

October 08, 2025

## Birla Group Holdings Private Limited: Rating reaffirmed

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Commercial paper programme	7,500.00	7,500.00	[ICRA]A1+; reaffirmed
<b>Total</b>	<b>7,500.00</b>	<b>7,500.00</b>	

\*Instrument details are provided in Annexure I

### Rationale

The rating factors in Birla Group Holdings Private Limited's (BGHPL) position as one of the main holding companies of the Aditya Birla Group. The rating takes into account the company's equity ownership in listed Group entities with key investments in companies like Grasim Industries Limited (rated [ICRA]AAA (Stable)/[ICRA]A1+), Aditya Birla Capital Limited (rated [ICRA]AAA (Stable)/[ICRA]A1+), Aditya Birla Fashion and Retail Limited (rated [ICRA]AA+ (Stable)/[ICRA]A1+), Aditya Birla Lifestyle Brands Limited, Hindalco Industries Limited, Pilani Investment and Industries Corporation Limited and Aditya Birla Real Estate Limited. The rating also factors in the company's adequate liquidity position, driven by the market value of its holdings in listed Group entities. It also has holdings in the unlisted investments of other Group companies (including other Group holding companies).

BGHPL continues to report losses with financing costs exceeding dividend income, resulting in a negative reported net worth. However, considering the market value of the listed investments in Group entities, the adjusted net worth is substantially higher. ICRA notes that the company has demonstrated the ability to raise resources within and outside the Aditya Birla Group. This, coupled with the sizeable market value of its listed investments, adds to its financial flexibility.

### Key rating drivers and their description

#### Credit strengths

**Key holding company of Aditya Birla Group** – BGHPL is the key holding company of the Aditya Birla Group. It holds equity in a number of Group companies including Grasim Industries Limited, Aditya Birla Capital Limited, Aditya Birla Fashion and Retail Limited, Hindalco Industries Limited, Pilani Investment and Industries Corporation Limited, Aditya Birla Real Estate Limited, Century Enka Limited, Vodafone Idea Limited, Ultratech Limited and Aditya Birla Lifestyle Brands Limited. The company also holds stakes in a number of unlisted companies of the Group. By virtue of the market value of its listed holdings and the demonstrated ability to raise resources within and outside the Aditya Birla Group, BGHPL enjoys considerable financial flexibility.

**Healthy market value of listed Group entities** – The market value of the quoted investments held by BGHPL stood at Rs. 80,734 crore as on September 18, 2025, translating into a cover of 8.8 times of the total external<sup>1</sup> debt outstanding (Rs. 9,195 crore as on June 30, 2025).

#### Credit challenges

**Refinancing risk and negative reported net worth** – BGHPL has been reporting losses due to limited revenues in relation to interest expense, with the same likely to continue in the near term. Its total external debt stood at Rs. 9,195 crore as on June 30, 2025 (Rs. 9,065 crore as on March 31, 2025) and is expected to be Rs. 9,000-10,000 crore in the near to medium term. The company has been relying on refinancing its debt to service its principal and interest repayments. At the proposed level of

<sup>1</sup> External debt excludes debt from Group entities

external debt, the market value of its holdings in listed Group entities will provide a cover of 8.1-9.0 times, based on the market value as on September 18, 2025. ICRA notes that BGHPL has been able to refinance its commercial paper borrowings in a timely manner. Further, ICRA expects the Aditya Birla Group to extend support to BGHPL, as and when required.

BGHPL had a negative net worth of ~Rs. 5,622 crore as on June 30, 2025 due to continued losses. While it is registered as a non-banking financial company (NBFC) with the Reserve Bank of India (RBI) and its investment in Group entities exceeds the regulatory guidelines for NBFCs, it is in the process of seeking a core investment company (CIC) licence from the RBI. As per CIC regulations, the adjusted net worth of the company shall not be less than 30% of its aggregate risk-weighted assets and it is not permitted to have a gearing of more than 2.5 times of its adjusted net worth. Given the high market value of its quoted investments in Group companies, BGHPL's capital adequacy and gearing on the adjusted net worth<sup>2</sup> remained adequate at 143% and 0.61 times, respectively, as on March 31, 2025.

## Liquidity position: Adequate

BGHPL has adequate liquidity considering its stakes in Grasim Industries Limited and Hindalco Industries Limited, which also qualify as high-quality liquid assets (HQLAs). The total market value of these two investments was Rs. 64,633 crore as on September 18, 2025 while the external debt repayment for the 6-month period ending March 2026 is Rs. 3,825 crore (including interest payment). ICRA notes that the primary mode of debt repayment, apart from refinance, would be through a reduction in the promoter stake in listed entities and capital infusion/support from Group entities.

## Rating sensitivities

**Positive factors** – Not applicable

**Negative factors** – The rating could be downgraded in case of a sustained decline in the market value of its unencumbered equity shares of listed companies to below 4 times of its external debt. Negative pressure on rating could arise if there is any change in the status of the company being a key holding company for the Group or deterioration in the credit ratings of any of the large Group investee companies.

## Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">Investment Companies</a>
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

## About the company

Birla Group Holdings Private Limited is a key holding company of the Aditya Birla Group. It holds equity in many Group companies including Grasim Industries Limited (rated [ICRA]AAA (Stable)/[ICRA]A1+), Aditya Birla Capital Limited (rated [ICRA]AAA (Stable)/[ICRA]A1+), Aditya Birla Fashion and Retail Limited (rated [ICRA]AA+ (Stable)/[ICRA]A1+), Hindalco Industries Limited, Pilani Investment and Industries Corporation Limited, Aditya Birla Real Estate Limited, Century Enka Limited, Vodafone Idea Limited, Ultratech Limited and Aditya Birla Lifestyle Brands Limited. The company also holds stakes in a number of unlisted companies of the Group.

