



Press Release
MANGALAM WORLDWIDE LIMITED
February 04, 2026
Rating Assigned and Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	14.00	ACUITE A- Stable Assigned	-
Bank Loan Ratings	192.00	ACUITE A- Stable Upgraded	-
Bank Loan Ratings	1.00	-	ACUITE A2+ Assigned
Bank Loan Ratings	44.00	-	ACUITE A2+ Upgraded
Total Outstanding Quantum (Rs. Cr)	251.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has upgraded its long-term rating to '**ACUITE A-**' (read as **ACUITE A minus**) from '**ACUITE BBB+**' (read as **ACUITE triple B plus**) and short-term rating to '**ACUITE A2+**' (read as **ACUITE A two plus**) from '**ACUITE A2**' (read as **ACUITE A two**) on Rs. 236.00 Cr. bank facilities of Mangalam Worldwide Limited (MWL). The outlook is '**Stable**'.

Also, Acuite has assigned its long-term rating of '**ACUITE A-**' (read as **ACUITE A minus**) and short-term rating of '**ACUITE A2+**' (read as **ACUITE A two plus**) on Rs. 15.00 Cr. bank facilities of Mangalam Worldwide Limited (MWL). The outlook is '**Stable**'.

Rationale for rating upgrade

The rating upgrade takes into account the overall improvement in the business risk profile of the company in FY2025 and 9MFY2026 driven by increased focus on value added products and exports leading to increase in volume and margins. The rating further continues to draw comfort from extensive experience of promoters in manufacturing industry for more than three decades, healthy financial risk profile supported by capital infusion in the form of share warrants, despite increase in debt levels. These strengths are however, partly offset by moderate working capital operations, susceptibility of the margins to volatility in raw material prices, intense competition and inherent cyclical nature of steel industry.

About the Company

Incorporated in 1995, Mangalam Worldwide Limited (MWL) is engaged in the manufacturing of steel products such as stainless steel (S.S.) billets, flat and round bars, ingots, bright bars, seamless pipes & tubes, etc. along with trading of steel scrap and ferro alloys. The company has multiple integrated manufacturing units comprising steel melting shops, rolling mills, and finishing lines situated at Halol, Changodar, and Kapadvanj (Gujarat). The managing directors of the company are Mr. Chanakya Prakash Mangal, Mr. Chandragupt Prakash Mangal, and Mr. Vipin Prakash Mangal. Furthermore, the company is listed on National Stock

Exchange (NSE) with a current market cap of Rs. 819.74 Cr. as on January 28, 2025.

Unsupported Rating

Not Applicable

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of MWL to arrive at the rating.

Key Rating Drivers

Strengths

Established track record of operations along with experienced management

Being in operations for more than 30 years, MWL has established a significant market presence in the domestic and international markets leading to a healthy relationship with its suppliers and customers. The promoter of the company, Mr. Vipin Prakash Mangal has over 30 years of experience in the manufacturing business and is ably supported by the second generation of the family. Moreover, the company is currently undergoing capex at Halol unit in order to diversify the product mix at a total cost of Rs. 31.50 Cr., to be funded through term loan (debt tied up) and balance through internal accruals. Further, the company has 1.2 MW of captive solar plant at Kapadwanj unit and going forward has plans to lease 10.4 MW DC solar power plant for captive consumption at Halol unit.

Continuous improvement in the operating performance

The operating revenue of the company stood at Rs. 1060.71 Cr. in FY25 as compared to Rs. 818.11 Cr. in FY24 and Rs. 644.49 Cr. in FY23, registering a CAGR of 28.29 percent over the past two years. The growth in the scale of operations is driven by the company's focus on diversification of product mix supported by improving sales realisations. In FY25, the operating margin grew marginally to 5.24 percent in FY25 (4.79 percent in FY24) driven majorly by increasing sales of value-added products having better margins along with increase in contribution from the exports. The export sales have rose to 4.37 percent of net sales in H1FY26 as against 2.72 percent in FY25 and 1.87 percent in FY24. Further, in 9MFY2026, the company has recorded a revenue of Rs. 943.03 Cr. (Rs. 736.66 Cr. in 9MFY2025) with operating margin of ~7.19 percent.

Healthy financial risk profile

The company's financial risk profile is marked by healthy net worth of Rs. 247.47 Cr. as on March 31, 2025 (Rs. 172.02 Cr. as on March 31, 2024), owing to accretion of profits to reserves, issuance of share warrants along with revaluation of the investment in group entity (Mangalam Globa Enterprise Limited) at fair value. However, on account of incremental working capital borrowings, the total debt of the company stood increased at Rs. 191.33 Cr. as on March 31, 2025, as compared to Rs. 102.19 Cr. as on March 31, 2024. Therefore, the gearing (debt-equity) stood increased at 0.77 times in FY25 (0.59 times in FY24), though it remained below unity. Further, the debt protection metrics remained moderate marked by interest coverage ratio of 2.55 times in FY25 (2.77 times in FY24) and debt service coverage ratio of 2.27 times in FY25 (2.62 times in FY24).

Weaknesses

Moderately intensive working capital operations

The working capital operations of the company are moderately intensive in nature marked by gross current assets (GCA) days of 169 days in FY25 as compared to 132 days in FY24, majorly driven by inventory and debtor levels. The company needs to maintain higher inventory levels of 102 days in FY25 (68 days in FY24) to support its expanding product mix and ensure timely delivery of orders. Further, the debtor's collection period stood at 58 days in FY25 (44 days in FY24) and the creditor days stood at 69 days in FY25 (61 days in FY24).

