

**Press Release**  
**MANGALAM PIPES PRIVATE LIMITED**  
**January 05, 2026**  
**Rating Reaffirmed**



| Product                                   | Quantum (Rs. Cr) | Long Term Rating                 | Short Term Rating |
|---|------------------|----------------------------------|-------------------|
| <b>Bank Loan Ratings</b>                  | 32.00            | ACUITE BBB   Stable   Reaffirmed | -                 |
| <b>Total Outstanding Quantum (Rs. Cr)</b> | 32.00            | -                                | -                 |
| <b>Total Withdrawn Quantum (Rs. Cr)</b>   | 0.00             | -                                | -                 |

**Rating Rationale**

Acuité has reaffirmed its long-term rating at '**ACUITE BBB**' (**read as ACUITE Triple B**) on the Rs. 32.00 Cr. bank facilities of Mangalam Pipes Private Limited (MPPL). The outlook remains '**Stable**'.

**Rationale for reaffirmation**

The rating reaffirmation is on account of steady growth in the operating performance of MPPL over the medium term. The rating also takes into account the low gearing and healthy coverage metrics of the company. Further, the rating draws comfort from the established track record and experienced management of the company. However, the rating is constrained on account of moderate working capital operations of the company. Going forward, improvement in the operating revenue while maintaining profitability margins will be a key monitorable.

**About the Company**

Incorporated in 2009, Bengaluru based Mangalam Pipes Private Limited (MPPL) is engaged in manufacturing of HDPE pipes, drips and sprinklers in South India across Karnataka, Tamil Nadu, Kerala, Telangana, Andhra Pradesh along with Maharashtra. The company majorly caters to water supply, irrigation projects, commercial and residential constructions, etc. The company has its manufacturing facilities located at Bangalore with an installed capacity of 28000 MTPA for pipes & fittings and 280 MTPA for drips and sprinklers. The company is promoted by Mrs. Vimala Devi Lodha, Mr. Jeetendra Mal Lodha and Mr. Vikas Lodha.

**Unsupported Rating**

Not Applicable

**Analytical Approach**

Acuité has considered the standalone business and financial risk profile of Mangalam Pipes Private Limited (MPPL) to arrive at the rating.

**Key Rating Drivers**

**Strengths**

**Established track record and experienced management**

Incorporated in 2009, MPPL has an established track record of more than a decade in plastic piping business with an experienced management. The company is managed by the Lodha family since inception. Mr. Vikas Lodha, Mr. Jeetendra Mal Lodha and Mrs. Vimala Devi have more than three decades of experience that helped company to maintain a healthy relationship with its stakeholders, along with a dealers' network in South Indian region, such as Hyderabad, Chennai, Coimbatore, Trivandrum, Cochin, Hubli, Mysore, Mangalore, etc. Acuité believes that the company will benefit from the long track record of operations along with a healthy relationship with its customer and suppliers.

### **Growing scale of operations**

The revenue of the company has been growing steadily since the last three years and stood improved at Rs. 351.36 Cr. in FY2025 from Rs. 293.87 Cr. in FY2023. Further, the operating margin has also been improving consistently owing to decline in the raw material prices, stood at 12.14 percent in FY2025 as against 10.35 percent in FY2024.

Further, operating revenue stood moderated for 7M FY2026, due to lower demand, expected to improve starting December 2025 onwards. However, despite subdued revenue, operating margin stood high at 18.66 percent for 7MFY2026. Additionally, the company is currently involved in the testing phase for its new product, which is expected to commence commercial production from FY2027 onwards. This is expected to further improve the revenue of the company.

Going forward, improvement in the revenue while maintaining profitability margins will be a key monitorable.

### **Moderate financial risk profile**

The financial risk profile of MPPL continues to remain moderate with improving networth, low gearing and healthy debt coverage metrics. The tangible networth stood improved at Rs. 76.37 Cr. on March 31, 2025 from Rs. 50.08 Cr. as on March 31, 2024 due to profit accretion. The gearing continues to remain below unity at 0.50 times in FY2025 (0.53 times in PY). TOL/TNW and Debt-EBITDA levels also continue to remain low at 0.81 times and 0.89 times in FY2025 respectively.

Further the coverage metrics stood healthy with interest coverage ratio (ICR) at 14.95 times and debt service coverage ratio (DSCR) at 6.87 times in FY2025.

The financial risk profile is expected to remain on similar levels on account of no debt funded capex plans over the medium term.

## **Weaknesses**

### **Moderate working capital operations**

The moderate working capital operations of MPPL are evident from gross current assets (GCA) of 108 days in FY2025 as against 70 days in FY2024. The increase in GCA days is mainly attributable to increased debtor days of 81 days in FY2025 as against 48 days in FY2024 owing to extension in its average credit period upto 120 days to its customers. Further, inventory holding period stood at 20 days in FY2025 as against 16 days in the previous year. On the other hand, the creditor days stood low at 17 days in FY2025 (16 days in PY). However, the average bank limit utilization stood moderate at 68.73 percent for the last seven months ended October 2025.

