



**Press Release**  
**HINDUJA GROUP LIMITED**  
**May 14, 2025**  
**Rating Assigned and Reaffirmed**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	500.00	ACUITE A+   Stable   Assigned	-
Bank Loan Ratings	100.00	ACUITE A+   Stable   Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	600.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

**Rating Rationale**

Acuite has reaffirmed its long-term rating of ‘**ACUITE A+**’ (**read as ACUITE A Plus**) on the Rs.100.00 Cr. bank facilities of Hinduja Group Limited (HGL). The outlook is ‘**Stable**’.

Acuite has assigned its long-term rating of ‘**ACUITE A+**’ (**read as ACUITE A Plus**) on the Rs.500.00 Cr. bank facilities of Hinduja Group Limited (HGL). The outlook is ‘**Stable**’.

**Rationale for rating**

The rating continues to factor in the benefit Hinduja Group Limited (HGL) gets of being the flagship company and an investment arm of the Hinduja Group. It also considers the diversified revenue streams of HGL i.e. consultancy income, dividend income from its investments in group companies, profit from partnership firm, interest income from the loan advanced to group companies, rental income, etc. The company maintains a comfortable financial risk profile and has a financial flexibility in the form of unsecured loans availed from the group companies that are repayable on demand. However the ratings are constrained by the uncertainty of company’s revenues, which majorly depend on the performance of the group companies wherein HGL has invested and advanced loans too. Any major volatility on the performance of such entities may impact HGL’s business risk profile, financial risk profile as well as the liquidity position.

**About the Company**

Hinduja Group Limited (HGL) based in Mumbai is the holding Company of Hinduja Group incorporated in 1995. The group entities include several corporates, viz. Hinduja Realty Ventures Limited, Hinduja Global Solutions Limited, Hinduja Ventures Limited etc. HGL is a holding company, and its income is in the form of consultancy income, dividends, interest income and share of profits from its subsidiaries. HGL borrows money from the group companies as well as advances loans to the group companies.

**About the Group**

Hinduja Group is a diversified conglomerate established in 1914 by Late Mr. Parmanand Deepchand Hinduja and is currently headquartered in London, UK. It currently has footprint in 37 countries. In India, the Group has presence in various sectors viz. Automotive, Oil & Lubricants, Power, Banking & Finance, Information Technology & Business Process Outsourcing, Media, Foundry, Real Estate, Hospitals & Healthcare etc.

**Unsupported Rating**

Not applicable

**Analytical Approach**

Acuite has taken a standalone view of the business and financial flexibility of HGL to arrive at the rating.

**Key Rating Drivers**

### **Strengths**

#### **HGL being the holding Company to the larger Hinduja Group**

Hinduja Group Limited (HGL) is the holding company in the Hinduja group of companies, wherein, the company performs the functions of treasury management for the group companies. HGL issues Inter-Corporate Deposits

(ICD's) to its group companies (Companies with Deficit) for temporary cashflow requirements. As also, the company avails loans from group companies (Companies with Surplus) which are repayable on demand. As on March 31, 2024, the company has advanced Rs. 2910.63 Cr. to the group companies. Whilst, the Company has borrowed Rs. 1991.79 Cr. from the group companies. Whereas as on December 31, 2024 the company has advances Rs 3575.41 Cr. to the group companies and borrowed Rs 3220.24 Cr. from the group companies.

### **Comfortable financial risk profile**

HGL maintains a comfortable financial risk profile marked by net worth of Rs. 1409.95 Cr. as compared to 1013.63 Cr. as on March 31, 2023. The total debt as on March 31, 2024 of Rs 2117.90 Cr. which consist of long-term debt of Rs. 17.15 Cr. as on March 31, 2024 (i.e. Car loan of Rs 1.75 Cr. and Rs 15.41 Cr. as finance lease), short term debt of Rs 100.00 Cr. which consist of overdraft facility and Rs 8.96 Cr. as Current portion repayable in a year and Inter Corporate deposits of Rs 1991.79 Cr. from the related parties which are repayable on demand. The company maintained a comfortable adjusted debt equity position, which showed improving trend in past 3 years through FY22 and stood at 0.09 times in FY24 vis-à-vis 0.13 times in FY23. In the month of March 2025, HGL has availed term loan of Rs 500.00 Cr. in the month of March 2025 for general corporate purposes and for repayment of inter corporate deposits. Acuité believes the company is likely to maintain a comfortable financial risk profile in medium term despite availing additional term loan on the back of healthy cash accruals and strong refinancing ability of the group.

