July 28, 2026

MMTC - Pamp India Private Limited: Ratings upgraded to [ICRA]AA- (Stable)/ [ICRA]A1+; rated amount enhanced

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial sector regulator#
Long-term Fund-based – Working Capital Facilities	670.85	-	-	RBI
Long-term Fund-based – Interchangeable	(800.00)	-	-	RBI
Short-term – Non-fund Based – Working Capital Facilities	2,635.00	-	-	RBI
Short-term – Non-fund Based – Interchangeable	(350.00)	-	-	RBI
Long-term/ Short-term – Non-fund Based – Working Capital Facilities	95.00	-	-	RBI
Long-term/ Short-term – Non-fund based – Interchangeable	(270.00)	-	-	RBI
Long-term/ Short-term – Unallocated Limits	606.15	-	-	RBI
Long-term/ Short-term – Fund-based/ Non-fund Based – Working Capital Facilities	-	6,007.00	[ICRA]AA- (Stable)/ [ICRA]A1+, upgraded from [ICRA]A+ (Stable)/ [ICRA]A1; assigned for enhanced amount	RBI
Total	**4,007.00**	**6,007.00**		

**Instrument details are provided in Annexure I*

 # 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.

Rationale

While assigning the ratings, ICRA has considered the consolidated financial statements of MMTC - Pamp India Private Limited (MPIPL), along with its wholly-owned subsidiary, PAMP Precision Manufacturing India Private Limited (PPMIPL), owing to the substantial operational, managerial and financial linkages between them. MPIPL has also extended a corporate guarantee towards the borrowings of PPMIPL.

The ratings upgrade factors in the significant growth in the scale of operations of MPIPL in FY2026, supported by robust ETF-linked demand, higher sales of branded minted products (coins and bars) as well as digital gold/silver. Notwithstanding the steep rise in the prices of precious metals in FY2026, sales volume of gold and silver increased by 40% and 73%, respectively, on a YoY basis. Consequently, the company's revenue grew by around 115% in FY2026 over the previous fiscal. Going forward, while revenue growth is expected to normalise from the exceptionally high level witnessed in FY2026, the company's established position in the domestic gold refining industry, strong linkages with the MKS PAMP Group, and favourable long-term demand outlook for gold in India are likely to support steady business growth.

Meanwhile, the ratings continue to factor in ICRA's expectation that MPIPL will continue to maintain its comfortable operating and financial performances over the medium term. ICRA notes that the operating profit margin (OPM) of MPIPL, on a consolidated basis, rose to 1.2% in FY2026 from 0.8% in FY2025, supported by better operating efficiencies and effective cost-control measures and a gradual shift in the business mix towards higher-margin consumer-oriented segments such as minted products and digital multi-metal plan. The company has consciously reduced its dependence on the low-margin bullion business, with its contribution to revenues declining to around 80% from over 90% over the last few years, aiding margin expansion. ICRA expects MPIPL's operating profit margin to sustain in the range of 0.8-0.9% p.a., supported by stable margin of the bullion business, amid volatile precious metal prices, and rising share of the higher-margin retail and digital gold businesses. The ratings continue to favourably factor in the company's healthy scale of operations with high quality standards, as reflected in its 'Good Delivery' accreditation of gold and silver by the London Bullion Market Association (LBMA), the only refinery in India to have such accreditation. Its strong technical and managerial linkages with the MKS PAMP Group also support the ratings. ICRA further notes the comfortable working capital intensity of operations, partly due to consignment-based import of gold dore and the company's risk management policies to mitigate its exposure to volatility in gold prices and foreign exchange rates, providing visibility on the profit margins.

The ratings are, however, constrained by the leveraged capital structure, as reflected in a high TOL/TNW of 6.51 times as on March 31, 2026, and its moderate coverage indicators, which are likely to remain relatively weaker than the rating category. However, the outside liabilities are largely against gold inventory, which is a highly liquid asset and aids in mitigating the risks to a large extent. Nevertheless, the company's profitability remains susceptible to regulatory risks, including changes in the import duty differential between refined gold and gold dore, which is the main source of profits for the company and remain a key monitorable.

