



# PRESS RELEASE

## FY2016-17

- Revenue at ₹ 14,577 Crore
- EBITDA at ₹ 3,926 Crore
- Net Profit at ₹ 908 Crore

### Aditya Birla Nuvo reports results for the quarter & the year ended 31<sup>st</sup> March, 2017

Quarter 4		Consolidated Results <sup>1</sup>	(₹ Crore)	
2015-16 (Previous Year)	2016-17 (Current Year)		Full Year	
			2015-16 (Previous Year)	2016-17 (Current Year)
3,660	4,287	Revenue	13,315	14,577
839	940	EBITDA	3,060	3,926
242	237	Earnings before Tax before exceptional items and share of profit/(loss) of JV/associates	1,008	1,228
130	(57)	Share of profit/(loss) of JV & associates	753	11
-	16	Less: Exceptional Gain / Profit from discontinued operation	411	16
266	115	Net Profit (Reported)	1,613	908

Note 1: The Company has adopted Indian Accounting Standards (Ind AS) w.e.f. 1<sup>st</sup> April 2016. The financials for the previous year are also Ind AS compliant.

Note 2: Reported Net Profit in the previous year includes exceptional gain of ₹ 355 Crore attributable to cessation of Pantaloon Fashion & Retail Ltd. as subsidiary of ABNL.

Note 3: Telecom, Asset Management, Payments Bank and Solar businesses have been consolidated based on equity accounting as per Ind AS.

**Mumbai, 18<sup>th</sup> May 2017:** Aditya Birla Nuvo Limited (ABNL) (BSE: 500303, NSE: ABIRLANUVO, Bloomberg: ABNL IN) has reported a consolidated revenue of ₹ 14,577 Crore for the year ended 31<sup>st</sup> March 2017, up by 9% over the previous year. EBITDA surged by 28% to ₹ 3,926 Crore driven by its Financial Services business. Net profit at ₹ 908 Crore de-grew year-on-year due to the reduction of ABNL's share in Idea's net profit by ₹ 727 Crore. The net profit of Idea Cellular has been impacted due to free voice and mobile data services by the new entrant in the sector, coupled with higher interest and amortisation costs.

#### Highlights of the results:

##### Aditya Birla Financial Services

**Aditya Birla Financial Services** is one of the largest non-bank financial services players and ranks among the top 5 fund managers in India (excluding LIC). During the year, its assets under management (AUM) rose by 34% to ₹ 246,759 Crore. Its revenue is higher by 23% at ₹ 10,341 Crore and earnings before tax by 35% at ₹ 1,220 Crore.

**Aditya Birla Finance Ltd.** (ABFL) ranks among the top 5 private diversified NBFCs in India. Its lending book has expanded by 35% to ₹ 34,703 Crore, ahead of the competition. ABFL has created a well diversified portfolio. ABFL is among the best NBFCs, operating in similar lines of business, in terms of asset quality with gross NPA at 0.47% and net NPA at 0.21%. It reported a healthy average Return on Equity at 15.8% per annum and average Return on Assets at 2.13% per annum. Led by equity infusion and strong internal accruals, its net worth has risen by 42% to ₹ 4,930 Crore.

**Aditya Birla Housing Finance Ltd.**, has more than doubled its loan book from ₹ 1,973 Crore in March 2016 to ₹ 4,136 Crore in March 2017. Its net worth has gone up to ₹ 377 Crore. The business has turned profitable within 7 quarters of full operations.

**Birla Sun Life Insurance Ltd.** (BSLI) ranks 5<sup>th</sup> among the private players in India. The new business premium market share is at 7.1%. It retained the number 1 private life insurer status in the Group segment with a 25.3% share. During the year, BSLI's individual new business premium soared by 35%. The total new business grew by 14% year-on-year.



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**Birla Sun Life Asset Management Co. Ltd.** registered a 38% year-on-year growth in its quarterly average AUM (AAUM) at ₹ 210,742 Crore. Its position as India's 4<sup>th</sup> largest asset management company stands strengthened with an improved market share of 10.7%. Its strong focus on scaling up retail and high margin assets continued, with its domestic equity AAUM expanding by 57% to ₹ 49,914 Crore and PMS AAUM more than doubling to ₹ 3,191 Crore.

**Aditya Birla Insurance Brokers Ltd.** enhanced its market share from 1.7% to 2.0% led by a 59% rise in premium placement while general insurance industry's premium extended by 32%.

Having launched its operations in November 2016, **Aditya Birla Health Insurance Co. Ltd.** has written a gross premium of ₹ 54 Crore covering more than 2 lacs lives. It has built a multi channel distribution model within 3 months of the launch and has tied up with 1,600+ hospitals in 120 cities. It has also empanelled about 1,800 direct selling agents and over 180 brokers.

**Aditya Birla Money MyUniverse**, India's number 1 online personal finance management portal, enjoys trust of more than 3.7 million registered users who are managing over ₹ 20,000 Crore through this portal.

