BRICKWORK RATINGS

Rating Rationale

23 September 2026

Mahalakshmi Profiles Private Limited

SUMMARY OF RATING ACTION

Facilities / Instrument	Tenure	Amount (₹ crore)	Rating	Rating Action	Regulator
Fund-Based	Long Term	187.35	BWR A-/Stable	Assignment	RBI
Non-Fund-Based	Short Term	34.00	BWR A2+	Assignment	RBI
Total		**221.35**	(Rupees Two Hundred Twenty One Crores and Thirty Five lakhs Only)		

Note:
1. Please refer to the BWR website www.brickworkratings.com for the definition of the ratings
2. Refer to Annexures I, II, and III for details of rated bank loan facilities, debt instruments, and the List of Entities Consolidated.

RATING ACTION/OUTLOOK

Brickwork Ratings (BWR) has assigned a long-term rating of BWRA- with a stable outlook and a short-term rating of BWR A2+ to the Bank Loan Facilities aggregating to Rs.221.35 crore of Mahalakshmi Profiles Private Limited (MPPL).

BWR has combined the financial and business risk profile of Mahalakshmi Profiles Private Limited (MPPL), MPL Steel Industries Private Limited (MSIPL), and Kumar's Metallurgical Corporation Limited (KMCL) to arrive at the ratings, considering the strong operational, managerial, and financial interlinkages among the group entities.

The ratings assigned to the Bank Loan Facilities of Mahalakshmi Profiles Private Limited (MPPL) take into account its long-standing operational track record and scale of operation, stable albeit moderate profitability, its ability to manage/keep costs under control over the last three years both at standalone level and combined level, established market presence, and integrated manufacturing capabilities, which provide significant operational comfort through smooth raw material procurement and reliable product off-take.

The ratings are constrained due to the moderate working capital cycle and the moderate credit profile reflected in its TOL/TNW both at standalone and combined levels. Inherent cyclicality of the industry and the commoditised nature of both the raw material and finished goods, which might lead to volatile margins, are other factors which constrain the ratings.

The 'Stable' outlook reflects the expectation that MPPL and the group's operational profile and credit profile will remain stable over the medium term.

KEY COVENANTS OF THE INSTRUMENT/FACILITY The terms of sanction include standard covenants normally stipulated for such facilities.

ANALYTICAL APPROACH & APPLICABLE RATING CRITERIA

Analytical Approach	Comments
Applicable Rating Criteria	• General Criteria • Approach to Financial Ratios • Short Term Debt • Rating of Entities Based on Group Support • Rating of Iron & Steel Industry

	● [Manufacturing Company]()
Parent/Group/ Government Support	Group Support
Analytical Approach (Consolidation/Standalone)	BWR has taken a combined / group approach for the bank loan rating and combined the financial risk profile of Mahalakshmi Profiles Private Limited, MPL Steel Industries Private Limited and Kumar Metallurgical Corporation Limited due to the interlinkages in operations, treasury management and commonality of management. The strength of each of these parameters, both at standalone level and at group level, was factored in to determine the ratings of each of the entities mentioned above

KEY RATING DRIVERS WITH DETAILED DESCRIPTION

Credit Strengths:

- **Robust scale of operations with range-bound operating margins:** Mahalakshmi Profiles Private Limited (MPPL) revenue has remained in the range of Rs. 700 cr- Rs. 800 cr with stable operating margins ranging between 4.5-5.5% during FY'24 to FY'26, indicating its ability to manage its cost structure in a commoditised industry which is exposed to significant volatility in both input prices as well as its end product.BWR believes the company is likely to grow at a steady pace going forward.
  On a combined level, the revenue of the group remained between Rs.1000 cr- Rs. 1100 cr, with operating margins between 5.5% and 6% during the period, partially helped by the closely integrated operations where MPL Steel Industries Private Limited (MSIPL) and Kumar's Metallurgical Corporation Limited (KMCL) produce and supply approximately half of the sponge iron to Mahalakshmi Profiles Private Limited (MPPL). Additionally, the group also produces around 32% of its power requirement and has adequate linkages for supply of coal in its vicinity.

- **Established track record and experienced promoters in the steel products industry:**
  Mahalakshmi Profiles Private Limited (MPPL) has an established operating track record of around three decades in the steel products industry and benefits from the experience of its promoters, Mr. Ramniranjan Agarwal and Mr. Vinod Kumar Agarwal. The promoters' longstanding presence in the industry and established relationships with customers and suppliers support the company's business operations. Further, MPPL benefits from its association with group entities, MPL Steel Industries Private Limited (MSIPL) and Kumar Metallurgical Corporation Limited (KMCL), which provide operational support through the supply of sponge iron, thereby providing a degree of backward integration.