### **Highly competitive industry with susceptibility of margins to volatility in raw material prices**

The pipes and fittings sector is marked by intense competition, with players from both organized and unorganized segments. The fragmented nature of the market restrict pricing flexibility of industry players. The key raw materials; plastic granules and master batch are derived from crude oil, making input costs highly sensitive to global price movements. Any sharp change in crude oil prices can directly affect profitability. While MPPL's established supplier relationships provide some cushion by enabling fair price negotiations, the company's ability to sustain operating margins over the medium term will remain an important factor to monitor.

## **Rating Sensitivities**

- Restriction of further elongation in the working capital cycle.
- Continued improvement in operating revenue while maintaining current levels of profitability.
- Deterioration in financial risk profile on account of significant increase in debt levels

### **Liquidity Position**

#### **Adequate**

The company generated sufficient net cash accruals (NCAs) of Rs. 31.29 Cr. against minimal repayment obligations of Rs. 2.11 Cr. in FY2025. Going forward, the NCAs are expected to remain adequate with Rs. 32.00 – 35.00 Cr. against repayment obligations of Rs. 2.00 – 2.25 Cr. for FY2026 and FY2027. The current ratio stood healthy at 2.32 times on March 31, 2025. Further, the company also had an unencumbered cash and bank balance of Rs. 8.55 Cr. on March 31, 2025. The average bank limit utilization stood moderate at 68.73 percent for the last seven months ended October 2025, providing sufficient cushion in case in the form of unutilized limits.

#### **Outlook: Stable**

#### **Other Factors affecting Rating**

None

## Key Financials

| Particulars                   | Unit    | FY 25 (Actual) | FY 24 (Actual) |
|-------------------------------|---------|----------------|----------------|
| Operating Income              | Rs. Cr. | 351.36         | 332.89         |
| PAT                           | Rs. Cr. | 26.30          | 19.87          |
| PAT Margin                    | (%)     | 7.48           | 5.97           |
| Total Debt/Tangible Net Worth | Times   | 0.50           | 0.53           |
| PBDIT/Interest                | Times   | 14.95          | 8.53           |

### Status of non-cooperation with previous CRA (if applicable)

Not Applicable

### Any other information

None

### Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

### Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

| Date        | Name of Instruments/Facilities | Term      | Amount (Rs. Cr) | Rating/Outlook   |
|-------------|--------------------------------|-----------|-----------------|--|
| 07 Oct 2024 | Cash Credit                    | Long Term | 5.50            | ACUITE BBB   Stable (Upgraded from ACUITE BBB-   Stable) |
|             | Cash Credit                    | Long Term | 19.50           | ACUITE BBB   Stable (Upgraded from ACUITE BBB-   Stable) |
|             | Cash Credit                    | Long Term | 5.00            | ACUITE BBB   Stable (Assigned)                           |
|             | Cash Credit                    | Long Term | 2.00            | ACUITE BBB   Stable (Assigned)                           |
| 11 Jul 2023 | Cash Credit                    | Long Term | 19.50           | ACUITE BBB-   Stable (Reaffirmed)                        |
|             | Cash Credit                    | Long Term | 5.50            | ACUITE BBB-   Stable (Reaffirmed)                        |

**Annexure - Details of instruments rated**

| <b>Lender's Name</b>  | <b>ISIN</b>          | <b>Facilities</b> | <b>Date Of Issuance</b> | <b>Coupon Rate</b>   | <b>Maturity Date</b> | <b>Quantum (Rs. Cr.)</b> | <b>Complexity Level</b> | <b>Rating</b>                    |
|-----------------------|----------------------|-------------------|-------------------------|----------------------|----------------------|--------------------------|-------------------------|----------------------------------|
| INDUSIND BANK LIMITED | Not avl. / Not appl. | Cash Credit       | Not avl. / Not appl.    | Not avl. / Not appl. | Not avl. / Not appl. | 24.50                    | Simple                  | ACUITE BBB   Stable   Reaffirmed |
| H D F C Bank Limited  | Not avl. / Not appl. | Cash Credit       | Not avl. / Not appl.    | Not avl. / Not appl. | Not avl. / Not appl. | 7.50                     | Simple                  | ACUITE BBB   Stable   Reaffirmed |

## Contacts

|  |   |
|--|---|
| Mohit Jain<br>Chief Analytical Officer-Rating Operations | <b>Contact details exclusively for investors and lenders</b>  |
| Kruti Patel<br>Associate Analyst-Rating Operations       | Mob: +91 8591310146<br>Email ID: <a href="mailto:analyticalsupport@acuite.in">analyticalsupport@acuite.in</a> |

### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

**Disclaimer:** An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.acuite.in](http://www.acuite.in)) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.

**Note:** None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.