

Date: 23 January 2025

To,
The Manager,
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001

The Manager,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1 Block G,
Bandra - Kurla Complex, Bandra (East)
Mumbai - 400 051

SCRIP CODE: 544333

SYMBOL: SGLTL

Dear Sir/Madam,

Sub: Intimation of Credit Rating.

Pursuant to the Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform that, CRISIL, vide its letter dated January 22, 2025, has revised the credit rating assigned to the Long Term & Short Term Bank Facilities of Standard Glass Lining Technology Limited (SGLTL) and S2 Engineering Industry Private Limited (a Material Subsidiary of SGLTL). The details of the same are given herein below:

A. Standard Glass Lining Technology Limited (SGLTL)

Total Bank Loan Facilities Rated	Rs. 103.5 Crore
Long Term Rating	CRISIL A/ Stable (Upgraded from 'Crisil A- /Positive')
Short Term Rating	Crisil A1 (Upgraded from 'Crisil A2+')

B. S2 Engineering Industry Private Limited

Total Bank Loan Facilities Rated	Rs. 91 Crore
Long Term Rating	CRISIL A/ Stable (Upgraded from 'Crisil A- /Positive')
Short Term Rating	Crisil A1 (Upgraded from 'Crisil A2+')

You are requested to kindly take the above information on record.

Thanking you,

Yours faithfully,

For **STANDARD GLASS LINING TECHNOLOGY LIMITED**



Kallam Hima Priya
Company Secretary & Compliance Officer

Standard Glass Lining Technology Limited

Registered office: D-12, Phase-I, IDA Jeedimetla, Hyderabad -500055
Corporate Office: 10th Floor, PNR High Nest, Hydernagar, KPHB Colony, Hyderabad- 500085
Manufacturing Unit: Survey No. 42/A, Alinagar, Chetlapotharam Village, Gaddapotharam, SangaReddy- 502319



Rating Rationale

January 22, 2025 | Mumbai

Standard Glass Lining Technology Limited

Ratings upgraded to 'Crisil A/Stable/Crisil A1'

Rating Action

Total Bank Loan Facilities Rated	Rs.103.5 Crore
Long Term Rating	Crisil A/Stable (Upgraded from 'Crisil A-/Positive')
Short Term Rating	Crisil A1 (Upgraded from 'Crisil A2+')

Note: None of the Directors on Crisil Ratings Limited's 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.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

Crisil Ratings has upgraded its ratings on the bank facilities of Standard Glass Lining Technology Ltd (SGLTL; part of the Standard Glass group) to '**Crisil A/Stable/Crisil A1**' from 'Crisil A-/Positive/Crisil A2+'.

The upgrade reflects substantial improvement in the group's financial and liquidity risk profiles along with steady growth in business performance. The financial risk profile and liquidity will be further strengthened in fiscal 2025, due to equity infusion of over Rs 250 crore through private placement of Rs 40 crore in December 2024 and initial public offer of Rs 210 crore in January 2025.

The upgrade in ratings factors the substantial improvement in the group's financial and liquidity risk profiles along with steady growth in business performance. The financial risk profile and liquidity will be further strengthened in fiscal 2025, due to equity infusion of over Rs 250 crore through private placement of Rs 40 crore in December 2024 and initial public offer of Rs 210 crore in January 2025.

Business risk also expected to improve supported by orders on hand providing revenue visibility for fiscal 2025; geographical expansion into new territories with tie-ups and strategic collaborations, addition of new customers and launch of new products should continue to support revenue growth going forward. The working capital requirement is also likely to be efficiently managed with minimal reliance on external debt.

Gearing and total outside liabilities to tangible network (TOLTNW) ratio were comfortable at 0.28 time and 0.63 time, respectively, as on March 31, 2024 (improved from 0.39 time and 1.23 times, respectively, a year ago). These metrics are expected to be nil and 0.19 time, respectively, as on March 31, 2025.

The ratings also reflect the group's established market position, supported by the extensive experience of its promoters in the glass-lined reactor business, improving financial risk profile and reputed clientele. These strengths are partially offset by large working capital requirement, exposure to intense competition and cyclical demand from key end-user industries.

