

May 11, 2026

Aparna Enterprises Ltd.: Ratings reaffirmed; rated amount enhanced

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term fund-based – Term loan	123.98	115.91	[ICRA]A- (Stable); reaffirmed
Long-term – Fund-based – Cash credit	220.00	260.00	[ICRA]A- (Stable); reaffirmed and assigned for enhanced amount
Short-term – Non-fund based	56.00	135.00	[ICRA]A2+; reaffirmed and assigned for enhanced amount
Long-term – Unallocated limits	87.02	75.00	[ICRA]A- (Stable); reaffirmed
Long-term/short-term – Unallocated limits	10.00	-	-
Total	497.00	585.91	

*Instrument details are provided in Annexure II

Rationale

The ratings reaffirmation for Aparna Enterprises Ltd (AEL) reflects the company's estimated healthy operating performance in FY2026 and the momentum is expected to sustain in FY2027, driven by demand across its business segments. The company's consolidated revenues are expected to be Rs. 1,700-1,725 crore in FY2026 and is projected to witness 15-20% YoY growth in FY2027, supported by steady demand and enhanced capacities across its diversified business segments, including ready mix concrete (RMC), unplasticised polyvinyl chloride (UPVC), facades and tiles. The operating margins are expected to remain in the range of 8.5-9.0% in FY2027 similar to FY2026.

ICRA notes that AEL, in February 2026, acquired the remaining 74% stake in Greenzone Granito Private Limited (GGPL) – a tile manufacturing company from Morbi, Gujarat, in which it earlier held a 26% stake, for a consideration of Rs. 98 crore, thereby making GGPL a wholly-owned subsidiary of AEL. The acquisition was funded through a mix of equity, internal accruals and debt. This strategic acquisition aligns with AEL's plan to expand its market presence and strengthen the penetration of its tile brand, Vitero, particularly in North and West India, which is expected to support revenue growth over the medium to long term.

The ratings consider AEL's backward integrated operations with an in-house profile manufacturing unit for the UPVC division and feldspar and clay processing units for the tiles division at the Kakinada plant, which provide better control over cost and quality. Further, the ratings note the strong brand recognition of the Aparna Group as a reputable real-estate player in Hyderabad. AEL also enjoys strong financial flexibility on the back of its parentage and the Group's long relationships with established lenders.

The ratings are, however, constrained by AEL's high working capital requirements owing to a relatively elongated receivable cycle, coupled with the inventory holding requirements in the UPVC and tiles segments. This, along with debt-funded capex and acquisition, resulted in high debt levels for the company leading to moderate debt protection metrics and subdued return indicators. The leverage as measured by total debt/EBITDA stood at 2.8 times as of December 2025 and is expected to remain in the range of 2.5-3.0 times as of March 2027. Consequently, the coverage indicators are likely to remain moderate with interest cover of 4 times and debt service coverage ratio (DSCR) to be around 1.7 times in FY2027. Further, timely enhancement in working capital limits (proposed increase of working capital limits by Rs. 40 crore in H1 FY2027) is required to support the growth requirements as the average utilisation in working capital limits was high for the last 12 months ending February 2026.

ICRA takes comfort from the demonstrated track record of promoters for timely support over the years (~Rs. 100 crore infused by promoters during FY2021-FY2026) to meet any shortfall in the working capital requirements and fund its capex. AEL's profitability remains exposed to movement in key raw material prices across divisions and intense competition from the organised as well as unorganised players. AEL's operations remain exposed to the performance of real estate sector, which is inherently cyclical and exposes its operating income to any downturn in real estate demand.

The Stable outlook on long-term rating reflects ICRA's opinion that AEL is expected to benefit from the healthy operational profile with presence across four divisions and strong brand visibility of the Aparna Group in the Hyderabad market, which will support revenue growth and stable operating margins.

Key rating drivers and their description

Credit strengths

Diversified revenue profile across divisions – The company's consolidated revenues are expected to be Rs. 1,700-1,725 crore in FY2026 and is projected to witness 15-20% YoY growth in FY2027, supported by steady demand and enhanced capacities across its diversified business segments, including RMC, UPVC, facades and tiles. The operating margins are expected to remain in the range of 8.5-9.0% in FY2027 similar to FY2026.

