

January 21, 2026

Bharatiya Reserve Bank Note Mudran Private Limited: Rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term-Fund-based-Cash Credit	145.00	145.00	[ICRA]AAA (Stable); Reaffirmed
Short-term-Non-fund based-Others	455.00	455.00	[ICRA]A1+; Reaffirmed
Total	600.00	600.00	

*Instrument details are provided in Annexure I

Rationale

The reaffirmation of the ratings factors in the strong parentage of Bharatiya Reserve Bank Note Mudran Private Limited (BRBNMPL) being a wholly-owned subsidiary of the Reserve Bank of India (RBI) and its strategic position as a major supplier of printed currency notes to the RBI. BRBNMPL supplied around 60% (by volume) of the RBI's annual currency requirement in FY2025 and the remaining is met through Security Printing and Minting Corporation of India Limited (SPMCIL, a public-sector undertaking, wholly owned by the Government of India). The rating action favourably notes the company's strong financial risk profile, marked by healthy scale of operations with revenues expected to be in range of Rs. 2700 - 2800 crore in FY2026 (PY: Rs. 2,921 crore), negligible debt levels, strong debt protection metrics and superior liquidity position. ICRA expects BRBNMPL to remain strategically important for the RBI to implement its sovereign function of managing the currency note requirements of the country. BRBNMPL has capex plans of Rs. 1,000-1,100 crore during FY2026-FY2027 period, which will be comfortably funded through internal accruals and surplus liquidity. ICRA expects the entity to maintain superior liquidity, in absence of major dividend plans in the near to medium term.

While reaffirming the ratings, ICRA takes note of BRBNMPL's single product segment of printing currency for the RBI. Nonetheless, the pricing arrangement with the RBI, which provides a fixed return on the capital employed, is expected to generate adequate returns for the company, despite being present in a single product segment.

The Stable outlook on the rating reflects ICRA's opinion that BRBNMPL will benefit from its robust financial profile and strategic position as the major supplier of printed currency notes to the RBI.

Key rating drivers and their description

Credit strengths

Wholly-owned subsidiary of RBI having strategic importance for printing currency notes – BRBNMPL is a 100% subsidiary of the RBI. ICRA expects continued operational and financial support from the RBI to BRBNMPL, as and when required, as the company undertakes printing of currency notes. BRBNMPL supplies a major portion of the bank note requirement (currently supplying over 60% of the supply volume) to the RBI, making it a strategically important entity. The remaining requirements are met through SPMCIL.

Strong financial risk profile – The company has a strong financial profile, marked by healthy scale of operations with revenues expected to be in range of Rs. 2700 - 2800 crore in FY2026 (PY: Rs. 2,921 crore), negligible debt levels, strong debt protection metrics and superior liquidity position. ICRA expects BRBNMPL to remain strategically important for the RBI to implement its sovereign function of managing the currency note requirements of the country. BRBNMPL has capex plans of Rs 1,000-1,100 crore during FY2026-FY2027 period, which will be comfortably funded through internal accruals and surplus liquidity. ICRA expects the entity to maintain superior liquidity, in absence of major dividend plans in the near to medium term.

Credit challenges

Single product segment – The company operates in a single product segment of printing currency for the RBI. Nonetheless, the pricing arrangement with the RBI, which provides a fixed return on the capital employed, is expected to generate adequate returns for the company, despite being present in a single product segment.

Liquidity position: Superior

The company had Rs. 5,903.0 crore of cash and liquid investments (including investments in government securities and fixed deposits) as on March 31, 2025, as well as interchangeable fund-based and non-fund based working capital limits of Rs. 600 crore. Its dependence on fund-based working capital facility is minimal, and the utilization of the sanctioned bank lines is negligible, which coupled with the large cash and equivalent, provides a robust liquidity buffer. Given the high cash and bank balance, strong cash accruals, nil term debt repayments, and the cushion from the large unutilized bank limits, BRBNMPL's liquidity profile is expected to remain superior, despite funding commitments arising out of capital expenditure lined up for modernisation and maintenance of machinery of approx. Rs. 350 crore in FY2026 and Rs. 750 crore in FY2027 which will be met from strong internal cash generation.

Rating sensitivities

Positive factors – Not Applicable.

Negative factors – Negative pressure on the ratings could emerge if there is any dilution of the company's strategic role in the currency management function of the RBI, or any change in the ownership structure.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	The ratings consider the company's 100% ownership by the RBI and the strategic role it plays in printing the currency.
Consolidation/Standalone	For arriving at the ratings of BRBNMPL, ICRA has considered the consolidated financials of BRBNMPL, along with its 50% JV – Bank Note Paper Mill India Private Limited.

About the company

The RBI had set up BRBNMPL as its wholly-owned subsidiary on February 3, 1995 to augment the production of currency notes in India. The company has its registered and corporate office in Bengaluru. It manages two printing presses, one in Mysore (Karnataka) and the other at Salboni (West Bengal). The company prints currency notes in all the existing denominations for the RBI. On October 13, 2010, BRBNMPL and SPMCIL started a 50:50 JV company - Bank Note Paper Mill India Private Limited (BNPMIPL) - to produce bank note paper and substitute bank note paper imports. BRBNMPL's board of directors includes Director and Chief General Manager in charge – Department of currency management from RBI, along with Deputy Governor of RBI as Chairman of the board of directors.

Key financial indicators (audited)

	FY2024	FY2025
Operating income	2,702.5	2,929.4
PAT	514.6	506.6
OPBDIT/OI	22.6%	18.1%
PAT/OI	19.0%	17.3%
Total outside liabilities/Tangible net worth (times)	0.09	0.13
Total debt/OPBDIT (times)	0.0	0.0
Interest coverage (times)	2546.8	1888.9

Source: Company, ICRA Research; 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

Instrument	Chronology of rating history for the past 3 years								
	Current rating (FY2026)			FY2025		FY2024		FY2023	
	Type	Amount rated (Rs. crore)	Jan 21, 2026	Date	Rating	Date	Rating	Date	Rating
Cash credit	Long term	145.00	[ICRA]AAA (Stable)	Jan 07, 2025	[ICRA]AAA (Stable)	Dec 27, 2023	[ICRA]AAA (Stable)	Nov 11, 2022	[ICRA]AAA (Stable)
Letter of credit	Short term	420.00	[ICRA] A1+	Jan 07, 2025	[ICRA] A1+	Dec 27, 2023	[ICRA] A1+	Nov 11, 2022	[ICRA] A1+
Credit exposure limit	Short term	35.00	[ICRA] A1+	Jan 07, 2025	[ICRA] A1+	Dec 27, 2023	[ICRA] A1+	Nov 11, 2022	[ICRA] A1+

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based – Cash credit	Simple
Short-term-Non-fund based- Letter of credit	Simple
Short-term-Non-fund based- Credit exposure limit	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
NA	Cash credit	NA	NA	NA	145.00	[ICRA] AAA (Stable)
NA	Letter of credit	NA	NA	NA	420.00	[ICRA] A1+
NA	Credit exposure limit	NA	NA	NA	35.00	[ICRA] A1+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis-

Company Name	Ownership	Consolidation Approach
Bank Note Paper Mill Private Limited	50.00%	Equity Method

Source: Company annual report, ICRA Research

ANALYST CONTACTS

Ashish Modani

+91 22 6169 3300

ashish.modani@icraindia.com

Anupama Reddy

+91 406 9396 427

anupama.reddy@icraindia.com

Sweta Shroff

+91 124 4545 307

sweta.shroff@icraindia.com

Shruti Agarwal

+91 124 4545 845

shruti.aggarwal@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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ICRA Limited



Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



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