

September 30, 2025

Puran Associates Private Limited: [ICRA]AA+ (Stable); assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Non-Convertible Debentures	100.00	[ICRA] AA+ (Stable); assigned
Total	100.00	

*Instrument details are provided in Annexure I

Rationale

The rating assigned to the proposed debt instrument of Puran Associates Private Limited (PAPL) favourably factors in its status as one of the principal holding companies of Dabur India Limited (DIL; rated [ICRA]AAA(Stable)/ [ICRA]A1+), and the strong financial flexibility emanating from the market value of PAPL's investments in DIL (~Rs. 9,819 crore, for its 10.68% stake as on September 24, 2025). PAPL functions as the family office of Mr. Anand Chand Burman and Mrs. Minnie Burman, with its primary investment in DIL (in terms of market value). In addition, PAPL holds material stakes in other operational entities, including Eveready Industries India Limited (EIIL), Religare Enterprises Limited (REL), and Health Care at Home India Private Limited (HCHPL). The total quantum of investments held in subsidiaries and associates by the entity stood at Rs. 11,369 crore (at market value of listed shares as of September 24, 2025).

These strengths are partially offset by the high concentration of both the investment value (in terms of market value) and dividend income in DIL. DIL accounts for almost the entire dividend income and ~86% of the combined market value of the entity's investments as on September 24, 2025. Nevertheless, the rating derives comfort from DIL's established leadership position in the FMCG industry and its strong credit metrics, along with a healthy cash surplus. Despite challenges such as subdued urban discretionary spending, rising competition, and inflationary pressure, the dividend has remained largely stable (Rs. 5.2-5.5/share). The dividend inflow is expected to improve further in FY2026, with a dividend of Rs. 5.25 already announced and an interim dividend expected by November 2026, aided by the anticipated improvement in performance. Given its track record, ICRA expects consistent dividend income for PAPL from DIL over the medium term, which provides comfort.

ICRA notes that the entity has made incremental investments in connection with the fund-raising initiative being planned by REL, which intends to raise Rs. 1,500 crore through a preferential issue of warrants, with PAPL expected to contribute Rs. 187.5 crore over FY2026 and FY2027 to increase its stake in the entity to 10.22% from 9.78%. The structure of the transaction involves an upfront payment of 25% (approximately Rs. 46.9 crore), with the remaining 75% due to be paid within 18 months. ICRA notes that PAPL maintains healthy liquidity, aided by a steady inflow of dividend income from DIL, an investment profile spread across subsidiaries and associates (Rs. 11,369 crore at market value of listed shares as of September 24, 2025), and liquid investments of Rs. 247 crore (spread across various asset classes). These resources provide an adequate buffer for the entity to meet foreseeable investment commitments.

PAPL did not have any bank or institutional debt as of March 31, 2025, and the entity has pursued a disciplined and measured approach to investing in business ventures. The debt on the company's books was entirely from related parties and promoter group entities, as excess cash from these entities was parked with PAPL. These debts are largely interest free and have an undefined repayment schedule (payable when able upon request), aiding the company in maintaining a healthy coverage ratio. Even though the company has a strong liquidity profile, it intends to raise funds to further strengthen its liquidity position and maintain a robust credit profile. ICRA will continue to monitor the quantum and nature of fund-raising initiatives planned by the company and their impact on its credit profile.

The Stable outlook on the rating reflects ICRA's expectation that PAPL will continue to benefit from the significant market value buffer of its investments in DIL, along with stable dividend income, supporting its strong credit profile.

Key rating drivers and their description

Credit strengths

Strong financial flexibility for being one of principal holding companies of DIL — The financial risk profile of PAPL is supported by a stable stream of dividend income from DIL and minimal incremental funding requirements for its principal investee companies. Notably, against a book value of investment in DIL of Rs. 0.0042 crore — representing a negligible proportion of the total book value of investments — the market value of the holdings stood at approximately Rs. 9,871.2 crore as of March 31, 2025. This substantial market value of the investment in DIL provides PAPL with strong financial flexibility to raise debt, if necessary. PAPL also holds investments in EIL, valued at Rs. 249.7 crore at book value, with a corresponding market value of Rs. 354.21 crore as of March 31, 2025. Additionally, its investment in REL is recorded at Rs. 751.7 crore at book and market value as on March 31, 2025. Besides, PAPL's portfolio includes unlisted real estate assets, which have significant monetisation potential, further enhancing its financial resilience.

