



Birla Corporation Limited
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15th June, 2026

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

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 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 the India Ratings & Research Pvt. Ltd. vide its press release dated 15th June, 2026 has taken the following rating actions on bank loan facilities 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	Bank loan facilities	INR3,781.50	IND AA/stable	Affirmed
	Bank loan facilities	INR1,203.40	IND AA/stable	Assigned

Copy of the aforesaid press release issued by India Ratings & Research Private Limited is enclosed herewith. The Company received the aforesaid intimation on 15th June, 2026 at around 12.34 p.m. (IST).

This is for your information and record please.

Thanking you,

Yours faithfully,
For **BIRLA CORPORATION LIMITED**

(MANOJ KUMAR MEHTA)
Company Secretary & Legal Head

Encl: As above

India Ratings Affirms Birla Corporation's Bank Loans at 'IND AA'/Stable; Rates Additional Limits

Jun 15, 2026 | Birla Corporation Limited | 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 Watch/Outlook	Rating Action
Bank loan facilities	-	-	-	INR3,781.50	IND AA/Stable	Affirmed
Bank loan facilities	-	-	-	INR1,203.40	IND AA/Stable	Assigned

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, because 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 maintained a high capacity utilisation rate of around 95% in FY26 (FY25: 90%), 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 the company's dependence on external sourcing and improve cost efficiency over time.

List of Key Rating Drivers

Strengths

- Strong market position
- Well-diversified presence in four regions
- Capex pipeline to support medium term growth
- Strong profitability in FY26, likely to remain comfortable despite some moderation in FY27
- Credit profile to remain comfortable, despite capex plans

Weaknesses

- Susceptible to volatility in input prices
- Temporary increase in working capital envisaged

Detailed Description of Key Rating Drivers

Strong Market Position: BCL ranks among India's top 10 cement manufacturers, with a total installed capacity of 21.4 million tonnes per annum (mtpa) and a robust market presence across its operating regions. At a consolidated level, it is the third-largest cement player in Central India, with a capacity share of around 10%. BCL also ranks among the top five

players in the West and among the top 10 players in the East and North markets. Moreover, BCL is one of the few cement companies with operational captive coal mines, and increasing extraction from these mines is likely to enhance operational efficiency through improved backward integration. The share of captive coal in the fuel mix could rise to 40%-50% over the medium term (FYE26: around 14%), 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. The company also holds additional limestone concessions available for expansion, if needed.

Well-diversified Presence in Four Regions: BCL is one of India's few cement players with a presence in four of the country's five cement markets. It operates 10 manufacturing units across eight strategic locations in Madhya Pradesh, Rajasthan, Uttar Pradesh, Maharashtra, and West Bengal, providing strong regional coverage and logistical efficiency. In FY26, Central India accounted for about 50% of sales, followed by the East (about 20%), North (about 18%), and West (about 13%). The company's expansion plans are focused in the under penetrated Central and Eastern regions (Uttar Pradesh, Madhya Pradesh, and Bihar), likely strengthening its presence in these regions.

Capex Pipeline to Support Medium-term Growth: BCL's consolidated sales volumes grew modestly 3% yoy in FY26, while achieving strong capacity utilisation of around 95%, significantly above the industry average of around 70%. This reflects the company's efficient operations, despite limited growth. Ind-Ra expects cement demand growth to moderate to mid-single digits in FY27 (FY26: around 8%) due to inflationary pressures and potential El Niño weighing on rural demand. Infrastructure demand is expected to remain supportive, driven by higher central government capex and continued growth in state capex, although the timely execution of budgeted spending will be a key monitorable. Rural housing demand is likely to benefit from real wage growth, GST reductions, and state welfare schemes, albeit with downside risks from a below-normal or uneven monsoon.