Analytical Approach

Crisil Ratings has combined the business and financial risk profiles of SGLTL, S2 Engineering Industry Pvt Ltd (SEIPL), Standard Flora Pvt Ltd (SFPL) and CPK Engineers Equipment Pvt Ltd (CEEPL) because all these entities, collectively referred to as the Standard Glass group, operate in the same line of business, with a common management team and significant operational and financial linkages.

Please refer Annexure - List of Entities Consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description

Strengths:

- **Established market position supported by the extensive experience of the promoters:** In the past few years, the Standard Glass group has evolved as a leading supplier of glass-lined reactors and other equipment used by leading pharmaceutical and chemical companies. The promoters' experience of more than a decade, their strong understanding of market dynamics and healthy relationships with customers and suppliers should continue to support the business.
- **Comfortable and improving financial risk profile:** Financial risk profile is marked by healthy network of Rs 408 crore while gearing and TOL/TNW ratio were comfortable at 0.28 time and 0.63 time, respectively, as on March 31, 2024. Interest coverage ratio is projected at a strong over 15 times over the medium term. These metrics are further expected to improve over the medium term, with sustenance of healthy operating performance and prudent working capital management.

Weaknesses:

- **Exposure to cyclicity in end-user industries:** The demand for the reactors and other products manufactured by the Standard Glass group remains susceptible to capital expenditure (capex) of the key end-user industries such as pharmaceutical and chemicals, which are cyclical. Slowdown of capex in any of these industries may impact the company's performance
- **Working capital intensive operations and exposure to intense competition:** Working capital requirements are large driven by large raw material and work in process inventory and high debtors' levels. Significant delays in realization of receivables along with high inventory requirements results in an elongated working capital cycle. Moreover, the group is a moderate sized player in the glass-lined equipment business and faces competition from other larger players such as GMM Pfadler Ltd which constrains the scale and pricing flexibility

Liquidity: Strong

Liquidity should remain supported by the ample surplus available in cash accrual and bank lines. Bank limit utilisation was around 64% for the 12 months through December 2024. Cash accrual are expected to be over Rs 90-130crore which are sufficient against nil term debt obligation over the medium term.

Current ratio stood healthy at 2.31 times and cash and bank balance at around Rs 128 crore as on March 31, 2024. Low gearing and moderate networth also aid financial flexibility.

Outlook: Stable

The Standard Glass group will continue to benefit from strong operating performance and healthy cash generation from its business.

Rating sensitivity factors

Upward factors

- Further growth in revenues by 20-25%, leading to increase in market share, along with margin over 17.0-17.5%
- Sustenance of improved financial and liquidity risk profiles

Downward factors

- Decline in revenue by 15-20% per fiscal, with operating margin falling below 10-12%
- Any large debt funded capex or significant cash outflow in the form of dividends/share buy-back or any large debt funded acquisition or substantial increase in its working capital requirements impacting the leverage levels and /or liquidity.

About the Group

Incorporated in 2012, SGLTL manufactures glass-lined reactors, receivers and heat exchangers. The company has two facilities in Hyderabad with capacity to manufacture 150-160 vessels per month, ranging from 50 litre to 60,000 litre.

SEIPL was incorporated in September 2021. It is a wholly owned subsidiary of SGLTL. Company is set to manufacture stainless steel and nickel alloy process equipment such as dryers, filters, reactors, vessels, vacuum pumps, laboratory equipment, etc. It has manufacturing facility located in Hyderabad- Telangana.

SFPL is engaged in manufacturing polytetrafluoroethylene (PTFE) coated lines and valves. SGLTL holds 51% stake in SFPL.

CEEPL was incorporated in January 2024. The company manufactures and sells stainless steel and nickel, alloy steel reactors, filters, dryers and vessels and storage tanks for the pharmaceutical industry.

The group is promoted and managed by Mr K Nageswara Rao, Mr K Rama Krishna and Mrs. K Krishna Veni.

