BHAGYANAGAR INDIA LIMITED

ISO-9001-2008 Certified Company

Surana Group

Registered Office :
Plot No. 9/13/1 & P-9/14, I.D.A. Nacharam,
Hyderabad -500 076. Telangana, India.
Tel. : +91 40 27152861, 27151278
Fax : +91 40 27172140, 27818868
Email : bil@surana.com
Website : www.bhagyanagarindia.com
CIN No. : L27201TG1985PLC012449

BIL/SECT/53/2026-27 **Date: 29th September, 2026**

The Secretary, National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051 **Scrip Code: BHAGYANGR**	The Secretary, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 **Scrip Code: 512296**

Dear Sir/Madam,

Subject: Intimation of Credit Rating assigned to Wholly Owned Subsidiary

Reference: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that ICRA Limited ("ICRA") has assigned the credit ratings in respect of the bank facilities of Bhagyanagar Copper Private Limited, a wholly owned subsidiary of the Company.

The details of the credit ratings assigned by ICRA are as follows:

Particulars	**Details**
Name of the Company	Bhagyanagar Copper Private Limited
Nature of Relationship	Wholly Owned Subsidiary
Instrument / Facility	Long-term Fund-based – Bank facilities
Rated Amount	Rs. 654 Crore
Rating	[ICRA]A-; Rating on watch owing to the ongoing demerger process

The rating reflects ICRA Ratings' assessment of the Company's strong business and financial risk profile, established market position in the industry, diversified business profile, strong risk management framework, healthy financial profile and positive growth prospects including increasing contribution from value-added prodects.

The rating letter received from ICRA is attached as an Annexure.

The above information is also being made available on the Company's website at www.bhagyanagarindia.com.

Kindly take the same on record.
Thanking you,

Yours faithfully,
For **BHAGYANAGAR INDIA LIMITED**

DEVENDRA SURANA

DEVENDRA SURANA
MANAGING DIRECTOR
DIN-00077296

BHAGYANAGAR INDIA LIMITED

ICRA
Insights that empower

ICRA/Bhagyanagar Copper Private Limited/28092026/1

Date: September 28, 2026

Mr. Surendra Bhutoria
Chief Financial Officer
Bhagyanagar Copper Private Limited
5th Floor, Surya Towers, Sardar Patel Road,
Secunderabad - 500003, Telangana

Dear Sir,

Re: ICRA's Credit Rating for below mentioned Instruments of Bhagyanagar Copper Private Limited

As per the Rating Agreement/Statement of Work executed with ICRA Limited, ICRA's Rating Committee has taken the following rating actions for the mentioned instruments of your company.

Instrument	Rated Amount (Rs. crore)	Rating Action[1]	Financial Sector Regulator[#]
Long term – Fund-based – Others	595.00	[ICRA]A- Rating Watch with Developing Implications; assigned	RBI
Long-term Fund-based – Term loan	59.00	[ICRA]A- Rating Watch with Developing Implications; assigned	RBI
Total	**654.00**		

[#]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.

The aforesaid rating(s) will become due for surveillance within one year from the date of rating communication letter. However, ICRA reserves the right to review and/or, revise the above rating(s) at any time based on new information becoming available, or the required information not being available, or other circumstances that ICRA believes could have an impact on the rating(s). Therefore, request the lenders and investors to visit ICRA website at www.icra.in for latest rating(s) of the company.

The rating(s) are specific to the terms and conditions of the instruments as indicated to us by you, and any change in the terms or size of the same would require a review of the rating(s) by us. In case there is any change in the terms and conditions or the size of the rated instrument, the same must be brought to our notice before the instrument is used by you. In the event such changes occur after the rating(s) have been assigned by us and their use has been confirmed by you, the rating(s) would be subject to our review, following which there could be a change in the rating(s) previously assigned. Notwithstanding the foregoing, any change in the over-all limit of the instrument from that specified in this letter, would constitute an enhancement that would not be covered by or under the said Rating Agreement.

