



Press Release
BHAGYANAGAR COPPER PRIVATE LIMITED
January 28, 2026
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	435.00	ACUITE BBB+ Stable Assigned	-
Total Outstanding Quantum (Rs. Cr)	435.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has assigned its long-term rating of '**ACUITE BBB+**' (read as **ACUITE triple B plus**) on the Rs. 435.00 Cr. bank facilities of Bhagyanagar Copper Private Limited (BCPL). The outlook is '**Stable**'.

Rationale for rating:

The assigned rating considers the extensive industry experience of the promoters over four decades in copper manufacturing and benefits of being part of Surana group. The rating also factors in improvement in operating performance which is expected to continue in current fiscal on the back established market position of the company in copper product manufacturing with a diverse product profile. The rating also draws comfort from company's healthy financial risk profile and efficient working capital operations. However, the rating remains constrained by competitive industry and susceptibility of profitability margins to volatility in raw material prices.

About the Company

Bhagyanagar Copper Private Limited (BCPL; formerly known as Aanvik Mercantile Private Limited), was incorporated in 2008, and is a wholly owned subsidiary of Bhagyanagar India Limited (BIL). BCPL is engaged in the manufacturing of copper and allied products. The company is based in Hyderabad, Telangana. The current directors of the company are Mr. Rakesh Kumar Agarwal, Mr. Devendra Surana, Ms. Sanjana Jain, Mr. Naresh Chand Bhardwaj, and Mr. Venkateswara Rao Nukala. BCPL operates a manufacturing facility with an installed capacity of 35,000 metric tonnes per annum (MTPA). The company manufactures and supplies a wide range of copper products, including copper rods, strips, pipes, busbars, and sheets. BCPL primarily caters to original equipment manufacturers (OEMs) and has established long-standing relationships with its customers.

About the Group

Bhagyanagar India Limited (BIL) was incorporated in 1985, registered in Hyderabad, Telangana. The company was earlier engaged in the manufacture of copper products with an installed capacity of 10,000 MT per annum, which was subsequently transferred to Bhagyanagar Copper Private Limited (BCPL) as part of business restructuring. The current directors of the company are Mr. Naresh Chand Bhardwaj, Mr. Devendra Surana, Ms. Sanjana Jain, Mr. Venkateswara Rao Nukala, Mr. Chandra Shekhar Agrawal, and Mr. Venkata Murali Krishna Tripuraneni. In addition to its core copper business, BIL has diversified into the non- conventional energy sector and operates a wind power project with an installed capacity of 9 MW at Kapatigudda, Karnataka. BIL is listed on the Bombay Stock

Exchange and the National Stock Exchange.

Unsupported Rating

Not applicable

Analytical Approach

Extent of Consolidation

- Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

For arriving at the ratings, Acuite has consolidated business and financial risk profiles of Bhagyanagar Copper Private Limited (BCPL) and its holding company Bhagyanagar India Limited (BIL), these companies are together referred to as the "Bhagya Nagar group". This is because both the companies have the common management, BCPL is a wholly owned subsidiary of BIL, wherein BIL has extended a corporate guarantee to BCPL.

Key Rating Drivers

Strengths

Extensive industry experience of the promoters

BCPL, incorporated in 2008, is promoted by Mr. Rakesh Kumar Agarwal, Mr. Devendra Surana, Ms. Sanjana Jain, Mr. Naresh Chand Bhardwaj, and Mr. Venkateswara Rao Nukala—industry veterans with over four decades of experience in the copper manufacturing sector. The company derives strategic advantages from being part of the Hyderabad-based Surana Group, a diversified business conglomerate with interests in copper products, wind and solar power generation, and real estate. The Group's flagship entity, Bhagyanagar India Limited (BIL), was founded in 1985 by Mr. G. M. Surana. BCPL's operations are also supported by a team of experienced and qualified professionals. Further strengthening its business profile. Acuite believes that the experience of promoters and qualified professionals. Stabilization will benefit the company going forward, resulting in steady growth in the scale of operations and profitability.