Key Financial Indicators

As on/for the period ended March 31	Unit	2024	2023
Operating income	Rs.Crore	545.59	499.91
Reported profit after tax	Rs.Crore	60.01	53.42
PAT margins	%	11.00	10.69
Adjusted Debt/Adjusted Networth	Times	0.28	0.39
Interest coverage	Times	8.21	10.13

Any other information: Not Applicable

Note on complexity levels of the rated instrument:

Crisil Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

Crisil Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the Crisil Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name Of Instrument	Date Of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Crore)	Complexity Levels	Rating Outstanding with Outlook
NA	Bank Guarantee	NA	NA	NA	4.00	NA	Crisil A1
NA	Cash Credit	NA	NA	NA	86.50	NA	Crisil A/Stable
NA	Letter of Credit	NA	NA	NA	9.00	NA	Crisil A1
NA	Term Loan	NA	NA	31-Mar-27	3.50	NA	Crisil A/Stable
NA	Term Loan	NA	NA	31-Mar-25	0.50	NA	Crisil A/Stable

Annexure – List of entities consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
S2 Engineering Industry Private Limited	Full	Have common management and is engaged into similar line of business.
Standard Glass Lining Technology Private Limited	Full	Have common management and is engaged into similar line of business.
Standard Flora Pvt Ltd	Full	Have common management and is engaged into similar line of business.
CPK Engineers Equipment Private Limited	Full	Have common management and is engaged into similar line of business.

Annexure - Rating History for last 3 Years

Instrument	Type	Current		2025 (History)		2024		2023		2022		Start of 2022
		Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	90.5	Crisil A/Stable		--	01-10-24	Crisil A-/Positive	05-07-23	Crisil A-/Stable	07-06-22	Crisil BBB+/Stable	Crisil BB+ /Stable(Issuer Not Cooperating)*
							--		--	05-01-22	Crisil BBB/Stable	--
Non-Fund Based Facilities	ST	13.0	Crisil A1		--	01-10-24	Crisil A2+	05-07-23	Crisil A2+	07-06-22	Crisil A2	Crisil A4+ (Issuer Not Cooperating)*
							--		--	05-01-22	Crisil A3+	--

All amounts are in Rs.Cr.

* - Issuer did not cooperate; based on best-available information

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Bank Guarantee	4	ICICI Bank Limited	Crisil A1
Cash Credit	10	Axis Bank Limited	Crisil A/Stable
Cash Credit	25	HDFC Bank Limited	Crisil A/Stable
Cash Credit	15	The Hongkong and Shanghai Banking Corporation Limited	Crisil A/Stable
Cash Credit	36.5	ICICI Bank Limited	Crisil A/Stable
Letter of Credit	7	RBL Bank Limited	Crisil A1
Letter of Credit	2	ICICI Bank Limited	Crisil A1
Term Loan	3.5	ICICI Bank Limited	Crisil A/Stable
Term Loan	0.5	ICICI Bank Limited	Crisil A/Stable

Criteria Details

Links to related criteria
CRISILs Approach to Financial Ratios
Rating criteria for manufacturing and service sector companies
CRISILs Bank Loan Ratings - process, scale and default recognition
Criteria for rating entities belonging to homogenous groups
CRISILs Criteria for rating short term debt

CRISILs Criteria for Consolidation

Media Relations	Analytical Contacts	Customer Service Helpdesk
<p>Ramkumar Uppara Media Relations Crisil Limited M: +91 98201 77907 B: +91 22 6137 3000 ramkumar.uppara@crisil.com</p> <p>Sanjay Lawrence Media Relations Crisil Limited M: +91 89833 21061 B: +91 22 6137 3000 sanjay.lawrence@crisil.com</p>	<p>Himank Sharma Director Crisil Ratings Limited B:+91 124 672 2000 himank.sharma@crisil.com</p> <p>Nagarjun Alaparathi Associate Director Crisil Ratings Limited B:+91 40 4032 8200 nagarjun.alaparathi@crisil.com</p> <p>Bharathi Alla Senior Rating Analyst Crisil Ratings Limited B:+91 40 4032 8200 Bharathi.Alla@crisil.com</p>	<p>Timings: 10.00 am to 7.00 pm Toll free Number:1800 267 1301</p> <p>For a copy of Rationales / Rating Reports: CRISILratingdesk@crisil.com</p> <p>For Analytical queries: ratingsinvestordesk@crisil.com</p>

Note for Media:

This rating rationale is transmitted to you for the sole purpose of dissemination through your newspaper/magazine/agency. The rating rationale may be used by you in full or in part without changing the meaning or context thereof but with due credit to Crisil Ratings. However, Crisil Ratings alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites and portals.

