



NTIN SOMAYANE

Listing to Make it Easier for ABCL to Raise Funds: Birla

Aditya Birla Capital lists at ₹250 on Friday, unlocking value for shareholders

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Mumbai: The Aditya Birla Group's financial services holding company Aditya Birla Capital Ltd (ABCL) listed at ₹250 on Friday, unlocking value for shareholders, after it was hived off from Aditya Birla Nuvo, which has now been merged with another group company—Grasim Industries.

The listing will help ABCL—engaged in non-banking financial services, mutual funds and insurance—tap the market for funds and access the cash flows of Grasim Industries, a major shareholder. ABCL shares ended at ₹248.15, down 0.74%, for a market value of ₹54,615 crore.

"The whole idea is that we have been in the business for more than 10 years now... We need to unlock value for our shareholders, who have been invested for so long," group chairman Kumar Mangalam Birla said in an interview.

STRONG PARENTAGE

A main reason for keeping it (ABCL) as a subsidiary of Grasim was strong parentage that helps in rating, which is significant for this business and access to capital

"It gives us capital and gives us currency in the stock... Being a subsidiary of Grasim, we have access to cash flows from Grasim to the extent we require and as and when we require and gives us access to the market."

The listing will help the company to quickly tap the market in case it wants to. "I don't think there is need for fundraise at this point of time... As and when we do, it will be a much easier thing to do," Birla said.

Grasim Industries, which has interests in cement, viscose staple fibre and chemicals, owns 57% of ABCL.

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