

April 28, 2026

VisionIndia Tech Services Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term Fund-based – Cash Credit	2.00	2.00	[ICRA]BB+(Stable); Reaffirmed
Long-term Fund-based – Overdraft	10.00	3.70	[ICRA]BB+(Stable); Reaffirmed
Long-term – Fund-based – Term Loan	0.82	2.13	[ICRA]BB+(Stable); Reaffirmed
Short-term – Non-fund based – Bank Guarantee	24.48	22.00	[ICRA]A4+; Reaffirmed
Long-term/ Short-term – Unallocated Limits	0.00	7.47	[ICRA]BB+ (Stable)/ [ICRA]A4+; reaffirmed
Total	37.30	37.30	

*Instrument details are provided in Annexure-II

Rationale

The reaffirmation of the ratings factors in VisionIndia Tech Services Limited’s (VITSL) established presence in the financial inclusion industry, its asset-light business model, and a comfortable capital structure with modest leverage. VITSL is empanelled as a corporate business correspondent (CBC) with several public sector banks, which appoint CBCs to engage business correspondents (BCs) for providing banking and allied services in rural and semi-urban areas on a commission basis. The initial investment for infrastructure and working capital requirements for transactions is largely borne by the BCs, resulting in an asset-light operating structure for VITSL. Further, commissions payable to BCs are typically settled only after receipt of payments from banks, thereby limiting the company’s working capital intensity. VITSL’s debt levels remain low, with total debt of Rs. 6.5 crore and gearing of 0.1 times as of March 31, 2026 (provisional), and no material debt-funded capex envisaged in the near term given the limited capital expenditure (capex) requirements. The profitability is expected to improve gradually, aided by cost optimisation initiatives and diversification into higher margin services such as loan sourcing, debt recovery, and insurance distribution, alongside its core financial transaction services including fund transfers.

The ratings are, however, constrained by VITSL’s moderate scale of operations (operating income of Rs. 138.8 crore in FY2026, provisional), its high dependence on the performance of BCs, and the risk of non-renewal of contracts or downward revision in commission structures by banks. The company’s revenues are largely dependent on the throughput and efficiency of BCs, who operate as independent agents. While VITSL has put in place systems for recruitment and performance monitoring of BCs, transaction volumes remain susceptible to macro-economic conditions. Contracts with banks are typically signed for periods of three to five years; although renewals are common, the risk of non-renewal or adverse changes in commercial terms persists. In addition, CBCs have limited pricing flexibility, as commission structures are determined by bank policies. Further, the financial inclusion sector is indirectly exposed to regulatory changes applicable to banks and financial institutions, and any adverse policy developments could impact the scale of operations. Technological disruption, including the increasing adoption of digital payment platforms such as UPI, may also pose challenges to the growth of certain transaction-led services.

The Stable outlook reflects ICRA’s expectation that VITSL will be able to scale up its operations steadily while maintaining a comfortable capital structure and coverage indicators. ICRA’s expectation that the entity’s incremental capex/investments, if any, to further increase capacity will be funded in a manner that enables it to durably maintain its debt protection metrics commensurate with the existing ratings.

Key rating drivers and their description

Credit strengths

Established track record of the company in the financial inclusion business – VITSL is primarily engaged in providing services under the financial inclusion BC framework. Its established operating track record has enabled the company to secure empanelment as a CBC with multiple banks. Further, VITSL benefits from the extensive experience of its promoters in the financial inclusion segment.

Low debt levels result in comfortable coverage metrics – Given the low capital intensive nature of operations, VITSL's reliance on debt has remained relatively low. This has led to comfortable credit metrics with Total Outside Liabilities/ Tangible Net Worth (TOL/TNW) of 0.4 times and a gearing of 0.1 times as of March 31, 2026 (provisional). Further, the coverage metrics are likely to remain comfortable going forward as well, in the absence of any major debt-funded capex plans over the near-to-medium term.

Asset-light business model – The company operates under an asset-light business model, as the working capital required for day-to-day transaction execution is largely borne by the BCs. Further, commissions and incentives payable to BCs are settled after payments from banks, resulting in minimal working capital blockage for VITSL. The fixed cost structure also remains low, as the business is largely executed by BCs operating on the field with their own basic IT infrastructure, limiting the company's capital requirements.

Credit challenges

Moderate scale of operations – The company's scale of operations remains moderate, as reflected by an operating income of Rs. 138.8 crore in FY2026 (provisional) (Rs. 132.0 crore in FY2025). Nonetheless, VITSL's operations are expected to scale up, going forward, supported by growth in the touchpoints, increased business from existing banks and addition of new banks, introduction of new services, access to new geographies, higher focus on asset-side service and Direct selling agent (DSA) segment.

Risks associated with non-renewal of contracts/ downward revision of commercials – VITSL's revenues remain exposed to the risk of non-renewal of contracts by banks, given the inherently contract-based nature of its CBC operations. This risk is mitigated to a considerable extent since the replacement of an existing CBC typically entails operational disruption for banks; accordingly, contracts are generally renewed. Nevertheless, in line with industry peers, VITSL has limited pricing flexibility, as commission structures are largely determined by banks' internal policies. Any downward revision in commission rates could adversely impact the company's revenues and profitability, as observed in the recent past.

Exposed to regulatory risks – The financial inclusion industry is dependent on the regulatory policies framed by the Reserve Bank of India (RBI) and the Government of India (GoI). Hence, any adverse policy change by the RBI/ GoI pertaining to CBCs could impact the company's business.

Revenues depend on performance of BCs – VITSL's revenues are largely dependent on the performance of BCs, who operate as independent agents on a commission basis. Accordingly, the company places emphasis on recruiting suitable candidates and has established mechanisms to monitor BC performance. Nevertheless, transaction volumes and ticket sizes are influenced by macro-economic conditions and the commission structures determined by banks. Further, technological disruption, including the increasing adoption of digital payment platforms such as UPI, may pose challenges to the growth of certain transaction-led services.

Liquidity position: Adequate

VITSL's liquidity position is adequate, supported by steady internal accrual generation, free cash and bank balance of around Rs. 4.0 crore as on March 31, 2026. VITSL has cash credit limits of Rs. 2.0 crore, which has been merely utilised in the last 12-month period ending in March 2026. The company has repayment obligations of Rs. 2.0–3.0 crore each in FY2027 and FY2028, which is expected to be serviced comfortably with the available liquidity and earnings from the business. Moreover, the

company does not have any major capex plans over the near-to-medium term. Any considerable increase in the loans and advances extended to other related entities in the future and its impact on VITSL's liquidity position will remain monitorable.

Rating sensitivities

Positive factors – ICRA could upgrade VITSL's ratings if the company demonstrates healthy growth in revenue and accrual generation, while maintaining its debt protection metrics and adequate liquidity position on a sustained basis.

Negative factors – Pressure on the company's ratings could arise in case of material decline in revenues or if any unfavourable regulatory developments lead to weakening of its credit profile on a sustained basis; or stretched working capital cycle leading to deterioration in its liquidity profile. Specific credit metrics that could lead to a rating downgrade include Total Debt/OPBDITA of more than 4.0 times on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on the consolidated financials of VisionIndia Tech Services Limited.

About the company

Incorporated in 2000, VITSL is primarily involved in providing services under the financial inclusion business correspondent programme. It mainly caters to Public Sector Banks (PSBs) and Regional Rural Banks (RRBs), and provides multiple services ranging from account opening, mobilisation of loan accounts, and recovery of loans to micro insurance services. Moreover, the company provides remote surveillance of bank branches and ATM services under its wholly-owned subsidiary, VISEL Infotech Private Limited.

Key financial indicators (audited)

VITSL – Consolidated	FY2024	FY2025	FY2026*
Operating income (OI)	133.0	132.0	138.8
PAT	0.6	3.8	3.8
OPBDIT/OI	4.1%	5.0%	5.8%
PAT/OI	0.4%	2.8%	2.7%
Total outside liabilities/Tangible net worth (times)	0.7	0.5	0.4
Total debt/OPBDIT (times)	2.9	1.2	0.8
Interest coverage (times)	3.1	4.7	5.9

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes, and amortisation, *-Provisional

Status of non-cooperation with previous CRA:

Infomercials Ratings vide its release dated December 01, 2025 has revised the ratings of VITSL to IVR B (Negative)/IVR A4 ISSUER NOT COOPERATING from IVR B+(Negative)/ IVR A4 ISSUER NOT COOPERATING

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	FY2027		FY2026		FY2025		FY2024	
		Amount rated (Rs crore)	Apr 28, 2026	Date	Rating	Date	Rating	Date	Rating
Fund-based-Cash credit	Long Term	2.00	[ICRA]BB+ (Stable)	-	-	Jan 22, 2025	[ICRA]BB+ (Stable)	Oct 16, 2023	[ICRA]BB+ (Stable)
Fund-based-Overdraft	Long Term	3.70	[ICRA]BB+ (Stable)	-	-	Jan 22, 2025	[ICRA]BB+ (Stable)	Oct 16, 2023	[ICRA]BB+ (Stable)
Unallocated limits	Long Tem/Short Term	7.47	[ICRA]BB+ (Stable)/[ICRA]A4+	-	-	-	-	-	-
Fund-based-Term loan	Long Term	2.13	[ICRA]BB+ (Stable)	-	-	Jan 22, 2025	[ICRA]BB+ (Stable)	Oct 16, 2023	[ICRA]BB+ (Stable)
Non-fund based-Bank guarantee	Short Term	22.00	[ICRA]A4+	-	-	Jan 22, 2025	[ICRA]A4+	Oct 16, 2023	[ICRA]A4+
Fund-based-Unallocated limits	Long Term			-	-	-	-	Oct 16, 2023	[ICRA]BB+ (Stable)
Non-fund based-Unallocated limits	Short Term			-	-	-	-	Oct 16, 2023	[ICRA]BB+ (Stable)

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10, 2026

ICRA-rated instruments fall under the regulatory purview of various Financial Sector Regulators (FSR), as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (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) (*)	SEBI
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/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, 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	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	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.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other activities offered by ICRA fall under the regulatory purview of various FSR, as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) *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 can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.*

(#) *Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.*

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of FSRs other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term Fund based - Cash Credit	Simple
Long-term Fund based - Overdraft	Simple
Long Term-Fund Based-Term Loan	Simple
Short Term-Non Fund Based-Bank Guarantee	Simple
Long-term/ Short-term – unallocated limits	Not applicable

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 ICRA's website: [Click here](#)

Annexure II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Term Loan	May 2022	9% p.a.	April 2027	2.13	[ICRA]BB+(Stable)
NA	Cash Credit	NA	NA	NA	2.00	[ICRA]BB+(Stable)
NA	Overdraft	NA	NA	NA	3.70	[ICRA]BB+(Stable)
NA	Bank Guarantee	NA	NA	NA	22.00	[ICRA]A4+
NA	Unallocated limits	NA	NA	NA	7.47	[ICRA]BB+ (Stable)/ [ICRA]A4+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure III: List of entities considered for consolidated analysis

Company Name	VITSL Ownership	Consolidation Approach
VISEL Infotech Private Limited	100%	Full consolidation

Source: Company data

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