

August 04, 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
Subordinated debt programme	-	1,000.00	[ICRA]AAA (Stable); assigned
Bank lines	50,000.00	70,000.00	[ICRA]AAA (Stable)/[ICRA]A1+; reaffirmed and assigned
Non-convertible debenture	5,000.00	5,000.00	[ICRA]AAA (Stable); reaffirmed
Non-convertible debenture	21,271.40	21,271.40	[ICRA]AAA (Stable); reaffirmed
Non-convertible debenture	2,415.00	-	[ICRA]AAA (Stable); reaffirmed and withdrawn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
Subordinated debt programme	2,400.00	2,400.00	[ICRA]AAA (Stable); reaffirmed
Subordinated debt programme	100.00	-	[ICRA]AAA (Stable); reaffirmed and withdrawn
Perpetual debt programme	700.00	700.00	[ICRA]AA+ (Stable); reaffirmed
Commercial paper programme	15,000.00	15,000.00	[ICRA]A1+; reaffirmed
<b>Total</b>	<b>1,03,386.40</b>	<b>1,21,871.40</b>	

\*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 the 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 raised equity capital of Rs. 3,000 crore through a qualified institution placement (QIP) of Rs. 1,750 crore and a preferential issuance of equity shares of Rs. 1,250 crore to its promoter and promoter group entity in Q1 FY2024. The recent equity capital raise and internal accruals are expected to support the Group's growth plans in the near to medium term. ABCL's borrowing profile remains diversified, though the funding cost is expected to increase in the near term, in line with the market. 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 3.1% as on March 31, 2023 (3.6% as on March 31, 2022). ICRA notes the growing share of unsecured segments, which are exposed to higher asset quality challenges and increased credit costs. However, the improved net interest margin is likely to support the profitability. Going forward, the Group's ability to control slippages across segments remains a key monitorable.

ICRA also notes the ABCL Group's improving profitability, despite the loss in the health insurance segment, which 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 mainly in the unsecured segments, will remain a key rating sensitivity.

ICRA has reaffirmed and withdrawn the rating outstanding on the Rs. 2,415.00-crore non-convertible debenture programme as the 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. 100.00-crore subordinated debt programme as the instrument has been fully redeemed with no dues outstanding against the same. The rating was withdrawn at the request of the company and 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 52.79% as of June 30, 2023, while the other companies in the Aditya Birla Group had a 16.31% stake. It 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 (latest equity infusion was Rs. 1,250 crore in Q1 FY2024 by promoter and promoter group companies). 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 factors in 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. 94,364 crore (+40% YoY) as on March 31, 2023, with secured business contributing 34%, followed by corporate/mid-market (26%), personal & consumer (16%), HFC (15%), unsecured business (9%).

Further, the concentration of the top 20 exposures declined to 6.6% of ABFL's total exposure (29.5% of ABCL's consolidated adjusted net worth) as of March 31, 2023 (8.6% and 34.5%, respectively, as on March 31, 2022). While a large part of the portfolio is secured (~70% 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 Aditya Birla Sunlife AMC Limited (ABSL AMC), which is the sixth 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 Company 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 2.1% in FY2023.

ABFL's portfolio stood at Rs. 80,556 crore as on March 31, 2023 (YoY growth of 46%) with secured business loans, the corporate/mid-market segment, personal & consumer loans, and the unsecured business segment forming 40%, 31%, 19% and 10%, respectively, of the portfolio. Portfolio growth was largely driven by the growth in the retail unsecured and small and medium-sized enterprise (SME) segments.

**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 54%, 27%, 9%, 2% and 2%, respectively, of the total borrowings as on March 31, 2023. The proportion of CP in the aggregate funding mix remained moderate at ~9% as on March 31, 2023 (though higher than ~6% as on March 31, 2022). 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 54%, 23%, 10%, 3% and 10%, respectively, as on March 31, 2023. ICRA also notes the diversification in the borrower profile as ABFL has borrowings from corporate treasuries, banks, mutual funds, insurance companies and high-net-worth individuals (HNIs).

