Birla Corporation Limited
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27th October, 2025

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001
Scrip Code: 500335/954744/954925

National Stock Exchange of India Limited
'Exchange Plaza', C-1, Block G,
Bandra-Kurla Complex, Bandra (East),
Mumbai- 400 051
Scrip Code: BIRLACORPN

Dear Sir(s),

Sub: **Disclosure under Regulation 30 and 51 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 – Intimation of Credit Rating**

Pursuant to Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that India Ratings & Research Pvt. Ltd. vide its press release dated 27th October, 2025 has taken the following rating actions on bank loan facilities and debt securities of the Company, the details of which are provided hereunder:

Name of Credit Rating Agency	Facilities	Size of Issue (million)	Rating/Outlook	Rating Action
India Ratings & Research Private Limited	Non-Convertible Debentures (NCD)*	INR 1500	WD	Withdrawn
	Bank loan facilities	INR 2,500	IND AA/stable	Affirmed
	Bank loan facilities	INR 1,281.5	IND AA/stable	Assigned

* The NCDs bearing ISIN INE340A07126 were redeemed on 28th February, 2025.

Copy of the aforesaid press release issued by India Ratings & Research Private Limited is enclosed herewith. The Company received the aforesaid intimation on 27th October, 2025 at around 2.13 p.m. (IST).

This is for your information and record please.

Thanking you,

Yours faithfully,
For **BIRLA CORPORATION LIMITED**

MANOJ MEHTA
Digitally signed by MANOJ MEHTA
Date: 2025.10.27 18:52:53 +05'30'

(MANOJ KUMAR MEHTA)
Company Secretary & Legal Head

Encl: As above

IndiaRatings & Research
A Fitch Group Company

India Ratings Affirms Birla Corporation's Bank Loan Facilities at 'IND AA'/Stable; Withdraws NCDs; Rates Additional Bank Loan Facilities

Oct 27, 2025 | Cement & Cement Products

India Ratings and Research (Ind-Ra) has taken the following rating actions on Birla Corporation Limited's (BCL) debt instruments:

Details of Instruments

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating assigned along with Outlook/Watch	Rating Action
Non-convertible debentures*#	-	-	-	INR1,500	WD	Withdrawn
Bank loan facilities	-	-	-	INR2,500	IND AA/Stable	Affirmed
Bank loan facilities	-	-	-	INR1,281.5	IND AA/Stable	Assigned

* Details in Annexure
#Ind-Ra is no longer required to maintain the rating as the NCDs have been repaid in full. This is consistent with Ind-Ra's Policy on Withdrawal of Ratings.

Analytical Approach

Ind-Ra continues to take a fully consolidated view of BCL and its subsidiaries (including step-down subsidiaries), while arriving at the ratings, on account of the strong operational and strategic linkages among them.

Detailed Rationale of the Rating Action

The ratings reflect BCL's consistently strong business and financial profile, supported by a robust market position, geographical diversification and comfortable leverage levels. The company has maintained high-capacity utilisation of around 90% in FY25 — significantly above the industry average of 65%–70% — while also ensuring adequate liquidity.

BCL has laid out a well-defined capex plan to expand its cement capacity and develop captive coal blocks and limestone mines. Ind-Ra expects these initiatives to reduce dependence on external sourcing and improve cost efficiency over time.

List of Key Rating Drivers

Strengths

- Strong market position
- Well-diversified with presence in four regions
- High single digit growth likely in FY26, capex pipeline to support medium term growth
- EBITDA likely to recover in FY26; improving cost efficiencies to drive structural uplift over medium term
- Credit profile to remain comfortable despite capex plans

Weaknesses

- Susceptible to volatility in input prices

Detailed Description of Key Rating Drivers

Strong Market Position: BCL ranks among India's top 10 cement manufacturers, with a total installed capacity of 20 million tonnes per annum (mtpa) and a robust market presence across its operating regions. At a consolidated level, BCL is the third-largest cement player in Central India, commanding a capacity share of around 10%. It also ranks among the top five players in the West and among top 10 players in the East and North markets. Moreover, BCL is one of the few cement companies to have operational captive coal mines and increasing extraction from these mines is likely to result in operational efficiency through improved backward integration. The share of captive coal in the fuel mix could rise to 40%-50% over the medium term (FYE25: around 20%), with the development of the Bikram and Marki Barka coal blocks, reducing its susceptibility to volatility in coal/pet coke prices. BCL also sources 80% of its limestone requirement from captive mines, blending the remainder with external purchases. Furthermore, the company has additional limestone concessions that can be used for expansion, if needed.

