

Aditya Birla Sun Life AMC Limited

July 06, 2018

Summary of rated instruments

Instrument	Current Rated Amount (Rs. crore)	Rating Action
Aditya Birla Sun Life Floating Rate Fund – Long Term Plan -	-	[ICRA]AAAmfs; reaffirmed
Aditya Birla Sun Life Money Manager Fund ¹	-	[ICRA]AAAmfs; reaffirmed
Aditya Birla Sun Life Savings Fund	-	[ICRA]AAAmfs; reaffirmed
Aditya Birla Sun Life Low Duration Fund ²	-	[ICRA]AAAmfs; reaffirmed
Aditya Birla Sun Life Short Term Opportunities Fund	-	[ICRA]AA+mfs; reaffirmed
Aditya Birla Sun Life Liquid Fund ³	-	[ICRA]A1+mfs; reaffirmed

Rating action

ICRA has reaffirmed the credit risk rating of [ICRA]AAAmfs for Aditya Birla Sun Life Floating Rate Fund – Long Term Plan, Aditya Birla Sun Life Money Manager Fund, Aditya Birla Sun Life Savings Fund and Aditya Birla Sun Life Low Duration Fund of the Aditya Birla Sun Life AMC Limited (the AMC). Schemes with this rating are considered to have the highest degree of safety regarding timely receipt of payments from the investments that they have made.

ICRA has also reaffirmed the credit risk rating of [ICRA]AA+mfs for Aditya Birla Sun Life Short Term Opportunities Fund. Schemes with this rating are considered to have a high degree of safety regarding timely receipt of payments from the investments that they have made⁴.

ICRA has also reaffirmed the credit risk rating of [ICRA]A1+mfs for Aditya Birla Sun Life Liquid Fund. Schemes with this rating are considered to have very strong degree of safety regarding timely receipt of payments from the investments that they have made. This scale applies to debt funds with weighted average maturity up to one year.

The ratings indicate ICRA's opinion on the credit quality of the portfolios that the funds hold; the ratings do not indicate the AMC's willingness, or ability, to make timely payments to the fund's investors. The ratings should not be construed as an indication of expected returns, prospective performance of the mutual fund scheme, NAV or of volatility in its returns.

Rationale and key rating drivers

ICRA's mutual fund rating methodology is based on evaluating the inherent credit quality of the fund's portfolio. As a measure of the credit quality of a debt fund's assets, ICRA uses the concept of credit scores. These scores are based on ICRA's estimates of the credit risk associated with each exposure of the portfolio taking into account its maturity. To quantify the credit risk scores, ICRA uses its database of historical default rates for various rating categories and maturity buckets. The credit risk ratings incorporate ICRA's assessment of a debt fund's published investment objectives and policies, its management characteristics, and the creditworthiness of its investment portfolio. ICRA reviews relevant fund information on an ongoing basis to support its published rating opinions. If the portfolio credit score meets the

¹ Old name - Birla Sun Life Floating Rate Fund – Short Term Plan

² Old name - Birla Sun Life Cash Manager Fund

³ Old name - Birla Cash Plus Fund

⁴ For complete rating scale and definitions, please refer to ICRA's website (www.icra.in) or other ICRA rating publications

benchmark of the assigned rating during the review, the rating is retained. If the benchmark credit score is breached, ICRA gives a month's time to the debt fund manager to bring the portfolio credit score within the benchmark credit score. If the debt fund manager is able to reduce the portfolio credit score within the benchmark credit score, the rating is retained. If the portfolio still continues to breach the benchmark credit score, the rating is revised to reflect the change in credit quality.

The ratings were reaffirmed following ICRA's analysis of the credit risk profile of the month-end portfolio position of the schemes. The credit risk scores for the schemes were comfortably within the benchmark limits for the current rating level.

Analytical approach: For arriving at the ratings, ICRA has applied its rating methodologies as indicated below.

Links to applicable criteria:

[ICRA - Mutual Fund Credit Risk Rating Methodology](#)

About the company

Aditya Birla Sun Life AMC Limited

Aditya Birla Sun Life AMC Limited is the asset management company for the mutual fund schemes of Aditya Birla Sun Life Mutual Fund (ABSL MF). The quarterly average assets under management (AUM) of schemes of the ABSL MF during the quarter ended March 2018 (excluding Fund of Fund schemes) was Rs. 2,30,056 crore.

Aditya Birla Sun Life Floating Rate Fund – Long Term Plan

Launched in June 2003, Aditya Birla Sun Life Floating Rate – Long term plan is an open-ended income fund. The funds objective is to provide a regular income by investing in different types of floating rate debt/money market instruments. It may invest a portion of its money in fixed rate debt securities and money market instruments too. The fund's AUM stood at Rs. 5,567 crore as on May 31, 2018 and had an average residual maturity of around 9 months as on that date.