**Adequate capitalisation; demonstrated ability to raise equity** – ABCL's capitalisation remains adequate with a consolidated adjusted gearing (borrowings/adjusted net worth<sup>1</sup>) of 4.4 times as on March 31, 2023 (4.2 times as of March 31, 2022). The capitalisation is further supported by the recent equity capital raise of Rs. 3,000 crore in Q1 FY2024, including Rs. 1,250 crore from the promoters (Rs. 1,000 crore from Grasim and Rs. 250 crore from a promoter group company) and Rs. 1,750 crore from external investors. The recent equity capital raise and internal accruals are expected to support the Group's growth plans in the near to medium term. The capitalisation is expected to be further supported by the likely monetisation of the stake in ABSL AMC<sup>2</sup> by ABCL. Given the strong parentage and its demonstrated ability to raise capital, 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 6.2 times as on March 31, 2023 from 4.7 times as on March 31, 2022, 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 the parent, ABCL, to meet the 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 Company Limited). Excluding the insurance business (life and health insurance) and the one-off gain of Rs. 2,739 crore<sup>3</sup>, ABCL's profitability remained healthy with a return on equity of 13.0% in 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 margin (NIM) improved to 5.6% in FY2023 from 5.2% in FY2022 on account of the change in the product mix towards higher-yielding retail and unsecured loans. However, the NIM is 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 has increased marginally and remains high due to the rise in the share of the unsecured portfolio 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 its return on equity increased to 14.6% (FY2023) from 11.9% (FY2022) with the rise in leverage.

## 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 3.1% and 1.8%, respectively, as on March 31, 2023 compared to 3.6% and 2.2%, respectively, as on March 31, 2022. 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 Group's provision coverage ratio improved to 44.2% (March 2023) from 38.0% (March 2022).

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,

<sup>1</sup> Adjusted net worth is adjusted for net worth of insurance companies

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

<sup>3</sup> Fair value gain of Rs. 2,739 crore due to difference between fair value of retained interest in Aditya Birla Health Insurance Company Limited and derecognition of its net assets as it ceased to be a subsidiary and has been accounted for as a joint venture w.e.f. October 21, 2022

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 declined marginally on percentage terms to 3.1% and 1.7%, respectively, as on March 31, 2023 (3.6% and 2.1%, respectively, as on March 31, 2022), due to high portfolio growth. Net stage 3 assets/net worth stood at 11.8% as on March 31, 2023 (12.0% as on March 31, 2022). The company's restructured loans declined to 1.4% as on March 31, 2023 (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. 2,905 crore and unutilised bank lines of Rs. 5,282 crore as on March 31, 2023 against debt repayments of Rs. 14,665 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. 12,670 crore as on March 31, 2023, maturing by September 2023, against which it had cash and liquid investments worth Rs. 2,507 crore and undrawn bank lines of Rs. 3,812 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	<a href="#">ICRA's Credit Rating Methodology for Non-banking Finance Companies</a> <a href="#">Implicit Support from Parent or Group</a> <a href="#">Rating Approach – Consolidation</a> <a href="#">Policy on Withdrawal of Credit Ratings</a>
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>The names of the entities considered for the consolidated analysis are mentioned in Annexure II.</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. 80,556 crore as on March 31, 2023, with secured business loans, the corporate/mid-market segment, personal & consumer loans and the unsecured business loan segment forming 40%, 31%, 19% and 10%, respectively, of the portfolio.

#### 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 June 30, 2023, the promoter group held a stake of 69.1% (of which Grasim holds 52.79%) in ABCL.

## Grasim Industries Limited

Incorporated in 1947, Grasim Industries Limited, the flagship company of the Aditya Birla Group, is a ~US\$ 66 billion conglomerate. On a standalone basis, its core businesses include viscose, chemical, textile manufacturing and insulators. It is a leading global player in viscose staple fibre (VSF; installed capacity of ~824 KTPA) and the largest chlor-alkali producer in India (installed capacity of 1,311 KTPA). In January 2021, Grasim announced its foray into the decorative paints business, with a planned capital expenditure of Rs. 10,000 crore to be spent over the next three to five years. Further, in July 2022, Grasim announced its foray into the B2B e-commerce platform for the building materials segment, with investment outlay of Rs. 2,000 crore over the next five years.