The Stable outlook on the long-term rating reflects ICRA's opinion that MPIPL will continue to maintain its business position while sustaining the profitability level and generating adequate cash flows relative to its debt service obligations.

Key rating drivers and their description

Credit strengths

Significant rise in the scale of operations with a healthy market share – MPIPL operates a state-of-the-art refinery in Haryana with a sizeable refining capacity of 300 tonnes per annum (TPA) of gold, 600 TPA of silver and minting 25 lakh coins per year. It is the largest gold refiner in India with a volume output of more than 80 TPA in FY2026, accounting for around 10% of total gold imported into the country. MPIPL, on a consolidated level, reported a significant growth in the company's scale of operations in FY2026, supported by robust ETF-linked demand, higher sales of branded minted products (coins and bars) as well as digital gold/silver. Notwithstanding the steep rise in the prices of precious metals in FY2026, sales volume of gold and sliver increased by 40% and 73%, respectively, on a YoY basis. Consequently, the company's revenue grew by around 115% in FY2026 over the previous fiscal. Going forward, while revenue growth is expected to moderate from the exceptionally high level witnessed in FY2026, the company's established position in the domestic gold refining industry, strong linkages with the MKS PAMP Group, and favourable long-term demand outlook for gold in India are expected to support steady business growth.

Product diversification, leading to improvement in profitability – ICRA notes that MPIPL's OPM, on a consolidated basis, rose to 1.2% in FY2026 from 0.8% in FY2025, supported by better operating efficiencies and effective cost-control measures and a gradual shift in the business mix towards higher-margin consumer-oriented segments such as minted products and digital gold. The company has consciously reduced its dependence on the low-margin bullion business, with its contribution to revenues declining to around 80% from over 90% over the last few years, aiding margin expansion. ICRA expects MPIPL's OPM to sustain in the range of 0.8-0.9% p.a., supported by stable margins of the bullion business, and rising share of the higher-margin retail and digital gold businesses. The company's superior scale of operations and strong market share are likely to benefit its business through economies of scale. Moreover, the company's focus and expansion plans into the higher-margin retail segments, comprising coins, D2C business and digital gold products, are expected to support its margin profile over the medium-to-long term.

Linkages with the MKS PAMP Group support operations – MPIPL has strong operational and managerial linkages with its parent, MKS PAMP Group, which is among the largest refiners and traders of precious metals in the world, based out of the UK. The strong parentage offers technical expertise for gold refinery, access to global raw material sourcing network and managerial support through nominated board members, which support MPIPL's operations. The company's superior refining capabilities are reflected in its accreditation as 'Good Delivery' for gold and silver by LBMA. The MKS PAMP Group has also extended a letter of comfort to the lenders of MPIPL, which indicates the strength of linkages.

Comfortable working capital intensity of operations and adequate risk mitigation practices – MPIPL's working capital intensity of operations remains comfortable, as reflected in the low level of net working capital relative to the operating income over the last few fiscals, indicating a short cash conversion cycle. The company undertakes its business on a cash-and-carry basis, mitigating any material counterparty credit risk. The inventory, imported gold dore, is purchased on credit either through credit lines offered by the suppliers under the consignment model or is backed by the letters of credit. While gold and silver prices are prone to high volatility, the company mitigates the risk through importing raw materials on an unpriced basis and fixing the rates simultaneously with the suppliers and buyers at the time of sale. This natural hedge also mitigates the foreign exchange rate fluctuation risk. The price risk is also partly hedged through financial derivatives. The company's registration under the Manufacturing and Other Operations in Special Warehouse Regulations, 2020 (MOOSWR) since May 2023, resulted in reduction in the working capital requirements by enabling deferral of customs duty payments on imported gold until its clearance for domestic consumption, thereby supporting liquidity and operational flexibility.

