

## Asset Reconstruction

Aditya Birla ARC Limited

(A subsidiary of Aditya Birla Capital Ltd.)



**ADITYA BIRLA  
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

January 12, 2024

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

**Scrip Code – 12777-974003**

Dear Sir/Madam,

**Subject: Outcome of Board Meeting held on January 12, 2024 under Regulation 51(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulations 51(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, we wish to inform you that the Board of Directors of Aditya Birla ARC Limited (the Company), at its Meeting held today Friday i.e. January 12, 2024, have, inter alia, considered and approved:-

- a) Unaudited Financial Results of the Company for the quarter ended December 31, 2023 under Regulation 52.

Accordingly, please find enclosed the above and following\*:

1. Certificate under regulation 52(7) and 52(7A) stating the issue proceeds of Non-Convertible Securities raised were fully utilized for the purpose for which the same were raised by the Company and material deviation, respectively;
2. Security cover certificate for the quarter ended December 31, 2023 under Regulation 56 and 54(3) to be read alongwith SEBI circular no SEBI /HO /MIRSD /MIRSD\_CRADT/CIR/P / 2022/67 dated May 19, 2022.

\*In reference to subject captioned above, the Company vide its intimation dated December 20, 2023 has fully redeemed its listed Senior, Secured, Rated, Listed, Redeemable, Principal Protected Market Linked Debentures. Since the Company is yet to receive the delisting notice from BSE Limited.

### Aditya Birla ARC Limited

One World Center, Tower 1, 7th Floor, Jupiter Mill Compound,  
841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013.  
+91 22 4356 7000 I (F) +91 22 4356 7266  
<https://assetreconstruction.adityabirlacapital.com/>

### Registered Office:

One World Center, Tower 1, 18th Floor,  
Jupiter Mill Compound, 841, Senapati Bapat Marg,  
Elphinstone Road, Mumbai - 400 013.  
CIN: U65999MH2017PLC292331

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(A subsidiary of Aditya Birla Capital Ltd.)



**ADITYA BIRLA  
CAPITAL**

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The above is for your information, records and dissemination please.

The above meeting of the Board of Directors commenced at 11.45 am and concluded at 12.25 p.m.

Thanking You

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

**Sucheta Chaturvedi  
Company Secretary & Compliance Officer  
Membership No: A47964  
Place: Mumbai**

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CIN: U65999MH2017PLC292331

**Independent Auditor's Review Report on the Unaudited Standalone Financial Results of the Company pursuant to regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended**

To  
The Board of Directors of  
Aditya Birla ARC Limited

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of the Aditya Birla ARC Limited ("the Company") for the quarter and nine months ended 31<sup>st</sup> December, 2023 ("the Statement").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 ("the Act") as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. Our responsibility is to issue a report on this Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



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501-502, Narain Chambers, M.G. Road, Vile Parle (E), Mumbai 400 057. Tel: +91 22 6250 7600

Website: [www.cnkindia.com](http://www.cnkindia.com)

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4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Regulation 52 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, assets classification, provisioning and other related matters.

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration No. 101961W/W-100036



Hiren Shah

Partner

Membership No. 100052

Place: Mumbai

Date: 12<sup>th</sup> January, 2024

UDIN: 24100052BKFAES9532



**Aditya Birla ARC Limited**  
CIN: U65999MH2017PLC292331  
**Statement of Unaudited Standalone Financial Results for the Quarter and Nine months ended 31st December 2023**