BCL is undertaking a phased capacity expansion of 6.2mnt (around 30% of current capacity) over FY27–FY30, with a strategic focus on the central and eastern regions, in view of strong structural growth potential due to low per capita consumption and higher rural penetration. Ind-Ra expects these underpenetrated markets to outperform pan-India demand over the medium term. Additionally, BCL is enhancing backward integration by increasing its clinker capacity by 3.7mnt at the Maihar Line II unit. These investments position the company well to capture incremental market share and strengthen its pan-India presence, particularly in high-growth regions. However, demand from the underpenetrated eastern region is a key monitorable due to historical challenges such as sand mining restrictions, erratic monsoons, and fiscal constraints, which have led to demand falling short of expectations in the past.

Strong Profitability in FY26; Likely to Remain Comfortable despite Some Moderation in FY27: BCL's consolidated blended EBITDA/mt rose to INR779 in FY26 (FY25: INR673), led mainly by a recovery in realisations. Consequently, the overall EBITDA grew 19% yoy to INR14.5 billion. Ind-Ra believes that the cement sector could witness input cost inflation due to the West Asia conflict. However, the moderate demand growth environment, coupled with continued capacity additions, can restrict the increase in cement realisations to low-to-mid single digits, resulting in a partial pass-through of input cost increase. As a result, EBITDA/mt could witness only slight moderation in FY27.

Despite the strong EBITDA generation at subsidiary RCCPL (FY26: INR911/mt; FY25: INR929/mt; FY24: 1,099/mt), BCL's consolidated EBITDA/mt was weighed down by a relatively high-cost structure of some of the high vintage plants. However, BCL to improve the operating efficiency and profitability 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 30% in FY26 (FY25: 25%; FY23: 21%) and is likely to increase to 40% 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 expected price hikes to cover for the increased power and fuel input costs, the management targets to improve EBITDA/mt to over INR1,000 over the next two-to-three years, aligning with the profitability level of industry leaders.

Credit Profile to Remain Comfortable, despite Capex Plans: BCL's consolidated credit metrics remained stable at FYE26, as prudent capex calibration has enabled it to reduce debt over the years. BCL's net debt reduced to INR20.7 billion at FYE26 (FYE25: INR22.4 billion; FYE24: INR30 billion), as the strong profitability and cash accruals supported limited capex spends and liquidity position.

As a result, the net leverage (net debt/EBITDA) reduced to 1.4x in FY26 (FY25: 1.8x; FY24: 2.1x) while the gross interest coverage (EBITDA/gross interest expense) remained stable at 5.5x (3.7x; 3.9x).

The company plans to invest INR50 billion–60 billion over FY27–FY30 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 2.75x over the near to medium term. 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 an associate entity, Universal Cables Limited, in FY25 which was extended to INR1.25 billion at FYE26 basis the board's approval. The outstanding ICD stood at INR1.25 billion as of FYE26. No other investment is envisaged.

Susceptible to Volatility in Input Prices: BCL is vulnerable to volatility in key input costs such as pet coke, coal, and diesel, where any sharp increase, in the absence of a commensurate rise in cement prices, could exert pressure on its EBITDA. The company's EBITDA/mt is also contingent on its ability to sustain operational efficiencies amid the inherently cyclical demand-supply dynamics of the cement sector. Furthermore, BCL remains susceptible to broader industry cyclicality, which is closely linked to trends in infrastructure development and housing demand across India.

Temporary Increase in Working Capital Envisaged: Ind-Ra expects BCL's working capital to increase in FY27, driven by management's plan to maintain higher inventory levels in light of geopolitical uncertainties arising from the West Asia conflict. While this strategy may lead to elevated working capital requirements and a temporary lock-up of funds, it is likely to strengthen supply-chain resilience by ensuring the availability of critical inputs such as pet coke and imported coal. Although such inventory build-up could weigh on near-term cash flows, it provides operational continuity and better cost visibility, thereby reducing disruptions in a volatile external environment.

