Rating Rationale
21 Sep 2026

Siyaram Recycling Industries Limited
(Erstwhile Siyaram Recycling Industries Private Limited & before that Siyaram Impex Pvt. Ltd.)

Brickwork Ratings is upgrading and assigning the long-term and short-term ratings for the Bank Loan Facilities of Rs. 116.68 crore and withdrawing the long-term ratings for the Bank Loan Facilities of Rs. 0.19 crore for Siyaram Recycling Industries Limited .

SUMMARY OF RATING ACTION

Facilities	Tenure	Amount (₹ crore)		Rating Action		Regulator
		Previous	Present	Previous (16 Dec 2025)	Present	
Fund-Based	Long Term	0	**1.14**	-	**BWR BB /Stable/ Assignment**	RBI
		0	**4.00**	-	**BWR BB /Stable/ Assignment**	RBI
		24.00	**95.00**	BWR B /Stable/ Continues to be in ISSUER NOT COOPERATING* /Reaffirmation	**BWR BB /Stable removal from ISSUER NOT COOPERATING* category/Upgraded**	RBI
		(24.00)	**(75.00)**	BWR B /Stable/ Continues to be in ISSUER NOT COOPERATING* /Reaffirmation	**BWR BB /Stable removal from ISSUER NOT COOPERATING* category/Upgraded**	RBI
		0	**15.00**	-	**BWR BB /Stable/ Assignment**	RBI
		2.54	**0.14**	BWR B /Stable/Continues to be in ISSUER NOT COOPERATING* /Reaffirmation	**BWR BB/Stable removal from ISSUER NOT COOPERATING* category/Upgraded**	RBI
		0.19	**0.00**	BWR B /Stable/ Continues to be in ISSUER NOT COOPERATING* /Reaffirmation	**Withdrawan**	RBI
Non Fund Based	Short Term	0.48	**1.40**	BWR A4/ Continues to be inISSUER NOT COOPERATING* category/Reaffirmed	**BWR A4/removal from ISSUER NOT COOPERATING* category/Reaffirmed**	RBI
		(24.00)	**(75.00)**	BWR A4/Continues to be inISSUER NOT COOPERATING*	**BWR A4/removal from ISSUER NOT COOPERATING* category/ Reaffirmed**	RBI

				category/Reaffirmed		
Total		**27.21**	**116.68**	**Rupees One Hundred Sixteen Crores and Sixty Eight lakhs Only**		

Note:

1. Please refer to the BWR website www.brickworkratings.com for the definition of the ratings
2. Refer to Annexures I, II, and III for details of rated bank loan facilities, debt instruments, and the List of Entities Consolidated**.**

RATING ACTION/OUTLOOK

Brickwork Ratings (BWR) has assigned/upgraded ratings to BWR BB/Stable and BWR A4 for a debt size of Rs. 116.68 Crores while withdrawing the ratings on fully paid term facilities of Rs. 0.19 Crores on receipt of No Due Certificate (NDC) in accordance with BWR's withdrawal policy.

For assigning the ratings, BWR has relied on the audited financials of the company up to FY26, projected financials for FY27-FY28, clarification provided by the company and publicly available information.

Brickwork Ratings (BWR) has assigned and upgraded the ratings of Siyaram Recycling Industries Limited, driven by its standalone financial performance. The credit profile is underpinned A solid net worth base and low leverage provide financial resilience, supported by deep promoter experience and established procurement networks. Operating margins are further defended by a strategic shift toward higher-value, value-added product segments. Conversely, The profile is constrained by contracting operational scale, heavy working capital lock-up from inventory overhang, and weakened debt coverage ratios. High raw material intensity leaves profitability exposed to volatile commodity prices and foreign exchange fluctuations.

The rating outlook is "Stable," reflecting BWR's expectation that Siyaram Recycling Industries Limited will sustain its business risk profile over the medium term. This outlook suggests a minimal probability of rating revision within the foreseeable future. An upward revision to "Positive" may be considered should revenue and profitability demonstrate sustained growth, while a "Negative" revision could be triggered by a deterioration in the financial risk profile.

KEY COVENANTS OF THE INSTRUMENT/FACILITY

The terms of sanction of the rated facilities include standard covenants normally stipulated for such facilities.