Credit challenges

Leveraged capital structure and moderate coverage indicators – MPIPL's financial risk profile remains constrained by high leverage, as reflected by TOL/TNW of 6.5 times (consolidated) as on March 31, 2026, driven by significant creditors funding (largely LC-backed) and sizeable inventory-backed (digital multi-metal plan) customer advances, resulting in a high level of total outside liabilities (TOL). MPIPL's TOL/TNW would remain stretched and below the benchmark for the rating category, going forward. Nevertheless, the short working capital cycle on account of sizeable inventory under the consignment model and highly liquid nature of gold inventory provide comfort. ICRA notes that MPIPL's interest cover improved to 5.2 times in FY2026 due to a rise in the profitability. However, the same is likely to normalise and estimated to remain at a moderate level of 3.5-4.0 times in FY2027, and thereafter.

Revenue and margins remain exposed to regulatory risks and volatility in demand for gold – The primary source of profit for MPIPL is the duty differential between import of refined gold and gold dore (currently at 65 basis points). This exposes the company's business model to regulatory changes. Any unfavourable change in the duty structure, as witnessed in the past, could have a material adverse impact on the company's profitability. Moreover, demand for gold is highly correlated with price fluctuation wherein periods of high volatility could result in muted demand for gold, impacting the company's revenue.

Liquidity position: Adequate

The company, on a consolidated basis, generated positive cash flow from operations over the past few years primarily due to low working capital intensity of operations, which is likely to continue in the current fiscal as well. Despite a sizeable dividend payout, retained cash flows are estimated to remain positive in the current fiscal as well. The average fund-based working capital utilisation of the company stood at a low level during the past 15 months, ended in May 2026, leaving adequate buffer. MPIPL had sizeable, unencumbered cash/bank balance and liquid investments of around Rs. 1,521 crore as on March 31, 2026. The company has nominal long-term debt repayment obligations, including lease liabilities. In view of adequate cash flow from operations, surplus cash/bank balance, unutilised working capital limits, insignificant long-term debt repayment obligations and nominal capital expenditure of Rs. 25-30 crore largely towards automation and efficiency improvements, ICRA expects the overall liquidity position of the company to remain adequate, going forward.

Rating sensitivities

Positive factors – ICRA may upgrade the long-term rating if MPIPL demonstrates a sustained improvement in earnings and liquidity position, materially strengthening its coverage metrics.

Negative factors – Pressure on MPIPL's ratings could arise if there is any regulatory development, adversely impacting its business prospects. Any change in financial policy, including dividend policy, impacting the cash flows of the company and/or any adverse change in the risk management practices, which may have a bearing on its credit profile, could also result in ratings downgrade.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of MPIPL, including its wholly-owned subsidiary, which is enlisted in Annexure – II

About the company

MMTC – Pamp India Private Limited (MPIPL) is a joint venture between MMTC Limited (owning a 26.00% stake; a mini-ratna PSU) and PAMP Ventures SA (holding a 72.65% stake; a part of the MKS PAMP Group). The company is the largest refiner of gold and silver in India with a capacity to process 300 metric tonnes per year of gold, 600 metric tonnes per year of silver and mint 25 lakh coins per year. It is the only refiner in India to have 'Good Delivery' accreditation for gold and silver by the London Bullion Makers Association. At present, MPIPL has one wholly-owned subsidiary, namely Pamp Precision Manufacturing India Private Limited (PPMIPL).

PPMIPL was incorporated in 2020 and the company commenced its operations with the manufacturing of electrical contacts/ silver wire/anodes in FY2022. In FY2024, the management of PPMIPL decided to wind up its electrical contacts manufacturing division. Accordingly, the company diversified its business into refining/recovery/processing of precious metals from various inputs like sludge, ashes and sweeps, e-waste etc. The manufacturing facilities of the company are located in Haryana. Apart from equity investment, MPIPL extended loans/advances to PPMIPL to support its operations. MPIPL has also extended legally enforceable, irrevocable, unconditional corporate guarantee in favour of PPMIPL for availing bank facilities of Rs. 25 crore.

