

## Maheshwari Logistics Limited

October 14, 2026

### Rating Action

|                                                                                                                                                                                                                                       |                                                             |                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------------|
| <b>Total Bank Loan Facilities Rated</b>                                                                                                                                                                                               | <b>Rs. 291.88 Crore<br/>(Reduced from Rs. 292.20 crore)</b> | <b>Regulator<sup>^</sup></b> |
| <b>Long Term Rating</b>                                                                                                                                                                                                               | <b>IVR A-/Stable (Rating Reaffirmed)</b>                    | <b>RBI</b>                   |
| <b>Short Term Rating</b>                                                                                                                                                                                                              | <b>IVR A2+ (Rating Reaffirmed)</b>                          | <b>RBI</b>                   |
| <sup>^</sup> 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. |                                                             |                              |

Refer Annexures for details of facilities/instruments, facility wise lender details, and detailed explanation of covenants.

**Note:** None of the Directors on Infomerics Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

### Rationale

Infomerics Ratings has reaffirmed the rating assigned to the bank facilities of Maheshwari Logistics Limited (MLL). The rating continues to derive strength from diversified revenue profile supporting resilience in scale of operations, moderate but stable operating profitability and extensive experience of the promoters in the industry. However, the rating strengths are partially offset by moderate capital structure with adequate debt coverage metrics, exposure to commodity price and input cost volatility and intense competition.

### Outlook: Stable

The stable outlook reflects expected stable scale of operations supported by diversified businesses.

### Analytical Approach

| <b>Approach</b>           | <b>Comments</b> |
|---------------------------|-----------------|
| Consolidation/ Standalone | Standalone      |
| Parent/ Group Support     | Not Applicable  |

List of companies considered for consolidation/combined analysis is given at Annexure 4.

## Key Rating Drivers with Detailed Description

### Strengths

#### **Diversified revenue profile supporting resilience in scale of operations**

MLL has a diversified business profile with presence across trading (coal, pet coke and wastepaper), manufacturing of Kraft paper, logistics and Mahindra & Mahindra (M&M) commercial vehicle dealership (vehicle sales, spare parts and servicing) segments. During FY 2026 (refers to the period April 01 to March 31), the company registered total operating income (TOI) of Rs. 1,066.49 crore, an increase of 12.29%, from Rs. 949.81 crore in FY2025. Coal sales remained the largest contributor to the company's total operating income accounting for ~45% (PY: ~39%), followed by Kraft paper manufacturing and wastepaper trading at ~29% (PY: ~35%), logistics at ~11% (PY: ~12%), commercial vehicle sales, spare parts and service at ~9% (PY: ~9%) and pet coke sales at ~5% (PY: ~4%). The presence across multiple business segments provides some diversification in revenue streams and mitigates the impact of volatility or moderation in any one segment. This was demonstrated in FY 2026, wherein the ~6% decline in revenue from the paper segment was largely offset by higher coal sales, which increased to Rs. 483.70 crore from Rs. 373.15 crore in FY 2025. Further, the commercial vehicle dealership has scaled up, increasing its contribution to TOI from ~2% in FY 2024 to ~9% in FY 2025 and FY 2026, thereby strengthening the company's revenue diversification.

#### **Moderate but stable operating profitability**

The company has maintained moderate but stable operating profitability, with EBITDA remaining broadly stable at Rs. 65.02 crore in FY 2026 compared with Rs. 65.03 crore in FY 2025, despite EBITDA margin moderating to 6.10% in FY 2026 from 6.85% in FY 2025. The moderation in margin was primarily due to lower contribution from the Kraft paper segment amid correction in average Kraft paper realisations, the planned shutdown of the Kraft paper plant for turbine installation and a higher share of the relatively lower-margin trading segment. Despite these factors, the company maintained its operating EBITDA, supported by growth in coal sales and contribution from its diversified business segments. Further, EBITDA remained broadly stable in Q1FY 2027 at Rs. 15.76 crore (Q1FY 2026: Rs.16.94 crore) despite lower operating income of Rs. 234.85 crore in Q1FY 2027 vis a vis Rs.256.31 crore in Q1FY26, supported by the resumption of operations at the paper plant. With the paper plant having recorded its highest production and dispatch levels in August 2026, operating profitability is expected to remain stable going forward.

#### **Extensive experience of the promoters in the industry**

The promoters of MLL have long standing business experience of more than decades in the field of paper, logistics and in coal transportation. Business experience of the promoters supports the business risk profile of the company to an extent.

## Weaknesses

### **Moderate capital structure with adequate debt coverage metrics**

The company's financial risk profile remained moderate, despite marginal improvement in its capital structure during FY2026. Tangible net worth increased to Rs. 212.22 crore as on March 31, 2026, from Rs. 195.38 crore as on March 31, 2025, supported by accretion to reserves. Total debt increased marginally to Rs. 259.82 crore as on March 31, 2026, from Rs.250.41 crore as on March 31, 2025. Consequently, adjusted gearing improved to 1.25x as on March 31, 2026, from 1.31x as on March 31, 2025, while TOL/ATNW improved to 1.96x as on March 31, 2026 from 2.04x as on March 31, 2025. Debt coverage metrics remained adequate, with interest coverage at 1.95x in FY2026 and debt service coverage ratio (DSCR) at 1.03x in FY2026. Going forward, the financial risk profile is expected to remain moderate.