ANALYTICAL APPROACH & APPLICABLE RATING CRITERIA

Analytical Approach	Comments
Applicable Rating Criteria	• General Criteria • Approach to financial ratios • Manufacturing Company • BWR Withdrawal Policy • Short Term Debt
Parent/Group/Government Support	No
Analytical Approach (Consolidation/Standalone)	Standalone

KEY RATING DRIVERS WITH DETAILED DESCRIPTION

Credit Strengths:

Capitalized Net Worth Base and Satisfactory Gearing :
Tangible Net Worth (TNW) expanded steadily to Rs. 130.02 Cr in FY26 (up from Rs. 76.73 Cr in FY24). Financial leverage remains well-managed with Total Debt / TNW at 0.88x and Total Outside Liabilities / TNW at 1.11x in FY26, providing balance sheet resilience against operational shocks.

Established Market Standing and Experienced Promoters :
The company benefits from over three decades of promoter experience in non-ferrous metal recycling and brass product
manufacturing. Strategic location in Jamnagar, Gujarat—India's primary brass industrial cluster—provides operational synergies and established scrap procurement networks.

Product-Mix Diversification into Value-Added Segments :
Strategic focus on expanding higher-margin precision brass plumbing and sanitary components helped defend operating margins at 4.71% in FY26 despite top-line realizations facing commodity price headwinds.

Credit Risks

Contraction in Operational Scale and Profitability :
Total Operating Income contracted by 29.42% in FY26 to Rs. 361.69 Cr (from Rs. 512.47 Cr in FY25) due to non-ferrous metal price softness. Profit After Tax (PAT) compressed significantly to Rs. 3.79 Cr in FY26 (down from Rs. 14.57 Cr in FY25), leading to thin net profit margins of 1.05%.

High Working Capital Intensity and Inventory Overhang :
Operations remain working-capital heavy due to high inventory holding (Rs. 203.86 Cr in FY26). Substantial cash lock-up in inventory resulted in negative Operating Cash Flows (CFO) and constrained cash conversion cycles.

Moderation in Debt Coverage Ratios :
Interest Service Coverage Ratio (ISCR) weakened to 1.60x in FY26 (from 3.61x in FY25) and Debt Service Coverage Ratio (DSCR) dropped to 1.33x, signaling narrowed earnings buffers over debt obligations during down-cycles.

Vulnerability to Commodity Price Cycles and Foreign Exchange Risk :
High raw material scrap intensity (dominating over 90% of cost structure) exposes operating profitability to volatile LME/MCX copper and zinc price swings and currency fluctuations on imported scrap.

RATING SENSITIVITY FACTORS

Upward Sensitivities:
- Sustained expansion in scale of operations with Total Operating Income (TOI) rising above Rs. 550 Crore with an improvement in operating margins above 5.50% on a sustained basis through higher contribution from value-added brass components.
- Significant rationalization of working capital intensity—particularly through faster inventory turnover and timely receivables collection.
- Strengthening of debt protection metrics, with Interest Service Coverage Ratio (ISCR) rising comfortably above 2.50x and Debt Service Coverage Ratio (DSCR) improving above 2.00x on a sustained basis.

Downward Sensitivities:

- Further decline in top-line scale; TOI falling significantly below Rs. 300 Crore as well as erosion in operating margins below 3.50%
- Persistent lock-up of capital in inventory or elongated trade receivables, leading to continued negative CFO.
- Weakening of debt protection indicators, with ISCR falling below 1.40x or DSCR dropping below 1.15x on a sustained basis, narrowing the cushion for principal and interest repayments.
- Any large-scale, unviable debt-funded capital expenditure (capex) or excessive short-term debt drawdowns that push gearing (Total Debt / TNW) beyond 1.20x–1.50x, weakening overall financial flexibility.

LIQUIDITY POSITION - Adequate

The liquidity profile of Siyaram Recycling Industries Limited remains adequate and operational, supported by strong banking comfort, a capitalized net worth base and resilient pre-working capital operating cash generation. Total debt stands at Rs. 114.23 Crore, with short-term borrowings accounting for Rs. 98.68 Crore. The company demonstrates high reliance on working capital credit facilities—with Axis Bank facilities fully utilized and Union Bank of India limits utilized at approximately 90%—indicating active deployment of credit lines to support continuous raw material scrap procurement and production execution. Liquidity is further augmented by a Working Capital Term Loan (WCTL) of Rs. 4.00 Crore disbursed in August 2026, carrying a 12-month principal moratorium with debt servicing scheduled to commence in August 2027, providing intermediate financial flexibility.