Earlier, MPIPL had another wholly-owned subsidiary, PAMP Speciality Services Private Limited (PSSPL). The entity has voluntarily liquidated itself in FY2026 and the invested capital has been recovered by the parent.

Key financial indicators (audited)

MPIPL	Standalone			Consolidated		
	FY2024	FY2025	FY2026	FY2024	FY2025	FY2026
Operating income	37,870.1	37,365.8	80,231.6	37,868.4	37,358.5	80,237.6
PAT	476.8	65.8	674.3	464.4	107.2	667.6
OPBDIT/OI	2.0%	0.8%	1.2%	2.0%	0.8%	1.2%
PAT/OI	1.3%	0.2%	0.8%	1.2%	0.3%	0.8%
Total outside liabilities/Tangible net worth (times)	2.8	6.6	6.5	2.9	6.5	6.5
Total debt/OPBDIT (times)	0.0	0.0	0.0	0.0	0.0	0.0
Interest coverage (times)	8.4	2.3	5.2	8.5	2.2	5.2

Source: MMTC – Pamp India Private Limited, ICRA Research; 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 ratings (FY2027)	Chronology of rating history for the past 3 years					
				FY2026		FY2025		FY2024	
Instrument	Type	Amount rated (Rs. crore)	Jul 28, 2026	Date	Rating	Date	Rating	Date	Rating
Issuer Rating	Long Term	-	-	May 09, 2025	[ICRA]A+ (Stable), withdrawn	Jul 17, 2024	[ICRA]A+ (Stable)	Mar 31, 2024	[ICRA]A+ (Stable)
Fund-based – Working Capital Facilities	Long Term	-	-	May 09, 2025	[ICRA]A+ (Stable)	Jul 17, 2024	[ICRA]A+ (Stable)	Mar 31, 2024	[ICRA]A+ (Stable)
			-	Nov 20, 2025	[ICRA]A+ (Stable)	-	-	-	-
Fund-based – Interchangeable	Long Term	-	-	May 09, 2025	[ICRA]A+ (Stable)	Jul 17, 2024	[ICRA]A+ (Stable)	Mar 31, 2024	[ICRA]A+ (Stable)
			-	Nov 20, 2025	[ICRA]A+ (Stable)	-	-	-	-
Non-fund Based – Working Capital Facilities	Short Term	-	-	May 09, 2025	[ICRA]A1	Jul 17, 2024	[ICRA]A1	Mar 31, 2024	[ICRA]A1
			-	Nov 20, 2025	[ICRA]A1	-	-	-	-
Non-fund Based – Interchangeable	Short Term	-	-	May 09, 2025	[ICRA]A1	Jul 17, 2024	[ICRA]A1	Mar 31, 2024	[ICRA]A1
			-	Nov 20, 2025	[ICRA]A1	-	-	-	-
Non-fund Based – Working Capital Facilities	Long Term/ Short Term	-	-	May 09, 2025	[ICRA]A+ (Stable)/ [ICRA]A1	Jul 17, 2024	[ICRA]A+ (Stable)/ [ICRA]A1	Mar 31, 2024	[ICRA]A+ (Stable)/ [ICRA]A1
			-	Nov 20, 2025	[ICRA]A+ (Stable)/ [ICRA]A1	-	-	-	-
Non-fund Based – Interchangeable	Long Term/ Short Term	-	-	May 09, 2025	[ICRA]A+ (Stable)/ [ICRA]A1	Jul 17, 2024	[ICRA]A+ (Stable)/ [ICRA]A1	Mar 31, 2024	[ICRA]A+ (Stable)/ [ICRA]A1
			-	Nov 20, 2025	[ICRA]A+ (Stable)/ [ICRA]A1	-	-	-	-
Unallocated Limits	Long Term/ Short Term	-	-	May 09, 2025	[ICRA]A+ (Stable)/ [ICRA]A1	Jul 17, 2024	[ICRA]A+ (Stable)/ [ICRA]A1	Mar 31, 2024	[ICRA]A+ (Stable)/ [ICRA]A1
			-	Nov 20, 2025	[ICRA]A+ (Stable)/ [ICRA]A1	-	-	-	-
Fund-based/Non-fund-based – Working Capital Facilities	Long Term/ Short Term	6,007.00	**[ICRA]AA- (Stable)/ [ICRA]A1+**	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term/ Short-term – Fund-based/ Non-Fund-based – Working Capital Facilities	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	Financial sector regulator#
NA	**Fund-based/ Non-Fund-based – Working Capital Facilities**	NA	NA	NA	6,007.00	[ICRA]AA- (Stable)/ [ICRA]A1+	RBI