### **Exposure to commodity price and input cost volatility**

The company remains exposed to volatility in raw material and traded commodity prices. MLL does not have long-term supply agreements for procurement of wastepaper and is therefore dependent on prevailing market prices. Further, a significant portion of its revenue is derived from coal and pet coke trading, where prices remain susceptible to fluctuations in market conditions. The company also supplements its own fleet by hiring trucks from various parties for its logistics operations, exposing it to fluctuations in transportation costs. Any adverse movement in wastepaper, coal and pet coke prices or increase in truck hire charges could exert pressure on margins, particularly given the competitive nature of the company's operating segments and limited pricing flexibility.

### **Intense competition**

The company operates in fragmented and competitive markets, particularly across coal trading, Kraft paper and logistics, with the presence of several organised and unorganised players. The relatively low entry barriers in these segments result in intense competition and constrain the company's pricing flexibility. Further, the limited value addition in its trading activities restricts its ability to pass on adverse movements in input or traded commodity prices, thereby exerting pressure on margins. In addition, the coal trading business remains subject to government regulations and policies, and any adverse changes in the regulatory framework could impact the company's business risk profile.

## Liquidity – Adequate

The company's liquidity position is expected to remain adequate, supported by sufficient cash accruals against its scheduled debt repayments in the projected FY2027-FY2029. However, the working capital-intensive nature of operations, as reflected in high average utilisation of fund-based working capital limits of 86.41% during the 12-month period ended August 2026, leaves

limited headroom in the available working capital facilities. The company had cash and bank balances of Rs.7.17 crore as on March 31, 2026.

### Rating Sensitivities

#### Upward Factors

- Significant and sustained growth in scale of operations with improvement in profitability metrics.
- Improvement in the debt coverage metrics with ISCR & DSCR remaining above 2.5x & 1.5x respectively on sustained basis.

#### Downward Factors

- Deterioration in the scale of operations & profitability impacting the debt coverage indicators
- Deterioration in the capital structure with TOL/TNW exceeding 2.5x and interest coverage below 1.5x on sustained basis, and/or elongation in the operating cycle.

### About the Company

Maheshwari Logistics Limited was incorporated in 2006 as a private limited company by Mr. Vinay Maheshwari and Mr. Neeraj Maheshwari in Gujarat. The company was initially engaged in providing logistics service and trading of coal and waste papers. During 2015-16, the company ventured into manufacturing of Kraft papers. In December 2016, the company changed its constitution and became a public limited company. Presently, MLL is operating in four business segments, logistics, trading, manufacturing of Kraft paper and M&M dealership, which is a newly added business segment in December 2023.

#### Key Financial Indicators (Standalone):

| For the year ended/ As on* | 31-03-2025     | 31-03-2026     |
|----------------------------|----------------|----------------|
|                            | <b>Audited</b> | <b>Audited</b> |
| Total Operating Income     | 949.81         | 1066.49        |
| EBITDA                     | 65.03          | 65.02          |
| PAT                        | 17.56          | 16.35          |
| Total Debt                 | 250.41         | 259.82         |
| Tangible Net Worth (TNW)   | 195.38         | 212.22         |
| EBITDA Margin (%)          | 6.85           | 6.10           |
| PAT Margin (%)             | 1.84           | 1.52           |
| Overall Gearing (times)    | 1.28           | 1.22           |
| Interest Coverage (times)  | 2.09           | 1.95           |

\*Classification as per Infomerics' standards; Amount in Rs. Crore; Source: company.

### Applicable Criteria

[Rating Methodology for Manufacturing Companies.](#)

[Rating Methodology for Trading Companies.](#)

[Rating Methodology for Service Sector Companies.](#)

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

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

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

[Policy of Withdrawal of rating](#)

**Status of non-cooperation with previous CRA:** Nil

**Any other information:** Nil

### Rating History for last three years

| Sr. No. | Instruments / Facilities  | Current Ratings (Year 2026-27) |                                |               | Rating History for the past 3 years     |                                         |                                         |
|---------|---------------------------|--------------------------------|--------------------------------|---------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|
|         |                           | Type                           | Amount outstanding (Rs. Crore) | Rating        | Date(s) & Rating(s) assigned in 2025-26 | Date(s) & Rating(s) assigned in 2024-25 | Date(s) & Rating(s) assigned in 2023-24 |
|         |                           |                                |                                |               | Sep 22, 2025                            | Aug 23, 2024                            | Jul 24, 2023                            |
| 1.      | Fund-based facilities     | LT                             | 179.88                         | IVR A-/Stable | IVR A-/Stable                           | IVR A-/Stable                           | IVR A-/Stable                           |
| 2.      | Non-Fund based facilities | ST                             | 112.00                         | IVR A2+       | IVR A2+                                 | IVR A2+                                 | IVR A2+                                 |

