DURLAX®

Dated: September, 16 2026

To,
The Manager - Listing Compliance
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C-1, Block-G,
Bandra Kurla Complex, Bandra (E)
Mumbai-400051.

Dear Sir/Madam,

REF: DURLAX TOP SURFACE LIMITED (SCRIP CODE: DURLAX)

Subject: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Credit Rating

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that Acuité Ratings & Research Limited has revised, assigned and upgraded credit ratings for banking facilities of the Company.

The detailed particulars of the ratings and the credit rating press release/rationale are enclosed herewith.

Kindly take the same on your records.

Thanking you,

For DURLAX TOP SURFACE LIMITED

Komal Upendra Birla
Digitally signed by Komal Upendra Birla
Date: 2026.09.16 17:54:51 +05'30'

Komal Birla
Compliance Certificate and Company Secretary

Encl: As Above

DURLAX TOP SURFACE LIMITED (ERSTWHILE DURLAX INDIA PRIVATE LIMITED)

Rating Assigned and Upgraded

Product	Quantum (Rs. Cr) (SEBI)	Quantum (Rs. Cr) (Other FSR)	Long Term Rating	Short Term Rating	Regulated By
Bank Loan Ratings	0.00	16.00	ACUITE BBB | Stable | Assigned	-	RBI
Bank Loan Ratings	0.00	42.70	ACUITE BBB | Stable | Upgraded	-	RBI
Bank Loan Ratings	0.00	10.00	-	ACUITE A3+ | Assigned	RBI
Bank Loan Ratings	0.00	7.30	-	ACUITE A3+ | Upgraded	RBI
Total Outstanding Quantum (Rs. Cr)	0.00	76.00	-	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	0.00	-	-	-

Note:- For activities or ratings of instruments falling under the purview of Financial Sector Regulators other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Rating Rationale

Acuite has upgraded its long-term rating to **'ACUITE BBB' (read as ACUITE triple B)** from **'ACUITE BBB-' (read as ACUITE triple B minus)** and short-term rating to **'ACUITE A3+' (read as ACUITE A three plus)** from **'ACUITE A3' (read as ACUITE A three)** on the Rs.50.00 Cr. bank facilities of Durlax Top Surface Limited (DTSL) (Formerly Known as Durlax India Private Limited). The outlook is **'Stable'**.
Acuite has assigned the long-term rating of **'ACUITE BBB' (read as ACUITE triple B)** and short-term rating of **'ACUITE A3+' (read as ACUITE A three plus)** on the Rs. 26.00 Cr. bank facilities of Durlax Top Surface Limited (DTSL) (Formerly Known as Durlax India Private Limited). The outlook is **'Stable'**.

Rationale for rating
The rating upgrade considers the consistent growth in the revenues while maintaining healthy profitability. The rating draws comfort from the above-average financial risk profile with continuous equity infusion which has further strengthen the financial risk profile and adequate liquidity position. Further, the rating also factors in the experienced management and established track record of operations of the company. The rating is, however, constrained on account of the working capital-intensive operations, customer and supplier concentration risk, susceptibility of profitability to volatility in raw material prices, forex risk in a highly competitive furnishing industry.

About the Company

Mumbai based, Durlax Top Surface Limited (DTSL), (formerly known as Durlax India Private Limited), was incorporated in May 2010 and launched its IPO on June 26, 2024. The company is engaged in the manufacturing of decorative solid surface sheets and adhesives under its own registered brand names, Luxor and Aspiron. DTSL's manufacturing facility is in Valsad, Gujarat, and its products are primarily used as countertop surfaces across residential, hospitality, commercial, and industrial settings. Currently the company is promoted by Mr. Lalit Suthar and Mr. Shravan Laxmichand Suthar.

Unsupported Rating

Not Applicable

Analytical Approach

Acuité has taken a standalone view of the business and financial risk profile of Durlax Top Surface Limited (DTSL) (Formerly Known as Durlax India Private Limited)to arrive at the rating.