The rating(s) assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated instrument availed/issued by your company.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of

[1] Complete definitions of the ratings assigned are available at www.icra.in.

any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s), or occurrence of any significant development that could impact the ability of the company to raise funds such as restriction imposed by any authority from raising funds through issuance of debt securities through electronic bidding system. Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We look forward to your communication and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited

ANKIT JAIN

Digitally signed by ANKIT JAIN
Date: 2026.09.28 18:33:31 +05'30'

Ankit Jain
Vice President and Co-Group Head
ankit.jain@icraindia.com

Annexure

Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale)	Amount (Rs. crore)	Rating	Rating Assigned On
	Fund Based Limits	[ICRA]A- Rating Watch with Developing Implications	September 25, 2026
HDFC Bank Limited	195.00		
YES Bank Limited	100.00		
HSBC Limited	75.00		
Kotak Mahindra Bank Limited	65.00		
Axis Bank Limited	40.00		
State Bank of India	20.00		
Proposed Fund Based Limits	100.00		
Total	**595.00**		

Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale)	Amount (Rs. crore)	Rating	Rating Assigned On
	Term Loans	[ICRA]A- Rating Watch with Developing Implications	September 25, 2026
HDFC Bank Limited	27.00		
HSBC Limited	3.00		
Kotak Mahindra Bank Limited	14.50		
Axis Bank Limited	14.50		
Total	**59.00**		

September 29, 2026

Bhagyanagar Copper Private Limited: [ICRA]A- Rating Watch with Developing Implications; assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action	Financial sector regulator#
Long-term – Fund-based – Others	595.00	[ICRA]A-; Rating Watch with Developing Implications; assigned	RBI
Long-term Fund-based – Term loan	59.00	[ICRA]A- Rating Watch with Developing Implications; assigned	RBI
Total	**654.00**		

**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

The ratings have been placed on 'Watch with Developing Implications' owing to the ongoing demerger of Bhagyanagar India Limited's (BIL) copper business (under Bhagyanagar Copper Private Limited, or BCPL) into a separate, standalone listed entity, Tieramet Limited. BCPL will amalgamate into BIL upon demerger and the entire copper business, including manufacturing assets and operations, will be housed under Tieramet Limited and listed separately on the stock exchanges. The scheme has received approvals from shareholders, lenders and regulatory authorities, while the National Company Law Tribunal (NCLT) has also approved the transaction. The transaction is expected to be concluded by October 2026. ICRA will continue to monitor the development of the demerger process and the timelines involved, and will take appropriate action, as required.

The assigned ratings favourably factor in BCPL's improved business profile, reflected in strong growth in revenues and profitability over the last 12-18 months. The company's revenue growth has been supported by healthy volume expansion and increasing demand from high-growth end-user segments such as power transmission, renewable energy, data centres and automotive applications. BCPL has successfully executed its strategic transition towards higher-margin value-added products (VAPs), with the contribution from VAPs increasing to nearly 60% of revenues in FY2026. Consequently, the company's operating profitability has improved materially, as reflected in the increase in per kg to almost Rs. 60/kg in Q4 FY2026 and over Rs. 70/kg in Q1 FY2027 from less than Rs. 25/kg in FY2025. The profitability improvement has been driven by a richer product mix, reduced dependence on low-margin commodity and billet products, operational efficiency gains, higher copper LME (London Metal Exchange) prices and partial benefits from the reduction in import duty on copper scrap. ICRA notes that the company's healthy revenue visibility, increasing share of VAPs and favourable demand outlook from energy transition and electrification-related sectors are expected to support its business performance over the medium term.