### Telecom (Idea Cellular)

**Idea Cellular** ranks 3<sup>rd</sup> in India with a revenue market share of 18.7%. Having a base of 198 million active subscribers, Idea is the 6<sup>th</sup> largest cellular operator in the world in terms of subscribers, based on operations in a single country. Idea's consolidated revenue remained flat at ₹ 35,576 Crore while EBITDA declined by 14% to ₹ 10,276 Crore, impacted by the free offerings by the new entrant along with minor effect of demonetisation. Idea remains committed to building world class mobile broadband services and is targeting to offer Pan India wireless broadband services (3G / 4G) by the end of May 2017 in all of its 22 service areas. It has recently announced a merger with Vodafone India to create India's largest telecom operator with about 400 million subscribers. This transaction is subject to requisite regulatory and statutory approvals including from Idea's shareholders.

### Divisions (Jaya Shree, Indo-Gulf Fertilisers, Indian Rayon and Aditya Birla Insulators)

ABNL's divisions are India's leading manufacturers of linen, urea, viscose filament yarn (VFY) and insulators. Their combined revenue at ₹ 4,974 Crore was lower year-on-year by 12% due to the pass through of reduction in natural gas prices in the Agri business, coupled with lower volumes in the Textiles and the Insulators businesses. EBITDA at ₹ 591 Crore was lower year-on-year by 24%.

Demonetisation has led to a temporary liquidity shortage in the trade channel as well as downstream players in the Textiles value chain. EBITDA of **Indian Rayon** was flat at ₹ 259 Crore. Constrained by sluggish demand, EBITDA of **Jaya Shree** textiles fell from ₹ 182 Crore to ₹ 89 Crore while EBITDA of **Aditya Birla Insulators** declined from ₹ 116 Crore to ₹ 52 Crore. **Indo-Gulf fertilizers** has reported EBITDA at ₹ 191 Crore. Despite planned shutdown of 25 days starting from 17<sup>th</sup> March 2017, Urea profitability has improved year on year while the trading segment was impacted due to poor monsoon and demonetization.

### New Ventures

**Payments Bank:** ABNL had incorporated '**Aditya Birla Idea Payments Bank Ltd.**' (ABIPBL) in a Joint venture with Idea Cellular in February 2016. ABIPBL has received the license from RBI in April 2017. ABIPBL is planning to launch services in the second quarter of fiscal 2017-18 post requisite approvals.



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**Solar Power:** ABNL had entered into 51:49 joint venture with the Abraaj Group to invest in the Solar Power sector in India. The business is in the process of setting up three solar power projects, won in Karnataka in 2016, totalling to 60 MW (AC) capacities, at a capex of about ₹ 310 Crore. Two plants have been commissioned in May 2017 and the third plant is targeted to be commissioned in June-July 2017. The business has received capital infusion of about ₹ 60 Crore from the JV partners as equity contribution for funding of these projects.

### Capital Expenditure and Investments

During 2016-17, the Company has invested ₹ 285 Crore as capital expenditure for its divisions, ₹ 413 Crore as capital infusion in the Financial Services businesses and ₹ 158 Crore as equity investment in Payments Bank and Solar power businesses for its 51% share. For 2017-18, ABNL has planned a capex of about ₹ 200 Crore for its divisions including ongoing Linen Yarn and VFY expansions.

### Standalone Balance Sheet

The proceeds from the sale of 23% stake in Birla Sun Life Insurance and realisation of fertilisers subsidy has led to the reduction in the Standalone Net Debt from ₹ 3,935 Crore in March 2016 to ₹ 2,403 Crore in March 2017. Net Debt to EBITDA stood at 3.2 times and Net Debt to Equity at 0.23 times.

### Composite Scheme of Arrangement for amalgamation of ABNL with Grasim followed by the demerger and the listing of financial services business

Having received shareholders' and creditors' approval, the Scheme is now subject to the final sanction from the National Company Law Tribunal (NCLT) and the BSE & the NSE. The scheme is expected to be effective during the second quarter of FY2017-18.

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### About Aditya Birla Nuvo Ltd.

**Aditya Birla Nuvo** is a conglomerate having leadership position across its businesses. Its Financial Services business (including NBFC, Housing Finance, Life Insurance, Asset Management, Health Insurance, General Insurance Advisory, Private Equity, Broking, Wealth Management and Online Money Management) ranks among the top 5 fund managers in India. Its Telecom venture, Idea Cellular, ranks among the top 3 cellular operators in India. It is a leading player in Linen, Agri, Rayon and Insulators businesses. ABNL has recently ventured into the Solar Power business. ABNL has also received a Payments Bank license from RBI, in joint venture with Idea Cellular, and is targeting to launch operations in the second quarter of FY2017-18 post requisite approvals.

Aditya Birla Nuvo is a part of the **Aditya Birla Group**, a USD 41 billion Indian multinational. The Aditya Birla Group is 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 36 countries across the globe. About 50 per cent of its revenues flow from its overseas operations.

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