About Crisil Ratings Limited (A subsidiary of Crisil Limited, an S&P Global Company)

Crisil Ratings pioneered the concept of credit rating in India in 1987. With a tradition of independence, analytical rigour and innovation, we set the standards in the credit rating business. We rate the entire range of debt instruments, such as bank loans, certificates of deposit, commercial paper, non-convertible/convertible/partially convertible bonds and debentures, perpetual bonds, bank hybrid capital instruments, asset-backed and mortgage-backed securities, partial guarantees and other structured debt instruments. We have rated over 33,000 large and mid-scale corporates and financial institutions. We have also instituted several innovations in India in the rating business, including ratings for municipal bonds, partially guaranteed instruments and infrastructure investment trusts (InvITs).

Crisil Ratings Limited ('Crisil Ratings') is a wholly-owned subsidiary of Crisil Limited ('Crisil'). Crisil Ratings Limited is registered in India as a credit rating agency with the Securities and Exchange Board of India ("SEBI").

For more information, visit www.crisilratings.com

About Crisil Limited

Crisil is a leading, agile and innovative global analytics company driven by its mission of making markets function better.

It is India's foremost provider of ratings, data, research, analytics and solutions with a strong track record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers through businesses that operate from India, the US, the UK, Argentina, Poland, China, Hong Kong and Singapore.

It is majority owned by S&P Global Inc, a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

For more information, visit www.crisil.com

Connect with us: [TWITTER](#) | [LINKEDIN](#) | [YOUTUBE](#) | [FACEBOOK](#)

CRISIL PRIVACY NOTICE

Crisil respects your privacy. We may use your contact information, such as your name, address and email id to fulfil your request and service your account and to provide you with additional information from Crisil. For further information on Crisil's privacy policy please visit www.crisil.com.

DISCLAIMER

This disclaimer is part of and applies to each credit rating report and/or credit rating rationale ('report') provided by Crisil Ratings Limited ('Crisil Ratings'). For the avoidance of doubt, the term 'report' includes the information, ratings and other content forming part of the report. The report is intended for use only within the jurisdiction of India. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as Crisil Ratings provision or intention to provide any services in jurisdictions where Crisil Ratings does not have the necessary licenses and/or registration to carry out its business activities. Access or use of this report does not create a client relationship between Crisil Ratings and the user.

The report is a statement of opinion as on the date it is expressed, and it is not intended to and does not constitute investment advice within meaning of any laws or regulations (including US laws and regulations). The report is not an offer to sell or an offer to purchase or subscribe to any investment in any securities, instruments, facilities or solicitation of any kind to enter into any deal or transaction with the entity to which the report pertains. The recipients of the report should rely on their own judgment and take their own professional advice before acting on the report in any way.

Crisil Ratings and its associates do not act as a fiduciary. The report is based on the information believed to be reliable as of the date it is published, Crisil Ratings does not perform an audit or undertake due diligence or independent verification of any information it receives and/or relies on for preparation of the report. THE REPORT IS PROVIDED ON "AS IS" BASIS. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAWS, CRISIL RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE. In no event shall Crisil Ratings, its associates, third-party

providers, as well as their directors, officers, shareholders, employees or agents be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.

The report is confidential information of Crisil Ratings and Crisil Ratings reserves all rights, titles and interest in the rating report. The report shall not be altered, disseminated, distributed, redistributed, licensed, sub-licensed, sold, assigned or published any content thereof or offer access to any third party without prior written consent of Crisil Ratings.

