



# SURYA ROSHNI LIMITED

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SRL/23-24/16

July 10, 2023

**The Secretary**  
The Stock Exchange, Mumbai  
MUMBAI - 400 001  
Scrip Code: 500336

**The Manager (Listing Department)**  
The National Stock Exchange of India Ltd.  
Mumbai - 400051  
NSE Symbol: SURYAROSNI

**SUB: SHORT-TERM RATING OF A1+ ASSIGNED BY ICRA FOR BANK FACILITIES / COMMERCIAL PAPER OF RS. 100 CRORES AND WITHDRAWAL OF RATING A1+ ASSIGNED TO RS. 200 CRORE FOR COMMERCIAL PAPER PROG. ON COMPANY REQUEST.**

Madam / Sir,

In terms of Regulation 30 read with Para A of Part A of Schedule III and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby informed that ICRA Limited vide its letters dated 10<sup>th</sup> July, 2023 has **assigned a short term rating of [ICRA] A1+** to the Bank facilities / Commercial Paper Program of Surya Roshni Limited of Rs. 100 crore and further on the request made by the Company, short-term rating ICRA A1+ assigned to Rs. 200 crore Commercial Paper of the Company has been withdrawn by them in accordance with ICRA's policy on withdrawal.

The assigned rating favourably factors in Surya Roshni Limited's (SRL) strong operational profile, supported by its established market position in the domestic electric resistance welded (ERW) pipes industry, its geographically diversified manufacturing base, a Pan-India distribution network, long track record of over four decades and its established brands, **Surya and Prakash Surya**.

Further, the rating action considers SRL's healthy financial risk profile, a sustained healthy operating performance over the years and a comfortable liquidity position. After a robust 39% YoY growth in revenues in FY2022 on the back of a surge in realisations, increased volumes and higher share of value-added products, the company's performance continued to be healthy in FY2023 as it reported healthy revenues of Rs. 7,997 crore.

The performance is further expected to improve in the coming fiscals, supported by steady volumetric growth on the back of optimal utilisation of its existing capacities, improved working capital management and ongoing deleveraging of its balance sheet. As expected by ICRA, the improvement trend to continue and the company's financial risk profile to strengthen over the medium term, with steady profit margins, the company maintain healthy coverage metrics despite the working capital-intensive nature of operations. The ICRA notes that the steps being taken by SRL to streamline its working capital cycle are favourably contributing to its cash flow generation and have enabled the company to prepay its debt obligations, facilitating faster deleveraging of its balance sheet.

Kindly take the same in your records

Thanking you,  
Yours faithfully,  
for **Surya Roshni Limited**

**B B Singal**  
CFO & Company Secretary