

February 03, 2023

Aditya Birla Finance Limited: Ratings reaffirmed; rated amount enhanced

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debenture	-	5,000.00	[ICRA]AAA (Stable); assigned
Non-convertible debenture	23,686.40	23,686.40	[ICRA]AAA (Stable); reaffirmed
Non-convertible debenture	2,854.40	-	[ICRA]AAA (Stable); reaffirmed and withdrawn
Retail non-convertible debenture	5,000.00	5,000.00	[ICRA]AAA (Stable); reaffirmed
Unsecured non-convertible debenture	1,500.00	1,500.00	[ICRA]AAA (Stable); reaffirmed
Bank lines	30,000.00	50,000.00	[ICRA]AAA (Stable)/[ICRA]A1+; reaffirmed and assigned
Subordinated debt programme	2,500.00	2,500.00	[ICRA]AAA (Stable); reaffirmed
Perpetual debt programme	700.00	700.00	[ICRA]AA+ (Stable); reaffirmed
Commercial paper programme	12,000.00	15,000.00	[ICRA]A1+; reaffirmed and assigned
Commercial paper programme (IPO financing)	8,000.00	-	[ICRA]A1+; reaffirmed and withdrawn
Total	86,240.80	1,03,386.40	

*Instrument details are provided in Annexure I

Rationale

ICRA has considered the consolidated business and financial profile of Aditya Birla Capital Limited (ABCL) and its Group entities (collectively referred to as the ABCL Group and enlisted in Annexure II) as the basis for the ratings. The ratings also factor in the implicit support expectations from Aditya Birla Group and the parent – Grasim Industries Limited (Grasim; rated [\[ICRA\]AAA \(Stable\)/\[ICRA\]A1+](#)).

The ratings consider the strong ultimate parentage and the strategic fit and importance of the ABCL Group, which houses all the financial services entities (lending, asset management and insurance among others), to the Aditya Birla Group. Support from the promoter group is demonstrated by the strong capital and managerial aid and the stated intent of the parent to ensure adequate capitalisation and liquidity of the ABCL Group. The ratings also consider the diversity in the ABCL Group's revenue profile and the management's vast experience in the financial services domain.

Further, the ratings factor in ABCL's adequate capitalisation level, supported by internal capital generation and the track record of capital infusions from the parent. ABCL's borrowing profile remains diversified, though the funding cost is expected to increase in the near term, in line with the market. ICRA notes that ABCL's consolidated gearing is expected to increase, given the high growth of the lending business. The capital requirement of ABCL's lending business is projected to be met through its expected dividend inflow and the monetisation of its stake in Aditya Birla Sun Life Asset Management Company Limited (ABSL AMC) in the near term. The Group's profitability (excluding the insurance business) remains healthy, supported by the lending and asset management businesses.

ABCL's consolidated asset quality profile remains moderate with gross stage 3% of 3.2% as on September 30, 2022 (2.9% as on March 31, 2022). ICRA notes the increasing share of unsecured segments, which are exposed to higher asset quality challenges and increased credit costs. However, the improved net interest margins are likely to support the profitability. Going forward, the Group's ability to control slippages across segments remain key monitorable. ICRA also notes the ABCL Group's improving profitability, despite the loss in the health insurance segment that is in the growth phase. Going forward, the company's ability to manage its asset quality while maintaining its gearing levels, given the expectations of high portfolio growth, will remain a key rating sensitivity.

ICRA has reaffirmed and withdrawn the rating outstanding on the Rs. 2,854.40-crore non-convertible debenture programme as these instruments have been redeemed in full and there are no dues outstanding against the same. ICRA has also reaffirmed and withdrawn the rating outstanding on the Rs. 8,000.00-crore commercial paper programme (IPO financing). The rating was withdrawn at the request of the company. The ratings were withdrawn in accordance with ICRA's policy on the withdrawal of credit ratings.

Key rating drivers and their description

Credit strengths

Strong ultimate parentage of Grasim; key management personnel with vast experience in financial services domain – ABCL is a subsidiary of Grasim, which held 54.17% as of September 30, 2022 while the other companies in the Aditya Birla Group had a 16.89% stake. ABCL is the holding company of all the financial services entities of the Group and is a prominent growth driver for the Group. Its strategic significance to the Aditya Birla Group is reflected in the capital support from the parent, as and when required. The ABCL Group enjoys strong financial flexibility by virtue of being a part of the Aditya Birla Group. ICRA expects Grasim to maintain a shareholding of more than 51% in the company. ICRA also takes into consideration the vast experience of ABCL's key management personnel in the financial services domain.

Diversified financial services group – The ABCL Group is a diversified financial services group with a presence in various segments such as lending, life insurance, health insurance, asset management, asset reconstruction and securities broking among others. ABCL's lending business is through two entities – Aditya Birla Finance Limited (ABFL; with a non-banking financial company (NBFC) licence) and Aditya Birla Housing Finance Limited (ABHFL; with a housing finance company (HFC) licence). ABCL's consolidated lending book increased at a high pace to Rs. 77,430 crore (+31% YoY) as on September 30, 2022, with secured business contributing 35%, followed by corporate/mid-market (28%), HFC (15%, excluding construction finance), personal & consumer (12%), unsecured business (8%) and high-net-worth individuals (HNIs) and treasury investments (1%).

Further, the concentration of the top 20 exposures declined to 8.6% of the total exposure of ABFL (34.5% of ABCL's consolidated adjusted net worth) as of March 31, 2022 (9.9% of the total exposure and 39.7% of the adjusted net worth as on March 31, 2021). While a large part of the portfolio is secured (~73% of ABFL's portfolio and 100% of ABHFL's portfolio), which helps reduce losses in the event of defaults, ICRA notes ABCL's rising focus on the unsecured retail segments which are exposed to asset quality pressures.