On a consolidated basis, Grasim also has a strong presence in the cement, financial services, fashion retail, telecommunications, and solar power generation industries. Its 57.27% subsidiary, UltraTech Cements, is the largest cement producer in India. Grasim has a presence in financial services through its subsidiary – Aditya Birla Capital Limited (52.79%).

### Key financial indicators (audited)

Aditya Birla Finance Limited	FY2022	FY2023
Total income	5,797	8,268
Profit after tax	1,108	1,554
Net worth	9,860	11,426
Total portfolio	55,180	80,556
Total assets	56,969	84,123
Return on average assets	2.1%	2.2%
Return on average equity	11.9%	14.6%
Gearing (times)	4.7	6.2
Gross stage 3 / Gross advances	3.5%	3.1%
Net stage 3 / Net advances	2.1%	1.7%
Net stage 3 / Net worth	12.0%	11.8%
Tier I capital ratio	18.1%	13.9%
Capital adequacy ratio	21.8%	16.4%

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

Aditya Birla Capital Limited (consolidated; Rs. crore)	FY2022	FY2023
Total income	22,241	30,201
Profit after tax	1,660	4,824
Profit after tax (excluding insurance business)	1,851	4,879
Adjusted net worth*	13,988	18,926
Total portfolio	67,308	94,364
Total assets	1,41,140	1,80,754
Adjusted return on average assets*	2.6%	2.4%^
Adjusted return on average equity*	14.1%	13.0%^
Adjusted gearing (times)*	4.2	4.4
Gross stage 3/ Gross advances	3.6%	3.1%
Net stage 3 / Net advances	2.2%	1.8%
Net stage 3/ Adjusted net worth*	10.5%	8.7%

Source: Company, ICRA research; All ratios as per ICRA's calculations; \*Excluding insurance business; ^ Excludes one-off gain of Rs. 2,739 crore

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

## Rating history for past three years

Instrument		Current Rating (FY2024)				Chronology of Rating History for the Past 3 Years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding as of Jul-27-23 (Rs. crore)	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
					Aug-4-23	Feb-3-23	Feb-07-22	Feb-23-21 Sep-30-20
1	Non-convertible debenture	Long term	5,000.00	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-
2	Non-convertible debenture	Long term	21,271.40	15,637.20	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
3	Non-convertible debenture	Long term	2,415.00	-	[ICRA]AAA (Stable); withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
4	Non-convertible debenture	Long term	-	-	-	[ICRA]AAA (Stable); withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
5	Unsecured non-convertible debenture	Long term	1,500.00	154.00	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (stable)
6	Retail non-convertible debenture	Long term	5,000.00	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (stable)
7	Subordinated debt programme	Long term	2,400.00	2,204.00	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (stable)
8	Subordinated debt programme	Long term	100.00	-	[ICRA]AAA (Stable); withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (stable)
9	Subordinated debt programme	Long term	1,000.00	-	[ICRA]AAA (Stable)	-	-	-
10	Perpetual debt programme	Long term	700.00	200.00	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (hyb) (Stable)
11	Bank Lines	Long term / Short term	70,000.00	36,674.78	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+
12	Commercial paper programme	Short term	15,000.00	7,130.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
13	Commercial paper programme (IPO financing)	Short term	-	-	-	[ICRA]A1+; withdrawn	[ICRA]A1+	[ICRA]A1+

Source: Company, ICRA Research

## Complexity level of the rated instruments

Instrument	Complexity Indicator
Retail non-convertible debenture	Very Simple
Non-convertible debenture	Very Simple/Simple <sup>^</sup>
Unsecured non-convertible debenture	Very Simple
Subordinated debt programme	Simple
Perpetual debt programme	Moderately Complex
Commercial paper programme	Very Simple
Bank lines	Simple