- **Moderate Credit Risk Profile:**
  The company's The TOL/TNW has remained in the range of 2.5x to 2.8x while Total Debt/TNW has remained between 1.5x and 2x during FY'24 to FY'26. Unsecured loans infused by the promoters are treated as quasi-equity, as it is stipulated to remain in the business as per bank sanction letters. Adjusting for these unsecured loans, the TOL/TNW remains in the range of 2.2x to 2.6x, while Total Debt/TNW is between 1.2x and 1.6x during the same period. The ISCR and DSCR remain comfortably above 2.14x and 1.28x during FY'24 to FY'26.
  On a combined level, between FY24 and FY26, the TOL/TNW ratio ranged from 2.8x to 3.6x, while the adjusted TOL/TNW remained between 2.4x and 3.2x. During the same period, Total Debt/TNW ranged from 2.3x to 3.0x, and adjusted Debt/TNW stood between 1.4x and 1.6x.
  While the TOL/TNW and Debt/TNW are expected to deteriorate marginally owing to the additional debt proposed to be taken for working capital requirements, BWR expects the credit profile to remain comfortable and commensurate with the current ratings.

Credit Risks

- **Moderate working capital cycle:**
  The company remains working capital intensive, with inventory days at 75 days in FY 2025 and 72 days in FY 2026, resulting in an elongated operating cycle of 51 days and 53 days, respectively. The company doesn't have captive mines for coal and also procures key raw materials from group companies and external markets and holds them for one to two months, which has led to a higher inventory holding period and hence an elongated working capital cycle. This has led to continued reliance on working capital borrowings, with utilisation of fund-based and non-fund-based limits remaining high. On a combined level, the working

capital cycle remained between 55-65 days, with interlinkages between the group companies providing some flexibility.

- **Exposure to volatility in raw material prices and competitive intensity:**
  The group operating margins remain vulnerable to price fluctuations in key raw materials such as sponge iron, steel scrap, billets, and coal, which constitute a major portion of its total costs. Its ability to pass on these price variations to customers is a key monitorable. Additionally, intense competition from both organized and unorganized players in a highly fragmented market exerts continuous pricing pressure. These risks are further compounded by the inherent cyclicality of the steel industry, which exposes the company's revenue and cash flows to economic downturns and demand shifts in end-user sectors like real estate, construction, and infrastructure.

RATING SENSITIVITY FACTORS

Positive Sensitivities:

- Sustained improvement in operating performance, with growth in revenues and operating profitability translating into stronger cash accruals and improved debt coverage.
- Strengthening of the capital structure through internal accruals and/or debt reduction, with TOL/TNW improving and remaining below 1.5x at standalone level or 2.0x at combined level.

Negative Sensitivities:

- Sustained increase in TOL/TNW beyond 3.5x at standalone level or 4.5x at combined level due to unplanned debt-funded capex or higher working capital requirements either at standalone level or at group level may lead to negative rating action

LIQUIDITY POSITION -Adequate

The company has an unencumbered cash balance of Rs. 0.17 crore as of March 31, 2026. BWR expects the company to generate cash accruals of around Rs. 20 crore in FY 2027 against scheduled debt repayment obligations of around Rs. 9 crore during the year. The average utilisation of the fund-based and non-fund-based working capital limits remained high at around 90-95%, reflecting the working capital-intensive nature of the operations. Nevertheless, the expected cash accruals are likely to remain adequate to meet the company's scheduled debt repayment obligations, supporting its adequate liquidity position
At the combined group level, BWR expects the group to generate cash accruals of around Rs. 38 crore against scheduled debt repayments of around Rs. 22 crore, providing further comfort from a group liquidity perspective

ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) PRACTICES

The company demonstrates an evolving ESG profile based on its environmental, social, and governance practices.

Environmental:
The company operates in the steel manufacturing sector, which is associated with energy-intensive operations, raw material processing, emissions, and waste generation. While the company is subject to applicable environmental regulations, detailed disclosures on environmental performance remain limited.

Social:
Given the manufacturing nature of operations, employee safety, labour practices and workforce welfare form key social considerations. The company also undertakes CSR activities towards healthcare, education and the welfare of underprivileged and differently abled individuals.