The ratings also continue to derive comfort from BCPL's established presence in the copper products industry, diversified customer and end-user profile, integrated scrap-based manufacturing operations, prudent hedging practices that mitigate commodity price risks, and the extensive experience of the Surana Group promoters. The company's financial risk profile has strengthened further, aided by improvement in internal accruals, healthy capital structure, recent equity infusion of about Rs. 52 crore into BIL (extended to BCPL as unsecured loans) and limited debt-funded capex requirements with around Rs. 40 crore of planned capex over the next two years. The company's debt protection metrics are also expected to strengthen further in FY2027, with interest coverage improving to about 5.0 times from around 3.0 times in FY2026, supported by higher earnings generation and limited debt-funded capex requirements. The ratings, however, remain constrained by the exposure to raw material availability and global copper market dynamics, fluctuations in copper prices, susceptibility of margins to changes in product mix and the working capital intensive nature of operations. Despite these challenges, ICRA expects BCPL's credit profile to remain supported by improving profitability, comfortable coverage indicators and prudent working capital management.

BCPL will continue to benefit from the extensive experience of its promoter and its higher focus on the VAPs segment.

Key rating drivers and their description

Credit strengths

Vast experience of promoters and established presence in copper downstream industry – BCPL benefits from the extensive industry experience of its promoters, who have been associated with the copper business for over three decades. The company operates two manufacturing facilities in Telangana with an aggregate installed capacity of 35,000 MTPA. The company has established a strong presence in the copper downstream industry, supported by enduring relationships with customers across the power, electrical equipment, transformer, automotive and engineering sectors. Further, the promoters' technical expertise across product categories, and a demonstrated ability to navigate commodity price cycles, continues to support operational stability and business growth.

Favourable demand prospects to support revenue and profitability growth – The demand outlook for copper products remains favourable, supported by increasing investments in power transmission and distribution, renewable energy, electric vehicles, transformers, data centres and broader electrification initiatives. The company has demonstrated healthy growth, with operating income increasing at a CAGR of about 15% between FY2023 and FY2026, while sales volumes remained robust at 24,654 MT in FY2026. Further, the company has been witnessing increasing traction in copper-intensive applications such as busbars, transformers, motors and renewable energy equipment. Supported by these structural demand drivers, ICRA expects volume growth of 15-20% annually over the medium term, which, along with a rising share of value-added products, is expected to support revenue growth and profitability.

Established market position in copper processing, with increasing focus on high-value products – The company has an established position in secondary copper processing, supported by a diversified portfolio comprising copper rods, busbars, flats, strips, paper-insulated conductors, enamelled wires and continuously transposed conductors. Its strategic shift towards VAPs is reflected in their share of sales volume increasing from 26% in FY2023 to 59% in FY2026, while their revenue contribution increased to over 60%. Revenue from busbars increased to Rs. 818 crore in FY2026 from around Rs. 507 crore in FY2025, while revenue from motor and transformer applications rose to Rs. 228 crore from Rs. 126 crore. Consequently, OPBDITA increased to nearly Rs. 105 crore in FY2026 from about Rs. 36 crore in FY2025, while EBITDA per kg improved from less than Rs. 25 in FY2025 to around Rs. 60 in Q4 FY2026 and over Rs. 70 in Q1 FY2027.

Credit challenges

Working capital nature of business – The company's operations remain inherently working capital intensive owing to the need to maintain adequate inventories of copper scrap and extend credit to a diversified customer base. Consequently, inventory and receivable levels remained elevated at around 37 days and 31 days, respectively, in FY2026. Further, the creditor days remain modest at 5-6 days, reflecting the nature of the import procurement cycle. As a result, the company's working capital intensity remains moderate, with NWC/OI at around 17.5% in FY2026.

Profitability remains exposed to fluctuations in copper prices and change in product mix – Although the company follows prudent hedging practices and largely operates on a conversion-margin model, its profitability remains susceptible to fluctuations in copper prices, changes in scrap discounts and shifts in product mix. The significant improvement in operating profitability in recent periods has been driven by the increasing contribution of VAPs, which accounted for around 59% of volumes and over 60% of revenues in FY2026, compared to 26% of volumes in FY2023. Any moderation in the share of higher-margin VAPs, adverse movements in copper spreads or heightened competitive intensity could exert pressure on profitability.