Strong credit profile of DIL, the principal contributor of dividend income — PAPL serves as a direct holding company of DIL, besides other entities within the Burman family group. Its primary source of income is the dividend received from DIL, with only marginal contributions from other investee companies (a modest dividend of approximately Rs. 30-40 lakh from EIL) and returns from other liquid investments. Despite challenges such as subdued urban discretionary spending, rising competition, and inflationary pressure, DIL's dividend payouts have remained relatively stable in the range of Rs. 5.2-5.5 per share. The dividend inflow is expected to improve further in FY2026, with a dividend of Rs. 5.25 already announced and an interim dividend expected by November 2026, aided by anticipated improvement in performance. Given its track record, ICRA expects consistent dividend income for PAPL from DIL over the medium term, which provides comfort.

Healthy financial risk profile with no external debt due to measured and disciplined investment approach — PAPL remains free from bank and institutional debt, reflecting a disciplined and measured approach to capital allocation and investment in business ventures. The debt reflected on its books has been exclusively sourced from related parties or promoter group entities, wherein the surplus liquidity has been parked with PAPL. These borrowings are largely interest-free and carry no defined repayment schedule, being payable on demand. Even as the company has a strong liquidity profile, it intends to raise funds to further strengthen its liquidity profile and maintain a strong credit profile. ICRA will continue to monitor the quantum, and the nature of fund raises planned by the company and their impact on its credit profile.

Credit challenges

Concentration of investment in DIL and significant dependence on its dividend payout — DIL contributes nearly the entire dividend income earned by PAPL, making the holding company heavily reliant on DIL's operational and financial performance for its cash flows. DIL's strong credit profile and consistent history of dividend declarations offer a degree of comfort. However, the FMCG sector continues to face headwinds, including fluctuating consumer demand, rising input costs, and intensifying competition across categories. Additionally, structural shifts in consumer preferences and evolving retail dynamics may introduce volatility. PAPL's financial flexibility also remains closely tied to DIL's performance, as its investment in DIL constituted around 86% of the combined market value of investments of the entity as on September 24, 2025.

Liquidity position: Strong

The liquidity profile of PAPL is expected to remain strong, aided by consistent dividend inflows from DIL (expected to be around Rs. 100-150 crore per annum). The entity had available cash and liquid investments of ~Rs. 126 crore as on March 31, 2025 (post liquidity haircut over liquid investments, in line with ICRA's liquidity assessment policy). Against the same, it has investment commitments of Rs. 180-220 crore over FY2026-FY2027 and has no external debt repayment obligation. Despite some demand volatility, ICRA expects DIL to maintain its strong position in the FMCG industry and healthy credit profile over

the medium term. This is likely to ensure a consistent flow of dividends to its promoter companies and aid their investment obligations. Further, PAPL is expected to raise Rs. 100 crore in the form of NCDs to help finance its investments in REL.

Rating sensitivities

Positive factors – ICRA could upgrade PAPL’s rating if, inter alia, there is a material increase in the market value of its investments and dividend income along with diversification of its income stream.

Negative factors – Pressure on PAPL’s rating could arise for reasons including any deterioration in the credit profile of the key investee company (DIL) or a significant decline in dividend income, or a reduction in market value of its investments, resulting in market value of its unencumbered equity shares in the listed companies falling below 6.0 times of the outstanding external debt on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Investment Company
Parent/Group support	Not applicable
Consolidation/Standalone	The rating is based on standalone financials of the entity

About the company

Puran Associates acts as the family office for Mr. Anand Chand Burman and Mrs. Minnie Burman for their investment in DIL, which is the primary investment of the company (in terms of market value) along with other major operational entities including Eveready Industries, Religare Enterprises and Health Care at Home India Private Limited. The total quantum of investments held in subsidiaries and associates by the entity stood at Rs. 11,350 crore (at market value of shares in listed entities as of March 31, 2025).