Governance: The company has an established statutory and compliance framework; however, disclosures on broader ESG and governance practices remain limited, reflecting the evolving nature of its overall ESG profile

COMPANY PROFILE

Industry Classification			
Macroeconomic Indicator	**Sector**	**Industry**	**Basic Industry**
Industrials	Capital Goods	Industrial Products	Iron and Steel Products

Incorporated in September 1995 and based in Hyderabad, Telangana, Mahalakshmi Profiles Private Limited (MPPL) is engaged in manufacturing M.S. pipes, M.S. skelp, billets, HR coils, and scaffolding products. The company operates five pipe mills and an in-house Steel Melting Shop (SMS), supporting its narrow-width HR coil and pipe operations.

About the Group

MPPL is part of the MPL Group, which has diversified interests across steel, cement, investments, and logistics. The company has backward integration through group companies MPL Steel Industries Private Limited (MSIPL) and Kumar's Metallurgical Corporation Limited (KMCL), both engaged in sponge iron manufacturing at Nalgonda, Telangana, and supplying sponge iron to MPPL. The group is promoted and managed by Mr. Ramniranjan Agarwal and Mr.Vinod Kumar Agarwal. While the group encompasses other entities, namely MPL Renewable Private Limited, MPL Logistics Hub Private Limited, MPL Cement and Sponge Limited, and MPL Galva Tubes Private Limited, their scale of operations and impact on the overall credit profile remain marginal. Given their limited scale and presence in unrelated business segments, BWR has not combined the financial and business risk profiles of these entities for the group's assessment.

KEY FINANCIAL INDICATORS

Standalone Financial Indicators (in ₹ crore)	FY'24 (A)	FY'25 (A)	FY'26 (P- UA)
Operating Revenue*	789.05	721.46	792.95
EBITDA	37.27	38.30	38.64
PAT	13.82	14.05	13.41
Tangible Net Worth	95.61	109.66	123.30
Total Debt/Tangible Net Worth	1.91	1.68	1.77
Current Ratio	1.12	1.14	1.15

Combined Financial Indicators (in ₹ crore)	FY'24 (A)	FY'25 (A)	FY'26 (P- UA)
Operating Revenue	1132.20	1067.51	1134.31
EBITDA	66.93	59.90	65.80
PAT	22.88	20.27	24.49
Tangible Net Worth	131.04	157.90	182.42
Total Debt/Tangible Net Worth	3.04	2.52	2.33
Current Ratio	1.12	1.14	1.13

A: Audited; UA: Unaudited; P: Provisional; NA: Not Available.
All ratios as per BWR's calculations; Amount in Rs. crore
*The company has earned other income of Rs.5.46cr in FY'24 (Aud); Rs.4.82cr in FY'25(Aud); and Rs.3.89cr in FY'26(Prov). The same has not been considered as part of Operating Revenue by BWR.

The company does not prepare consolidated financial statements; to arrive at combined financials, BWR has aggregated the line items of Mahalakshmi Profiles Private Limited (MPPL), Kumar Metallurgical Corporation Limited (KMCL) and MPL Steel Industries Private Limited (MSIPL) on a line-by-line basis.

RATING HISTORY FOR THE PREVIOUS THREE YEARS

Facilities/Instruments	Current Rating			Rating History										
	September 2026			FY26			FY 26		FY 25		FY 24		FY 23	
Type	Tenure	Amount (₹ crore)	Rating	Date	Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund- Based	Long Term	187.35	BWRA-/Stable/Assignment	21 July 2026	52.47	BWR B/Stable (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed and withdrawn)	06 July 2026	BWR B Stable (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	08 Jul 2025	BWR B Stable (Continues to be in ISSUER NOT COOPERATING* category/Downgraded)	11 July 2024	BWR B+ Stable (Continues to be in ISSUER NOT COOPERATING* category/Downgraded)	09 May 2023	BWR BB-/Stable (Continues to be in Issuer Not Cooperating* Category/Downgraded)
Non-Fund-Based	Short Term	34.00	BWRA2+/Assignment	21 July 2026	9.00	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed and withdrawn)	06 July 2026	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	08 July 2025	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	11 Jul 2024	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	09 May 2023	BWR A4(Continue to be in Issuer Not Cooprating Category*/Downgraded)
Grand Total		221.35	(Rupees Two Hundred Twenty One Crores and Thirty Five lakhs Only)											

****Issuer did not cooperate**; based on best available information.*

COMPLEXITY LEVEL OF THE RATED INSTRUMENTS

Instrument	Complexity Indicator
Fund-Based	Simple
Non-Fund-Based	Simple

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 BWR's website www.brickworkratings.com/download/ComplexityLevels.pdf

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY): MPPL has not cooperated with CRISIL Ratings, which has classified it as non-cooperative vide release dated April 26, 2024. The reason provided by CRISIL Ratings is non-furnishing of information for monitoring of ratings.