The company maintains a healthy Current Ratio of 2.06x in FY26 (strengthening from 1.81x in FY25 and 1.74x in FY24), supported by total current assets of Rs. 263.07 Crore against current liabilities of Rs. 127.69 Crore. The Quick Ratio stands at a defensive 0.46x, reflecting a working-capital-intensive operational model where substantial capital is tied up in active current assets—specifically moving inventory of Rs. 203.86 Crore (brass scrap, ingots and precision components) and trade receivables of Rs. 54.58 Crore. While unrestricted cash balances remain lean at Rs. 0.18 Crore, short-term liquidity is sustained by the steady, rolling monetization of these operational assets and available drawing power from the banking consortium.

ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) PRACTICES

Not Applicable

COMPANY PROFILE

Industry Classification			
Macroeconomic Indicator	**Sector**	**Industry**	**Basic Industry**
Industrials	**Capital Goods**	**Industrial Products**	**Other Food Products**

Siyaram Recycling Industries Limited (SRIL)

Siyaram Recycling Industries Ltd. (originally incorporated in 2008 as Siyaram Impex Pvt. Ltd.) is an ISO-9001 certified pioneer in the brass-based components and recycling sector. Founded by Mrs. Madhuben R. Maheshwari, Mr. Bhavesh Maheshwari, and Chairman Mr. Ramgopal O. Maheshwari, the enterprise leverages deep industry expertise dating back to 1987 through group entity Siyaram Metal Udyog Pvt. Ltd. Established for manufacturing copper alloy (brass) ingots and billets.. Backed by over 15 years of operational excellence, Siyaram commands a strong domestic and international reputation for high industrial precision, exceptional quality standards and dependable manufacturing capabilities.

KEY FINANCIAL INDICATORS

Standalone Financial Indicators (in ₹ crore)	FY 23 - 24 (A)	FY 24 - 25 (A)	FY 25- 26 (A)
Operating Revenue	413.63	512.47	361.69
EBITDA	17.76	28.18	17.02
PAT	7.52	14.57	3.79
Tangible Net Worth	76.73	126.89	130.02
Total Debt/ Tangible Net Worth	0.77	0.60	0.88
Current Ratio	1.74	1.81	2.06

A: Audited;Note: these are the latest available financial results; P: Provisional; *EBITDA: Earnings before interest, lease rentals, depreciation and tax. All ratios as per BWR's calculations; Amount in ₹ crore.

RATING HISTORY FOR THE PREVIOUS THREE YEARS

	Current Rating (2026)			Rating History					
				FY 2025		FY 2024		FY 2023	
Instrument	Tenor	Amount (₹. Crore)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	Long Term	1.14	BWR BB /Stable/ Assignment	-	-	-	-	-	-
		4.00	BWR BB /Stable/ Assignment	-	-	-	-	-	-
		95.00	BWR BB /Stable removal from ISSUER NOT COOPERATING* category/Upgraded	16 Dec 2025	BWR B/Stable (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	28 Nov 2024	BWR B Stable (Continues to be in ISSUER NOT COOPERATING* category/Downgraded)	09 Nov 2023	BWR B+ Stable (ISSUER NOT COOPERATING* /Downgrade)
		(75.00)	BWR BB /Stable removal from ISSUER NOT COOPERATING* category/Upgraded	16 Dec 2025	BWR B/Stable (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	28 Nov 2024	BWR B Stable (Continues to be in ISSUER NOT COOPERATING* category/Downgraded)	09 Nov 2023	BWR B+ Stable (ISSUER NOT COOPERATING* /Downgrade)
		15.00	BWR BB /Stable/ Assignment	-	-	-	-	-	-
		0.14	BWR BB /Stable removal from ISSUER NOT COOPERATING*	16 Dec 2025	BWR B/Stable (Continues to be in ISSUER NOT COOPERATING*	28 Nov 2024	BWR B Stable (Continues to be in ISSUER NOT COOPERATING*	09 Nov 2023	BWR B+ Stable (ISSUER NOT COOPERATING* /Downgrade)