Well-diversified with Presence in Four Regions: BCL is one of India's few cement players to have a presence in four of the country's five cement markets. BCL operates 10 manufacturing units across eight strategic locations in Madhya Pradesh, Rajasthan, Uttar Pradesh, Maharashtra, and West Bengal, ensuring strong regional coverage and logistical efficiency. In FY25, Central India accounted for about 50% of sales, followed by East (about 20%), North (about 19%), and West (about 12%). The company's expansion plans are focused in the under penetrated Central and Eastern regions (UP, MP and Bihar) which is likely to strengthen its presence in these regions.

High Single Digit Growth likely in FY26, Capex Pipeline to Support Medium-term Growth: After a weak 1HFY25 due to a slowdown in infrastructure spending amid the general elections, BCL's volume grew 7% yoy in 2HFY25 and 10% yoy in 1QFY26. While 2Q could see some demand deferral due to the reduction in goods and services tax (GST), Ind-Ra expects cement demand to grow 5%-7% yoy in FY26, led by a recovery in demand in infrastructure activity and robust rural housing demand supported by a favourable monsoon and improving real wages. As a result, after muted 2% yoy growth in FY25, Ind-Ra expects BCL's volume growth to improve to a high single digit in FY26. Owing to its well calibrated expansion plans, BCL's capacity utilisation has consistently remained above the industry average of around 70%. The consolidated capacity utilisation rose to around 90% in FY25 (FY24: 88%; FY23: 80%) and is likely to remain close to 90% over the near term as the ongoing capex creates additional capacity to meet the demand growth. BCL is in the process of expanding its capacity by 7.6 million tonnes (mnt; nearly 30% of the current installed capacity) in phases over FY26-FY29 to support the gradual growth in demand.

EBITDA likely to Recover in FY26; Improving Cost Efficiencies to Drive Structural Uplift over Medium term: Ind-Ra expects realisations to recover moderately in FY26, after declining in FY25 which led to a decline in EBITDA/mt to INR673/mt in FY25 (FY24: INR814/mt). FY25 witnessed the sharpest drop in industry-wide realisations in over a decade, due to increased competition amid supply additions and subdued demand. With demand showing signs of improvement, the prices are likely to register low-to-mid single-digit growth, despite sizeable supply pipeline exerting downward pressure.

After a yoy fall over 1Q-3QFY25, EBITDA/mt improved to INR1,027/mt in 4QFY25 (4QFY24: INR974/mt). Notwithstanding a sequential fall largely, due to a planned maintenance shutdown, EBITDA/mt remained higher yoy at INR722/mt in 1QFY26 (1QFY25: INR590/mt). Ind-Ra expects the improved profit margins and the volume growth to increase BCL's consolidated EBITDA in FY26 after a fall in FY25 to INR12.2 billon (FY24: INR14.4 billion).

Despite a strong EBITDA generation at subsidiary RCCPL (FY25: INR929/mt; FY24: 1,099/mt), BCL's consolidated EBITDA/mt was weighed down by relatively high-cost structure of some of the high vintage plants. However, to improve the operating efficiency and profitability, BCL is undertaking various measures such as increasing the share of green power in overall mix, developing captive coal mines, and ensuring self-sufficiency of its limestone reserves for captive consumption. BCL's green power share increased to 25% in FY25 (FY23: 21%) and is likely to increase to 35% by FY28, which will aid reduction in power and fuel costs. Furthermore, the expansions in BCL's standalone level are likely to operate at a lower cost structure, thereby improving the overall profitability. With these measures (and the assumption of a stable pricing environment), the management targets to improve EBITDA/mt to over INR1,000 over the next two-to-three years, aligning with the current profitability level of industry leaders.