ANY OTHER INFORMATION: None

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ANNEXURE I: Details of Bank Loan Facilities

Sl No.	Name of the Bank/Lender	Type of Facilities	Long Term (Amount in ₹ crore)	Short Term(Amount in ₹ crore)	Total (Amount in ₹ crore)	Complexity of the Instrument	Regulator
1	Axis Bank	Cash Credit -Sanctioned	30.00	-	30.00	Simple	RBI
2	Axis Bank	WCDL (Sublimit of Cash Credit)-Sanctioned	(30.00)	-	(30.00)	Simple	RBI
3	Kotak Mahindra Bank	Cash Credit -Sanctioned	3.00	-	3.00	Simple	RBI
4	Kotak Mahindra Bank	WCDL (Sublimit of Cash Credit)-Sanctioned	(3.00)	-	(3.00)	Simple	RBI
5	Kotak Mahindra Bank	Term Loan- Outstanding	7.93	-	7.93	Simple	RBI
6	State Bank of India	Term Loan- Outstanding	2.91	-	2.91	Simple	RBI
7	HDFC Bank	Cash Credit -Sanctioned	108.00	-	108.00	Simple	RBI
8	HDFC Bank	WCDL (Sublimit of Cash Credit)-Sanctioned	(95.00)	-	(95.00)	Simple	RBI
9	HDFC Bank	LC(Sublimit of CC)-Sanctioned		(1.90)	(1.90)	Simple	RBI
10	HDFC Bank	Term Loan- Outstanding	35.51	-	35.51	Simple	RBI
11	HDFC Bank	Bank Guarantee-Sanctioned	-	34.00	34.00	Simple	RBI
12	HDFC Bank	LC(Sublimit of BG)-Sanctioned	-	(32.00)	(32.00)	Simple	RBI
13	HDFC Bank	CC(Sublimit of BG)-Sanctioned	-	(4.50)	(4.50)	Simple	RBI
14	HDFC Bank	SBLC for BC-WC (Sublimit of LC)-Sanctioned	-	(2.00)	(2.00)	Simple	RBI
15	HDFC Bank	LC (Sublimit of BG)-Sanctioned	-	(2.00)	(2.00)	Simple	RBI
16	HDFC Bank	TI for GIFT City -WC (Sublimit of SBLC of BC-WC)	-	(2.00)	(2.00)	Simple	RBI
Total			**187.35**	**34.00**	**221.35**		
Total (Rupees Two Hundred Twenty One Crores and Thirty Five lakhs Only)							

ANNEXURE II: Details of Instruments / Facilities

Name of the Instrument/Facility	Long Term/Short Term	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ Crore)	Rating Assigned and Rating Outlook	Regulator
Nil	Nil	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

Annexure IV: List of Instruments and Names of Regulators of the Instruments

As required by SEBI CRA Circular dated Feb 10, 2026, a list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

No.	Instrument/Activity Name	Regulator of the Instruments
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)* $	RBI
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 and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, 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	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts $	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference shares (all securities))	SEBI
22	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
23	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.

~ 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 may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Brick Work Ratings India Private Limited (BWR) shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during the regulatory regime prior to the introduction of the SEBI CRA Circular dated Feb 10, 2026, and the investor-side regulators have accordingly been included.

$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues

Note: Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

B.	Other Activities	Regulator of the Instruments
1	Monitoring Agencies	SEBI
2	Research activities incidental to rating such as research for Economy, Industries and Companies	NA

Grievance Management

For any grievances relating to rating of instruments regulated by SEBI, please contact sebigrievance@brickworkratings.com. Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

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Disclosure of Conflict of Interest

BWR Board of Directors has no influence over rating decisions, nor do they sit on the rating committees or review, discuss, or evaluate any credit ratings during the Board meetings.

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Brickwork Ratings (BWR) is a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and is accredited by the Reserve Bank of India [RBI]. BWR is the 5th agency to get a credit rating registration in India in 2009 and has its corporate office in Bengaluru. It has a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi, along with representatives in 150+ locations. Canara Bank is an institutional investor in Brickwork.

Brickwork offers credit ratings of Bank Loans, 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, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporate and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

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