			category/Upgraded		category/Reaffirmed)		category/Downgraded)		
Fund Based	Long Term	0.00	Withdrawn	16 Dec 2025	BWR B/Stable (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	28 Nov 2024	BWR B Stable (Continues to be in ISSUER NOT COOPERATING* category/Downgraded)	09 Nov 2023	BWR B+ Stable (ISSUER NOT COOPERATING* /Downgrade)
Non Fund Based	Short Term	1.40	BWR A4/removal from ISSUER NOT COOPERATING* category /Reaffirmed	16 Dec 2025	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	28 Nov 2024	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	09 Nov 2023	BWR A4 (ISSUER NOT COOPERATING* /Reaffirmation)
		(75.00)	BWR A4/removal from ISSUER NOT COOPERATING* category /Reaffirmed	16 Dec 2025	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	28 Nov 2024	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	09 Nov 2023	BWR A4 (ISSUER NOT COOPERATING* /Reaffirmation)
Grand Total		**116.68**		**(Rupees One Hundred Sixteen Crores and Sixty Eight lakhs Only)**					

COMPLEXITY LEVEL OF THE RATED INSTRUMENTS

Instrument	Complexity Indicator
Fund Based	Simple
Non-Fund Based	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 BWR's website www.brickworkratings.com/download/ComplexityLevels.pdf

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY):
None

ANY OTHER INFORMATION: None

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Annexure I: Details of Bank Loan Facilities *(Amount in Rupees Crore)*

S.No	Facilities	Tenor	Bank	Total	Regulator
1	Cash Credit - Sanctioned	Long Term	Axis Bank	**20.00**	RBI
			Union Bank Of India	**75.00**	RBI
2	Sub-Limit (Buyers credit) -Sanctioned	Long Term	Union Bank Of India	(75.00)	RBI
3	Working Capital Term Loan - Sanctioned	Long Term	Axis Bank	**4.00**	RBI
4	Term Loan - Out-standing	Long Term	Union Bank Of India	**1.14**	RBI
5	Emergency Credit Line Guarantee Scheme (ECLGS) - Out-standing	Long Term	Union Bank Of India	**15.00**	RBI
6	GECL - Out-standing	Long Term	Union Bank Of India	**0.14**	RBI
7					
8	Forward Contract - Sanctioned	Short Term	Union Bank Of India	**1.40**	RBI
9	Sub-Limit (Letter of credit) -Sanctioned	Short Term	Union Bank Of India	**(75.00)**	RBI
Total				**Rs. 116.68 (Rupees One Hundred Sixteen Crores and Sixty Eight lakhs Only)**	

ANNEXURE II: Details of Instruments

Name of the Instrument / Facility	Long Term/Short Term	ISIN	Date of Issuance (DD-MMYYYY)	Coupon Rate (%)	Maturity Date (DDMM-YYYY)	Size of the Issue (₹ cr)	Rating Assigned and Rating Outlook	Regulator
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

ANNEXURE III: List of Entities Consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
NA	NA	NA	NA

Annexure IV: List of Instruments and Names of Regulators of the Instruments

As required by SEBI CRA Circular dated Feb 10, 2026, a list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

No.	Instrument/Activity Name	Regulator of the Instruments
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)* $	RBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)*	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)*	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 ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, HFCs, FIs	RBI
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 ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts $	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference shares (all securities))	SEBI
22	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
23	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

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

~ 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 PRs after issuance(s), BWR Ratings shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

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.

@ These ratings were assigned during the regulatory regime before the introduction of the SEBI CRA Circular dated Feb 10, 2026, and the investor-side regulators have accordingly been included.
$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

Grievance Management

For any grievances relating to rating of instruments regulated by SEBI, please contact **sebigrievance@brickworkratings.com**. Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

For any grievances relating to rating of instruments regulated by other FSRs (Financial Services Regulators), please contact **grievance@brickworkratings.com**

Disclosure of Conflict of Interest

BWR Board of Directors has no influence over rating decisions, nor do they sit on the rating committees or review, discuss, or evaluate any credit ratings during the Board meetings.

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Brickwork Ratings (BWR) is a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and is accredited by the Reserve Bank of India [RBI]. BWR is the 5th agency to get a credit rating registration in India in 2009, and its corporate office is in Bengaluru. It has a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi, along with representatives in 150+ locations. Canara Bank is an institutional investor in Brickwork.

Brickwork offers credit ratings of bank loans, Non- convertible/convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporate and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

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