Key Rating Drivers

Strengths

Experienced management and established presence in the industry
DTSL has an operational track record of over a decade in furnishing industry. It is promoted by Mr. Lalit Suthar and Mr. Shravan Laxmichand Suthar who possess over a decade of experience in this industry. They are supported by their team of experienced professionals in managing day to day operations of DTSL. The extensive experience of the promoter has enabled DTSL to establish a healthy relationship with its customers and suppliers. Acuité believes that DTSL will continue to benefit from its experienced management and established track record of operations.

Sustained growth in revenues while maintaining healthy profitability
The operating revenue of the company grew by approximately 50.58 per cent to Rs. 184.55 crore in FY26 from Rs. 122.56 crore in FY25 and Rs. 90.76 crore in FY24, driven by better realizations and an increase in overall sales volume. The EBITDA of the company stood at Rs. 24.57 crore in FY26 as against Rs. 14.00 crore in FY25. The operating profit margin remained range-bound at 13.31 per cent in FY26 as compared to 11.42 per cent in FY25 and 12.16 per cent in FY24. The improvement in EBITDA was supported by better product price realizations, particularly in high-margin categories, and higher foreign exchange gains, which contributed to overall profitability. The PAT margin improved to 6.85 per cent in FY26 from 6.12 per cent in FY25.
Further, in Q1FY26, the company reported revenue of Rs. 58.93 crore as compared to Rs. 29.59 crore in Q1FY25. The EBITDA and PAT margins stood at 9.60 per cent and 4.67 per cent, respectively, in Q1 FY26 as compared to 11.55 per cent and 4.25 per cent respectively in Q1 FY25. Acuite believes that the company will sustain healthy revenue growth and profitability over the medium term, supported by improved sales volumes and better realizations.

Above-average financial risk profile marked by improving net worth, low gearing and healthy debt protection metrics
DTSL has an above-average financial risk profile, marked by a moderate but improving net worth, low gearing, and healthy debt protection metrics. The company's net worth improved and stood at Rs. 116.51 crore as on March 31, 2026, as against Rs. 57.66 crore as on March 31, 2025, and Rs. 21.61 crore as on March 31, 2024. Post IPO, in FY26, the company completed a rights issue, resulting in an increase in share capital by Rs. 12.30 crore and securities premium by Rs. 36.91 crore. In Q1FY27, the company has raised new warrants of Rs. 49 crore, out of which 25% (12.5 Cr) has been received upfront and rest 75 per cent will be received exercise/conversion of the warrant into equity share, which would take place in FY28.
The company's gearing stood at 0.35 times as on March 31, 2026, as against 0.79 times as on March 31, 2025. The total debt stood at Rs. 40.40 crore as on March 31, 2026, compared to Rs. 45.84 crore as on March 31, 2025. The total debt comprised long-term debt of Rs. 4.13 crore, unsecured loans of Rs. 0.73 crore, short-term debt of Rs. 29.39 crore, and current maturities of long-term debt (CPLTD) of Rs. 6.15 crore. Debt/EBITDA improved to 1.65 times as on March 31, 2026, from 2.84 times as on March 31, 2025. TOL/TNW improved to 0.51 times as on March 31, 2026, as against 0.99 times as on March 31, 2025. Further, the debt protection metrics remained healthy, with the interest coverage ratio (ICR) improving to 5.41 times in FY26 from 4.32 times in FY25, while the debt service coverage ratio (DSCR) improved to 2.38 times in FY26 from 2.03 times in

FY25.
Acuite believes that the financial risk profile of the company will continue to improve over the medium term, supported by steady accruals, equity infusion and absence of major debt funded capex.

Weaknesses

Working capital-intensive operations
DTSL's operations remained working capital intensive, with gross current assets (GCA) of 282 days in FY26 as against 270 days in FY25. Inventory days stood at 96 days in FY26 as compared to 168 days in FY25. The improvement in the inventory cycle reflects better inventory management and faster inventory turnover. However, the company offers a wide variety of colours, sizes, textures, and finishes to meet customer preferences and design requirements. Consequently, maintaining adequate stock across multiple SKUs results in relatively high inventory levels. Debtor days stood at 127 days in FY26 as against 104 days in FY25. The increase was primarily on account of higher sales booked during Q4 FY26. The company generally extends a credit period of up to 90 days to its customers. Creditor days stood at 23 days in FY26 as against 31 days in FY25, with company resorting to advance payments to suppliers for better margins. Further, the reliance on fund based and non-fund-based limits remained high at 96.56 per cent and 79.84 per cent, respectively, for the six-month period ended June 2026.
Acuite believes that the working capital operations of the company are likely to remain intensive over the medium term, given the nature of the industry and high inventory holding requirements