Apart from lending, the ABCL Group has a prominent presence in the asset management business through ABSL AMC, which is the fifth largest asset management company (AMC) in terms of the average assets under management (AUM). The ABCL Group has a presence in both life insurance (through Aditya Birla Sun Life Insurance Company Limited) and health insurance (through Aditya Birla Health Insurance Limited). While the health insurance entity is in the initial years (growing at a fast pace), the life insurance company had a market share of 1.9% in 8M FY2023.

ABFL's portfolio stood at Rs. 64,975 crore as on September 30, 2022 (YoY growth of 36%) with the secured business loans, large & mid-corporate, personal & consumer loans, unsecured business loans and HNIs & others segments forming 37%, 32%, 15%, 10% and 6% of the portfolio, respectively. The growth in the portfolio was largely driven by the growth in the retail unsecured and small and medium-sized enterprise (SME) segment.

Good financial flexibility and diversified funding profile – As a part of the Aditya Birla Group, ABCL has good financial flexibility in raising funds at competitive rates. Its (lending businesses) borrowing profile remains diversified with bank term loans, debentures, commercial paper (CP), National Housing Bank (NHB) and external commercial borrowings forming 52%, 27%, 10%, 3% and 3%, respectively, of the total borrowings as on September 30, 2022. The proportion of CP in the aggregate funding mix remained moderate at ~10% as on September 30, 2022 (though higher than ~6% as on September 30, 2021). The ABCL Group maintains adequate unutilised bank lines and has a board-approved funding line from Grasim, which can be utilised in case of liquidity requirements.

ABFL's borrowing profile comprised bank term loans, non-convertible debentures, commercial paper, external commercial borrowings (ECBs) and subordinated debt & others with a share of 51%, 24%, 11%, 3% and 11%, respectively, as on September

30, 2022. ICRA also notes the diversification in the borrower profile as ABFL has borrowings from corporate treasuries, banks, mutual funds, insurance companies and HNIs.

Adequate capitalisation; demonstrated ability to raise equity – ABCL’s capitalisation remains adequate with a consolidated adjusted gearing (borrowings/adjusted net worth¹) of 4.6 times as on September 30, 2022 (3.9 times as of September 30, 2021). Considering the significant growth plans of the lending business, the consolidated gearing could increase further. However, internal accruals and the likely monetisation of the stake in ABSL AMC² by ABCL is expected to support the growth plans of the lending business in the near to medium term. In case of higher growth, the company may require external capital. Given the strong parentage and its demonstrated ability to raise capital (the last capital infusion was Rs. 2,100 crore in FY2020 from the promoters/promoter group and external investors), ABCL’s capitalisation profile is expected to remain adequate. ICRA expects support from the parent to be forthcoming as and when required.

ABFL’s gearing increased to 5.3 times as on September 30, 2022 from 4.2 times as on September 30, 2021, given its high portfolio growth. Considering the significant growth plans, the company is likely to require capital in the medium term. ICRA expects equity infusion from its parent, ABCL, to meet its growth plans.

Improving profitability – The Group’s profitability is largely supported by its lending and asset management businesses, but is partially offset by the losses in the health insurance entity (Aditya Birla Health Insurance Limited). Excluding the insurance business (life and health insurance), ABCL’s profitability remained healthy with a return on equity of 13.7% in H1 FY2023 (14.1% in FY2022). ICRA expects the profitability to remain comfortable. Further, ICRA notes the diversity in revenues with income from the lending operations and the asset management business.

ABFL’s net interest margins (NIMs) improved to 5.5% in H1 FY2023 from 5.4% in H1 FY2022 on account of the change in the product mix towards higher-yielding retail and unsecured loans. However, the NIMs are expected to be in this range despite further changes in the portfolio mix, given the anticipated increase in the cost of funds. The credit cost declined marginally but remained high due to the post-Covid impact and slippages from the restructured book. Operating expenses have increased and are likely to remain high, given the company’s plan to expand its branch presence and invest in digital assets for building the digital lending platform to support its high growth plans. ABFL’s return on assets remained in the range of 2.1-2.2% but with rise in leverage its return on equity increased to 13.6% (H1 FY2023) from 11.5% (H1 FY2022).

Credit challenges

Asset quality remains moderate with growth in relatively riskier retail unsecured loans – ABCL’s consolidated gross and net stage 3 assets for the lending businesses stood at 3.2% and 1.7%, respectively, as on September 30, 2022 compared to 2.9% and 1.7%, respectively, as on March 31, 2022 (3.3% and 1.9%, respectively as on September 30, 2021). While the company witnessed slippages from the restructured book and unsecured segments, the reported asset quality was supported by the high growth in the AUM. The increase was partly due to ABHFL’s alignment with the Reserve Bank of India (RBI) circular, dated November 12, 2021, on the definition of default. This led to the classification of Rs. 132 crore of incremental loans as gross stage 3 as on September 30, 2022. The restructured book declined to ~Rs. 2,458 crore or 3.2% of the total portfolio as on September 30, 2022 from 4.6% as on September 30, 2021. Moreover, the Group’s provision coverage ratio improved to 46.3% (September 2022) from 40.6% (September 2021).

ICRA notes the reduction in the concentration of the top group exposures and in ticket sizes across segments and the granularisation of the portfolio with the increased share of smaller-ticket retail loans. However, with the significant ramp-up in its relatively riskier retail unsecured loan book in the last one year and the expected high growth in its scale of operations, the company’s ability to maintain its asset quality indicators over economic cycles would be a key monitorable. Further, the growth in long-term loan assets, like retail mortgage loans, remains largely untested.

