

Asset Reconstruction

Aditya Birla ARC Limited

(A subsidiary of Aditya Birla Capital Ltd.)



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

April 21, 2023

To,
The Deputy General Manager
Corporate Relationship Department
BSE Limited,
PJ Tower, Dalal Street,
Mumbai - 400 001

Scrip Code – 12777-974003

Sub: Newspaper advertisement pertaining to Financial Results of Q4FY2023 Pursuant to the provisions of Regulation 52(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

Pursuant to regulation 52(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed copy of newspaper advertisement pertaining to Financial Results of Aditya Birla ARC Limited (the Company) for the quarter and year ended March 31, 2023. The advertisement is published in Business Standard and Economic Times in April 21, 2023 edition.

The above is for your information and record.

Thanking You

**Yours Faithfully,
For Aditya Birla ARC Limited**

**Hiral Sidhpura
Company Secretary & Compliance Officer
Membership no – A32296
Encl: As above**

Aditya Birla ARC Limited

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CIN: U65999MH2017PLC292331

LIC's knock-on effect: NBP of life insurers drops 12%

New business premiums of private insurers jumped 35% in March

SUBRATA PANDA
Mumbai, 20 April

Contrary to expectations, the new business premium (NBP) of life insurance companies dropped 12.6% per cent year-on-year (YoY) in March 2023 due to an over 30 per cent drop in Life Insurance Corporation (LIC) of India's premiums, albeit on a high base.

Data released by the Life Insurance Council shows the industry racked up NBP of ₹52,081 crore in March 2023, compared with ₹59,608.83 crore in the year-ago period. NBP is the premium acquired from new policies in a year. It is the sum of the first-year premium and single premium, reflecting the total premium received from new businesses.

While private life insurance companies reported healthy growth of over 35 per cent in NBP during this period to ₹23,364 crore, aided by a 57 per cent jump in individual non-single premiums and a 24 per cent uptick in group single premiums, state-owned LIC saw its premium dip 32 per cent to ₹28,716 crore. In the year-ago period, LIC had earned premiums of ₹42,319.22 crore.



For LIC, group single premiums and non-single premiums were the dampeners, dragging down its NBP. Data shows the insurance behemoth saw its group single premium contract 41 per cent over the same period last year and group non-single premiums drop 82 per cent during the same period. The corporation witnessed a similar drop in NBP in February when group single premiums dropped 40 per cent. Generally, the last quarter (January-March) of a financial year is the busiest period for life insurance companies as customers look to buy savings and term products to reduce their tax liability. In January, the industry reported a 20 per cent jump in premiums, assisted by private sector companies' performance (23 per cent YoY growth), while LIC saw its premium go up 18 per cent YoY. February saw the NBP of insurers dropping 17 per cent over the same period last year due to a fall in LIC premiums, while the private sector saw its premium go up 10 per cent. Industry insiders suggest-

ICICI Prudential Life's net profit rose 27% in Q4

ICICI Prudential Life Insurance has reported a 27 per cent growth in net profit in January-March quarter of FY23, aided by robust growth in value of new business. Net profit for the quarter stood at ₹235 crore in Q4FY23, compared to ₹185 crore in the year-ago period. Meanwhile, in FY23, net profit of the insurer stood at ₹2,765 crore, compared to ₹2,163 crore in FY22.

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RBI approves Bharucha as deputy MD of HDFC Bank

SUBRATA PANDA
Mumbai, 20 April

The Reserve Bank of India (RBI) has approved the appointment of Kaizad Bharucha as the deputy managing director of HDFC Bank for three years from April 19, 2023, the private sector lender told stock exchanges on Thursday.

The RBI also approved Bhavesh Zaveri's appointment as HDFC Bank's executive director for a period of three years, with effect from April 19.

HDFC Bank, which is India's largest private sector lender, had recommended the two appointments to the central bank back in November 2022. It is appointing a deputy managing director five years after Paresh Sukthankar resigned. Bharucha has more than 35 years of experience in banking and he has been associated with HDFC Bank since 1995. Before his new assignment, Bharucha was executive director responsible for wholesale banking. He previously worked at SBI Commercial and International Bank. Zaveri, before being appointed as executive director, was group head-operations, cash management & ATM product.

'When inflation gets closer to 4%, focus can shift to growth'

JAYANTH VARMA, member of the RBI's monetary policy committee, explains why the rate-setting committee needs to wait and watch for now in an interview with Manojit Saha. Edited excerpts:

You talked about two risks on inflation that have emerged since the February meeting. Why don't you ask for a rate hike then? These are risks which may or may not materialise. If you look at the monsoon, we have forecast from the India Meteorological Department that says it will be normal. When we met, there was no forecast at all. Sky met is saying it will be below normal. So there is uncertainty about that.