Crisil Ratings or its associates may have other commercial transactions with the entity to which the report pertains or its associates. Ratings are subject to revision or withdrawal at any time by Crisil Ratings. Crisil Ratings may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

Crisil Ratings has in place a ratings code of conduct and policies for managing conflict of interest. For more detail, please refer to: <https://www.crisil.com/en/home/our-businesses/ratings/regulatory-disclosures/highlighted-policies.html>. Public ratings and analysis by Crisil Ratings, as are required to be disclosed under the Securities and Exchange Board of India regulations (and other applicable regulations, if any), are made available on its websites, www.crisilratings.com and <https://www.ratingsanalytica.com> (free of charge). Crisil Ratings shall not have the obligation to update the information in the Crisil Ratings report following its publication although Crisil Ratings may disseminate its opinion and/or analysis. Reports with more detail and additional information may be available for subscription at a fee. Rating criteria by Crisil Ratings are available on the Crisil Ratings website, www.crisilratings.com. For the latest rating information on any company rated by Crisil Ratings, you may contact the Crisil Ratings desk at crisilratingdesk@crisil.com, or at (0091) 1800 267 1301.

Crisil Ratings uses the prefix 'PP-MLD' for the ratings of principal-protected market-linked debentures (PPMLD) with effect from November 1, 2011, to comply with the SEBI circular, "Guidelines for Issue and Listing of Structured Products/Market Linked Debentures". The revision in rating symbols for PPMLDs should not be construed as a change in the rating of the subject instrument. For details on Crisil Ratings' use of 'PP-MLD' please refer to the notes to Rating scale for Debt Instruments and Structured Finance Instruments at the following link: <https://www.crisilratings.com/en/home/our-business/ratings/credit-ratings-scale.html>

Rating Rationale

January 22, 2025 | Mumbai

S2 Engineering Industry Private Limited

Ratings upgraded to 'Crisil A/Stable/Crisil A1'

Rating Action

Total Bank Loan Facilities Rated	Rs.91 Crore
Long Term Rating	Crisil A/Stable (Upgraded from 'Crisil A-/Positive')
Short Term Rating	Crisil A1 (Upgraded from 'Crisil A2+')

Note: None of the Directors on Crisil Ratings Limited's 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.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

Crisil Ratings has upgraded its ratings on the bank facilities of S2 Engineering Industry Pvt Ltd (SEIPL; part of the Standard Glass group) to '**Crisil A/Stable/Crisil A1**' from 'Crisil A-/Positive/Crisil A2+'.

The rating action follows similar rating action on SEIPL's parent, Standard Glass Lining Technology Ltd (SGLTL; rated 'Crisil A/Stable/Crisil A1').

The ratings also reflect the group's established market position, supported by the extensive experience of its promoters in the glass-lined reactor business, improving financial risk profile and reputed clientele. These strengths are partially offset by large working capital requirement, exposure to intense competition and cyclical demand from key end-user industries.

Analytical Approach

Crisil Ratings has combined the business and financial risk profiles of SGLTL, SEIPL, Standard Flora Pvt Ltd (SFPL) and CPK Engineers Equipment Pvt Ltd (CEEPL) because all these entities, collectively referred to as the Standard Glass group, operate in the same line of business, with a common management team and significant operational and financial linkages.

Please refer Annexure - List of Entities Consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description

Strengths:

- **Established market position supported by the extensive experience of the promoters:** In the past few years, the Standard Glass group has evolved as a leading supplier of glass-lined reactors and other equipment used by leading pharmaceutical and chemical companies. The promoters' experience of more than a decade, their strong understanding of market dynamics and healthy relationships with customers and suppliers should continue to support the business.
- **Comfortable and improving financial risk profile:** Financial risk profile is marked by healthy networth of Rs 408 crore while gearing and TOL/TNW ratio were comfortable at 0.28 time and 0.63 time, respectively, as on March 31, 2024. Interest coverage ratio is projected at a strong over 15 times over the medium term. These metrics are further expected to improve over the medium term, with sustenance of healthy operating performance and prudent working capital management.