ABFL’s gross and net stage 3 asset levels increased on an absolute basis but remained stable on percentage terms at 3.1% and 1.6%, respectively, as on September 30, 2022 (3.1% and 1.8%, respectively, as on March 31, 2022), due to high portfolio

¹ Adjusted net worth is adjusted for net worth of insurance companies

² Promoter stake (ABCL and Sun Life) of 86.5% in ABSL AMC has to be reduced to 75% by October 2024

growth. Net stage 3 assets/net worth stood at 9.6% as on September 30, 2022 (9.7% as on March 31, 2022). The company's restructured loans declined to 2.5% as on September 30, 2022 (3.2% as on March 31, 2022). ABFL's asset quality remains exposed to slippages from unsecured segments.

Liquidity position: Strong

The ABCL Group had cash and liquid investments of Rs. 2,765 crore and unutilised bank lines of Rs. 7,660 crore as on December 31, 2022 against debt repayments of Rs. 14,716 crore due in the next six months. Further, the liquidity will be supported by collections from the loan book. The liquidity profile is also supported by a board-approved funding line from Grasim.

At the standalone level, ABFL had debt amounting to Rs. 13,127 crore as on December 31, 2022, maturing by June 2023, against which it had cash and liquid investments worth Rs. 2,563 crore and undrawn bank lines of Rs. 5,828 crore. Collections from the loan book provide further comfort.

Rating sensitivities

Positive factors – Not applicable

Negative factors – A material change in the expected level of support or a material deterioration in the credit risk profile of ABCL's parent (i.e. Grasim) could warrant a rating downgrade. Pressure on the ratings could also arise if there is a deterioration in the ABCL's consolidated capitalisation profile (adjusted gearing) on a sustained basis and/or weakening of the ABCL Group's solvency levels (net stage 3 assets divided by adjusted net worth) to more than 20% on a sustained basis.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Non-Banking Finance Companies Implicit Support from Parent or Group Rating Approach –Consolidation Policy on Withdrawal of Credit Ratings
Parent/Group Support	Ultimate Parent: Grasim Industries Limited (Grasim; rated [ICRA]AAA (Stable)/[ICRA]A1+) ICRA factors in the strategic importance of ABCL for the parent, which is demonstrated in the availability of strong financial, operational and managerial support.
Consolidation/Standalone	While arriving at the ratings for ABFL, ICRA has considered the consolidated business and financial profile of ABCL. <i>Names of entities considered for consolidated analysis mentioned in Annexure-2.</i>

About the company

ABFL is a wholly-owned subsidiary of ABCL. It is registered as an NBFC and provides corporate loans, project finance, mortgage loans, personal & consumer loans, unsecured business loans, real estate loans, etc. It also has a wealth management business. Its portfolio stood at Rs. 64,975 crore as on September 30, 2022, with the secured business loans, large & mid-corporate, personal & consumer loans, unsecured business loans and HNIs & others segments forming 37%, 32%, 15%, 10% and 6% of the portfolio, respectively.

Aditya Birla Capital Limited

Aditya Birla Capital Limited (ABCL) is a non-deposit taking systemically important core investment company (CIC-ND-SI) registered with the Reserve Bank of India (RBI). It is the holding company of the financial services businesses of the Aditya Birla Group. Pursuant to the merger of Aditya Birla Nuvo Limited (ABNL) and Grasim Industries Limited, ABCL got listed on the Bombay Stock Exchange and the National Stock Exchange in September 2017. As on September 30, 2022, the promoter group held a stake of 71.06% (of which Grasim holds 54.17%) in ABCL.

Grasim Industries Limited

Incorporated in 1947, Grasim, the flagship company of the Aditya Birla Group, is a ~\$12-billion business conglomerate. On a standalone basis, its core businesses include chemical and textile manufacturing, apart from insulators. It is a leading global player in viscose staple fibre (with an installed production capacity of ~800 KTPA) and the largest chlor-alkali producer in India (installed production capacity of 1,264 KTPA). In January 2021, Grasim announced its foray into the decorative paints business, with an initial capital expenditure of Rs. 5,000 crore to be spent over the next 2.5-3 years.

On a consolidated basis, Grasim also has a strong presence in cement, financial services, fashion retail, telecommunications, and renewable power generation industries. Its 57.27% subsidiary, UTCL, is the largest cement producer in India. In financial services, Grasim has presence through its 54.17% subsidiary, ABCL, which is among the top non-banking financial companies in India based on asset under management.

Key financial indicators (audited)

Aditya Birla Finance Limited	FY2021	FY2022	H1 FY2022^	H1 FY2023^
Total income	5,528	5,797	2,826	3,468
Profit after tax	769	1,108	523	693
Net worth	8,838	9,860	9,367	10,557
Total portfolio	48,689	55,180	47,733	64,975
Total assets	50,755	56,969	49,851	67,347
Return on average assets	1.50%	2.06%	2.08%	2.23%
Return on average equity	9.09%	11.85%	11.49%	13.58%
Gearing (times)	4.66	4.68	4.24	5.27
Gross stage 3 / Gross advances	2.7%	3.1%	3.6%	3.1%
Net stage 3 / Net advances	1.5%	1.8%	2.1%	1.6%
Net stage 3 / Net worth	8.1%	9.7%	10.4%	9.6%
Tier I capital ratio	18.4%	18.1%	19.6%	16.1%
Capital adequacy ratio	22.7%	21.8%	23.7%	19.0%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; ^ Unaudited figures