Risks associated with scrap availability – Copper scrap is the principal raw material for the company and its operations remain exposed to fluctuations in scrap availability, quality and pricing. While the company mitigates this risk through a diversified sourcing network spanning more than 30 countries across North America, South America, Europe and Australia, the business remains vulnerable to disruptions arising from trade restrictions, geopolitical developments, logistics bottlenecks and changes in global scrap flows. Further, structural tightness in global copper markets and increasing competition for recyclable copper could impact scrap availability and procurement costs. Any sharp increase in scrap prices, without a commensurate increase in product realisations, or a narrowing of scrap discounts to LME prices could compress the company's conversion spreads and exert pressure on profitability.

Liquidity position: Adequate

Bank limit utilisation averaged a moderate 74% for the six months through August 2026. Expected cash accrual of over Rs. 90 crore should comfortably cover the company's term debt obligation of around Rs. 7.0 crore in FY2027. In addition, it will act as a cushion to the liquidity of the company. The promoters are likely to continue extending support in the form of equity and unsecured loans to meet the working capital requirements and repayment obligations.

Rating sensitivities

Positive factors – The rating watch may be resolved once more clarity emerges on the allocation of assets and liabilities across the Group entities. The ratings could be upgraded if the company demonstrates a significant increase in revenues and profitability and a strengthened net worth position, while maintaining healthy debt coverage indicators and liquidity. A specific trigger for an upgrade would be interest coverage above 6.0 times on a sustained basis.

Negative factors – Pressure on BCPL's ratings could arise in case of a lower-than-anticipated improvement in earnings, resulting in a deterioration of the consolidated credit metrics and liquidity profile. Also, any large debt-funded capex adversely impacting the leverage would be a credit negative. A specific trigger for downgrade would be an interest coverage below 4.0 times on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	None
Consolidation/Standalone	Standalone

About the company

Bhagyanagar Copper Private Limited, a wholly-owned subsidiary of Bhagyanagar India Limited and part of the Hyderabad-based Surana Group, is among India's large, secondary copper manufacturers. The company produces a diversified range of copper products by processing copper scrap, cable drosses, cathodes and insulated wire scrap into continuous-cast copper rods and various downstream products. Its portfolio includes copper rods, foils, sheets and tubes, as well as higher-margin value-added products such as bus bars and flats, tin-coated and silver-plated bus bars, enamelled wires and strips, and paper-insulated conductors. BCPL operates two facilities in Telangana, comprising a 4-acre unit at Hyderabad and a 60-acre integrated manufacturing facility at Medak, with an installed manufacturing capacity of 35,000 MTPA.

Key financial indicators (audited)

BCPL (Standalone)	FY2025	FY2026
Operating income (OI)	1,620	2,372
PAT	12.6	48.0

OPBDIT/OI	2.2%	4.4%
PAT/OI	0.8%	2.0%
Total outside liabilities/Tangible net worth (times)	6.2	4.4
Total debt/OPBDIT (times)	10.6	3.6
Interest coverage (times)	2.2	3.0

Source: Company, 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

Instruments	Current ratings (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Sept 29, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Fund-based – Others	Long term	595.00	[ICRA]A- Rating Watch with Developing Implications	-	-	-	-	-	-
Fund-based – Term loan	Long term	59.00	[ICRA]A- Rating Watch with Developing Implications	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based – Others	Simple
Long-term Fund-based – Term loan	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	**Long-term – Fund-based – Others**	NA	NA	NA	595.00	[ICRA]A- Rating Watch with Developing Implications	RBI
NA	**Long-term Fund-based – Term loan**	NA	NA	Upto FY2033	59.00	[ICRA]A- Rating Watch with Developing Implications	RBI

Source: Company

#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.

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

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

ANALYST CONTACTS

Girishkumar Kadam
+91 22 6114 3441
girishkumar@icraindia.com

Ankit Jain
+91 124 4545 865
ankit.jain@icraindia.com

Sumit Jhunjhunwala
+91 33 6521 6814
sumit.jhunjhunwala@icraindia.com

Devanshu Gupta
+91 124 4545 321
devanshu.gupta@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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.

For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches