

PRESS RELEASE



Aditya Birla Capital Ltd. announces amalgamation of Aditya Birla Finance Ltd., its wholly owned subsidiary, with itself; will create a large unified operating NBFC

Mumbai, March 11, 2024: The Board of Directors of Aditya Birla Capital Limited (the Company) and Aditya Birla Finance have approved the Scheme of Amalgamation (Scheme) of Aditya Birla Finance Limited, its wholly owned subsidiary with Aditya Birla Capital Limited. The amalgamation is subject to regulatory and other approvals as may be required.

The Company i.e. Aditya Birla Capital is a listed systemically important non-deposit taking core investment company (NBFC-CIC). Aditya Birla Finance, a wholly owned subsidiary of the Company, is a non-deposit taking systemically important NBFC (NBFC-ICC).

The rationale and benefits of the proposed amalgamation are as follows:

- 1. Rationalization and simplification of group structure:** The proposed amalgamation will result in reduction of legal entities and simplification of the group structure of Aditya Birla Capital.
- 2. Improved financial stability:** Post completion of the amalgamation, Aditya Birla Capital will get converted from a holding company to an operating NBFC. This will create a unified large entity with a greater financial strength and flexibility enabling direct access to capital. This will also help the Company to maximise its share of opportunities by efficient utilisation and allocation of capital.
- 3. Likely stakeholder value enhancement:** The proposed amalgamation will lead to consolidation of the businesses and operational synergies and resulting in the expansion and long-term sustainable growth. This will enhance value for various stakeholders of the Company.
- 4. Increased operational efficiency:** The proposed amalgamation will lead to seamless implementation of policy changes and reduction in the multiplicity of legal and regulatory compliances.

The proposed amalgamation will result in compliance with the Scale based Regulations of RBI which require mandatory listing of Aditya Birla Finance by September 30, 2025.

Commenting on the announcement, Mr. Kumar Mangalam Birla, Chairman Aditya Birla Group said, "The financial services sector is the bedrock of India's growth story. Our financial services business has scaled smartly to emerge as a core growth engine for the Aditya Birla Group. The proposed amalgamation will create a strong capital base for Aditya Birla Capital to grow its business and participate in India's growth story, successfully fulfilling its commitment to empower the financial aspirations of millions of Indians."

Ms. Vishakha Mulye, CEO, Aditya Birla Capital said, "At Aditya Birla Capital, we follow a 'One ABC, One P&L' approach and are committed to drive quality and profitable growth by harnessing the power of data, digital and technology. The proposed amalgamation will help us to serve our customers better, achieve efficient utilization of capital, enhance operational efficiencies, and holds the potential to create long-term value for all our stakeholders."

Upon the scheme becoming effective, Ms. Vishakha Mulye shall assume the role as MD & CEO and Mr. Rakesh Singh will assume the role as Executive Director and CEO (NBFC) of the amalgamated company, subject to regulatory/statutory approvals as may be required for these proposed appointments.

As of December 31, 2023, Aditya Birla Capital Limited manages aggregate assets under management of about Rs. 4.1 lakh crore with a total lending AUM of Rs. 1,15,139 crores and gross written premium of Rs 13,500 crore in Life and Health Insurance businesses. It reported consolidated revenue of Rs. 26,791 crores and a profit after tax of Rs. 2,090 crores for 9M FY 2024. The Company has a pan-India presence with 1,462 branches across all businesses as of December 31, 2023.

***Disclaimer:** Certain statements in this "Media Release" may not be based on historical information or facts and may be "forward looking statements" within the meaning of applicable securities laws and regulations, including, but not limited to, those relating to general business plans & strategy of the Company, its future outlook & growth prospects, future developments in its businesses, its competitive & regulatory environment and management's current views & assumptions which may not remain constant due to risks and uncertainties. Actual results could differ materially from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any statement, on the basis of any subsequent development, information or events, or otherwise. This "Press Release" does not constitute a prospectus, offering circular or offering memorandum or an offer to acquire any shares and should not be considered as a recommendation that any investor should subscribe for or purchase any of the Company's shares. The financial figures in this "Press Release" have been rounded off to the nearest Rs. one Crore. The financial results are consolidated financials unless otherwise specified.*

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