Crude was a risk which was felt at that time. But two weeks since then, I think crude prices have moderated. At one point, we were afraid that it would go to \$90/bbl and beyond but now it has dropped down to \$81-\$82 kind of levels. That risk is also not that serious now as it appeared then. But these are still risks, therefore, one has to be extra vigilant, to wait and see whether these risks materialise. If they don't materialise, well and good. But if they do materialise then, we have to see whether further action is required or it is just sufficient to hold these rates for longer. So higher or longer, that is a question we will be able to see later. Right now it is not obvious what would be the correct response. In the two weeks since the policy, I think the risks have abated a little but they are still there.

On the growth front, you said early warning signs of a possible slowdown are visible to a greater extent than in February. Which is the bigger risk now - growth or inflation? Lot of high frequency indicators are showing some signs of slowing. I think both are serious risks, and it is hard to say which is bigger. Clearly, the inflation risks have become a little more pronounced. The whole weather related things... heat wave, monsoon... what that would do to food prices is a worry. That is why I am saying it is a little more troubling now - the inflation risks have become a little worse, growth continues to be a source of worry. At some point we will have to prioritise inflation. Let us first bring inflation under control and then tackle growth - one has to do sequencing. Which one are we going to bring down first? That is the worry that is there and as of now it is only a worry and things will probably become a little clearer by the June meeting and little

more by the August meeting. Basically one has to wait and watch. We have done a lot already. More than 3 per cent of tightening has happened and it is having an impact - that is also clearly visible. Tightening is impacting demand.

You have said "the projected rise in this rate would not require any action by the MPC, it would happen as a mechanical result of a falling inflation rate and an unchanged policy rate." Are you indicating a prolonged pause from here on? The target for MPC is 4 per cent. So the MPC cannot say our job is done when inflation comes down to 5.5 per cent or something. And it has to be brought down well below 4 per cent. There may be comfort when it comes closer to 4 per cent. That is going to take some time. Until then, we will have to let it work. When the repo rate is 6.5 per cent and inflation is let us say 6 per cent - then the real rate is half per cent positive. If inflation falls to 5.5 per cent, then it is 1 per cent positive. If inflation falls to 5 per cent, then inflation falls to 5 per cent, then inflation falls to 5 per cent. So that is going to happen without our having to raise rates. Even 6.5 per cent will become tighter as we go along because inflation is projected to fall. In February the real rate was zero; it is half a percent positive now. And in the next couple of quarters we will go to 1 per cent positive and then we may go to 1.5 per cent positive. The hope is inflation to fall. As it starts falling closer to 4 per cent, that is when there would be headroom for us to shift the eyes from inflation to growth.



Q&A
JAYANTH VARMA
External member, MPC

When do you think inflation will fall to the RBI's target of 4 per cent? According to RBI's forecast in 2023-24, it is only falling to 5 per cent. I think the estimate is that it may take 18 months or even 24 months (from now), unless we have some pleasant surprise.

Do you think RBI is overestimating growth with 6.5 per cent projection for FY24? I think there are risks to that estimate. I will not say it is over or underestimate. Because the global scenario is not favourable and even domestically there are some signs of slowing happening. So there are risks to that. Whether these risks will materialise we don't know.

Disciplinary rules for CAs in the works

RUCHIKA CHITRAVANSHI
New Delhi, 20 April

The Institute of Chartered Accountants of India (ICAI) has said it is working with the corporate affairs ministry on the rules and regulations of the disciplinary mechanism, which are yet to be notified, a year since the CA Act was amended.

While the ICAI had opposed the inclusion of non-CA members in the disciplinary committee, its President Aniket Sunil Talati told reporters: "There is no objection. Because it is an Act. It's a reality and we as mature professionals have to accept it."

Talati said ICAI's view on the issue was that if the majority of the disciplinary panel's members were from the accounting community, there would be a more accurate understanding of the ground realities.

"These are technical matters which are highly complex in nature. And therefore, our view was that if there is a majority of such members, it will



only help in dispensation of faster justice," he said.

The disciplinary committee for CAs has five members - three ICAI central council members and two government nominees. The new Act proposes to include two CAs and three non-CAs. The committee, the Act says, has to be headed by a non-CA.