Weaknesses:

- **Exposure to cyclicity in end-user industries:** The demand for the reactors and other products manufactured by the Standard Glass group remains susceptible to capital expenditure (capex) of the key end-user industries such as pharmaceutical and chemicals, which are cyclical. Slowdown of capex in any of these industries may impact the company's performance
- **Working capital intensive operations and exposure to intense competition:** Working capital requirements are large driven by large raw material and work in process inventory and high debtors' levels. Significant delays in realization of receivables along with high inventory requirements results in an elongated working capital cycle. Moreover, the group is a moderate sized player in the glass-lined equipment business and faces competition from other larger players such as GMM Pfudler Ltd which constrains the scale and pricing flexibility.

Liquidity: Strong

Liquidity should remain supported by the ample surplus available in cash accrual and bank lines. Bank limit utilisation was around 64% for the 12 months through December 2024.

Cash accrual are expected to be over Rs 90-130crore which are sufficient against nil term debt obligation over the medium term.

Current ratio stood healthy at 2.31 times and cash and bank balance at around Rs 128 crore as on March 31, 2024. Low gearing and moderate networth also aid financial flexibility.

Outlook: Stable

The Standard group will continue to benefit from the strong operating performance and healthy cash generation from business.

Rating sensitivity factors

Upward factors:

- Further growth in revenues by 20-25%, leading to increase in market share, along with margin over 17.0-17.5%
- Sustenance of improved financial and liquidity risk profiles

Downward factors:

- Decline in revenue by 15-20% per fiscal, with operating margin falling below 10-12%
- Any large debt funded capex or significant cash outflow in the form of dividends/share buy-back or any large debt funded acquisition or substantial increase in its working capital requirements impacting the leverage levels and /or liquidity.

About the Group

Incorporated in 2012, SGLTL manufactures glass-lined reactors, receivers and heat exchangers. The company has two facilities in Hyderabad with capacity to manufacture 150-160 vessels per month, ranging from 50 litre to 60,000 litre.

SEIPL was incorporated in September 2021. It is a wholly owned subsidiary of SGLTL. Company is set to manufacture stainless steel and nickel alloy process equipment such as dryers, filters, reactors, vessels, vacuum pumps, laboratory equipment, etc. It has manufacturing facility located in Hyderabad- Telangana.

SFPL is engaged in manufacturing polytetrafluoroethylene (PTFE) coated lines and valves. SGLTL holds 51% stake in SFPL.

CEEPL was incorporated in January 2024. The company manufactures and sells stainless steel and nickel, alloy steel reactors, filters, dryers and vessels and storage tanks for the pharmaceutical industry.

The group is promoted and managed by Mr K Nageswara Rao, Mr K Rama Krishna and Mrs. K Krishna Veni.

Key Financial Indicators

As on/for the period ended March 31	Unit	2024	2023
Operating income	Rs.Crore	313.11	290.01
Reported profit after tax	Rs.Crore	31.00	33.83
PAT margins	%	9.90	11.66
Adjusted Debt/Adjusted Networth	Times	1.74	1.51
Interest coverage	Times	6.65	12.17

Any other information: Not Applicable

Note on complexity levels of the rated instrument:

Crisil Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

Crisil Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the Crisil Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name Of Instrument	Date Of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Crore)	Complexity Levels	Rating Outstanding with Outlook
NA	Bank Guarantee	NA	NA	NA	1.00	NA	Crisil A1
NA	Cash Credit	NA	NA	NA	85.00	NA	Crisil A/Stable
NA	Loan Equivalent Risk Limits	NA	NA	NA	1.30	NA	Crisil A1
NA	Term Loan	NA	NA	31-Mar-25	3.70	NA	Crisil A/Stable

Annexure - List of Entities Consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
S2 Engineering Industry Private Limited	Full	Have common management and is engaged into similar line of business.
Standard Glass Lining Technology Private Limited	Full	Have common management and is engaged into similar line of business.
Standard Flora Pvt Ltd	Full	Have common management and is engaged into similar line of business.
CPK Engineers Equipment Private Limited	Full	Have common management and is engaged into similar line of business.

