April 02, 2026

Maan Aluminium Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long Term – Fund Based – Cash Credit	55.00	55.00	[ICRA]BBB+ (Stable); reaffirmed
Short Term – Fund Based – Bill Discounting	50.00	50.00	[ICRA]A2; reaffirmed
Total	**105.00**	**105.00**	

Instrument details are provided in Annexure I

Rationale

ICRA's ratings factor in Maan Aluminium Limited's (MAL) established presence and the significant experience of its promoters in the aluminium extrusion industry, along with its wide distribution network and reputed customer base. MAL caters to a diversified set of end-user industries, including architectural, solar, and hardware segments, which supports stability in business volumes. The ratings also consider the company's comfortable financial risk profile, supported by a healthy capital structure and satisfactory debt coverage indicators.

ICRA notes that MAL's performance remained subdued in 9M FY2026, with the company reporting an operating income of Rs.554 crore and an operating margin of ~3.3%, reflecting the impact of lower exports. While volumes in the extrusion (manufacturing) segment remained flattish, the trading segment witnessed a decline, and export demand continues to be weak. Nevertheless, the commissioning of a new 14,000-MT capacity, aimed at enhancing its value-added product portfolio, is expected to support a gradual improvement in volumes and profitability going forward.

ICRA also takes note of the ongoing capital expenditure plans. MAL acquired a sick unit at Dewas (Madhya Pradesh) for ~Rs. 8.75 crore in March 2025, with an additional Rs.20–25 crore of planned capex to ramp up capacities over the medium term. The company also purchased land for ~Rs. 9.0 crore in December 2024 to develop further value-added capacities, though the pace of expansion will depend on market conditions. Importantly, MAL does not intend to undertake sizeable term borrowings for these projects, and a timely, cost-efficient execution will remain a key monitorable. The company's coverage metrics are expected to improve meaningfully in FY2027, supported by low debt levels and the infusion of Rs. 83 crore through preferential allotment in January 2026, which has further strengthened the liquidity.

The ratings remain constrained by the subdued exports amid tariffs and intense competition arising from the highly fragmented nature of the aluminium extrusion industry.

A Stable outlook on the [ICRA]BBB+ rating reflects ICRA's expectation that MAL will maintain its comfortable capital structure and benefit from increased capacities and an improving product mix over the medium term.

Key rating drivers and their description

Credit strengths

Comfortable financial risk profile, reflected in low external debt– The company's capital structure remains favourable owing to low debt, resulting in comfortable coverage indicators. The performance in FY2025 was impacted by lower volumes in both the trading and manufacturing businesses due to a weak demand environment. The company's coverage metrics are expected to improve meaningfully in FY2027, supported by low debt levels and the infusion of Rs. 83 crore through preferential allotment in January 2026, which has further strengthened the liquidity, with an interest cover of more than ~4 times expected in FY2027.

Established presence in aluminium extrusion industry – MAL is an established player in the domestic aluminium extrusion industry with an operational track record of two decades and a capacity of 24,000 MTPA (increased from 10,000 MTPA, in December 2024). The company has an established market presence and can produce diverse products, which find application in varied end-user industries. Further, the company is an exclusive distributor of Hindalco for the trading of aluminium billet/ingot and wire rods in north and south India (ex-Hyderabad).

Established relationships with dealers and customers – The company is promoted by Mr. Ravinder Nath Jain, who has over three decades of experience in the aluminium trading and extrusion industry. The promoter's rich experience has enabled the company to establish healthy relationships with various reputed customers and suppliers.

Credit challenges

Sustained slowdown in export market impacted earnings in FY2026 –MAL's performance remained subdued in 9M FY2026, with the company reporting an operating income of Rs.554 crore and an operating margin of ~3.3%, reflecting the impact of lower exports. While volumes in the extrusion (manufacturing) segment remained flattish, the trading segment witnessed a decline, and export demand continues to be weak. Nevertheless, the commissioning of a new 14,000-MT capacity, aimed at enhancing its value-added product portfolio, is expected to support a gradual improvement in volumes and profitability going forward.

Intense competition in the industry – The company faces competition from organised and unorganised players in the fragmented aluminium extrusion industry, given the low capital investment and technical expertise required to produce extrusions with simple designs. As the company has healthy capacity in the extrusion space including anodising in India, it enjoys some pricing flexibility with customers that are not price sensitive and focus primarily on quality.

Margins susceptible to fluctuations in raw material prices and foreign exchange rates – Aluminium accounts for a major portion of the total raw material costs and the price volatility keeps MAL's margins susceptible to any fluctuation. However, the company matches sales with purchases, mitigating the raw material price risk to an extent. The company purchases aluminium in the form of ingots and billets from large domestic suppliers like Vedanta Aluminium Limited and Hindalco Industries Limited. In addition to domestic purchases, the company imports a part of its raw material requirement. While there is a natural hedge to the extent of the exports, the earnings remain susceptible to the fluctuations in foreign exchange rates. Also, the margin in the trading business remains volatile, given the fluctuations in aluminium prices. However, ICRA notes that with conscious focus on the extrusion segment (manufacturing), company's trading business has reduced over the years, mitigating the volatility to an extent.

