

**Publication:** Business Standard

**Edition:** Online

**Date:** Feb 1, 2024

**Page:** NA

## Aditya Birla Capital Q3 results: Consolidated net up 39% at Rs 736 crore

Aditya Birla Capital Ltd's (ABCL's) consolidated net profit saw an increase of 39 per cent year-on-year (Y-o-Y) to Rs 736 crore for the quarter ended December 2023 (Q3 FY24). It had posted a consolidated net profit of Rs 530 crore in Q3 FY23.

The company's consolidated revenue grew by 29 per cent Y-o-Y to Rs 9,997 crore, up from Rs 7,743 crore in the quarter ended December 2022. ABCL, a holding entity for the Aditya Birla Group's financial services businesses, including lending, mutual funds, and insurance, saw its stock close 2.31 per cent lower at Rs 167 per share on the BSE.

ABCL said that its lending portfolio, which includes a non-banking finance company and a housing finance firm, expanded by 34 per cent Y-o-Y to Rs 1.15 trillion at the end of December 2023.

The net interest income (NII) of the non-banking financial company (NBFC) increased by 35 per cent Y-o-Y to Rs 1,649 crore. However, its net interest margin (NIM) declined to 6.88 per cent in Q3 FY24 from 7.16 per cent a year ago. The NBFC's assets grew by 35 per cent Y-o-Y to Rs 98,601 crore at the end of December 2023. While the personal and consumer loan book expanded by 53 per cent Y-o-Y to Rs 19,606 crore. However, sequentially, it grew by just one per cent from Rs 19,326 crore at the end of September 2023.

The company's asset quality improved, with gross non-performing assets (NPAs) falling to 2.59 per cent in December 2023, compared to 3.62 per cent a year earlier. Capital adequacy stood at 16.67 per cent, with Tier-I at 14.48 per cent at the end of December 2023.

As for the housing finance unit, its net interest income (NII) grew by 18 per cent Y-o-Y to Rs 209 crore, and its net interest margin (NIM) declined to 5.37 per cent in Q3 FY24 from 5.59 per cent in Q3 FY23. Its assets under management (AUM) expanded by 27 per cent Y-o-Y to Rs 16,538 crore at the end of December 2023.

The company's asset quality improved, with gross non-performing assets (NPAs) falling to 2.18 per cent in December 2023, compared to 3.66 per cent a year earlier. Capital adequacy stood at 19.13 per cent, with Tier-I at 16.45 per cent at the end of December 2023.

The total assets under management (AUM) of the company, which includes mutual funds, life insurance, and health insurance, increased by 13 per cent Y-o-Y to Rs 4.1 trillion.

As of December 31, 2023, Aditya Birla Capital has an extensive pan-Indian presence with 1,331 branches across all its businesses.