Improvement in operating performance, expected to continue in current fiscal

Group has achieved revenue of Rs. 1625.61 Cr in FY2025 against Rs. 1429.31 Cr in FY2024 and Rs. 1845.77 Cr in FY2023. After a healthy growth in FY2023, the decline in FY2024 revenues was primarily due to a reduction in sales volume of commodity products. Despite market dynamics, the company's revenue remained stable in FY2025. The performance was supported by a deliberate shift in sales toward higher-margin, value-added products. The group reported revenues of ~Rs. 1,066 crores in H1 FY2026, reflecting a healthy growth of 37% over H1 FY25. Revenue growth in FY2025 was mainly driven by increase in realization, the revenue growth in FY2026 (Est) would be supported by an increase in volumes as well as realization and introduction of value-added products. The EBITDA margins of the group stood at 2.28 percent in FY2025 as compared to 2.13 percent in FY2024 and 1.83 percent in FY2023. The PAT margins of the group stood at 0.86 percent in FY2025 as compared to 3.20 percent in FY2024 and 0.55 percent in FY2023. For FY2024, the PAT was arrived after considering other income (Non operating income) of Rs. 45.36 Cr which mainly consisted of profit on sale of land and rental income. Acuite believes that the experience of promoters and stabilization of copper prices will benefit the company from going forward, resulting in steady growth in the scale of operations and profitability.

Healthy financial risk profile

Group's financial risk profile is healthy, marked by healthy net worth (Inclusive of quasi equity) along with low gearing and moderate debt protection metrics. The net worth of the group stood at Rs.281.54 Cr as on March 31st, 2025, against Rs.233.80 Cr as on March 31, 2024, and Rs. 181.72 Cr as on March 31st, 2023 respectively. The net worth improved on account of quasi equity of Rs. 74.16 Cr (USL has been considered as quasi equity) as against Rs. 40.43 Cr as on March 31, 2024. The gearing of the group stood at 0.71 times as on March 31, 2025, as

against 0.26 times as on March 31, 2024, and 1.02 times as on March 31st, 2023. Total debt includes short term debt of Rs. 191.73 Cr, long term debt of Rs. 9.24 Cr as on March 31st, 2025. Group's debt protection metrics is moderate marked by– Interest coverage ratio (ICR) and debt service coverage ratio (DSCR) stood at 2.52 times and 1.45 times as on March 31, 2025, respectively as against 5.66 times and 3.26 times as on March 31, 2024, respectively. The interest coverage ratio (ICR) has arrived after considering non-operating income of Rs. 5.65 Cr in FY2025 and Rs. 45.36 Cr in FY2024, which mainly consists of profit on sale of land in FY2024, if adjusted then ICR stood at 2.18 times in FY2025 and 2.27 times in FY2024. TOL/TNW stood at 0.85 times as on March 31st, 2025, against 0.43 times as on March 31st, 2024 and 1.33 times as on March 31st, 2023, respectively. The debt to EBITDA of the group stood at 4.71 times in March 2025 as against 0.79 times in FY2024 and 5.23 times FY2023. Acuite believes that the financial risk profile will remain healthy over the medium term on the back of no major debt funded capex.

Efficient working capital operations

Group's working capital operations are efficient in nature as reflected through the gross current assets (GCA) of 97 days in FY2025 against 63 days in FY2024 and 66 days in FY2023. The GCA days also includes high other current assets of Rs. 130.09 Cr which mainly consist of advance to suppliers and margin money. Inventory days stood at 36 days in FY2025 compared to 22 days in FY2024, 29 days in FY2023. The increase in inventory during FY2025 is mainly because the group has shifted focus to imported scrap, which offers better quality and improved regulatory compliance compared to unorganized domestic sourcing. Imported raw materials involve longer lead times, and therefore the group needs to maintain higher inventory levels to ensure smooth and uninterrupted production. Debtor days stood at 33 days in FY2025 against 25 days in FY2024 and 24 days in FY2023. The debtor cycle remained comfortable and well controlled. The increase in receivable days to 33 days in FY2025 was primarily due to a higher share of value-added product sales to OEM's, which typically carry a slightly longer but industry-acceptable credit period, and higher year-end sales concentration. Acuite believes the working capital operations are expected to remain efficient over the medium term on the back of quicker collections.

