



Press Release

Mangalam Global Enterprise Limited

July 30, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Facilities	188.45 (Increased from Rs. 184.16 crore)	IVR BBB / Positive (IVR Triple B with Positive Outlook)	IVR BBB / Stable (IVR Triple B with Stable Outlook)	Reaffirmed; Outlook revised from Stable to Positive	Simple
Short Term Facilities	60.00* (Increased from Rs. 7.00 crore)	IVR A3+ (IVR A Three Plus)	IVR A3+ (IVR A Three Plus)	Reaffirmed	Simple
Total	248.45 (Rupees Two Hundred Forty-Eight Crore and Forty-Five Lakh Only)				

*Includes proposed limit of Rs. 45.00 crore

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale:

Infomerics Ratings has revised its outlook on the long-term bank facilities of Mangalam Global Enterprises Limited (MGEL) to 'Positive' from 'Stable' while reaffirming the rating at 'IVR BBB' and short-term rating at 'IVR A3+'.

The revision in outlook reflects a sustained improvement in business performance, supported by improving revenues and steady operating profitability. In the last three fiscal years ending fiscal 2025 (refers to period from April 01, 2024 to March 31, 2025), operating income grew at a compounded annual growth rate of about ~21% to Rs. 2,106 crore in fiscal 2025 (Rs. 1,676 crore in fiscal 2024).

The operating margins of the company has improved to 2.58% in fiscal 2025 (2.48% in fiscal 2024) leading to absolute earnings before interest, tax, depreciation and amortization (EBITDA) of Rs. 54.26 crore during fiscal 2025 which is around 30% increase over EBITDA of



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Rs. 41.64 crore registered in fiscal 2024. Net cash accrual (NCA), post dividend payments, improved to Rs. 34.11 crore in fiscal 2025 as compared with NCA of Rs. 22.04 crore in fiscal 2024. Financial risk profile of MGEL has improved in terms of overall gearing to 1.37x as of March 2025 as compared with 1.50x as of March 2024 mainly driven by increase in adjusted tangible net worth (ATNW) to Rs. 174.35 crore in fiscal 2025 from Rs. 126.58 crore in fiscal 2024. Increase in ATNW was due to rights issue of Rs. 41.20 crore during the month of June 2024 which was oversubscribed by 1.06 times.

Further, ratings derive strength from experienced & competent management, diversified product profile and improved financial risk profile. However, the rating is constrained due to profitability vulnerable to volatile raw material prices and agro-climatic risk and intense competition in the agro industry.

Key Rating Sensitivities:

Upward Factors

- Sustained improvement in revenues and operating margins
- Significant improvement in capital structure and debt coverage indicators.

Downward Factors

- Substantial decline revenues and profitability leading to lower-than-expected net cash accruals.
- Any unplanned debt-funded capital expenditure leading to deterioration of debt protection metrics.
- Elongation of operating cycle leading to negative cashflow from operations.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

Experienced and competent management:

The company is spearheaded by the Ahmedabad-based Mangalam Group and is promoted by Mr. Vipin Prakash Mangal, Mr. Chanakya Prakash Mangal, and Mr. Chandragupt Prakash Mangal. With over three decades of experience in the agro industry, Mr. Vipin Prakash Mangal



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brings deep expertise and strategic insight to the organization. His sons, Mr. Chanakya Prakash Mangal and Mr. Chandragupt Prakash Mangal, represent the fourth generation of the family business. Complementing the promoter group is a robust management team comprising qualified and seasoned professionals who contribute significantly to the company's growth and operational excellence.

Diversified Product profile:

The company is engaged in the manufacturing and trading of a diverse range of agricultural commodities, including castor oil, castor seeds, castor oil cake, high-protein oil cake, cotton bales, and cotton seeds. Additionally, the company is active in trading mustard seeds, mustard oil, mustard cake, soybean seeds, refined soybean oil, soybean cake, wheat, rice, and various other agri-based products.

In fiscal 2025, the company ventured into the wellness segment with the launch of its consumer brand, Neat Everyday. This B2C initiative offers a portfolio of 100% vegetarian nutraceutical and personal care products, formulated from natural ingredients and rooted in Ayurvedic principles.

Improved financial Risk Profile:

In FY25, the company's Total Operating Income (TOI) rose to ₹2,106.17 crore from ₹1,676.26 crore in FY24, driven by expanded business operations. This growth led to increased working capital utilization, contributing to a rise in total debt. The adjusted tangible net worth improved to ₹174.35 crore as of March 31, 2025, compared to ₹126.58 crore as of March 31, 2024. This enhancement was primarily supported by an equity infusion via rights issue of ₹41.12 crore during the year. As a result, the company's overall gearing ratio (based on adjusted tangible net worth) improved to 1.37x as of March 31, 2025, from 1.50x in the previous year. That said, any disproportionate increase in working capital debt leading to deterioration of overall gearing will remain a key monitorable going forward.



