicable regulations issued by the Securities and Exchange Board of India as amended from time to time.