Environmental and social risks

MAL's credit profile is exposed to environmental risks, given the strict regulatory requirements related to waste treatment and the additional costs required to be incurred for treating and managing effluents. Lapses in adhering to the statutory pollution limits could invite fines and penalties and could impact the company's profitability. Thus, MAL's ability to remain compliant with the necessary regulatory stipulations will remain a key credit rating sensitivity.

MAL faces social risks arising from the health and safety hazards that its operations could create for the community and might result in a backlash. However, MAL's track record of carrying out its operations responsibly over the years provides comfort.

Liquidity position: Adequate

MAL's liquidity profile is adequate aided by healthy cash flow generation from operations, moderate debt repayment obligations, and phased capex implementation plans, which are expected to keep the company's reliance on external funding sources limited. This is corroborated by healthy liquid balances (liquid investments and free cash and bank balances of ~Rs. 50

crore as on February 28, 2026) and cushion in utilised working capital limits. The liquidity position is also supported by preferential allotment ~Rs.83 crore completed in January 2026. ICRA expects the company's consolidated cash flow from operations as well as accumulated cash and liquid investments to be sufficient to meet its capex as well as debt servicing requirements in the near-to-medium term. The company is expected to undertake capex of Rs.65-70 crore in FY2027 and FY2028 each, for the planned capex. The same would largely be funded by internal accruals.

Rating sensitivities

Positive factors – ICRA could upgrade the ratings if the company demonstrates a significant improvement in its operating profitability and debt protection metrics along with a strengthening of liquidity position, going forward.

Negative factors – Pressure on MAL's ratings may arise in case of a sustained deterioration in its profitability and cash accruals. Any significant stretch in the working capital cycle, or a large debt-funded capex exerting pressure on the liquidity position, may also trigger a downgrade. An interest coverage ratio below 4.0 times, on a sustained basis, may also prompt a downgrade.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on the standalone financial profile of the company

About the company

Maan Aluminium Limited, incorporated in 2003 by Mr. Ravinder Nath Jain, is engaged in the trading of aluminium ingot/billets/rods and the manufacturing of aluminium alloy extruded products, including rods and bars. The company's plant is at Pithampur in Madhya Pradesh, with an installed capacity of 24,000 MTPA (enhanced from 10,000 MTPA in December 2024). The company exports its products globally and is accredited with a three-star export house status. Further, the company has in-house anodising and powder coating facilities to manufacture value-added products.

Its plant in central India was one of the first to be commissioned in 1989. In 2009, the company was rebranded Maan Aluminium Ltd. The day-to-day operations of the company are managed by its managing director, Mr. Ravinder Nath Jain, along with his daughter and son-in law.

Key financial indicators (audited)

MAL Standalone	FY2024	FY2025	9M FY2026*
Operating income	970.4	823.1	554.1
PAT	32.7	15.5	11.3
OPBDIT/OI	4.6%	3.1%	3.3%
PAT/OI	3.4%	1.9%	2.0%
Total outside liabilities/Tangible net worth (times)	0.4	0.7	-
Total debt/OPBDIT (times)	0.7	3.6	-
Interest coverage (times)	12.1	7.8	4.0

*Source: Company, ICRA Research; * Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. Crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current (FY2027)				Chronology of rating history for the past 3 years					
				FY2026		FY2025		FY2024	
Instrument	Type	Amount rated (Rs. crore)	April 02, 2026	Date	Rating	Date	Rating	Date	Rating
Cash Credit	Long-term	55.00	[ICRA]BBB+ (Stable)	Jun 12, 2025	[ICRA]BBB+ (Stable)	Apr 04, 2024	[ICRA]BBB+ (Stable)	-	-
				Apr 08, 2025	[ICRA]BBB+ (Stable)	-	-	-	-
Bill Discounting	Short-term	50.00	[ICRA]A2	Jun 12, 2025	[ICRA]A2	Apr 04, 2024	[ICRA]A2	-	-
				Apr 08, 2025	[ICRA]A2	-	-	-	-
Unallocated Limits	Long-term	-	-	-	-	-	-	-	-
Bank Guarantee	Short-term	-	-	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long Term – Fund Based – Cash Credit	Simple
Short Term – Fund Based – Bill Discounting	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 ICRA's website: Click here

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	**Long Term – Fund Based – Cash Credit**	NA	NA	NA	55.00	[ICRA]BBB+ (Stable)
NA	**Short Term – Fund Based – Bill Discounting**	NA	NA	NA	50.00	[ICRA]A2

Source: Company

Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis – Not Applicable

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ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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