Liquidity

Adequate: BCL's liquidity remained adequate in FY26, 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 INR12.1 billion at FYE26 (FYE25: INR11.3 billion; FYE24: INR7.7 billion), led by healthy cash flows. In addition, BCL had investments in listed equities and bonds of INR5.9 billion at end-FY26, which may be tapped into if required. Around 80% of the secured fund-based working capital limits of around INR6.1 billion (BCL standalone: INR3.4 billion; RCCPL: INR2.6 billion) remained unused at end-March 2026 (20% utilisations). This, together with unencumbered cash and equivalents of INR12 billion at FY26 (FYE25: INR 11.3 billion; FYE24: INR7.6 billion, FYE23: INR6.9 billion), is more than its total scheduled repayment of around INR6.7 billion in FY27.

The consolidated cash flow from operations moderated to INR6.8 billion in FY26 (FY25: INR13.2 billion) due to the moderation in working capital even though the profitability improved. With the estimated capex of INR50 billion-60 billion over FY27-FY30, the free cash flow is likely to remain negative, and gradually improve thereafter with increase in cash flow from operations and a reduction in capex spends. Also, BCL's management has indicated that it is likely to maintain minimum consolidated cash and cash equivalents of INR2 billion at any point.

Rating Sensitivities

Positive: A ramp-up of projects, leading to a sustained increase in EBITDA, resulting in the net leverage remaining below 2.0x, all on a sustained and consolidated basis, could lead to a positive rating action.

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

Any Other Information

Comfortable Standalone Performance: BCL's revenue was INR55 billion in FY26 (FY25: INR52 billion; FY24: INR57 billion), EBITDA was INR6.0 billion (INR4.0 billion; INR5.4 billion), net leverage was 0.5x (0.6x; 0.6x), and interest coverage was 7.3x (4.0x; 4.9x).

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, 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 BCL's revenues 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 11.2mnt of cement and 6mnt of clinker.

Key Financial Indicators

Particulars - Consolidated	FY26	FY25
Net revenue (INR billion)	96.6	92.1
EBITDA (INR billion)	14.5	12.17
EBITDA margin (%)	15.1	13.2
Gross interest coverage (x)	5.5	3.7
Net leverage (net debt/EBITDA, x)	1.4	1.8
Source: Company, Ind-Ra		

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook				
	Rating Type	Rated Limits (million)	Current Rating	27 October 2025	10 December 2024	1 August 2024	22 September 2023	22 August 2023
Bank loan facilities	Long-term	INR4,984.9	IND AA/Stable	IND AA/Stable	IND AA/Stable	-	-	-
Issuer Rating	Long-term	-	-	-	-	-	WD	IND AA/Stable
Non-convertible debentures	Long-term	INR1,500	-	WD	IND AA/Stable	IND AA/Stable	-	IND AA/Stable

Bank wise Facilities Details

The details are as reported by the issuer as on (15 Jun 2026)

#	Bank Name	Instrument Description	Rated Amount (INR million)	Rating
1	State Bank of India	Term loan	3500	IND AA/Stable
2	Punjab National Bank	Term loan	1484.9	IND AA/Stable

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Bank loan facilities	Low

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

Annexure

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:

A. Rating Activity

Sr. No.	Instrument / activity Name	Regulator of the instrument
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)*	SEBI
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, Banks, 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	SEBI

Sr. No.	Instrument / activity Name	Regulator of the instrument
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
22	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
23	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA

* 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 Press Release(s) subsequent to issuance(s), India Ratings shall separately capture the rated quantum details along with names of respective regulators.

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.

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

B. Other activities:

Sr. No.	Activity Name	Regulator of the activity
1	Monitoring Agency	SEBI
2	Research activities, incidental to rating, such as research for Economy, Industries and Companies @	NA

@ permitted by SEBI vide SEBI Master Circular for CRAs.

Note: For instruments or activities falling under the purview of regulators other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

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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.

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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.

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APPLICABLE CRITERIA AND POLICIES

Evaluating Corporate Governance

Corporate Rating Methodology

Parent and Subsidiary Rating Linkage

The Rating Process

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