Credit Profile to Remain Comfortable despite Capex Plans: Despite the industry-wide fall in realizations that impacted credit metrics across the industry, BCL's credit metrics remained stable as the prudent capex calibration enabled it to reduce debt. BCL's net debt reduced to INR22.4 billion at FYE25 (FYE24: INR30 billion) as the unwinding of the working capital and limited capex spends improved free cash flows despite a lower EBITDA. As a result, the net leverage (net debt/EBITDA), reduced to 1.8x in FY25 (FY24: 2.1x; FY23: 4.7x) while the gross interest coverage (EBITDA/gross interest expense) remained stable at 3.7x (3.9x).

The company plans to invest INR60 billion–65 billion over FY26–FY29 to expand its cement and clinker capacity and improve operating efficiencies including sustenance capex. Ind-Ra believes that despite the large capex, BCL's consolidated net leverage is unlikely to exceed 2.5x over the near to medium term. Furthermore, the agency derives comfort from the management's strategy to calibrate capex basis the cash flow generation, as demonstrated over the past few years. The capex will largely be funded in a debt-equity mix of 2:1. The entity extended a three-year inter-corporate deposit (ICD) of INR1 billion to associate entity, Universal Cables Limited, in FY25, which is a part of the board approval to extend ICDs of up to INR1.25 billion. No other investment is currently envisaged.

Susceptible to Volatility in Input Prices- BCL remains exposed to fluctuations in key input costs, particularly pet coke, coal, and diesel. Any sharp increase in these costs, without a commensurate rise in cement prices, could exert pressure on the company's EBITDA and profitability margins as indicated by the fall in EBITDA in FY23 and FY25. The company's profitability is inherently sensitive to its ability to sustain operational efficiencies amid the cyclical nature of cement demand and supply. Furthermore, the company remains susceptible to broader industry cyclicality, which is closely linked to trends in infrastructure development and housing demand across the country.

Liquidity

Adequate: BCL's liquidity remained adequate driven by the availability of free cash and cash equivalents, healthy cash flows and unused working capital lines in addition to investments in bonds and listed equities. BCL's cash and equivalents rose to INR11.3 billion at FYE25 (FYE24: INR7.7 billion), led by healthy cash flows. The cash and cash equivalents were higher than the scheduled repayment of around INR8 billion for FY26. In addition, BCL had investments in listed equities and bonds of INR7.6 billion at end-FY25 which may be tapped into if required.

Despite a fall in EBITDA, the cash flow from operations increased to INR13.2 billion in FY25 (FY24: INR12.2 billion), led by a INR4.7 billion unwinding of working capital as the company received around INR4.2 billion of incentives. The net working capital intensity improved slightly to 4.7% of its revenue in FY25 (FY24: 5.3%; FY23: 5.4%), led by an improved receivable collection. With a higher cash flow from operations and lower capex (FY25: INR4.5 billion; FY24: INR5.3 billion), the free cash flow improved to INR8.5 billion (INR7.3 billion). While a similar working capital release is not likely to sustain, Ind-Ra expects cash flow from operations to remain healthy over the near- to medium term on the back of a robust EBITDA generation and efficiency working capital management. Its free cash flow could, however, turn negative given the large capex plan. However, Ind-Ra derives comfort from the strong financial flexibility of BCL with access to banking system as well as capital markets. Also, as per the management, BCL is likely to maintain minimum consolidated cash and cash equivalents of INR2 billion.

Around 90% of the fund-based working capital limits of around INR6.6 billion (BCL standalone: INR4 billion; RCCPL: INR2.6 billion) remained unused at end-July 2025 (13% utilisations), indicating a high cushion.