### **Weaknesses**

#### **Substantial Exposure to Real Estate**

HGL provides advances to its subsidiary, Hinduja Realty Ventures Limited (HRVL) for the real estate projects. The funding for such projects is raised through HGL. In the event of the real estate project being delayed or being stalled due to any contingent reason, the impact on cashflows from such entities to whom loans are advanced could in-turn impact the cashflows of HGL.

#### **Uncertainty of revenue flow**

In FY2024, HGL records substantial amount of its revenue from interest income and consultancy income which stood at around 62.82 percent and 22.57 percent respectively of the revenue whereas in earlier FY2023 and FY2022, HGL records substantial amount of its revenue from dividend income (23.25 percent in FY2023 and 40.60 percent in FY2022) dividend income stood at Rs 8.98 Cr. i.e. ~2.99 percent of the revenue of FY2024 from Hinduja Global solutions Limited (HGSL). In FY2025, HGSL has not declared any dividend yet, which impacted HGLs cash flows to an extent. But the revenue of the company has improved and stood at Rs 299.96 Cr. in FY2024 as against the revenue of Rs 273.80 Cr. in FY2023 posting a growth of 9.55 percent. This is majorly due to the increase in consultancy income, profit from partnership firms and interest income albeit there has been a substantial dip in the dividend income. In FY2025, the group is expected to report the revenue of Rs 441.45 Cr, to be driven mainly by interest income, consultancy income. Further HGL is in the process of construction of a corporate office at Worli. Rental income from Hinduja House (Worli) is expected to receive from group entities. Construction is expected to be completed by the end of FY2028-29. Total project cost estimated is ~Rs 700.00 Cr. (including interior cost of Rs 250.00 Cr.) and the same would be funded through internal funding and ICDs from groups.

Acuité believes that the ability of the group to maintain its business risk profile in the view of performance of the group companies will remain as a key monitorable.

### **Rating Sensitivities**

- Sustenance of the business risk profile
- Increased exposure to real estate projects
- Deterioration in the financial risk profile
- Stretch in liquidity position
- Credit profile of the key entities in the group

### **Liquidity Position**

#### **Strong**

The liquidity position of the company is strong marked by adequate net cash accruals and liquid investments. The company has some investments in its group companies which are quoted on the stock exchange. The market value of these investments stood at Rs.48,423.63 crore as on May 2, 2025. The company has generated net cash accruals of Rs 327.41 Cr against the Rs 25.35 Cr debt obligations for the same period and is expected to generate cash accruals in the range of Rs 30.00 Cr to 108.66 Cr as against the Rs 8.96 to Rs 30.97 Cr debt obligations for the same period. The unsecured loans from related parties and others from Hinduja Group companies provide some flexibility in terms of managing the repayments as they are on demand with no fixed repayment schedule. Along with this the company also recovers the loans and advances given to the group companies as and when required. The average utilization of the bank limits are around 42.08 percent for last twelve months ended March 2025 giving

additional liquidity cushion in the form of undrawn limits. Acuité believes that the liquidity position of the company is expected to remain strong in the medium term.

### **Outlook**

Stable

### **Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	299.96	273.80
PAT	Rs. Cr.	312.08	30.75
PAT Margin	(%)	104.04	11.23
Total Debt/Tangible Net Worth	Times	1.50	1.37
PBDIT/Interest	Times	2.80	1.33

**Status of non-cooperation with previous CRA (if applicable)**

Not applicable

**Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)**

**Not applicable**

**Any other information**

None

## Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Banks And Financial Institutions: <https://www.acuite.in/view-rating-criteria-45.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

## Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
15 Feb 2024	Cash Credit	Long Term	100.00	ACUITE A+   Stable (Reaffirmed)
	Term Loan	Long Term	75.00	ACUITE Not Applicable (Withdrawn)
03 Jan 2023	Cash Credit	Long Term	100.00	ACUITE A+   Stable (Assigned)
	Term Loan	Long Term	75.00	ACUITE A+   Stable (Assigned)

**Annexure - Details of instruments rated**

<b>Lender's Name</b>	<b>ISIN</b>	<b>Facilities</b>	<b>Date Of Issuance</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Quantum (Rs. Cr.)</b>	<b>Complexity Level</b>	<b>Rating</b>
Bank of Baroda	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	100.00	Simple	ACUITE A+   Stable   Reaffirmed
Bank of Maharashtra	Not avl. / Not appl.	Term Loan	24 Mar 2025	Not avl. / Not appl.	31 Mar 2030	500.00	Simple	ACUITE A+   Stable   Assigned

## Contacts

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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