<sup>^</sup> The applicable indicator is 'Very Simple' for ISINs with a fixed rate payout and 'Simple' for ISINs with a floating payout

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
INE860H07BX1	Non-convertible debenture	Oct-19-15	8.77%	Oct-17-25	15.0	[ICRA]AAA (Stable)
INE860H07BZ6	Non-convertible debenture	Nov-03-15	8.71%	50% on Nov-01-24 & 50% on Oct-31-25	500.0	[ICRA]AAA (Stable)
INE860H07CL4	Non-convertible debenture	Feb-23-16	8.85%	Feb-23-26	10.0	[ICRA]AAA (Stable)
INE860H07CM2	Non-convertible debenture	Mar-09-16	8.90%	Mar-06-26	10.0	[ICRA]AAA (Stable)
INE860H07CS9	Non-convertible debenture	Mar-21-16	8.90%	Mar-20-26	5.0	[ICRA]AAA (Stable)
INE860H07FD4	Non-convertible debenture	Jun-13-17	8.00% XIRR	Jun-11-27	5.0	[ICRA]AAA (Stable)
INE860H07FT0	Non-convertible debenture	Jun-26-18	8.90%	Jun-26-25	51.0	[ICRA]AAA (Stable)
INE860H07GL5	Non-convertible debenture	Dec-21-18	9.15%	Dec-21-23	70.0	[ICRA]AAA (Stable)
INE860H07GM3	Non-convertible debenture	Dec-21-18	9.15%	Dec-21-28	15.0	[ICRA]AAA (Stable)
INE860H07GL5	Non-convertible debenture	Dec-27-18	9.10%	Dec-21-23	81.0	[ICRA]AAA (Stable)
INE860H07GM3	Non-convertible debenture	Dec-27-18	9.10%	Dec-21-28	69.0	[ICRA]AAA (Stable)
INE860H07GL5	Non-convertible debenture	Jan-07-19	9.15%	Dec-21-23	16.0	[ICRA]AAA (Stable)
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	150.0	[ICRA]AAA (Stable)
INE860H07GS0	Non-convertible debenture	May-20-19	9.00%	50%: May-19-28 50%: May-18-29	1,500.0	[ICRA]AAA (Stable)
INE860H07GT8	Non-convertible debenture	Jun-12-19	8.65%	Jun-12-24	173.0	[ICRA]AAA (Stable)
INE860H07GT8	Non-convertible debenture	Jun-24-19	8.65%	Jun-12-24	198.0	[ICRA]AAA (Stable)
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)
INE860H07GX0	Non-convertible debenture	Jan-20-20	8.15%	25%: Jan-20-27 25%: Jan-20-28 25%: Jan-19-29 25%: Jan-18-30	1,000.0	[ICRA]AAA (Stable)
INE860H07HA6	Non-convertible debenture	Apr-28-20	7.69%	Apr-25-25	25.0	[ICRA]AAA (Stable)
INE860H07HC2	Non-convertible debenture	Oct-22-20	5.90%	Dec-29-23	330.0	[ICRA]AAA (Stable)
INE860H07HD0	Non-convertible debenture	Dec-23-20	6.25%	Dec-23-25	75.0	[ICRA]AAA (Stable)
INE860H07HE8	Non-convertible debenture	Feb-18-21	7.24%	Feb-18-31	25.0	[ICRA]AAA (Stable)
INE860H07HI9	Non-convertible debenture	Mar-31-21	6.15%	Mar-28-24	420.0	[ICRA]AAA (Stable)
INE860H07HK5	Non-convertible debenture	May-31-21	7.26%	25%: May-31-28 25%: May-31-29 25%: May-31-30 25%: May-30-31	750.0	[ICRA]AAA (Stable)
INE860H07HM1	Non-convertible debenture	Jun-17-21	Zero Coupon	Jun-14-24	75.0	[ICRA]AAA (Stable)
INE860H07HN9	Non-convertible debenture	Jul-26-21	6.55%	Jul-24-26	500.0	[ICRA]AAA (Stable)
INE860H07HO7	Non-convertible debenture	Aug-05-21	5.85%	Aug-02-24	250.0	[ICRA]AAA (Stable)
INE860H07HP4	Non-convertible debenture	Oct-04-21	7.10%	Oct-03-31	50.0	[ICRA]AAA (Stable)
INE860H07HQ2	Non-convertible debenture	Oct-04-21	6.45%	Oct-01-26	115.0	[ICRA]AAA (Stable)



ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE860H07HR0	Non-convertible debenture	Jan-21-22	3M T-bill Linked	Jan-21-25	500.0	[ICRA]AAA (Stable)
INE860H07HS8	Non-convertible debenture	Jan-21-22	6.40%	Jul-22-25	350.0	[ICRA]AAA (Stable)
INE860H07HU4	Non-convertible debenture	Jun-08-22	7.60%	Jun-06-25	110.0	[ICRA]AAA (Stable)
INE860H07HU4	Non-convertible debenture	Jun-14-22	7.60%	Jun-06-25	250.0	[ICRA]AAA (Stable)
INE860H07HU4	Non-convertible debenture	Jul-01-22	7.60%	Jun-06-25	250.0	[ICRA]AAA (Stable)
INE860H07FT0	Non-convertible debenture	Jul-12-22	8.90%	Jun-26-25	300.0	[ICRA]AAA (Stable)
INE860H07HW0	Non-convertible debenture	Jul-12-22	Zero Coupon	Jul-11-25	325.0	[ICRA]AAA (Stable)
INE860H07HX8	Non-convertible debenture	Aug-18-22	7.50%	Aug-18-25	400.0	[ICRA]AAA (Stable)
INE860H07HY6	Non-convertible debenture	Aug-24-22	Zero Coupon	Aug-23-24	136.0	[ICRA]AAA (Stable)
INE860H07GM3	Non-convertible debenture	Sep-08-22	9.15%	Dec-21-28	25.0	[ICRA]AAA (Stable)
INE860H07HX8	Non-convertible debenture	Sep-19-22	7.50%	Aug-18-25	465.0	[ICRA]AAA (Stable)
INE860H07FT0	Non-convertible debenture	Sep-28-22	8.90%	Jun-26-25	25.0	[ICRA]AAA (Stable)
INE860H07IA4	Non-convertible debenture	Oct-14-22	7.90%	Sep-19-25	510.0	[ICRA]AAA (Stable)
INE860H07IB2	Non-convertible debenture	Nov-18-22	Zero Coupon	Nov-28-24	50.0	[ICRA]AAA (Stable)
INE860H07IC0	Non-convertible debenture	Nov-18-22	7.95%	Mar-18-26	597.0	[ICRA]AAA (Stable)
INE860H07ID8	Non-convertible debenture	Nov-18-22	8.12%	Nov-18-32	200.0	[ICRA]AAA (Stable)
INE860H07IE6	Non-convertible debenture	Nov-29-22	7.93%	Jan-15-26	305.0	[ICRA]AAA (Stable)
INE860H07FT0	Non-convertible debenture	Nov-29-22	8.90%	Jun-26-25	25.0	[ICRA]AAA (Stable)
INE860H07IF3	Non-convertible debenture	Dec-05-22	7.95%	Dec-03-27	50.0	[ICRA]AAA (Stable)
INE860H07ID8	Non-convertible debenture	Dec-21-22	8.12%	Nov-18-32	400.0	[ICRA]AAA (Stable)
INE860H07IG1	Non-convertible debenture	Dec-27-22	7.92%	Dec-27-27	410.0	[ICRA]AAA (Stable)
INE860H07IH9	Non-convertible debenture	Dec-30-22	7.88%	Feb-12-26	400.0	[ICRA]AAA (Stable)
INE860H07IH9	Non-convertible debenture	Feb-02-23	7.88%	Feb-12-26	150.0	[ICRA]AAA (Stable)
INE860H07IH9	Non-convertible debenture	Feb-02-23	7.88%	Feb-12-26	151.7	[ICRA]AAA (Stable)
INE860H07FT0	Non-convertible debenture	Feb-09-23	8.90%	Jun-26-25	30.0	[ICRA]AAA (Stable)
INE860H07ID8	Non-convertible debenture	Feb-09-23	8.12%	Nov-18-32	225.0	[ICRA]AAA (Stable)
INE860H07II7	Non-convertible debenture	Mar-06-23	8.12%	Mar-06-28	523.0	[ICRA]AAA (Stable)
INE860H07ID8	Non-convertible debenture	Mar-15-23	8.12%	Nov-18-32	100.0	[ICRA]AAA (Stable)
INE860H07II7	Non-convertible debenture	Mar-21-23	8.12%	Mar-06-28	75.5	[ICRA]AAA (Stable)
INE860H07IJ5	Non-convertible debenture	Mar-21-23	8.30%	Sep-16-26	210.0	[ICRA]AAA (Stable)
INE860H07IK3	Non-convertible debenture	May-2-23	8.01%	May-2-28	1,000.0	[ICRA]AAA (Stable)
INE860H07IM9	Non-convertible debenture	Jun-08-23	7.90%	Jun-08-28	328.0	[ICRA]AAA (Stable)
NA	Non-convertible debenture*	-	-	-	10,634.2	[ICRA]AAA (Stable)
INE860H07FV6	Non-convertible debenture	Jul-27-18	8.90%	Jul-27-23	15.0	[ICRA]AAA (stable); withdrawn
INE860H07FV6	Non-convertible debenture	Dec-11-18	8.90%	Jul-27-23	145.0	[ICRA]AAA (stable); withdrawn
INE860H07GY8	Non-convertible debenture	Apr-17-20	7.75%	May-17-23	205.0	[ICRA]AAA (stable); withdrawn
INE860H07GZ5	Non-convertible debenture	Apr-28-20	7.57%	Jun-28-23	225.0	[ICRA]AAA (stable); withdrawn