Weaknesses

Susceptibility to profitability to volatility in raw material prices

The group faces significant susceptibility to margin erosion due to the high volatility in the prices of metals. Since raw materials constitute a major portion of their production costs, sharp, unexpected price increases can swiftly squeeze profit margins if finished goods prices cannot be adjusted quickly or effectively. This sensitivity necessitates robust risk management strategies, such as hedging and maintaining optimal inventory levels, to mitigate the financial impact of rapid market fluctuations and protect profitability.

Exposure to intense competition

Due to presence of large number of organized & unorganized players in the industry, the industry is exposed to intense competition. Therefore, scale of operations determines the negotiating power with suppliers and customers, and ability to withstand business downturns.

Rating Sensitivities

- Sustainability in revenue growth and profitability margins
- Elongation of working capital cycle
- Any deterioration of its financial risk profile owing to higher-than expected debt funded capex.

Liquidity Position: Adequate

Group's liquidity is adequate with adequate net cash accruals (NCAs) to its repayment obligations. company has generated cash accruals of Rs.21.05 Cr during FY2025, while its maturing debt obligations are Rs. 9.21 Cr during the same period. Going forward, the company is expected to generate in the range of Rs. 35.32-47.22 Cr net cash accruals against its repayment obligations of Rs. 2.12-4.02 Cr. The Group has maintained unencumbered cash and bank balances Rs.4.96 Cr and the current ratio stood at 2.00 times as on March 31, 2025.

The fund based working capital limits were utilized at an average of ~79 percent over the past 12 months ending October 2025. Acuité expects that the liquidity of the group is likely to be adequate over the medium term on account of healthy cash accruals.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	1625.61	1429.31
PAT	Rs. Cr.	14.02	45.72
PAT Margin	(%)	0.86	3.20
Total Debt/ Tangible Net worth	Times	0.71	0.26
PBDIT/Interest*	Times	2.52	5.66

*The PBDIT/Interest has arrived after considering non-operating income of Rs. 5.65 Cr in FY2025 and Rs. 45.36 Cr in FY2024, which mainly consists of profit on sale of land in FY2024, rental income, if adjusted then ICR stood at 2.18 times in FY2025 and 2.27 times in FY2024.

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

None

Any Other Information

Bhagyanagar India Limited (BIL) approved a Composite Scheme of Arrangement on September 20, 2025. The plan includes merging wholly-owned subsidiary Bhagyanagar Copper Private Limited with BIL, followed by demerging BIL's copper division into a new entity, Tieramet Limited. Shareholders will receive Tieramet shares at a 1:1 ratio, with plans to list Tieramet on NSE and BSE. The restructuring aims to optimize corporate structure, unlock shareholder value, improve operational efficiency, and create a focused entity for copper business with ESG emphasis. The appointed date for the scheme is April 1, 2025, subject to regulatory approvals.

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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 :

Not applicable

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
AXIS BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE BBB+ Stable Assigned
H D F C Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	140.00	Simple	ACUITE BBB+ Stable Assigned
HSBC Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	75.00	Simple	ACUITE BBB+ Stable Assigned
YES BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	100.00	Simple	ACUITE BBB+ Stable Assigned
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE BBB+ Stable Assigned
AXIS BANK LIMITED	Not avl. / Not appl.	Term Loan	01 Aug 2025	Not avl. / Not appl.	30 Sep 2029	10.00	Simple	ACUITE BBB+ Stable Assigned
HSBC Limited	Not avl. / Not appl.	Term Loan	01 Apr 2024	Not avl. / Not appl.	01 Apr 2027	5.00	Simple	ACUITE BBB+ Stable Assigned
KOTAK MAHINDRA BANK LIMITED	Not avl. / Not appl.	Working Capital Demand Loan (WC DL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	45.00	Simple	ACUITE BBB+ Stable Assigned

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr.no.	Company name
1.	Bhagyanagar Copper Private Limited
2.	Bhagyanagar India Limited

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About Acuité Ratings & Research

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