Susceptibility of profitability to volatility in raw material prices and forex risk in an highly competitive and fragmented industry
The company's profitability remains vulnerable to fluctuations in raw material prices, as raw material costs account for ~ 75 per cent of total sales. Additionally, with exports contributing around 11 per cent to total sales while imports are ~5 per cent, the company is exposed to foreign exchange risk while nature hedging is available to an extent. In the absence of any hedging mechanisms, it remains susceptible to forex volatility, which can impact both revenue and profitability. Further, the highly competitive and fragmented nature of the industry limits pricing flexibility and may exert pressure on the company's profitability.

Customer & supplier concentration risk
The company exhibits high supplier concentration, with the top 3 vendors contributing ~54 per cent of total purchases, and high customer concentration, with the; top 3 customers accounting for ~49 per cent of sales. While this reflects strong relationships and operational efficiency, it also exposes the company to potential disruption risks. However, the presence of suppliers and reputed credit-rated customers helps mitigate counterparty and continuity risks.

Rating Sensitivities

Potential triggers (individual or collective) for an upward rating action:

- Significant growth in revenues while maintaining healthy profitability
- Improvement in working capital management with GCA below 250 days
- Improvement in financial risk profile

Potential triggers (individual or collective) for a downward rating action:

- Significant decline in revenues and profitability with EBITDA margins below 11 per cent
- Deterioration in financial risk profile due to unexpected borrowings
- Further, elongation in working capital cycle exerting pressure on liquidity

Liquidity Position

Adequate

The liquidity position of the company is adequate, supported by healthy net cash accruals, of Rs. 15.10 crore as on March 31, 2026, against debt repayments of Rs. 3.72 crore during the same period. The company is

expected to generate cash accruals in the range of Rs. 18.60 crore to Rs. 23.51 crore during FY27-FY28 against repayment obligations of Rs. 6.15 crore to Rs. 4.66 crore over the same period. Further, the company has maintained cash and cash equivalents of Rs. 15.95 crore as on March 31, 2026. The current ratio remained comfortable at 2.68 times as on March 31, 2026, as compared to 1.91 times as on March 31, 2025. However, the working capital operations of the company remain intensive, as reflected in its gross current asset (GCA) of 282 days in FY26 as against 270 days in FY25. Further, the reliance on fund-based and non-fund-based limits remained high at 96.56 per cent and 79.84 per cent, respectively, during the six-month period ended June 2026, the working capital limit utilisation is expected to ease with proposed enhancement and continuous equity infusion
Acuite believes that the liquidity position of the company will remain adequate over the medium term, supported by healthy accrual generation and sufficient cash balances, despite its working capital-intensive operations.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 26 (Actual)	FY 25 (Actual)
Operating Income	Rs. Cr.	184.55	122.56
PAT	Rs. Cr.	12.64	7.50
PAT Margin	(%)	6.85	6.12
Total Debt/Tangible Net Worth	Times	0.35	0.79
PBDIT/Interest	Times	5.41	4.32

