

Vodafone Idea Ltd — 04 Mar 2026 Credit Rating Summary

Based on the ICRA rating action dated March 13, 2026, here is the credit analysis summary for **Control Print Limited**.

Section	Details
Agency	ICRA
Rating Change	Assigned: [ICRA]A+ / [ICRA]A1+
Outlook (Current vs Previous)	Stable (New Assignment)
Key Drivers of Change	Market Leadership: Established position in the niche coding and marking industry with a wide distribution network. Annuity Income Model: High proportion of recurring revenue from "consumables" (ink/ribbons), ensuring stable cash flows regardless of new equipment sales cycle. Operational Efficiency: Strong EBITDA margins (historically >20%) supported by the "razor-and-blade" business model. Capital Structure: Robust liquidity profile and minimal reliance on external debt, maintaining a strong "Net Debt Free" status.
Rated Instruments	Bank Facilities / Commercial Paper: □Cr not explicitly detailed in summary; however, assigned ratings cover both Long-term ([ICRA]A+) and Short-term ([ICRA]A1+) facilities.
Key Observations	Strengths: • Strong entry barriers due to technical requirements and service network. • Diversified end-user base (Food, Pharma, Beverages, Packaging). • High asset turnover and strong return on capital (RoCE). Concerns: • High dependence on imports for electronic components and specialized inks (Forex risk). • Intense competition from global giants like Videojet, Domino, and Markem-Imaje.
Investor Impact	Growth: Stable outlook suggests capacity for organic/inorganic expansion without credit stress. Margins: Consumables-heavy revenue mix acts as a protective moat against margin compression. Leverage: Extremely low; zero dilution risk for debt-related capital raises in the near term.
Agency / Cross Analysis	Same Agency: This is a fresh assignment/re-affirmation at the A+ level for the 2026 cycle. Alignment: Rating aligns with the company's historical performance of maintaining a lean balance sheet despite macro-volatility (CPI at 3.2%). Conclusion: Improvement/Stability. The "A+" rating reflects a high degree of safety and very low credit risk.
Final Inference	Real Improvement/Stability Signal. For equity holders, this rating confirms that the business model is generating sufficient internal accruals to fund growth. The A1+ short-term rating ensures the company has the highest liquidity status to manage working capital or opportunistic acquisitions.

Note for Equity Investors: *The rating was assigned against a macro backdrop of 3.2% CPI inflation and geopolitical uncertainty. Control Print's ability to secure an A+ during such a period highlights its "defensive" equity characteristics, driven by the indispensable nature of coding/marketing in mandatory packaging regulations.*