Aditya Birla Capital Limited (consolidated; Rs. crore)	FY2021	FY2022	H1 FY2022^	H1 FY2023^
Total income	19,274	22,241	9,906	12,432
Profit after tax	1,106	1,660	627	903
Profit after tax (excluding insurance business)	1,202	1,851	805	991
Adjusted Net worth*	12,311	13,988	12,976	14,859
Total portfolio	60,557	67,185	59,060	77,430
Total assets	1,24,794	1,41,140	1,29,265	1,55,491
Adjusted Return on average assets*	1.8%	2.6%	2.4%	2.5%
Adjusted Return on average equity*	10.2%	14.1%	12.7%	13.7%
Adjusted gearing (times)*	4.3	4.2	3.9	4.6
Gross stage 3/ Gross advances	2.5%	2.9%	3.3%	3.2%
Net stage 3 / Net advances	1.4%	1.7%	1.9%	1.7%
Net stage 3/ Adjusted Net worth*	6.9%	8.0%	8.7%	8.9%

Source: Company, ICRA research; All ratios as per ICRA calculations; ^ unaudited figures; *Excluding insurance business

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current Rating (FY2023)		Chronology of Rating History for the Past 3 Years			
		Amount Rated (Rs. crore)	Amount Outstanding as of Dec-31-22 (Rs. crore)	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020
				Feb-3-23	Feb-07-22	Feb-23-21 Sep-30-20	Mar-17-20 Jan-15-20 Nov-22-19 Apr-16-19
1 Non-convertible debenture	Long term	5,000.00	-	[ICRA]AAA (Stable)	-	-	-
2 Non-convertible debenture	Long Term	23,686.40	15,259.00	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
3 Non-convertible debenture	Long Term	2,854.40	-	[ICRA]AAA (Stable); reaffirmed and withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
4 Unsecured Non-convertible debenture	Long Term	1,500.00	154.00	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (stable)	[ICRA]AAA (stable)
5 Retail Non-convertible debenture	Long Term	5,000.00	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (stable)	[ICRA]AAA (stable)
6 Subordinated debt programme	Long Term	2,500.00	2,144.00	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (stable)	[ICRA]AAA (stable)
7 Perpetual debt programme	Long Term	700.00	200.00	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (hyb) (Stable)	[ICRA]AA+ (hyb) (Stable)
8 Bank Lines	Long Term / Short Term	50,000.00	36,674.78	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+
9 Commercial paper programme	Short Term	15,000.00	7,016.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
10 Commercial paper programme (IPO financing)	Short Term	8,000.00	-	[ICRA]A1+; reaffirmed and withdrawn	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

Source: Company, ICRA Research

Complexity level of the rated instruments

Instrument	Complexity Indicator
Commercial paper programme (IPO financing)	Very Simple
Retail non-convertible debenture	Very Simple
Non-convertible debenture	Very Simple/Simple^
Unsecured non-convertible debenture	Very Simple
Subordinated debt programme	Simple
Perpetual debt programme	Moderately Complex
Commercial paper programme	Very Simple
Bank Lines	Simple