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE860H07HF5	Non-convertible debenture	Feb-25-21	6.15%	May-30-23	775.0	[ICRA]AAA (stable); withdrawn
INE860H07HG3	Non-convertible debenture	Mar-16-21	5.75% (Floating Coupon)	Mar-16-23	500.0	[ICRA]AAA (Stable); withdrawn
INE860H07HH1	Non-convertible debenture	Mar-19-21	5.75% (Floating Coupon)	Mar-17-23	250.0	[ICRA]AAA (Stable); withdrawn
INE860H07HJ7	Non-convertible debenture	May-07-21	5.11% (Floating Coupon)	May-05-23	250.0	[ICRA]AAA (Stable); withdrawn
INE860H07HL3	Non-convertible debenture	Jun-17-21	5.15%	Jun-16-23	50.0	[ICRA]AAA (Stable); withdrawn
INE860H08EH6	Unsecured non-convertible debenture	Aug-06-20	7.57%	Aug-03-35	49.0	[ICRA]AAA (Stable)
INE860H08EF0	Unsecured non-convertible debenture	Aug-06-20	7.57%	Aug-03-35	49.0	[ICRA]AAA (Stable)
INE860H08EC7	Unsecured non-convertible debenture	Aug-06-20	7.57%	Aug-03-35	56.0	[ICRA]AAA (Stable)
NA	Unsecured non-convertible debenture*	-	-	-	1,346.0	[ICRA]AAA (Stable)
INE860H08DL0	Subordinated debt programme	Jun-17-15	9.25%	Jun-06-25	25.0	[ICRA]AAA (Stable)
INE860H08DM8	Subordinated debt programme	Jul-14-15	9.25%	Jul-11-25	30.0	[ICRA]AAA (Stable)
INE860H08DN6	Subordinated debt programme	Aug-25-15	9.25%	Aug-22-25	33.0	[ICRA]AAA (Stable)
INE860H08DP1	Subordinated debt programme	Mar-08-16	9.10%	Mar-06-26	25.0	[ICRA]AAA (Stable)
INE860H08DQ9	Subordinated debt programme	Mar-10-16	9.10%	Mar-10-26	8.0	[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	100.0	[ICRA]AAA (Stable)
INE860H08DU1	Subordinated debt programme	Jul-28-16	8.95%	Jul-28-26	75.0	[ICRA]AAA (Stable)
INE860H08DV9	Subordinated debt programme	Sep-29-16	8.90%	Sep-29-26	200.0	[ICRA]AAA (Stable)
INE860H08DW7	Subordinated debt programme	Nov-21-16	8.90%	Nov-20-26	200.0	[ICRA]AAA (Stable)
INE860H08DX5	Subordinated debt programme	Mar-09-17	8.25%	Mar-09-27	10.0	[ICRA]AAA (Stable)
INE860H08DY3	Subordinated debt programme	May-18-17	8.50%	May-18-27	165.0	[ICRA]AAA (Stable)
INE860H08EA1	Subordinated debt programme	Dec-04-18	9.76%	Dec-04-28	250.0	[ICRA]AAA (Stable)
INE860H08EB9	Subordinated debt programme	Jun-06-19	8.95%	Jun-06-29	200.0	[ICRA]AAA (Stable)
INE860H08EB9	Subordinated debt programme	Dec-30-19	8.95%	Jun-06-29	100.0	[ICRA]AAA (Stable)
INE860H08EB9	Subordinated debt programme	Feb-13-20	8.95%	Jun-06-29	50.0	[ICRA]AAA (Stable)
INE860H08ED5	Subordinated debt programme	Dec-29-20	7.43%	Dec-27-30	45.0	[ICRA]AAA (Stable)
INE860H08ED5	Subordinated debt programme	Dec-29-20	7.43%	Dec-27-30	35.0	[ICRA]AAA (Stable)
INE860H08EE3	Subordinated debt programme	Jun-11-21	7.34%	Jun-11-31	75.0	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE860H08EG8	Subordinated debt programme	Dec-06-21	7.43%	Dec-05-31	35.0	[ICRA]AAA (Stable)
INE860H08EG8	Subordinated debt programme	Feb-28-22	7.43%	Dec-05-31	210.0	[ICRA]AAA (Stable)
