



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

August 29th, 2018

Ref. No. – ABCL/SD/MUM/2018-19/AUG/13

To:

BSE Limited
1st Floor, New Trading Ring,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001
Scrip Code: 540691

The National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor,
Plot. C/1, G-Block,
Bandra-Kurla Complex,
Bandra (East),
Mumbai 400 051

Scrip ID: ABCAPITAL

Symbol: ABCAPITAL

Dear Sir/Madam,

Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015

Pursuant to Regulation 30 of the Listing Regulations, we hereby inform you that Aditya Birla Capital Limited (the “Company”) and Aditya Birla ARC Limited have executed agreements on August 29th, 2018 to enter into a strategic joint venture with Värde Partners (“Värde”) and create a joint platform to pursue investments in stressed and distressed assets in India. The Värde Partners organisation is a global investment adviser focused on credit and value investing strategies.

As a part of this platform, Värde through its affiliates will acquire a 50% joint controlling stake, subject to regulatory approvals, in the Aditya Birla ARC, which is currently a wholly owned subsidiary of the Company. Pursuant to the transactions contemplated in the agreements, the Aditya Birla ARC will be jointly owned and controlled by Värde and the Company.

Subject to regulatory approvals, the Company will receive not less than INR 98 crore from Varde Partners, for the transfer of securities in Aditya Birla ARC. As a part of the restructuring of the ownership and share capital of Aditya Birla ARC, both the Company and Värde will also contribute to the capital of Aditya Birla ARC.

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Aditya Birla Capital Ltd.
(Formerly known as Aditya Birla Financial Services Ltd.)
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CIN: U67120GJ2007PLC058890



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As part of the joint venture, the Company and Värde also expect to establish a jointly owned and controlled investment advisor entity, which will seek registration with SEBI. The proposed transactions and the setting up of the joint venture investment advisor entity are expected to be completed within the next one year, subject to receipt of all regulatory approvals and satisfaction of all conditions precedent.

Aditya Birla ARC was incorporated on March 10, 2017 and received its license from the RBI to commence business as an asset reconstruction company in March 2018. The net worth of Aditya Birla ARC as of March 31, 2018 is INR 107 crore and its revenue as of March 31, 2018 is INR 0.9 crore.

The proposed transactions are not related party transactions and none of the Company's promoters/ promoter group/ group companies are related to Värde Partners.

A press release on the subject is attached.

We request you to take the same on record.

Thanking you,

Yours sincerely,
For Aditya Birla Capital Limited
(Formerly known as Aditya Birla Financial Services Limited)

Sailesh Daga
Company Secretary



Encl : as above

Cc: Luxembourg Stock Exchange Market & Surveillance Dept., P.O. Box 165, L-2011 Luxembourg, Grand Duchy of Luxembourg	Citi Bank N.A. Custodial Services FIFC, 11th Floor, C-54 & 55, G Block Bandra Kurla Complex Bandra (East), Mumbai 400 051
Citi Bank N.A. Depository Receipt Services 388 Greenwich Street 14th Floor, New York, NY 10013	Listing Agent Banque Internationale a Luxembourg SA 69 route d'Esch L - 2953 Luxembourg Grand Duchy of Luxembourg

Aditya Birla Capital and Värde Partners Form Strategic Partnership to Invest in Stressed and Distressed Assets in India

Mumbai, August 29, 2018: Aditya Birla Capital Limited (ABCL) and Värde Partners (Värde), today announced an exclusive strategic partnership to pursue investments in stressed and distressed assets in India.

Operating through a joint platform, both parties will evaluate investments across sectors, focusing on the acquisition, restructuring and resolution of the substantial supply of non-performing assets in India as well as special situations financings. Given the current landscape and further prospects in asset reconstruction in India, ABCL and Värde believe there is an attractive pipeline for strong capital deployment opportunities over the next several years.

Ajay Srinivasan, Chief Executive of ABCL said, “The ARC business is a strong addition to the businesses we already have at ABCL. We see a large opportunity in the distressed space, especially in the mid-corporate segment. One of the things that we bring to the table as a Group, is that we understand how to run many businesses. We are looking at leveraging this skill set as we enter this new business. Thus, our decision to enter into a joint venture with Värde Partners, who bring restructuring expertise to augment our core strength. The expertise and experience of both ABCL and Värde, makes this a strong combination to capitalise on the opportunity that India presents.”

Ilfryn Carstairs, Co-CIO of Värde Partners said, “We see India as a core market for Värde and a critical part of our long-term strategy in Asia. We are particularly excited to partner with an organisation with the quality reputation and established relationships of ABCL to address what we believe will be a very large, multi-year opportunity. Värde’s deep, global restructuring expertise developed over the firm’s 25-year history will be complemented by Aditya Birla’s strong team and experience in Indian credit and asset markets.”

On receipt of necessary approvals, both parties will jointly own and control the platform, which will leverage ABCL’s expertise in the financial services domain, the Aditya Birla Group’s wide operational experience across sectors and Värde’s established capabilities in global credit and value investing strategies. Värde currently manages about US\$14 billion globally, and has invested nearly US\$500 million in India in the past five years across corporate stressed, distressed, special situations and lending assets. With regional headquarters established in Singapore in 2008, Värde expects to open its fifth Asia office in Mumbai later this year, subject to regulatory approvals.



About Aditya Birla Capital Ltd.

Aditya Birla Capital Limited (ABCL) is the holding company of all the financial services businesses of the Aditya Birla Group. With a strong presence across the life insurance, asset management, private equity, corporate lending, structured finance, project finance, general insurance broking, wealth management, equity, currency and commodity broking, online personal finance management, housing finance, pension fund management and health insurance business, ABCL is committed to serving the end-to-end financial services needs of its retail and corporate customers. Anchored by more than 16,000 employees, ABCL has a nationwide reach and more than 2,00,000 agents / channel partners.

Aditya Birla Capital is a part of the Aditya Birla Group, a US\$ 44.3 billion Indian multinational, in the league of Fortune 500. Anchored by an extraordinary force of over 120,000 employees, belonging to 42 nationalities, the Aditya Birla Group operates in 35 countries across the globe.

About Värde Partners

Värde Partners is an approximately US\$ 14 billion global alternative investment firm that employs a credit-oriented, value-based approach to investing across a broad array of geographies, segments and asset types, including real estate, corporate credit, mortgages, specialty finance, transportation and infrastructure. Värde Partners sponsors and manages a family of private investment funds. Founded in 1993, Värde Partners has regional headquarters in Minneapolis (USA), London and Singapore.