Acuité believes that the working capital operations of the company shall remain at similar

levels over the medium term.

Susceptibility to volatility in raw material prices and cyclical nature inherent in the steel industry

The company's performance remains vulnerable to growing competition and the inherently cyclical nature of the steel industry, which is closely linked to both domestic and global economic conditions. The key end-user sectors like real estate, infrastructure, and engineering also exhibit cyclical trends. Consequently, fluctuations in economic cycles such as slowdowns and seasonal variations in demand and supply can affect steel demand and its pricing, thereby exerting pressure on the company's operating margins and cash flows, and shall continue to remain key rating monitorable. Additionally, the company faces intense competitive pressures from a large number of organised and unorganised players.

Rating Sensitivities

- Scaling up of operations while maintaining its profitability margin
- Any significant increase in debt levels thereby impacting the financial risk profile
- Timely completion of the capex plans without major time and cost overrun
- Any further elongation in the working capital operations

Liquidity Position Adequate

The company has adequate liquidity position marked by sufficient net cash accruals of Rs. 34.59 Cr. in FY25 as against its maturing debt obligations of Rs. 3.00 Cr. for the same period. Going forward, the cash accruals of the company are estimated to remain in the range of Rs. 40-50 Cr. during FY26-27 against repayment obligations ranging in the range of Rs. 3-6 Cr. for the same period. The average utilisation for the fund-based facility remains moderate at ~84.01 percent for the past six months ended Dec 2025, and the outstanding LC limit stood at Rs. 35.68 Cr. out of sanctioned limits of Rs. 40 Cr. as on Dec 31, 2025. Furthermore, the company maintained unencumbered cash and bank balances of Rs. 0.25 Cr. as on March 31, 2025, and the current ratio stood moderate at 1.40 times as on March 31, 2025.

Outlook: Stable

Other Factors affecting Rating None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	1060.71	818.11
PAT	Rs. Cr.	29.42	20.10
PAT Margin	(%)	2.77	2.46
Total Debt/Tangible Net Worth	Times	0.77	0.59
PBDIT/Interest	Times	2.55	2.77

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, Acuite 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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
27 Jan 2025	Letter of Credit	Short Term	14.00	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	11.00	ACUITE A2 (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	4.00	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	5.00	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	10.00	ACUITE A2 (Reaffirmed)
	Cash Credit	Long Term	80.00	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	61.00	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	10.00	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	7.00	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	5.00	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	2.50	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	12.50	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	11.50	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	2.50	ACUITE BBB+ Stable (Reaffirmed)
02 Jan 2025	Letter of Credit	Short Term	5.00	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	14.00	ACUITE A2 (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	4.00	ACUITE A2 (Reaffirmed)
	Letter of Credit	Short Term	10.00	ACUITE A2 (Assigned)
	Letter of Credit	Short Term	11.00	ACUITE A2 (Assigned)
	Cash Credit	Long Term	30.00	ACUITE BBB+ Stable (Assigned)
	Cash Credit	Long Term	50.00	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	10.00	ACUITE BBB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	7.00	ACUITE BBB+ Stable (Reaffirmed)
	Cash Credit	Long Term	12.50	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	2.50	ACUITE BBB+ Stable (Reaffirmed)
	Term Loan	Long Term	2.50	ACUITE BBB+ Stable (Reaffirmed)
		Long		ACUITE BBB+ Stable

	Cash Credit	Term	50.00	(Reaffirmed)
	Cash Credit	Long Term	11.00	ACUITE BBB+ Stable (Assigned)
	Cash Credit	Long Term	11.50	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	5.00	ACUITE BBB+ Stable (Reaffirmed)
24 Jul 2024	Letter of Credit	Short Term	5.00	ACUITE A2 (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	5.00	ACUITE A2 (Assigned)
	Proposed Long Term Bank Facility	Long Term	0.70	ACUITE BBB+ Stable (Assigned)
	Cash Credit	Long Term	50.00	ACUITE BBB+ Stable (Assigned)
	Cash Credit	Long Term	50.00	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	25.30	ACUITE BBB+ Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE A2+ Upgraded (from ACUITE A2)
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	80.00	Simple	ACUITE A- Stable Upgraded (from ACUITE BBB+)
Canara Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	61.00	Simple	ACUITE A- Stable Upgraded (from ACUITE BBB+)
Punjab National Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	12.50	Simple	ACUITE A- Stable Upgraded (from ACUITE BBB+)
Indian Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.50	Simple	ACUITE A- Stable Upgraded (from ACUITE BBB+)
State Bank of India	Not avl. / Not appl.	Credit Exposure Limit (FCNR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE A2+ Assigned
State Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE A2+ Upgraded (from ACUITE A2)
Canara Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.00	Simple	ACUITE A2+ Upgraded (from ACUITE A2)
Punjab National Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A2+ Upgraded (from ACUITE A2)
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Indian Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.00	Simple	A2+ Upgraded (from ACUITE A2)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	9.80	Simple	ACUITE A- Stable Upgraded (from ACUITE BBB+)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.00	Simple	ACUITE A- Stable Assigned
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	25 Apr 2029	8.46	Simple	ACUITE A- Stable Upgraded (from ACUITE BBB+)
Canara Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 May 2029	4.36	Simple	ACUITE A- Stable Upgraded (from ACUITE BBB+)
Punjab National Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	01 Apr 2029	2.22	Simple	ACUITE A- Stable Upgraded (from ACUITE BBB+)
Indian Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	15 Apr 2029	2.16	Simple	ACUITE A- Stable Upgraded (from ACUITE BBB+)

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