INE860H08DJ4	Subordinated debt programme	Dec-12-14	9.75%	Dec-12-24	45.0	[ICRA]AAA (Stable)
INE860H08DJ4	Subordinated debt programme	Dec-12-14	9.75%	Dec-12-24	5.0	[ICRA]AAA (Stable)
INE860H08DK2	Subordinated debt programme	Sep-01-15	9.45%	Jan-09-25	35.0	[ICRA]AAA (Stable)
INE860H08DK2	Subordinated debt programme	Sep-01-15	9.45%	Jan-09-25	10.0	[ICRA]AAA (Stable)
INE860H08EI4	Subordinated debt programme	Jun-26-23	8.03%	Jun-24-33	160.0	[ICRA]AAA (Stable)
NA	Subordinated debt programme*	-	-	-	1,196.0	[ICRA]AAA (Stable)
INE860H08DI6	Subordinated debt programme	Jun-04-13	9.85%	Jun-02-23	100.0	[ICRA]AAA (Stable); withdrawn
INE860H08DZ0	Perpetual debt programme	Jul-21-17	8.70%	-	200.0	[ICRA]AA+ (Stable)
NA	Perpetual debt programme*	-	-	-	500.0	[ICRA]AA+ (Stable)
NA	Bank lines – Long-term/short-term fund based/non-fund based	-	-	-	70,000.0	[ICRA]AAA(Stable) / [ICRA]A1+
INE860H14Z99	Commercial paper	Feb-10-23	7.80%	Aug-10-23	100.0	[ICRA]A1+
INE860H14Z99	Commercial paper	Feb-10-23	7.80%	Aug-10-23	10.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-21-23	7.99%	Aug-21-23	75.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-21-23	7.99%	Aug-21-23	100.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-21-23	7.99%	Aug-21-23	50.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-22-23	7.99%	Aug-21-23	25.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-23-23	7.99%	Aug-21-23	50.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-23-23	7.99%	Aug-21-23	20.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-24-23	7.99%	Aug-21-23	100.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-24-23	7.99%	Aug-21-23	100.0	[ICRA]A1+
INE860H140E0	Commercial paper	Feb-28-23	7.99%	Aug-25-23	200.0	[ICRA]A1+
INE860H140H3	Commercial paper	Mar-15-23	8.14%	Mar-14-24	150.0	[ICRA]A1+
INE860H140H3	Commercial paper	Mar-15-23	8.14%	Mar-14-24	75.0	[ICRA]A1+
INE860H140K7	Commercial paper	Apr-20-23	7.85%	Apr-19-24	250.0	[ICRA]A1+
INE860H140L5	Commercial paper	Apr-28-23	7.32%	Jul-28-23	250.0	[ICRA]A1+
INE860H140L5	Commercial paper	Apr-28-23	7.32%	Jul-28-23	25.0	[ICRA]A1+
INE860H140L5	Commercial paper	May-02-23	7.32%	Jul-28-23	50.0	[ICRA]A1+
INE860H140L5	Commercial paper	May-04-23	7.32%	Jul-28-23	200.0	[ICRA]A1+
INE860H140M3	Commercial paper	May-10-23	7.34%	Jul-31-23	500.0	[ICRA]A1+
INE860H140M3	Commercial paper	May-12-23	7.34%	Jul-31-23	500.0	[ICRA]A1+
INE860H140N1	Commercial paper	May-10-23	7.35%	Aug-18-23	500.0	[ICRA]A1+
INE860H140N1	Commercial paper	May-19-23	7.35%	Aug-18-23	500.0	[ICRA]A1+
INE860H140N1	Commercial paper	May-19-23	7.35%	Aug-18-23	50.0	[ICRA]A1+
INE860H140N1	Commercial paper	May-19-23	7.35%	Aug-18-23	25.0	[ICRA]A1+
INE860H140O9	Commercial paper	May-19-23	7.06%	Aug-28-23	500.0	[ICRA]A1+
INE860H140O9	Commercial paper	May-29-23	7.06%	Aug-28-23	100.0	[ICRA]A1+