Established presence and strong brand visibility of Aparna Group in Hyderabad real estate market – The Aparna Group, through its flagship entity, Aparna Constructions and Estates Private Limited (ACEPL, rated [ICRA]A+ (Stable)), enjoys strong brand recognition as a real-estate developer in the Hyderabad market with a demonstrated track record of delivering more than 30 million square feet (msf) of area over three decades. AEL serves as a backward-integrated entity for the Group in terms of manufacturing key building materials with 35-40% of sales contributed by the Aparna Group. The Group's established presence in the real estate market has helped the company to expand its product profile over the years. Further, AEL enjoys strong financial flexibility on the back of its parentage and the Group's long relationships with reputed lenders.

Integrated operations provide better quality and cost control – The company's operations are backward integrated with an in-house profile manufacturing unit for the UPVC division and feldspar and clay processing units for the tiles division at the Kakinada plant. This provides better control over cost and quality. The backward integration provides better control over cost, quality, and timely availability of the material for production.

Credit challenges

Sizeable working capital requirements with moderate debt protection metrics – AEL's working capital requirements remain high owing to a relatively elongated receivable cycle, coupled with the inventory holding requirements in the UPVC and tiles segments. This, along with debt-funded acquisition and capex plans, resulted in high debt levels for the company leading to moderate debt protection metrics. The leverage as measured by total debt/EBITDA stood at 2.8 times as of December 2025 and is expected to remain in the range of 2.5-3.0 times as of March 2027. Consequently, the coverage indicators are likely to remain moderate with interest cover of 4 times and DSCR to be around 1.7 times in FY2027.

Vulnerability of earnings to fluctuations in raw material prices and competition – AEL's profitability remains exposed to movement in key raw material prices across divisions and intense competition from organised as well as unorganised players. However, the strong brand visibility and established associations with key real-estate players helped the company become one of the major suppliers of RMC and UPVC in the region.

High dependence on performance of real estate sector – The demand for building materials especially RMC and UPVC depends on the performance of the real estate sector, which is inherently cyclical and exposes AEL's OI to any downturn in real estate demand. AEL's operations remain exposed to increased geographical and segmental concentration risks as its business prospects are linked to cyclicity associated with the real estate market in Hyderabad. However, expansion of the dealer network (for tiles and UPVC divisions) to other states and acquisition of GGPL in the Morbi region are likely to expand its market in North and West India, thus reducing the geographical concentration risk in the medium to long term.

Liquidity position: Adequate

AEL's liquidity position is Adequate. The working capital utilisation remains high, however, there is a demonstrated track record of promoters infusing equity towards the working capital requirements and margin for capex. The company is planning to enhance its working capital limits by Rs. 40 crore in H1 FY2027 to improve the liquidity buffer and support long-term growth prospects. The company has a capex plan of Rs. 45-50 crore in FY2027, which will be funded by debt and internal accruals. It has long-term debt repayment obligations of ~Rs. 48 crore for FY2027, which can be adequately serviced through estimated cash flow from operations.

Rating sensitivities

Positive factors – ICRA could upgrade AEL's ratings if the company demonstrates a healthy increase in scale of operations and earnings leading to an improvement of debt protection metrics and strengthening of liquidity position. Specific credit metrics that could lead to an upgrade include total debt/OPBITDA below 2.0 times on a sustained basis.

Negative factors – Pressure on AEL's ratings could arise if there is continuous pressure on profitability or if it undertakes any higher-than-anticipated debt-funded capex adversely impacting the debt protection metrics and liquidity position. Specific credit metrics that would lead to a downgrade would signify a DSCR lower than 1.4 times on a sustained basis.

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 consolidated financial statements of the rated entity. Please refer to Annexure III for details of consolidated entities.

About the company

Aparna Enterprises Ltd. (AEL) was incorporated in 1994 by Mr. S. Subrahmanyam Reddy and Mr. K. Sita Rama Raju. At present, it operates in four major segments – RMC, tiles, UPVC and facades. AEL was started as a tile distributor but ventured into RMC in 2006 with an installed capacity of 50.19 lakh cbm per annum as of December 2025. In 2008, AEL set up UPVC doors and windows unit with an installed capacity of 6 lakh sqm as of December 2025. In 2015, Aparna Profiles Private Limited was set up to manufacture UPVC profiles as backward integration to AEL's UPVC division. However, it was amalgamated into AEL in March 2023. The installed capacity of UPVC profiles is ~7,000 MT per annum.