^ Fixed rate NCDs – Very Simple; Floating rate NCDs – 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 / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE860H07797	Non-convertible debenture	Jan-13-15	9.15%	Jan-13-22	10	[ICRA]AAA (Stable); withdrawn
INE860H07BS1	Non-convertible debenture	Sep-10-15	8.85%	Sep-09-22	20	[ICRA]AAA (Stable); withdrawn
INE860H07BU7	Non-convertible debenture	Oct-07-15	8.77%	Oct-07-22	60	[ICRA]AAA (Stable); withdrawn
INE860H07BV5	Non-convertible debenture	Oct-12-15	8.77%	Oct-12-22	21	[ICRA]AAA (Stable); withdrawn
INE860H07BX1	Non-convertible debenture	Oct-19-15	8.77%	Oct-17-25	15	[ICRA]AAA (Stable)
INE860H07BZ6	Non-convertible debenture	Nov-03-15	8.71%	50% on November 01, 2024 & 50% on October 31, 2025	500	[ICRA]AAA (Stable)
INE860H07CL4	Non-convertible debenture	Feb-23-16	8.85%	Feb-23-26	10	[ICRA]AAA (stable)
INE860H07CM2	Non-convertible debenture	Mar-09-16	8.90%	Mar-06-26	10	[ICRA]AAA (stable)
INE860H07CS9	Non-convertible debenture	Mar-21-16	8.90%	Mar-20-26	5	[ICRA]AAA (stable)
INE860H07EN6	Non-convertible debenture	Mar-10-17	8.00%	Mar-10-22	250	[ICRA]AAA (stable); withdrawn
INE860H07EO4	Non-convertible debenture	Mar-20-17	8.00%	Mar-18-22	200	[ICRA]AAA (stable); withdrawn
INE860H07EP1	Non-convertible debenture	Mar-24-17	8.00%	Mar-24-22	140	[ICRA]AAA (stable); withdrawn
INE860H07FD4^	Non-convertible debenture	Jun-13-17	8.00% XIRR	Jun-11-27	5	[ICRA]AAA (stable)
INE860H07FF9	Non-convertible debenture	Jun-19-17	7.80%	Jun-17-22	50	[ICRA]AAA (stable); withdrawn
INE860H07FG7	Non-convertible debenture	Jun-29-17	7.80%	Jun-29-22	200	[ICRA]AAA (stable); withdrawn
INE860H07FK9	Non-convertible debenture	Aug-14-17	7.70%	Aug-12-22	50	[ICRA]AAA (stable); withdrawn
INE860H07FL7	Non-convertible debenture	Aug-18-17	7.60%	Aug-18-22	100	[ICRA]AAA (stable); withdrawn
INE860H07FM5	Non-convertible debenture	Aug-23-17	7.60%	Jul-19-22	150	[ICRA]AAA (stable); withdrawn
INE860H07FN3	Non-convertible debenture	Sep-07-17	7.60%	Sep-07-22	325	[ICRA]AAA (stable); withdrawn
INE860H07FT0	Non-convertible debenture	Jun-26-18	8.90%	Jun-26-25	51	[ICRA]AAA (stable)
INE860H07FV6	Non-convertible debenture	Jul-27-18	8.90%	Jul-27-23	15	[ICRA]AAA (stable)
INE860H07GE0	Non-convertible debenture	Oct-26-18	Zero Coupon	Apr-08-22	159	[ICRA]AAA (stable); withdrawn
INE860H07GH3	Non-convertible debenture	Oct-31-18	9.48%	Mar-18-22	115	[ICRA]AAA (stable); withdrawn
INE860H07GE0	Non-convertible debenture	Nov-06-18	Zero Coupon	Apr-08-22	17.9	[ICRA]AAA (stable); withdrawn
INE860H07797	Non-convertible debenture	Dec-11-18	9.15%	Jan-13-22	280	[ICRA]AAA (stable); withdrawn
INE860H07GE0	Non-convertible debenture	Dec-11-18	Zero Coupon	Apr-08-22	119	[ICRA]AAA (stable); withdrawn
INE860H07FV6	Non-convertible debenture	Dec-11-18	8.90%	Jul-27-23	145	[ICRA]AAA (stable)
INE860H07GL5	Non-convertible debenture	Dec-21-18	9.15%	Dec-21-23	70	[ICRA]AAA (stable)
INE860H07GM3	Non-convertible debenture	Dec-21-18	9.15%	Dec-21-28	15	[ICRA]AAA (stable)
INE860H07GE0	Non-convertible debenture	Dec-27-18	Zero Coupon	Apr-08-22	50	[ICRA]AAA (stable); withdrawn
INE860H07GL5	Non-convertible debenture	Dec-27-18	9.10%	Dec-21-23	81	[ICRA]AAA (stable)
INE860H07GM3	Non-convertible debenture	Dec-27-18	9.10%	Dec-21-28	69	[ICRA]AAA (stable)
INE860H07GE0	Non-convertible debenture	Jan-07-19	Zero Coupon	Apr-08-22	32	[ICRA]AAA (stable); withdrawn
INE860H07GL5	Non-convertible debenture	Jan-07-19	9.15%	Dec-21-23	16	[ICRA]AAA (stable)
INE860H07GE0	Non-convertible debenture	Jan-25-19	Zero Coupon	Apr-08-22	30.5	[ICRA]AAA (stable); withdrawn
INE860H07GM3	Non-convertible debenture	Feb-12-19	9.15%	Dec-21-28	38.5	[ICRA]AAA (stable)
INE860H07GM3	Non-convertible debenture	Mar-29-19	9.15%	Dec-21-28	150	[ICRA]AAA (stable)
INE860H07GE0	Non-convertible debenture	Apr-25-19	Zero Coupon	Apr-08-22	75	[ICRA]AAA (stable); withdrawn
INE860H07GS0	Non-convertible debenture	May-20-19	9.00%	50% - May 19, 2028, 50% - May 18, 2029	1,500.00	[ICRA]AAA (Stable)
INE860H07GT8	Non-convertible debenture	Jun-12-19	8.65%	Jun-12-24	173	[ICRA]AAA (stable)
INE860H07GT8	Non-convertible debenture	Jun-24-19	8.65%	Jun-12-24	198	[ICRA]AAA (stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE860H07GT8	Non-convertible debenture	Jun-28-19	8.65%	Jun-12-24	111.6	[ICRA]AAA (stable)