Rs. in Lakhs

Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Nine Months Ended	Nine Months Ended	Year Ended
	31st December 2023 (Unaudited) (Note 2)	30th September 2023 (Unaudited)	31st December 2022 (Unaudited)	31st December 2023 (Unaudited) (Note 2)	31st December 2022 (Unaudited)	31st March 2023 (Audited)
<b>1 Revenue from operations</b>						
(a) Fee Income	912.08	358.88	1,033.25	2,065.56	2,559.47	3,352.84
(b) Recovery Incentive	-	340.09	-	379.07	-	324.58
(c) Net Gain on Fair Value Changes	5,950.00	2,434.44	1,646.22	10,422.69	4,031.89	4,525.05
<b>Total Revenue from Operations</b>	<b>6,862.08</b>	<b>3,133.41</b>	<b>2,679.47</b>	<b>12,867.32</b>	<b>6,591.36</b>	<b>8,202.47</b>
<b>2 Other Income</b>	<b>108.42</b>	<b>91.78</b>	<b>165.91</b>	<b>340.73</b>	<b>278.58</b>	<b>379.41</b>
<b>3 Total Income (1+2)</b>	<b>6,970.50</b>	<b>3,225.19</b>	<b>2,845.38</b>	<b>13,208.05</b>	<b>6,869.94</b>	<b>8,581.88</b>
<b>4 Expenses</b>						
(a) Finance Costs	969.91	930.86	1,202.16	2,839.25	3,002.14	4,014.48
(b) Impairment on Financial Instruments	(1.71)	1.98	(4.38)	0.68	(1.34)	(0.64)
(c) Employee benefits expense	245.71	237.08	259.31	752.13	733.90	818.90
(d) Depreciation and amortisation expenses	27.90	28.17	23.61	83.07	71.36	98.94
(e) Other expenses	79.20	62.42	33.39	210.87	126.27	165.79
<b>Total Expenses</b>	<b>1,321.01</b>	<b>1,260.51</b>	<b>1,514.09</b>	<b>3,886.00</b>	<b>3,932.33</b>	<b>5,097.47</b>
<b>5 Profit before tax (3-4)</b>	<b>5,649.49</b>	<b>1,964.68</b>	<b>1,331.29</b>	<b>9,322.05</b>	<b>2,937.61</b>	<b>3,484.41</b>
<b>6 Total Tax Expenses</b>	<b>1,417.12</b>	<b>675.62</b>	<b>335.96</b>	<b>2,495.11</b>	<b>739.38</b>	<b>876.01</b>
<b>7 Profit after tax (5-6)</b>	<b>4,232.37</b>	<b>1,289.06</b>	<b>995.33</b>	<b>6,826.94</b>	<b>2,198.23</b>	<b>2,608.40</b>
<b>8 Other Comprehensive Income</b>						
Items that will not be reclassified to profit or loss						
i Remeasurement of the net defined benefit liability/asset (net)	(0.07)	(3.51)	7.32	(3.54)	24.93	24.77
ii income tax relating to items that will not be reclassified to profit and loss	(0.02)	(0.88)	1.84	(0.89)	6.27	6.23
<b>Other Comprehensive Income (i-ii)</b>	<b>(0.05)</b>	<b>(2.63)</b>	<b>5.48</b>	<b>(2.65)</b>	<b>18.66</b>	<b>18.54</b>
<b>9 Total Comprehensive Income for the period/year (7+8)</b>	<b>4,232.32</b>	<b>1,286.43</b>	<b>1,000.81</b>	<b>6,824.29</b>	<b>2,216.89</b>	<b>2,626.94</b>
<b>10 Paid Up Equity Share Capital</b> (Face Value of Rs. 10 each)	<b>10,000.00</b>	<b>10,000.00</b>	<b>10,000.00</b>	<b>10,000.00</b>	<b>10,000.00</b>	<b>10,000.00</b>
<b>11 Reserves</b>						<b>7,400.79</b>
<b>12 Earnings per equity share :</b>						
Basic - (Rs.)	4.23	1.29	1.00	6.83	2.20	2.61
Diluted - (Rs.) (Face Value of Rs. 10 each)	4.12	1.26	0.97	6.65	2.14	2.54

Note: Basic and Diluted EPS is not annualised for the quarter and nine months ended results.

**Notes**

- The above standalone financial results of Aditya Birla ARC Limited ("the Company") have been approved by the Board of Directors at its meeting held on 12<sup>th</sup> January 2024.
- The Unaudited financial Results of the Company for the quarter and nine months ended 31st December 2023 have been subjected to limited review by the statutory auditors.
- The above standalone financial results have been prepared as per the format prescribed in Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Information as required by Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as Appendix I.
- The Company operates in a single reportable operating segment of asset reconstruction business, hence there are no separate reportable segments as per Ind AS 108 on 'Operating Segment'.
- The table below provides information with respect to Senior, Secured, Rated, Listed, Redeemable, Principal Protected Market Linked Debentures (MLDs) issued and outstanding as on 31<sup>st</sup> December 2023:

Particulars	Issue date	Redemption date	Outstanding as at 31 <sup>st</sup> December 2023 (Rs. in lakhs)	Rating
ABARC NCD Series PPMLD FY 2022-23	20th June 2022	20th December 2023	-	Withdrawn

**Security Details:**  
The Company has pledged and hypothecated 3,18,750 Security Receipts (SRs) of 'ABARC-AST-006-TRUST SECURITY RECEIPT CLASS A 29SEP20' and 1,89,375 SRs of 'ABARC-AST-006-TRUST SECURITY RECEIPT CLASS B 29SEP20' having NAV of Rs. 1,313.55/- and Rs. 1,330.02/- respectively. Since the MLDs are fully redeemed during the quarter, the Company is in the process of removing the pledge and hypothecation on the SRs.