Annexure - Rating History for last 3 Years

Instrument	Current			2025 (History)		2024		2023		2022		Start of 2022
	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	ST/LT	90.0	Crisil A1 / Crisil A/Stable		--	01-10-24	Crisil A-/Positive / Crisil A2+	25-07-23	Crisil A-/Stable / Crisil A2+	29-06-22	Crisil BBB+/Stable	--
			--		--		--	05-07-23	Crisil A-/Stable		--	--
Non-Fund Based Facilities	ST	1.0	Crisil A1		--	01-10-24	Crisil A2+	25-07-23	Crisil A2+	29-06-22	Crisil A2	--
			--		--		--	05-07-23	Crisil A2+		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Bank Guarantee	1	ICICI Bank Limited	Crisil A1
Cash Credit	34	ICICI Bank Limited	Crisil A/Stable
Cash Credit	1	The Hongkong and Shanghai Banking Corporation Limited	Crisil A/Stable
Cash Credit	10	HDFC Bank Limited	Crisil A/Stable
Cash Credit	19	The Hongkong and Shanghai Banking Corporation Limited	Crisil A/Stable
Cash Credit	21	Axis Bank Limited	Crisil A/Stable
Loan Equivalent Risk Limits	1.3	Axis Bank Limited	Crisil A1
Term Loan	3.7	Axis Bank Limited	Crisil A/Stable

Criteria Details

Links to related criteria
CRISILs Bank Loan Ratings - process, scale and default recognition
Rating criteria for manufacturing and service sector companies
CRISILs Approach to Financial Ratios
Criteria for rating entities belonging to homogenous groups
CRISILs Criteria for Consolidation
Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support

Media Relations	Analytical Contacts	Customer Service Helpdesk
Ramkumar Uppara Media Relations Crisil Limited M: +91 98201 77907 B: +91 22 6137 3000 ramkumar.uppara@crisil.com	Himank Sharma Director Crisil Ratings Limited B: +91 124 672 2000 himank.sharma@crisil.com	Timings: 10.00 am to 7.00 pm Toll free Number: 1800 267 1301 For a copy of Rationales / Rating Reports: CRISILratingdesk@crisil.com For Analytical queries: ratingsinvestordesk@crisil.com
Sanjay Lawrence Media Relations Crisil Limited M: +91 89833 21061	Nagarjun Alaparathi Associate Director Crisil Ratings Limited B: +91 40 4032 8200 nagarjun.alaparathi@crisil.com	

B: +91 22 6137 3000
sanjay.lawrence@crsil.com

Bharathi Alla
Senior Rating Analyst
Crisil Ratings Limited
B:+91 40 4032 8200
Bharathi.Alla@crsil.com

Note for Media:

This rating rationale is transmitted to you for the sole purpose of dissemination through your newspaper/magazine/agency. The rating rationale may be used by you in full or in part without changing the meaning or context thereof but with due credit to Crisil Ratings. However, Crisil Ratings alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites and portals.

About Crisil Ratings Limited (A subsidiary of Crisil Limited, an S&P Global Company)

Crisil Ratings pioneered the concept of credit rating in India in 1987. With a tradition of independence, analytical rigour and innovation, we set the standards in the credit rating business. We rate the entire range of debt instruments, such as bank loans, certificates of deposit, commercial paper, non-convertible/convertible/partially convertible bonds and debentures, perpetual bonds, bank hybrid capital instruments, asset-backed and mortgage-backed securities, partial guarantees and other structured debt instruments. We have rated over 33,000 large and mid-scale corporates and financial institutions. We have also instituted several innovations in India in the rating business, including ratings for municipal bonds, partially guaranteed instruments and infrastructure investment trusts (InvITs).

Crisil Ratings Limited ('Crisil Ratings') is a wholly-owned subsidiary of Crisil Limited ('Crisil'). Crisil Ratings Limited is registered in India as a credit rating agency with the Securities and Exchange Board of India ("SEBI").

For more information, visit www.crisilratings.com

About Crisil Limited

Crisil is a leading, agile and innovative global analytics company driven by its mission of making markets function better.