Aditya Birla Sun Life Money Manager Fund (erstwhile Birla Sun Life Floating Rate Fund – Short Term Plan)

Launched in June 2003, Aditya Birla Sun Life Money Manager Fund is an open-ended income fund. The fund's objective is to provide a regular stream of income while minimising risks arising from interest rate fluctuations or movement by maintaining a low maturity profile of its investments by investing in money market instruments. The fund's AUM stood at Rs. 6,525 crore as on May 31, 2018 and had an average residual maturity of around 1 month as on that date.

Aditya Birla Sun Life Savings Fund

Launched in November 2001, Aditya Birla Sun Life Savings Fund is an open-ended ultra short term income scheme with the objective of providing the convenience of a savings account with the opportunity to earn higher post-tax returns. The fund aims to invest entirely in debt and money market instruments. The fund's AUM stood at Rs. 17,939 crore as on May 31, 2018 and had an average residual maturity of around 7 months as on that date.

Aditya Birla Sun Life Low Duration Fund (erstwhile Birla Sun Life Cash Manager Fund)

Launched in May 1998, Aditya Birla Sun Life Low Duration Fund is an open-ended income scheme. The scheme's key objective is to generate regular income by investing primarily in investment grade fixed income securities and money market instruments with short to medium term maturities, and investment grade ratings. The fund's AUM stood at Rs. 8,256 crore as on May 31, 2018 and had an average residual maturity of over 9 months as on that date.

Aditya Birla Sun Life Short Term Opportunities Fund

Launched in May 2003, Aditya Birla Sun Life Short Term Opportunities Fund is an open ended debt scheme. The scheme's key objective is to generate income and capital appreciation by investing 100% of the corpus in a diversified portfolio of debt and money market securities. The fund's AUM stood at Rs. 4,174 crore as on May 31, 2018 and had an average residual maturity of over two years as on that date.

Aditya Birla Sun Life Liquid Fund (erstwhile Birla Cash Plus Fund)

Launched in June 1997, Aditya Birla Sun Life Liquid Fund was the first open-ended liquid mutual fund scheme in India with a stated objective to provide reasonable returns at a high level of safety and liquidity through judicious investments in high quality debt and money market instruments. The fund's AUM stood at Rs. 47,721 crore as on May 31, 2018 and had an average residual maturity of less than two months as on that date.

Key financial indicators: Not applicable

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Instrument	Type	Current Rating (FY2019)		July 2018	Chronology of Rating History for the past 3 years					
		Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)		FY2018 July 2017	FY2017 August 2016	July 2016	FY2016 May 2015	April 2015	FY2015 April 2014
1 Aditya Birla Sun Life Floating Rate Fund – Long Term Plan	Long Term	-	-	[ICRA]AAAmfs; reaffirmed	[ICRA]A AAmfs	[ICRA] AAAAmfs	[ICRA] AAAmfs	[ICRA]A AAmfs	[ICRA]AA Amfs	[ICRA]A AAmfs
2 Aditya Birla Sun Life Money Manager Fund	Long Term	-	-	[ICRA]AAAmfs; reaffirmed	[ICRA]AA Amfs	[ICRA]A AAmfs	[ICRA]A AAmfs	[ICRA]AAA mfs	[ICRA]AAA mfs	[ICRA]AA Amfs
3 Aditya Birla Sun Life Savings Fund	Long Term	-	-	[ICRA]AAAmfs; reaffirmed	[ICRA]AA Amfs	[ICRA]A AAmfs	-	-	-	-
4 Aditya Birla Sun Life Low Duration Fund	Long Term	-	-	[ICRA]AAAmfs; reaffirmed	[ICRA]AA Amfs	[ICRA]A AAmfs	-	-	-	-
5 Aditya Birla Sun Life Short Term Opportunities Fund	Long Term	-	-	[ICRA]AA+mfs; reaffirmed	[ICRA]AA +mfs	[ICRA]A A+mfs	[ICRA]A A+mfs	[ICRA]AA+ mfs	[ICRA]AA+ mfs	-
6 Aditya Birla Sun Life Liquid Fund	Short term	-	-	[ICRA]A1+mfs; reaffirmed	[ICRA]A1 +mfs	[ICRA]A 1+mfs	[ICRA]A 1+mfs	[ICRA]A1+ mfs	[ICRA]A1+ mfs	[ICRA]A1+ mfs

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	NA	NA	NA	NA	NA	NA

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