<sup>2</sup> Adjusted net worth means the aggregate of the net worth, as shown on the balance sheet, increased by 50% of the unrealised appreciation in the book value of quoted investments (such appreciation being calculated as the excess of the aggregate market value of such investments over their book value)

## Key financial indicators (audited)

Birla Group Holdings Private Limited	FY2024	FY2025	Q1 FY2026^
Total income	309	687	36
Profit after tax	(765)	(747)	(337)
Total assets	10,271	11,478	NA
Return on assets	(9.5%)	(6.9%)	NA
Reported net worth	(4,538)	(5,285)	(5,622)
Adjusted net worth	23,426	27,600	30,508
Total debt	14,765	16,849	16,980
Market value of quoted investments	61,627	72,286	80,734*
Gearing (times)	0.6	0.6	0.6
Gross stage 3	-	-	-
CRAR	117.7%	143.1%	169.4%

Amount in Rs. crore; ^Q1 FY2026 financials are unaudited; \*As on September 18, 2025

Gearing = Total debt/Adjusted net worth

## Status of non-cooperation with previous CRA: Not applicable

## Any other information: None

## Rating history for past three years

Current (FY2026)				Chronology of rating history for the past 3 years					
				FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	Oct 08, 2025	Date	Rating	Date	Rating	Date	Rating
Commercial paper programme	Short term	7,500	[ICRA]A1+	Oct 24, 2024	[ICRA]A1+	Jan 24, 2024	[ICRA]A1+	Aug 30, 2022	[ICRA]A1+
			-	-	-	-	-	Jan 18, 2023	[ICRA]A1+
			-	-	-	-	-	Mar 09, 2023	[ICRA]A1+

## Complexity level of the rated instruments

Instrument	Complexity indicator
Commercial paper programme	Very 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
INE09OL14GH3	Commercial paper programme	Jan 23, 2025	-	Jan 23, 2026	375	[ICRA]A1+
INE09OL14GI1	Commercial paper programme	Jan 29, 2025	-	Jan 29, 2026	200	[ICRA]A1+
INE09OL14GL5	Commercial paper programme	Feb 05, 2025	-	Feb 05, 2026	75	[ICRA]A1+
INE09OL14GM3	Commercial paper programme	Feb 07, 2025	-	Feb 06, 2026	350	[ICRA]A1+
INE09OL14GL5	Commercial paper programme	Feb 07, 2025	-	Feb 05, 2026	250	[ICRA]A1+
INE09OL14GS0	Commercial paper programme	Feb 27, 2025	-	Feb 27, 2026	75	[ICRA]A1+
INE09OL14GX0	Commercial paper programme	Mar 13, 2025	-	Mar 10, 2026	525	[ICRA]A1+
INE09OL14GZ5	Commercial paper programme	Mar 20, 2025	-	Mar 12, 2026	425	[ICRA]A1+
INE09OL14GZ5	Commercial paper programme	Mar 21, 2025	-	Mar 12, 2026	100	[ICRA]A1+
INE09OL14HB4	Commercial paper programme	Mar 21, 2025	-	Mar 20, 2026	100	[ICRA]A1+
INE09OL14HC2	Commercial paper programme	Mar 21, 2025	-	Mar 13, 2026	100	[ICRA]A1+
INE09OL14HC2	Commercial paper programme	Mar 25, 2025	-	Mar 13, 2026	150	[ICRA]A1+
INE09OL14HF5	Commercial paper programme	May 05, 2025	-	Mar 05, 2026	275	[ICRA]A1+
INE09OL14HE8	Commercial paper programme	May 07, 2025	-	Mar 09, 2026	300	[ICRA]A1+
INE09OL14HH1	Commercial paper programme	May 22, 2025	-	May 20, 2026	350	[ICRA]A1+
INE09OL14HG3	Commercial paper programme	May 23, 2025	-	May 22, 2026	325	[ICRA]A1+
INE09OL14HR0	Commercial paper programme	Jul 16, 2025	-	Oct 15, 2025	200	[ICRA]A1+
INE09OL14HS8	Commercial paper programme	Aug 21, 2025	-	Nov 20, 2025	50	[ICRA]A1+
INE09OL14HS8	Commercial paper programme	Aug 21, 2025	-	Nov 20, 2025	75	[ICRA]A1+
INE09OL14HS8	Commercial paper programme	Aug 22, 2025	-	Nov 20, 2025	50	[ICRA]A1+
INE09OL14HT6	Commercial paper programme	Aug 26, 2025	-	Nov 25, 2025	450	[ICRA]A1+
INE09OL14HU4	Commercial paper programme	Sep 04, 2025	-	Dec 04, 2025	200	[ICRA]A1+
INE09OL14HV2	Commercial paper programme	Sep 09, 2025	-	Dec 08, 2025	150	[ICRA]A1+
INE09OL14HW0	Commercial paper programme	Sep 10, 2025	-	Dec 10, 2025	300	[ICRA]A1+
INE09OL14HX8	Commercial paper programme	Sep 18, 2025	-	Dec 18, 2025	350	[ICRA]A1+
INE09OL14HY6	Commercial paper programme	Sep 22, 2025	-	Dec 19, 2025	500	[ICRA]A1+
INE09OL14HZ3	Commercial paper programme	Sep 29, 2025	-	Dec 24, 2025	300	[ICRA]A1+
Yet to be place	Commercial paper programme	NA	NA	NA	900	[ICRA]A1+

Source: Company; Data as on Sep 30, 2025

## Annexure II: List of entities considered for consolidated analysis

Not applicable

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