IN THE PIPELINE

- ICAI mulling over regulations with the corporate affairs ministry
- Disciplinary committee has five members - three ICAI central council members and two government nominees
- The new CA Act proposes to include two CAs and three non-CAs
- The committee has to be headed by a non-CA, the Act says
- ICAI earlier opposed the inclusion of non-CAs in the committee

The ICAI has registered 6,766 cases since 2007 till March 31, 2023, out of which 63 per cent (4,249 cases) have been concluded. "We have brought down the pendency limit of older cases tremendously. And therefore, you will not see any cases that are pending for more than four or five years," the ICAI president said.

Improving audit quality

Talati said the ICAI was actively addressing the negative perception about the accounting and auditing community. While the self-evaluation of audit firms through its Audit Quality Maturity Model became effective from April 1, the Institute has deferred the implementation of the peer review of the same by three months to July.

The ICAI president said the institute had given its views on the foreign trade agreements with the UK and Canada, supporting foreign audit firms to operate in India on a reciprocity basis.

On the waning public confidence in auditors, Talati said: "Audit is to be done to give a reasonable assurance that the financial statements are free from material misstatements. What it was never intended to be a venture in the form of an investigation."

He said the Centre for Audit Quality was coming up with procedures to ensure a good audit providing extensive training.

FROM PAGE 1

Cook...

Sample this: After the grand opening of Apple BKC in Mumbai, he rushed off to Hyderabad to meet badminton coach Pulela Gopichand and players Saina Nehwal, Srikanth Kidambi, Chirag Shetty, and Parupalli Kashyap. The tweet that followed: "We served, smashed, and talked about how Apple Watch helps them train!" Then came interactions with founders of Kiddopia, a learning app for pre-schoolers, and then a meeting with Indian musician Maalavika Manoj. "Thank you to the enormously talented @Malimanojmusic for showing me all the ways you're using Apple products to create music - from songwriting with iPhone to developing unique beats on MacBook Pro. I loved the sneak peek of your new song in Spatial Audio!" he later tweeted.

On his last day in Mumbai, Cook also met students at the Indian School of Design and Innovation. "Thanks for sharing how you create those amazing designs using the iPad!" he tweeted after the interaction. Cook's time in India has been carefully planned to tap into its growing potential as a market for Apple.

The appetite for Apple products is getting bigger in India. According to Counterpoint Research, the share of android smartphones fell from 97 per cent in Q1FY21 to 94 per cent in Q4FY22. Meanwhile, the share of Apple smartphones rose from 3 per cent in Q1FY21 to 6 per cent in Q4FY22. According to International Data Corporation (IDC), Apple rose to the fifth spot in the traditional Indian personal computer (PC) market in Q4FY22 for the first time with a 5.4 per cent market share. The market comprises desktops, notebooks, and workstations. HP led the segment with 32.6 per cent market share.

Meanwhile, according to IDC, India's wearable market exited 2022 with a strong 46.9 per cent year-on-year growth. But Apple does not feature in the top five players in the segment. Apple is clearly primed

for expansion. And Cook's leisure time has been all about positioning the brand for consumers to look beyond the iPhone.

When he landed in New Delhi on April 19, Cook visited Lodhi Art District. He lauded the St+Art India Foundation for beautifying the area with murals and met artist Dattaraj Naik at the location. Later he wrote on Twitter: "Congratulations to the St+art India Foundation and so many amazing artists for capturing Indian life so powerfully. And thank you to Dattaraj Naik for showing me how you design your murals on iPad."

Arjun Bahl, co-founder of St+Art India, said the visit shows how important the brand is for the designing community. "India is home to a huge number of creators and designers," he said. "Cook's visit to the art district just shows how imperative the brand is for the community and how it enables them to push the envelope." "Today, Apple's tools - be it the iPad, iMac Pro or the Pencil - are critical to the design community," he added. "There are many designers today who operate in the digital space to sketch and design mood boards before they are translated into murals or paintings." Cook would want them all to bite into Apple.

IT...

FMCG companies together have a 12.6 weighting in the Nifty 50, up 270 basis points since March 2022. Banks, non-banking financial companies, and insurance companies (BFSI) remain at the top with 37.3 per cent, up from the 34.5 per cent at the end of March 2022. Other big sectors to gain in the past one year include automobiles, and construction and infrastructure. The IT sector has now given up most of the gains in market capitalisation in the post-pandemic period and has become one of the biggest laggards on the bourses. However, the sector remains an out-performer on a longer-term basis. The combined market capitalisation of its top five is up 110 per cent since the end of December 2017 compared to a 67.4 per cent rise in the Nifty 50 index during the

period. The near-term outlook of IT companies has worsened due to a lower than expected revenue and earnings growth reported by TCS and Infosys in Q4FY23. This forced many brokerages to cut the earnings and share price targets of these two companies for FY24.