Source: MMTC - Pamp India Private Limited

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

Annexure II: List of entities considered for consolidated analysis

Company Name	MPIPL's Ownership	Consolidation Approach
PAMP Precision Manufacturing India Private Limited	100.00%	Full Consolidation

Source: MMTC - Pamp India Private Limited

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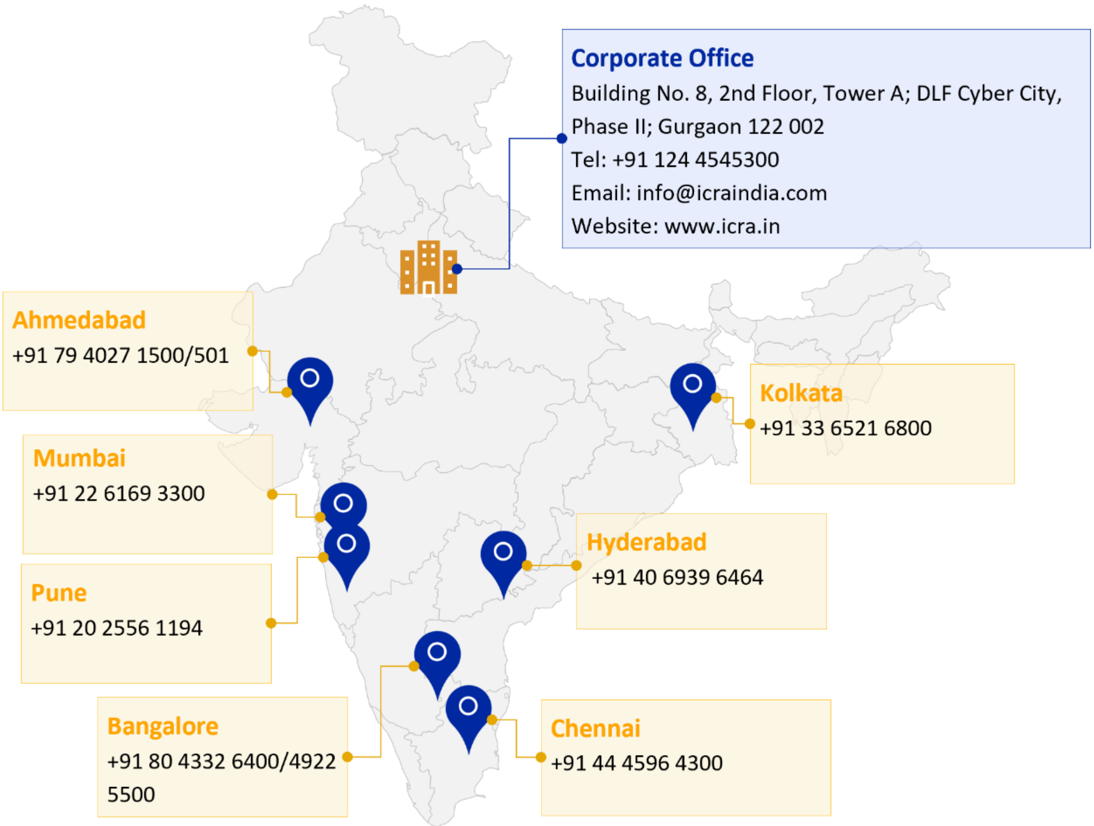

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