In FY2017-2018, AEL set up a tiles manufacturing unit in Kakinada with double charge (DC) tiles and expanded the product portfolio to glazed vitrified tiles (GVT) in FY2022. The installed capacity of DC and GVT stands at 54.75 lakh square metres per annum (sqmpa) and 47.45 lakh sqmpa, respectively, as of December 2025. In 2019, Aparna-Craft Exteriors Private Limited was incorporated and operates on an asset-light model at Bachupally, Hyderabad. The company takes up orders for facades along with fabrication orders for aluminium windows. However, it was amalgamated into AEL in December 2025.

Key financial indicators (audited)

AEL (consolidated)	FY2024	FY2025	9M FY2026*
Operating income	1,580.2	1,666.0	1,265.7
PAT	25.9	27.9	43.2
OPBDIT/OI	8.5%	8.9%	8.9%
PAT/OI	1.6%	1.7%	3.4%
Total outside liabilities/Tangible net worth (times)	2.1	2.2	1.9
Total debt/OPBDIT (times)	3.1	2.9	2.8
Interest coverage (times)	3.5	3.5	4.0

Source: Company, ICRA Research; *Provisional numbers

All ratios are as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDITA: 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

Instrument	Type	Current (FY2027)		Chronology of rating history for the past 3 years					
		Amount rated (Rs. crore)	May 11, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Term loan	Long-term	115.91	[ICRA]A- (Stable)	-	-	Feb 17, 2025	[ICRA]A- (Stable)	Dec 05, 2023	[ICRA]A- (Stable)
				-	-			April 20, 2023	[ICRA]A- (Negative)
Cash credit	Long-term	260.00	[ICRA]A- (Stable)	-	-	Feb 17, 2025	[ICRA]A- (Stable)	Dec 05, 2023	[ICRA]A- (Stable)
				-	-			April 20, 2023	[ICRA]A- (Negative)
Non-fund based limits	Short-term	135.00	[ICRA]A2+	-	-	Feb 17, 2025	[ICRA]A2+	Dec 05, 2023	[ICRA]A2+
				-	-			April 20, 2023	[ICRA]A2+
Unallocated limits	Long-term	75.00	[ICRA]A- (Stable)	-	-	Feb 17, 2025	[ICRA]A- (Stable)	Dec 05, 2023	[ICRA]A- (Stable)
				-	-			April 20, 2023	[ICRA]A- (Negative)
Unallocated limits	Long-term/short-term	-	-	-	-	Feb 17, 2025	[ICRA]A- (Stable)/ [ICRA]A2+	Dec 05, 2023	[ICRA]A- (Stable)/ [ICRA]A2+
				-	-			April 20, 2023	[ICRA]A- (Negative)/ [ICRA]A2+

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10, 2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
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) (*)	SEBI
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/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, 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	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	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.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026, and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) 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 can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based – Term loan	Simple
Long-term – Fund-based – Cash credit	Simple
Short-term – Non-fund based	Simple
Long-term – Unallocated limits	NA

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 II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Long-term – Fund-based – Term loan	FY2021	NA	FY2029	115.91	[ICRA]A- (Stable)
NA	Long-term – Fund-based – Cash credit	NA	NA	NA	260.00	[ICRA]A- (Stable)
NA	Short-term – Non-fund based	NA	NA	NA	135.00	[ICRA]A2+
NA	Long-term – Unallocated limits	NA	NA	NA	75.00	[ICRA]A- (Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure III: List of entities considered for consolidated analysis

Company name	Ownership	Consolidation approach
Aparna Industries Limited	100.00%	Full Consolidation
Aparna Mines & Minerals (P) Ltd	100.00%	Full Consolidation
Aparna Transport LLP	51.00%	Full Consolidation
Aparna Global Vietnam Company Limited	100.00%	Full Consolidation
Greenzone Granito Private Limited (GGPL)*	100.00%	Full Consolidation

Source: Company Data, ICRA Research; *100% subsidiary with effect from February 2026

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