INE860H07GU6	Non-convertible debenture	Jul-04-19	8.70%	Jul-04-29	29.2	[ICRA]AAA (stable)
INE860H07GT8	Non-convertible debenture	Jul-24-19	8.65%	Jun-12-24	98.7	[ICRA]AAA (stable)
INE860H07GW2	Non-convertible debenture	Dec-04-19	7.75%	Dec-09-22	150	[ICRA]AAA (stable); withdrawn
INE860H07GX0	Non-convertible debenture	Jan-20-20	8.15%	25% January 20, 2027, 25% January 20, 2028 25% January 19, 2029 25% January 18, 2030	1,000.00	[ICRA]AAA (Stable)
INE860H07GY8	Non-convertible debenture	Apr-17-20	7.75%	May-17-23	205	[ICRA]AAA (stable)
INE860H07GZ5	Non-convertible debenture	Apr-28-20	7.57%	Jun-28-23	225	[ICRA]AAA (stable)
INE860H07HA6	Non-convertible debenture	Apr-28-20	7.69%	Apr-25-25	25	[ICRA]AAA (stable)
INE860H07HB4	Non-convertible debenture	Jun-26-20	6.78%	Apr-26-22	250	[ICRA]AAA (stable); withdrawn
INE860H07HC2	Non-convertible debenture	Oct-22-20	5.90%	Dec-29-23	330	[ICRA]AAA (stable)
INE860H07HD0	Non-convertible debenture	Dec-23-20	6.25%	Dec-23-25	75	[ICRA]AAA (stable)
INE860H07HE8	Non-convertible debenture	Feb-18-21	7.24%	Feb-18-31	25	[ICRA]AAA (stable)
INE860H07HF5	Non-convertible debenture	Feb-25-21	6.15%	May-30-23	775	[ICRA]AAA (stable)
INE860H07HG3	Non-convertible debenture	Mar-16-21	5.75% (Floating Coupon)	Mar-16-23	500	[ICRA]AAA (Stable)
INE860H07HH1	Non-convertible debenture	Mar-19-21	5.75% (Floating Coupon)	Mar-17-23	250	[ICRA]AAA (Stable)
INE860H07HI9	Non-convertible debenture	Mar-31-21	6.15%	Mar-28-24	420	[ICRA]AAA (Stable)
INE860H07HJ7	Non-convertible debenture	May-07-21	5.11% (Floating Coupon)	May-05-23	250	[ICRA]AAA (Stable)
INE860H07HK5	Non-convertible debenture	May-31-21	7.26%	25%: May 31, 2028 25%: May 31, 2029 25%: May 31, 2030 25%: May 30, 2031	750	[ICRA]AAA (Stable)
INE860H07HL3	Non-convertible debenture	Jun-17-21	5.15%	Jun-16-23	50	[ICRA]AAA (Stable)
INE860H07HM1	Non-convertible debenture	Jun-17-21	Zero Coupon	Jun-14-24	75	[ICRA]AAA (Stable)
INE860H07HN9	Non-convertible debenture	Jul-26-21	6.55%	Jul-24-26	500	[ICRA]AAA (Stable)
INE860H07HO7	Non-convertible debenture	Aug-05-21	5.85%	Aug-02-24	250	[ICRA]AAA (Stable)
INE860H07HP4	Non-convertible debenture	Oct-04-21	7.10%	Oct-03-31	50	[ICRA]AAA (Stable)
INE860H07HQ2	Non-convertible debenture	Oct-04-21	6.45%	Oct-01-26	115	[ICRA]AAA (Stable)
INE860H07HR0	Non-convertible debenture	Jan-21-22	3M T-bill Linked	Jan-21-25	500	[ICRA]AAA (Stable)
INE860H07HS8	Non-convertible debenture	Jan-21-22	6.40%	Jul-22-25	350	[ICRA]AAA (Stable)
INE860H07HU4	Non-convertible debenture	Jun-08-22	7.60%	Jun-06-25	110	[ICRA]AAA (Stable)
INE860H07HU4	Non-convertible debenture	Jun-14-22	7.60%	Jun-06-25	250	[ICRA]AAA (Stable)
INE860H07HU4	Non-convertible debenture	Jul-01-22	7.60%	Jun-06-25	250	[ICRA]AAA (Stable)
INE860H07FT0	Non-convertible debenture	Jul-12-22	8.90%	Jun-26-25	300	[ICRA]AAA (Stable)
INE860H07HW0	Non-convertible debenture	Jul-12-22	Zero Coupon	Jul-11-25	325	[ICRA]AAA (Stable)
INE860H07HX8	Non-convertible debenture	Aug-18-22	7.50%	Aug-18-25	400	[ICRA]AAA (Stable)
INE860H07HY6	Non-convertible debenture	Aug-24-22	Zero Coupon	Aug-23-24	136	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE860H07GM3	Non-convertible debenture	Sep-08-22	9.15%	Dec-21-28	25	[ICRA]AAA (Stable)
INE860H07HX8	Non-convertible debenture	Sep-19-22	7.50%	Aug-18-25	465	[ICRA]AAA (Stable)
INE860H07FT0	Non-convertible debenture	Sep-28-22	8.90%	Jun-26-25	25	[ICRA]AAA (Stable)
INE860H07IA4	Non-convertible debenture	Oct-14-22	7.90%	Sep-19-25	510	[ICRA]AAA (Stable)
INE860H07IB2	Non-convertible debenture	Nov-18-22	Zero Coupon	Nov-28-24	50	[ICRA]AAA (Stable)
INE860H07IC0	Non-convertible debenture	Nov-18-22	7.95%	Mar-18-26	597	[ICRA]AAA (Stable)
INE860H07ID8	Non-convertible debenture	Nov-18-22	8.12%	Nov-18-32	200	[ICRA]AAA (Stable)
INE860H07IE6	Non-convertible debenture	Nov-29-22	7.93%	Jan-15-26	305	[ICRA]AAA (Stable)
INE860H07FT0	Non-convertible debenture	Nov-29-22	8.90%	Jun-26-25	25	[ICRA]AAA (Stable)
INE860H07IF3	Non-convertible debenture	Dec-05-22	7.95%	Dec-03-27	50	[ICRA]AAA (Stable)
INE860H07ID8	Non-convertible debenture	Dec-21-22	8.12%	Nov-18-32	400	[ICRA]AAA (Stable)
INE860H07IG1	Non-convertible debenture	Dec-27-22	7.92%	Dec-27-27	410	[ICRA]AAA (Stable)