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE860H140E0	Commercial paper	May-29-23	7.06%	Aug-25-23	25.0	[ICRA]A1+
INE860H140E0	Commercial paper	May-26-23	7.17%	Aug-25-23	450.0	[ICRA]A1+
INE860H140P6	Commercial paper	Jun-05-2023	7.18%	Sep-04-23	50.0	[ICRA]A1+
INE860H140P6	Commercial paper	Jun-05-2023	7.18%	Sep-04-23	150.0	[ICRA]A1+
INE860H140P6	Commercial paper	Jun-07-2023	7.18%	Sep-04-23	350.0	[ICRA]A1+
INE860H140P6	Commercial paper	Jun-05-2023	7.10%	Sep-04-23	250.0	[ICRA]A1+
INE860H140Q4	Commercial paper	Jun-09-2023	7.10%	Sep-08-23	300.0	[ICRA]A1+
INE860H140R2	Commercial paper	Jun-15-2023	7.13%	Sep-14-23	500.0	[ICRA]A1+
INE860H140S0	Commercial paper	Jun-22-2023	7.35%	Dec-15-23	50.0	[ICRA]A1+
INE860H140T8	Commercial paper	Jun-22-2023	7.07%	Sep-21-23	500.0	[ICRA]A1+
NA	Commercial paper^	-	-	7-365 days	7,870.0	[ICRA]A1+
NA	Retail non-convertible debenture programme*	-	-	-	5,000.0	[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 ABFL's 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 RBI for debt servicing (including principal repayments) if the company reports a loss and is not liable to service the debt in case 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	73.60%	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 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

Company Name	Ownership	Consolidation Approach
ABARC-ARC-001-Trust	100%	Full consolidation
ABARC-ARC-008-Trust	100%	Full consolidation
ABARC-ARC-010-Trust	100%	Full consolidation
Aditya Birla Capital Digital Limited	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
Aditya Birla Health Insurance Company Limited	45.91%	Equity method

Source: Company; Details as on March 31, 2023

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