Aadhaar...

The new draft rule has reignited the long-running debate about Aadhaar-based eKYC (know-your-customer) procedures in the country. According to the Supreme Court's judgment on Aadhaar of September 2018, private companies were effectively banned from using the biometric authentication system of Aadhaar. At the time, the verdict dealt a blow not only to telecommunication companies and banks but also to a host of new-age financial technology start-ups. However, regulators, including the Reserve Bank of India, came up with guidelines on mandatory eKYC by private firms. Though the Centre has extended the ambit of Aadhaar authentication for ease of living and innovation, policy advocacy groups have raised concerns about the possibility of misuse.

MPC...

"Milk prices may remain firm in the lean summer season on tight demand-supply balance and high fodder costs. The rising uncertainty in international crude oil prices also warrants close monitoring," he added.

External member Ashima Goyal highlighted her concern on growth. "Although growth is resilient, there are signs of slowdown in some high-frequency data. Softening non-ol non-gold imports point to weakness in domestic demand; slowing exports are affecting manufacturing; rising loan rates are reducing demand for low income housing." External member Shashanka Bhide said the growth performance pointed to both uneven growth across production sectors and subdued growth in the more recent quarters of FY23.

ADITYA BIRLA CAPITAL
PROTECTING INVESTING FINANCING ADVISING

Standalone Total Income - YOY

15.3%
FY 22-23

Standalone PAT - YOY

20.4%
FY 22-23

Standalone RoE

14.2%
FY 22-23

Sr No.	Particulars	Standalone				Consolidated		
		Quarter Ended		Year Ended		Year Ended		
		March 31, 2023	December 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
1	Total Income from Operations	1,611.11	2,679.47	1,836.51	8,202.47	7,204.78	8,250.99	7,170.90
2	Net Profit / (Loss) for the period (before tax, Exceptional and / or Extraordinary items)	546.71	1,331.29	700.19	3,484.41	2,879.53	3,522.38	2,832.43
3	Net Profit / (Loss) for the period before Tax (after Exceptional and / or Extraordinary items)	546.71	1,331.29	700.19	3,484.41	2,879.53	3,522.38	2,832.43
4	Net Profit / (Loss) for the period after Tax (after Exceptional and / or Extraordinary items)	410.08	995.33	528.46	2,608.40	2,166.94	2,846.37	2,119.84
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax)]	409.95	1,000.81	528.87	2,626.94	2,158.88	2,864.91	2,111.78
6	Paid-up Equity Share Capital (Face Value of Rs.10/- each)	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
7	Reserves (excluding Revaluation Reserve)	-	-	-	7400.79	4,773.85	7,389.01	4,724.10
8	Securities Premium Account	-	-	-	-	-	-	-
9	Net Worth	20,100.79	19,690.74	16,873.85	20,100.79	16,873.85	20,089.01	16,824.10
10	Outstanding Debt	36,813.98	39,447.77	26,545.54	36,813.98	26,545.54	36,813.98	26,545.54
11	Outstanding Redeemable Preference Shares	-	-	-	-	-	-	-
12	Debt Equity Ratio	1.83	2.00	1.57	1.83	1.57	1.83	1.58
13	Capital Redemption reserve	-	-	-	-	-	-	-
14	Debt Service Coverage Ratio	2.68	0.78	0.32	1.35	4.56	1.38	4.71
15	Interest Service Coverage Ratio	3.68	2.14	1.28	3.41	1.74	3.43	1.73
17	Earnings Per Equity Share (of Rs.10/- each)							
	(a) Basic	0.41	1.00	0.53	2.61	2.17	2.65	2.12
	(b) Diluted	0.40	0.97	0.52	2.54	2.12	2.58	2.08

Notes:
1. The above audited results have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on April 20, 2023.
2. The above is an extract of the detailed format of quarterly and yearly Audited Financial Results filed with the Stock Exchange under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the quarterly and yearly Audited Financial Results are available on the websites of the Stock Exchange and the listed entity <https://assetreconstruction.adityabirlacapital.com/>
3. For the other line items referred in regulation 52(4) of the LODR regulations, pertinent disclosures have been made to the BSE Limited and can be accessed on the <https://assetreconstruction.adityabirlacapital.com/>

By Order of the Board
For Aditya Birla ARC Limited
Tushar Shah
Director
DIN: 00239762

Place : Mumbai
Date : April 20, 2023