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Key Rating Weaknesses

Thin operating margins vulnerable to volatile raw material prices and agro-climatic risk

MGEL's financial performance remains susceptible to seasonal volatility and fluctuations in raw material prices, which can affect both revenue generation and profit margins. Castor oil, the company's primary input, is particularly exposed to agro-climatic risks that influence castor seed availability and pricing.

Additionally, as a significant portion of export revenue is denominated in foreign currencies—primarily US dollars—the company faces potential exposure to adverse foreign exchange movements. To mitigate this risk, MGEL employs an active foreign exchange hedging strategy, ensuring greater stability in its international realisations.

Intense competition in the industry

MGEL operates within a high-volume, low-margin business framework, where financial viability is closely tied to operational scale. Profitability and commercial sustainability hinge on achieving substantial sales volumes, given the inherently thin margins of the industry. The gross profit margin for its agro-based product manufacturing typically ranges between 2% to 5%, reflecting the constrained earnings potential of this segment. Furthermore, MGEL faces competitive pressures from both organized and unorganized market players, intensifying the challenge of margin retention. Going forward, cost management and strategic positioning of MGEL will remain a key monitorable.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria on assigning rating outlook](#)

[Policy on Default Recognition and Post-Default Curing Period](#)

[Complexity Level of Rated Instruments/Facilities](#)



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Liquidity – Adequate

Liquidity of MGEL is marked by unutilized working capital limits of ~29% (total working capital limit is Rs. 170.00 crore) for the past 12 months ending May 2025. Going forward, company is expected to generate net cash accruals in the range of Rs. 28 - 33 crore in fiscals 2026-2027 which will be sufficient to pay the annual obligations of Rs. 4 - 5 crore over the same period. The current ratio remained above unity at 1.50x as on March 31, 2025. The company has cash and cash equivalent amounting to Rs. 0.13 crore as on March 31, 2025.

About the Company

Incorporated in 2010, Mangalam Global Enterprise Limited is set up by Ahmedabad-based Mangalam group. The Promoter of the Company are Mr. Vipin Prakash Mangal, Mr. Chanakya Prakash Mangal and Mr. Chandragupt Prakash Mangal. The company is mainly engaged in the business of manufacturing and trading of Castor Oil (F.S.G.), Castor De-Oiled Cake and High Protein Castor De-Oiled Cake for domestic and international markets. The company is also engaged in the manufacturing and trading of cotton bales and cotton seeds, Mustard seed, Mustard oil, Mustard cake, Soya seed, Soya refined oil, Soya cake, Wheat and Rice and other agricultural products. Company has entered into B2C market by launching new products under the brand “LAGNAM” in domestic market. In fiscal 25 the company has launched a new wellness brand “Neat Everyday” for B2C market. The products are 100% vegetarian nutraceutical and personal care products, made from natural ingredients and having Ayurvedic principles.

Financials (Standalone):

	(Rs. crore)	
For the year ended/ As on*	31-03-2024	31-03-2025
	Audited	Audited
Total Operating Income	1676.26	2106.17
EBITDA	41.64	54.26
PAT	18.91	21.75
Total Debt*	190.26	239.40
Adjusted Tangible Net Worth	126.58	174.35
EBITDA Margin (%)	2.48	2.58
PAT Margin (%)	1.12	1.03
Overall Gearing Ratio (x) #	1.50	1.37
Interest Coverage (x)	1.75	2.03



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* Classification as per Infomerics' standards.

*Total debt includes channel financing as well

#Overall gearing ratio on Adjusted Tangible Net Worth

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2025-2026)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					Date (December 03, 2024)	Date (October 30, 2023)	-
1.	Term loan	Long-term	18.45	IVR BBB / Positive	IVR BBB / Stable	IVR BBB- / Stable	-
2.	Cash Credit	Long-term	170.00	IVR BBB/ Positive	IVR BBB/ Stable	IVR BBB-/ Stable	-
3.	Bank Guarantee	Short-term	2.00	IVR A3+	IVR A3+	IVR A3	-
4.	PSR Limit	Short-term	13.00	IVR A3+	IVR A3+	IVR A3	-
5.	Proposed Letter of Credit	Short-term	45.00	IVR A3+	-	-	-

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit



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ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

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Annexure 1: Facility Details

Name of Facility	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term loan	-	-	-	Up to December 2031	18.45	IVR BBB / Positive
Cash Credit	-	-	-	-	170.00	IVR BBB / Positive
Bank Guarantee	-	-	-	-	2.00	IVR A3+
PSR Limit	-	-	-	-	13.00	IVR A3+
Proposed Letter of Credit	-	-	-	-	45.00	IVR A3+



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Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-Mangalam-Global-30july25.pdf>

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for combined analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