INE860H07IH9	Non-convertible debenture	Dec-30-22	7.88%	Feb-12-26	400	[ICRA]AAA (Stable)
NA	Non-convertible debenture*	-	-	-	8,427.40	[ICRA]AAA (Stable)
INE860H08EH6	Unsecured non-convertible debenture	Aug-06-20	7.57%	Aug-03-35	154	[ICRA]AAA (Stable)
NA	Unsecured non-convertible debenture*	-	-	-	1,346.00	[ICRA]AAA (Stable)
INE860H08DL0	Subordinated debt programme	Jun-17-15	9.25%	Jun-06-25	25	[ICRA]AAA (Stable)
INE860H08DM8	Subordinated debt programme	Jul-14-15	9.25%	Jul-11-25	30	[ICRA]AAA (Stable)
INE860H08DN6	Subordinated debt programme	Aug-25-15	9.25%	Aug-22-25	33	[ICRA]AAA (Stable)
INE860H08DP1	Subordinated debt programme	Mar-08-16	9.10%	Mar-06-26	25	[ICRA]AAA (Stable)
INE860H08DQ9	Subordinated debt programme	Mar-10-16	9.10%	Mar-10-26	8	[ICRA]AAA (Stable)
INE860H08DR7	Subordinated debt programme	Mar-18-16	9.10%	Mar-10-26	25.5	[ICRA]AAA (Stable)
INE860H08DS5	Subordinated debt programme	Jun-23-16	9.10%	Jun-23-26	52.5	[ICRA]AAA (Stable)
INE860H08DT3	Subordinated debt programme	Jul-28-16	8.97%	Jul-28-26	100	[ICRA]AAA (Stable)
INE860H08DU1	Subordinated debt programme	Jul-28-16	8.95%	Jul-28-26	75	[ICRA]AAA (Stable)
INE860H08DV9	Subordinated debt programme	Sep-29-16	8.90%	Sep-29-26	200	[ICRA]AAA (Stable)
INE860H08DW7	Subordinated debt programme	Nov-21-16	8.90%	Nov-20-26	200	[ICRA]AAA (Stable)
INE860H08DX5	Subordinated debt programme	Mar-09-17	8.25%	Mar-09-27	10	[ICRA]AAA (Stable)
INE860H08DY3	Subordinated debt programme	May-18-17	8.50%	May-18-27	165	[ICRA]AAA (Stable)
INE860H08EA1	Subordinated debt programme	Dec-04-18	9.76%	Dec-04-28	250	[ICRA]AAA (Stable)
INE860H08EB9	Subordinated debt programme	Jun-06-19	8.95%	Jun-06-29	200	[ICRA]AAA (Stable)
INE860H08EB9	Subordinated debt programme	Dec-30-19	8.95%	Jun-06-29	100	[ICRA]AAA (Stable)
INE860H08EB9	Subordinated debt programme	Feb-13-20	8.95%	Jun-06-29	50	[ICRA]AAA (Stable)
INE860H08ED5	Subordinated debt programme	Dec-29-20	7.43%	Dec-27-30	45	[ICRA]AAA (Stable)
INE860H08ED5	Subordinated debt programme	Dec-29-20	7.43%	Dec-27-30	35	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE860H08EE3	Subordinated debt programme	Jun-11-21	7.34%	Jun-11-31	75	[ICRA]AAA (Stable)
INE860H08EG8	Subordinated debt programme	Dec-06-21	7.43%	Dec-05-31	35	[ICRA]AAA (Stable)
INE860H08EG8	Subordinated debt programme	Feb-28-22	7.43%	Dec-05-31	210	[ICRA]AAA (Stable)
INE860H08DI6	Subordinated debt programme	Jun-4-13	9.85%	Jun-2-23	195	[ICRA]AAA (Stable)
NA	Subordinated debt programme*	-	-	-	356	[ICRA]AAA (Stable)
INE860H08DZ0	Perpetual debt programme	Jul-21-17	8.70%	-	200	[ICRA]AA+ (Stable)
NA	Perpetual debt programme*	-	-	-	500.00	[ICRA]AA+ (Stable)
NA	Bank lines - Long term/short term – Fund based/non-fund based	-	-	-	50,000	[ICRA]AAA(Stable) / [ICRA]A1+
INE860H14W01	Commercial paper	Jan-04-22	4.91%	Jan-03-23	200	[ICRA]A1+
INE860H14W19	Commercial paper	Jan-07-22	4.91%	Jan-06-23	100	[ICRA]A1+
INE860H14W27	Commercial paper	Feb-14-22	5.10%	Feb-10-23	200	[ICRA]A1+
INE860H14Y74	Commercial paper	Oct-19-22	7.05%	Jan-12-23	150	[ICRA]A1+
INE860H14Y82	Commercial paper	Nov-02-22	7.57%	May-02-23	225	[ICRA]A1+
INE860H14Y90	Commercial paper	Nov-07-22	7.28%	Jan-31-23	731	[ICRA]A1+
INE860H14Y90	Commercial paper	Nov-09-22	7.28%	Jan-31-23	25	[ICRA]A1+
INE860H14Z08	Commercial paper	Nov-17-22	7.57%	May-31-23	150	[ICRA]A1+
INE860H14Y90	Commercial paper	Nov-18-22	7.10%	Jan-31-23	1,100	[ICRA]A1+
INE860H14Z16	Commercial paper	Nov-25-22	7.25%	Feb-24-23	860	[ICRA]A1+
INE860H14Z24	Commercial paper	Nov-29-22	7.25%	Feb-27-23	100	[ICRA]A1+
INE860H14Z32	Commercial paper	Dec-01-22	7.13%	Mar-02-23	1,500	[ICRA]A1+
INE860H14Z40	Commercial paper	Dec-08-22	7.57%	Jun-07-23	25	[ICRA]A1+
INE860H14Z57	Commercial paper	Dec-21-22	7.13%	Mar-20-23	1,000	[ICRA]A1+
INE860H14Z57	Commercial paper	Dec-22-22	7.13%	Mar-20-23	200	[ICRA]A1+
INE860H14Z57	Commercial paper	Dec-23-22	7.05%	Mar-20-23	50	[ICRA]A1+
INE860H14Z57	Commercial paper	Dec-29-22	7.07%	Mar-20-23	400	[ICRA]A1+
NA	Commercial paper^	-	-	7-365 days	7,984.00	[ICRA]A1+
Not placed	Commercial paper (IPO financing)	-	-	7-30 days	8,000.00	[ICRA]A1+; withdrawn
NA	Retail non-convertible debenture programme*	-	-	-	5,000.00	[ICRA]AAA (Stable)
NA	Non-convertible debenture programme*	-	-	-	5,000.00	[ICRA]AAA (Stable)