It is India's foremost provider of ratings, data, research, analytics and solutions with a strong track record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers through businesses that operate from India, the US, the UK, Argentina, Poland, China, Hong Kong and Singapore.

It is majority owned by S&P Global Inc, a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

For more information, visit www.crisil.com

Connect with us: [TWITTER](#) | [LINKEDIN](#) | [YOUTUBE](#) | [FACEBOOK](#)

CRISIL PRIVACY NOTICE

Crisil respects your privacy. We may use your contact information, such as your name, address and email id to fulfil your request and service your account and to provide you with additional information from Crisil. For further information on Crisil's privacy policy please visit www.crisil.com.

DISCLAIMER

This disclaimer is part of and applies to each credit rating report and/or credit rating rationale ('report') provided by Crisil Ratings Limited ('Crisil Ratings'). For the avoidance of doubt, the term 'report' includes the information, ratings and other content forming part of the report. The report is intended for use only within the jurisdiction of India. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as Crisil Ratings provision or intention to provide any services in jurisdictions where Crisil Ratings does not have the necessary licenses and/or registration to carry out its business activities. Access or use of this report does not create a client relationship between Crisil Ratings and the user.

The report is a statement of opinion as on the date it is expressed, and it is not intended to and does not constitute investment advice within meaning of any laws or regulations (including US laws and regulations). The report is not an offer to sell or an offer to purchase or subscribe to any investment in any securities, instruments, facilities or solicitation of any kind to enter into any deal or transaction with the entity to which the report pertains. The recipients of the report should rely on their own judgment and take their own professional advice before acting on the report in any way.

Crisil Ratings and its associates do not act as a fiduciary. The report is based on the information believed to be reliable as of the date it is published, Crisil Ratings does not perform an audit or undertake due diligence or independent verification of any information it receives and/or relies on for preparation of the report. THE REPORT IS PROVIDED ON "AS IS" BASIS. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAWS, CRISIL RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE. In no event shall Crisil Ratings, its associates, third-party

providers, as well as their directors, officers, shareholders, employees or agents be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.

The report is confidential information of Crisil Ratings and Crisil Ratings reserves all rights, titles and interest in the rating report. The report shall not be altered, disseminated, distributed, redistributed, licensed, sub-licensed, sold, assigned or published any content thereof or offer access to any third party without prior written consent of Crisil Ratings.

Crisil Ratings or its associates may have other commercial transactions with the entity to which the report pertains or its associates. Ratings are subject to revision or withdrawal at any time by Crisil Ratings. Crisil Ratings may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

Crisil Ratings has in place a ratings code of conduct and policies for managing conflict of interest. For more detail, please refer to: <https://www.crisil.com/en/home/our-businesses/ratings/regulatory-disclosures/highlighted-policies.html>. Public ratings and analysis by Crisil Ratings, as are required to be disclosed under the Securities and Exchange Board of India regulations (and other applicable regulations, if any), are made available on its websites, www.crisilratings.com and <https://www.ratingsanalytica.com> (free of charge). Crisil Ratings shall not have the obligation to update the information in the Crisil Ratings report following its publication although Crisil Ratings may disseminate its opinion and/or analysis. Reports with more detail and additional information may be available for subscription at a fee. Rating criteria by Crisil Ratings are available on the Crisil Ratings website, www.crisilratings.com. For the latest rating information on any company rated by Crisil Ratings, you may contact the Crisil Ratings desk at crisilratingdesk@crisil.com, or at (0091) 1800 267 1301.

Crisil Ratings uses the prefix 'PP-MLD' for the ratings of principal-protected market-linked debentures (PPMLD) with effect from November 1, 2011, to comply with the SEBI circular, "Guidelines for Issue and Listing of Structured Products/Market Linked Debentures". The revision in rating symbols for PPMLDs should not be construed as a change in the rating of the subject instrument. For details on Crisil Ratings' use of 'PP-MLD' please refer to the notes to Rating scale for Debt Instruments and Structured Finance Instruments at the following link: <https://www.crisilratings.com/en/home/our-business/ratings/credit-ratings-scale.html>