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

None

Applicable Criteria

- Default Recognition :- https://www.acuite.in/view-rating-criteria-52.htm
- Manufacturing Entities: https://www.acuite.in/view-rating-criteria-59.htm
- Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
06 Aug 2025	Letter of Credit	Short Term	7.30	ACUITE A3 (Assigned)
	Cash Credit	Long Term	19.00	ACUITE BBB- | Stable (Assigned)
	Cash Credit	Long Term	11.00	ACUITE BBB- | Stable (Assigned)
	Term Loan	Long Term	0.93	ACUITE BBB- | Stable (Assigned)
	Proposed Cash Credit	Long Term	9.00	ACUITE BBB- | Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	2.77	ACUITE BBB- | Stable (Assigned)
13 Feb 2024	Cash Credit	Long Term	5.00	ACUITE B+ (Reaffirmed & Withdrawn & Issuer not co-operating*)
	Term Loan	Long Term	24.20	ACUITE B+ (Reaffirmed & Withdrawn & Issuer not co-operating*)
17 Feb 2023	Cash Credit	Long Term	5.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	24.20	ACUITE B+ (Reaffirmed & Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Listing Status	Regulated By	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Punjab National Bank	Not avl. / Not appl.	Cash Credit	Unlisted	RBI	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.00	Simple	ACUITE BBB | Stable | Upgraded (from ACUITE BBB-)
AXIS BANK LIMITED	Not avl. / Not appl.	Cash Credit	Unlisted	RBI	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	19.00	Simple	ACUITE BBB | Stable | Upgraded (from ACUITE BBB-)
Punjab National Bank	Not avl. / Not appl.	Cash Credit	Unlisted	RBI	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.00	Simple	ACUITE BBB | Stable | Assigned
Punjab National Bank	Not avl. / Not appl.	Letter of Credit	Unlisted	RBI	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.30	Simple	ACUITE A3+ | Upgraded (from ACUITE A3)
Punjab National Bank	Not avl. / Not appl.	Letter of Credit	Unlisted	RBI	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE A3+ | Assigned
Not Applicable	Not avl. / Not appl.	Proposed Cash Credit	Unlisted	RBI	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	12.70	Simple	ACUITE BBB | Stable | Upgraded (from ACUITE BBB-)
Not Applicable	Not avl. / Not appl.	Proposed Cash Credit	Unlisted	RBI	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.81	Simple	ACUITE BBB | Stable | Assigned
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank	Unlisted	RBI	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE A3+ | Assigne

		Facility								d
Punjab National Bank	Not avl. / Not appl.	Term Loan	Unlisted	RBI	05 Jun 2026	Not avl. / Not appl.	05 Jun 2031	3.39	Simple	ACUITE BBB | Stable | Assigned
AXIS BANK LIMITED	Not avl. / Not appl.	Term Loan	Unlisted	RBI	24 Jun 2026	Not avl. / Not appl.	24 Jun 2031	3.80	Simple	ACUITE BBB | Stable | Assigned

Note:- For activities or ratings of instruments falling under the purview of Financial Sector Regulators other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

List of instruments and names of regulators of the instruments

As required by SEBI Circular (SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026) dated February 10, 2026, a list of activities or instruments falling under the purview of various Financial Sector Regulators (FSRs), along with the names of respective FSRs, is being disclosed below:

A. Rating Activity:

Sr. No.	Instrument / activity Name	Regulator of the instrument
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)[1] [6]	RBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)[1]	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)[1]	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 [2]	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11 a	Fixed Deposits raised by NBFCs, HFCs, FIs	RBI
11 b	Fixed Deposits raised by Banks [7]	+
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 [3]	-
15	Issuer Ratings [4]	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutal Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts [6]	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from	

21	Banks/NBFCs/NHB/FIs) [7]	+
22	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
23	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
24	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) [1]	Investor-side Regulator such as IRDAI, PFRDA [5]

[1] *Includes securitisation transactions involving assignee payout, acquirer's payout.*

[2] *Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.*

[3] *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 Press Release(s) subsequent to issuance(s), Acuite shall separately capture the rated quantum details along with names of respective regulators.*

[4] *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.*

[5] *These ratings were assigned during regulatory regime prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side regulators have been included.*

[6] *By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.*

[7] *To be finalized following a discussion with the regulatory authorities.*

B. Other activities:

Sr. No.	Activity Name	Regulator of the activity
1	Monitoring Agency	SEBI
2	Research activities, incidental to rating, such as research for Economy, Industries and Companies [8]	Not applicable

[8] *permitted by SEBI vide SEBI Master Circular for CRAs.*

Disclosure on instruments / activities and names of regulators:
A list of products/activities or ratings of instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has also been duly disclosed by Acuite on its website. A link to the same has been provided below for ready reference:
https://acuite.in/Activities-and-Regulators.html

About Acuité Ratings & Research
Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.