Rating Sensitivities

Positive: A sustained improvement in the scale and profitability while sustaining the net leverage below 2x, on a consolidated basis, could lead to a positive rating action.

Negative: Lower-than-Ind-Ra-expected EBITDA generation and/or a higher-than-Ind-Ra-expected net debt position, resulting in the net leverage rising above 2.75x, all on a sustained and consolidated basis, could lead to a negative action.

Any Other Information

Comfortable Standalone Performance: BCL's standalone net leverage sustained and remained healthy at 0.6x in FY25 (FY24: 0.6x) and its interest coverage to 4.0x (4.9x) despite a sharp fall in EBITDA at INR4.0 billion (INR5.4 billion). The company earned revenue of INR52 billion in FY25 (INR57 billion).

Ownership Issue: The MP Birla Group was run by Priyamvada Birla until her death in 2004. In her will, she named Rajendra Singh Lodha (the then co-chairman) as her successor and his son, Harsh Vardhan Lodha, currently serves as the chairman of BCL. The ownership is being contested by the Birla family, and the matter has been sub-judice over a decade. Ind-Ra will continue to monitor the developments related to this issue.

About the Company

BCL, established in 1919, is a part of the MP Birla Group which has business interests in the cement, power & telecom cables, jute, guar gum, healthcare and education. Cement constitutes over 95% of the company's revenue with manufacturing units located across Rajasthan, Madhya Pradesh, Uttar Pradesh and West Bengal. BCL has a capacity of 10.2mnt of cement and 7.0mnt of clinker at a standalone level. Incorporated in 2007, RCCPL has an integrated cement plant in Maihar (Madhya Pradesh) and Mukutban (Maharashtra) and grinding units at Butibori (Maharashtra) and Kundanganj (Uttar Pradesh) with an aggregate capacity of 9.8mnt of cement and 6mnt of clinker.

Key Financial Indicators

CONSOLIDATED :

Particulars	FY25	FY24
Net revenue (INR billion)	92.1	96.6
EBITDA (INR billion)	12.17	14.38
EBITDA margins (%)	13.2	14.9
Gross interest coverage (x)	3.7	3.9
Net leverage (Net debt/EBITDA) (x)	1.8	2.1
Source: Company, Ind-Ra		

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

Instrument Type	Rating Type	Rated Limits (million)	Current Rating/Outlook	Historical Rating/Outlook				
				10 December 2024	1 August 2024	22 September 2023	22 August 2023	22 September 2022
Issuer rating	Long-term	-	-	-	-	WD	IND AA/Stable	IND AA/Stable
Non-convertible debentures	Long-term	INR1,500	WD	IND AA/Stable	IND AA/Stable	-	IND AA/Stable	IND AA/Stable
Bank loan facilities	Long-term	INR3,781.5	IND AA/Stable	IND AA/Stable	-	-	-	-

Bank wise Facilities Details

The details are as reported by the issuer as on (27 Oct 2025)

#	Bank Name	Instrument Description	Rated Amount (INR million)	Rating
1	Bank of Baroda	Term loan	2281.5	IND AA/Stable
2	Punjab National Bank	Term loan	1500	IND AA/Stable

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Bank loan facilities	Low
Non-convertible debentures	Low

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity- indicators.

Annexure

Instrument Type	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/Outlook
Non-convertible debentures	INE340A07126	17 February 2022	1- or 3- or 6-month T Bill*	17 February 2027#	INR1,500	WD

*Current interest rate of 7.50% (linked to 6M T-bill + 77bp)
#Early redemption of NCD- INE340A07126 on 28 February 2025
Source: NSDL, Company

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About India Ratings

India Ratings and Research (Ind-Ra) is India's SEBI registered credit rating agency committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance companies, urban local bodies, and structured finance and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Gurugram, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India and the Reserve Bank of India.

Ind-Ra is a 100% owned subsidiary of the Fitch Group.

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

APPLICABLE CRITERIA AND POLICIES

Evaluating Corporate Governance

Corporate Rating Methodology

Parent and Subsidiary Rating Linkage

The Rating Process