Source: Company; *Yet to be placed; ^Unutilised

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

Key features of rated perpetual debt programme

The one notch lower rating assigned to Aditya Birla Finance Limited's (ABFL) perpetual debt programme compared to the [ICRA]AAA rating for the other long-term debt programmes reflects the specific features of these instruments wherein the debt servicing is additionally linked to meeting the regulatory norms on capitalisation and reported profitability. The domestic regulatory norms include regulatory approvals from the Reserve Bank of India (RBI) for debt servicing (including principal repayments) if the company reports a loss and is not liable to service the debt if it breaches the minimum regulatory capitalisation norms.

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Aditya Birla PE Advisors Private Limited	100%	Full consolidation
Aditya Birla Capital Technology Services Limited	100%	Full consolidation
Aditya Birla Trustee Company Private Limited	100%	Full consolidation
ABCAP Trustee Company Private Limited	100%	Full consolidation
Aditya Birla Money Limited	73.70%	Full consolidation
Aditya Birla Financial Shared Services Limited	100%	Full consolidation
Aditya Birla Finance Limited	100%	Full consolidation
Aditya Birla Housing Finance Limited	100%	Full consolidation
Aditya Birla Health Insurance Company Limited	51%	Full consolidation
Aditya Birla Sun Life Insurance Company Limited	51%	Full consolidation
Aditya Birla Sun Life Pension Management Limited	51%	Full consolidation
Aditya Birla Insurance Brokers Limited	50.002%	Full consolidation
Aditya Birla Money Mart Limited	100%	Full consolidation
Aditya Birla Money Insurance Advisory Services Limited	100%	Full consolidation
Aditya Birla ARC Limited	100%	Full consolidation
Aditya Birla Stressed Asset AMC Private Limited	100%	Full consolidation
Aditya Birla Special Situation Fund 01	100%	Full consolidation
ABARC-ARC-001-Trust	100%	Full consolidation
ABARC-ARC-008-Trust	100%	Full consolidation
ABARC-ARC-010-Trust	100%	Full consolidation
Aditya Birla Sun Life Trustee Private Limited	50.85%	Equity method
Aditya Birla Wellness Private Limited	51%	Equity method
Aditya Birla Sun Life AMC Company Limited	50.01%	Equity method
Aditya Birla Sun Life AMC (Mauritius) Ltd.	50.01%	Equity method
Aditya Birla Sun Life Asset Management Company Ltd., Dubai	50.01%	Equity method
Aditya Birla Sun Life Asset Management Company Pte. Ltd., Singapore	50.01%	Equity method

Source: Company; details as on March 31, 2022

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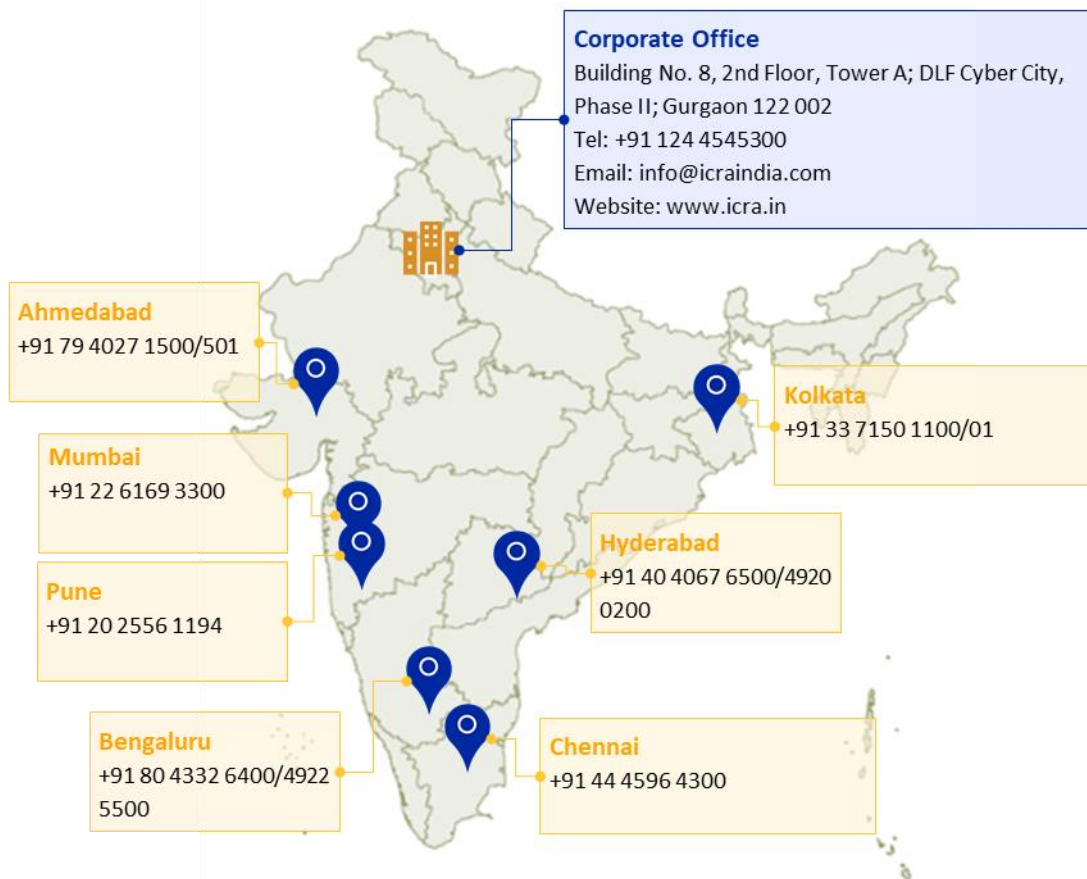
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