Key financial indicators (audited)

PAPL	FY2023	FY2024	FY2025*
Operating income	193.7	314.6	117.8
PAT	167.5	200.0	36.6
OPBDIT/OI	90.6%	93.5%	68.4%
PAT/OI	86.5%	63.6%	31.1%
Total outside liabilities/Tangible net worth (times)	0.3	0.4	0.4
Total debt/OPBDIT (times)	1.3	1.4	5.3
Interest coverage (times)	11.4	15.6	4.0

Source: Company, ICRA Research; *Provisional numbers; All ratios as per ICRA’s calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current rating (FY2026)				Chronology of rating history for the past 3 years					
				FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	Sep 30, 2025	Date	Rating	Date	Rating	Date	Rating
Non-Convertible Debentures	Long Term	100	[ICRA]AA+ (Stable)	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Non-Convertible Debentures	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 ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
Yet to be placed	Non-Convertible Debentures	NA	NA	NA	100.00	[ICRA] AA+ (Stable)

Source: Company

Annexure II: List of entities considered for consolidated analysis – Not applicable

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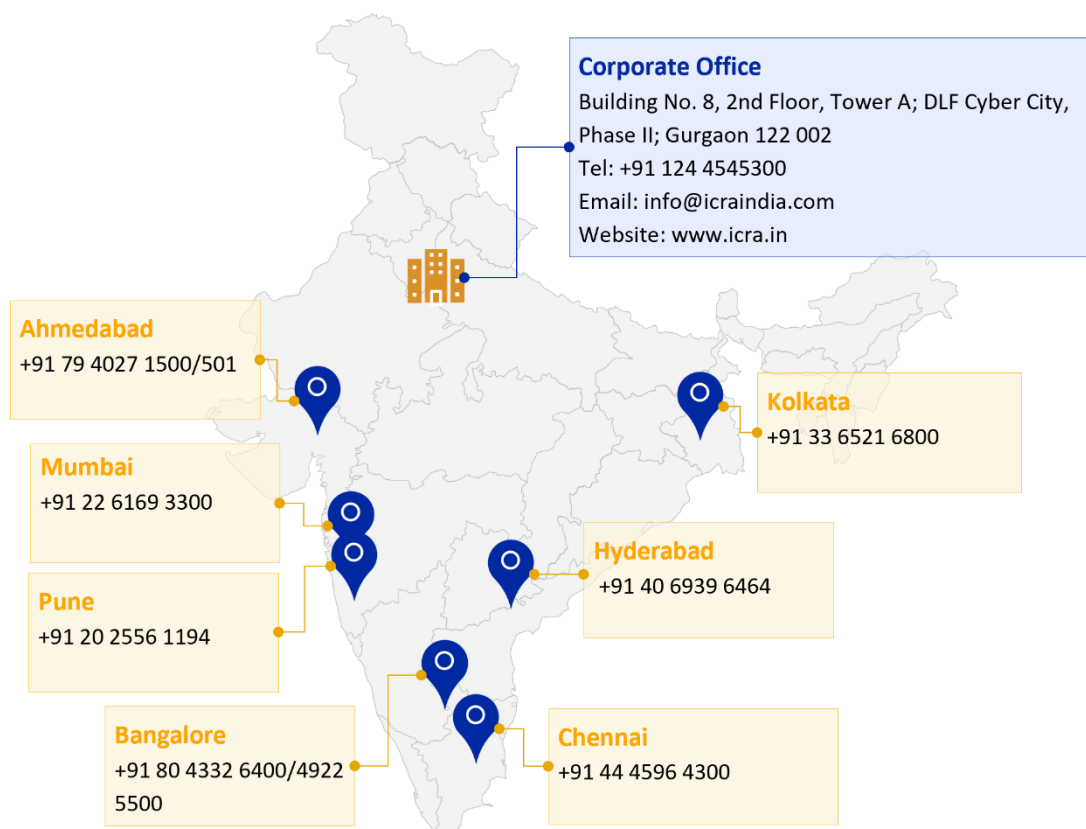
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