### Annexure 1: Instrument/Facility Details

| Name of Facility  | IS IN | Date of Issuance | Coupon Rate/IRR | Maturity Date | Size of Facility (Rs. Crore) | Rating Assigned/Outlook | Listing Status | Regulator^ | Complexity Indicator |
|-------------------|-------|------------------|-----------------|---------------|------------------------------|-------------------------|----------------|------------|----------------------|
| GECL              | --    | --               | --              | July 2027     | 2.30                         | IVR A-/Stable           | NA             | RBI        | Simple               |
| ECLGS 5.0         | --    | --               | --              | June 2031     | 12.00                        | IVR A-/Stable           | NA             | RBI        | Simple               |
| SLC               | --    | --               | --              | --            | 3.00                         | IVR A-/Stable           | NA             | RBI        | Simple               |
| Cash Credit       | --    | --               | --              | --            | 82.00                        | IVR A-/Stable           | NA             | RBI        | Simple               |
| LC                | --    | --               | --              | --            | 78.00                        | IVR A2+                 | NA             | RBI        | Simple               |
| CEL               | --    | --               | --              | --            | 4.00                         | IVR A2+                 | NA             | RBI        | Simple               |
| Term Loan         | --    | --               | --              | Jun 2029      | 10.51                        | IVR A-/Stable           | NA             | RBI        | Simple               |
| WCTL              | --    | --               | --              | July 2031     | 1.49                         | IVR A-/Stable           | NA             | RBI        | Simple               |
| Inventory Funding | --    | --               | --              | --            | 7.50                         | IVR A-/Stable           | NA             | RBI        | Simple               |
| WCTL              | --    | --               | --              | Jan 2027      | 2.00                         | IVR A-/Stable           | NA             | RBI        | Simple               |
| ECLGS 5.0         | --    | --               | --              | July 2031     | 4.93                         | IVR A-/Stable           | NA             | RBI        | Simple               |
| WCDL/OD           | --    | --               | --              | --            | 25.00                        | IVR A-/Stable           | NA             | RBI        | Simple               |
| Term Loan         | --    | --               | --              | Mar 2028      | 20.60                        | IVR A-/Stable           | NA             | RBI        | Simple               |



| Name of Facility | IS IN | Date of Issuance | Coupon Rate/IRR | Maturity Date | Size of Facility (Rs. Crore)        | Rating Assigned/ Outlook | Listing Status | Regulator^ | Complexity Indicator |
|------------------|-------|------------------|-----------------|---------------|-------------------------------------|--------------------------|----------------|------------|----------------------|
| GECL             | --    | --               | --              | Oct 2026      | 3.60                                | IVR A-/Stable            | NA             | RBI        | Simple               |
| Dealer Finance   | --    | --               | --              | --            | 4.95                                | IVR A-/Stable            | NA             | RBI        | Simple               |
| Bill Discounting | --    | --               | --              | --            | 25.00                               | IVR A2+                  | NA             | RBI        | Simple               |
| Bill Discounting | --    | --               | --              | --            | 5.00                                | IVR A2+                  | NA             | RBI        | Simple               |
| Bill Discounting | --    | --               | --              | --            | 0.00*(Reduced from Rs. 10.00 crore) | Withdrawn                | NA             | RBI        | Simple               |

\*The company has submitted No Due Certificates (NDCs) from the lenders and a request for the withdrawal of the facilities which is in line with the Infomerics Withdrawal Policy.

^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.

#### Annexure 2: Facility wise lender details:

[https://infomericstorage.blob.core.windows.net/uploads/Len\\_Maheshwari\\_Log14\\_Oct26\\_556bdf06f.pdf](https://infomericstorage.blob.core.windows.net/uploads/Len_Maheshwari_Log14_Oct26_556bdf06f.pdf)

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

**Annexure 4: List of companies considered for Consolidated/Combined analysis:** Not Applicable

#### Annexure 5: List of activities / instruments and names of regulators

| Sr. No. | Instrument / activity Name                                                           | Regulator of the instruments |
|---------|--------------------------------------------------------------------------------------|------------------------------|
| 1       | Listed/Proposed to be listed bonds/debentures/preference share (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                          |
| 11a     | Fixed Deposits raised by NBFCs, HFCs, FIs                                            | RBI                          |
| 11b     | Fixed Deposits raised by Banks                                                       | +                            |

| Sr. No. | Instrument / activity Name                                                                                  | Regulator of the instruments                   |
|---------|-------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| 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 (for Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/Fis)                   | +                                              |
| 22      | Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))     | SEBI                                           |
| 23      | Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/Preference share (all securities)) | MCA                                            |
| 24      | Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *                        | Investor-side regulator such as IRDAI, PFRDA @ |

**Footnotes:**

\* 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), Infomerics Valuation and Rating Limited 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 regulatory regime prior to introduction of 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.

+ To be finalized following a discussion with the regulatory authorities.

**Note:** 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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