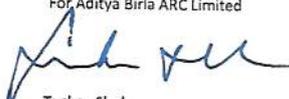
The table below provides information with respect to Unlisted Non Convertible Debentures issued and outstanding as on 31<sup>st</sup> December 2023:

Particulars	Issue date	Redemption date	Outstanding as at 31 <sup>st</sup> December 2023 (Rs. in lakhs)	Rating
Unlisted, unrated and redeemable non-convertible debentures (NCD 2)	20th February 2020	19th February 2028	1082.41	Unrated
Unlisted, unrated and redeemable non-convertible debentures (NCD 3)	28th September 2021	27th September 2029	8411.91	Unrated
Unlisted, unrated and redeemable non-convertible debentures (NCD 4)	12th August 2022	11th August 2030	11141.73	Unrated

**Security Details:**  
First ranking and exclusive charge by way of hypothecation over the Debt Service Trust Accounts - 'ADITYA BIRLA ARC LIMITED DSTA 003', 'ADITYA BIRLA ARC LIMITED DSTA 009' and 'ADITYA BIRLA ARC LIMITED DSTA 011' against NCD 2, NCD 3 and NCD 4 respectively and the ARC Security Receipts Distributions, as per the terms set-out in the Deed of Hypothecation. Further the Company has executed a Non Disposal Undertaking in favour of Debenture Trustee. Subject to applicable law, as and when the Debenture Trustee instructs the Company to create pledge, Company will create the pledge.

Previous quarter / period / year figures have been regrouped / rearranged wherever necessary to conform to the current quarter / period figures.

For and on behalf of the Board of Directors  
For Aditya Birla ARC Limited



Tushar Shah  
Director  
DIN-00239762  
Mumbai, 12th January 2024



Below is the information as required by Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No	Particulars	Standalone As on 31 <sup>st</sup> December, 2023
1	Debt-Equity Ratio *	
2	Debt service coverage ratio**	1.35
3	Interest service coverage ratio	1.14
4	Outstanding Redeemable Preference Shares (quantity and value)	7.67
5	Capital Redemption Reserve/Debenture Redemption Reserve (Rs. In lakhs)	-
6	Net Worth (Rs. In lakhs)	-
7	Net Owned Funds (Rs. In lakhs)	26,925.08
8	Net Profit after tax (Rs. In lakhs)	15,504.39
9	Earnings per share (Basic, not annualised)	6,826.94
10	Earnings per share (Diluted, not annualised)	6.83
11	Bad debts to Accounts Receivable ratio	6.65
12	Total debts to total assets *	-
13	Net profit margin (%)	0.53
14	Capital Risk Adequacy Ratio (%)	53.06%
		30.48%

\* Compulsorily Convertible Preference Shares (CCPS) is considered as a part of Equity and not as Debt for the purpose of calculating the ratios.

\*\* Denominator comprises of the actual repayment of debt during the period net off all redemption proceeds received from the investment made in the Security Receipts.



For and on behalf of the Board of Directors  
For Aditya Birla ARC Limited

Tushar Shah  
Director

DIN-00239762

Mumbai, 12th January 2024



UDIN: 24100052BKFAEV8285

To,  
The Board of Directors,  
Aditya Birla ARC Limited  
One World Centre, Tower – 1, 18<sup>th</sup> Floor,  
Jupiter Mills Compound, 841  
Senapati Bapat Marg,  
Elphinstone Road,  
Mumbai – 400 013

## Independent Auditor's Certificate

1. We, C N K and Associates LLP, Chartered Accountants (Firm Registration number 101961W/W-100036), the statutory auditors of Aditya Birla ARC Limited ("the Company"), have been requested by the Management of the Company vide mandate letter dated January 09, 2024 to certify that the Non-convertible debentures namely ABARC NCD Series PPMLD FY 2022-23 ("NCD") issued by the Company have been fully redeemed on December 20, 2023 on maturity as per the terms of issue and accordingly post redemption Security cover required to be maintained as per terms of issue is no longer required to be maintained for submission to:
  - (i) the debenture trustees pursuant to Regulation 15(1)(t) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as amended vide notification No. SEBI/LAD-NRO/GN/2020/34 dated October 8, 2020 and notification No. SEBI/LAD-NRO/GN/2022/78 dated April 11, 2022 and amendment in the regulation No. SEBI/LE/12/93 dated August 18, 2023 and;
  - (ii) to the Securities and Exchange Board of India ("SEBI") pursuant to Regulation 54 read with Regulation 56(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide operational circular no. SEBI/HO/DDHS/P/CIR/2023/50 dated March 31, 2023 (Chapter V) and as amended vide notification No. SEBI/LAD-NRO/GN/2023/161 dated December 21, 2023.(together referred to as the "Regulations")

## Management's Responsibility

2. The management of the Company is responsible to provide us with the details of redemption of NCD and also the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes designing, implementing and maintaining internal control relevant for the same.



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Website: [www.cnkindia.com](http://www.cnkindia.com)

3. The Management is also responsible for maintenance of Security cover and compliance with all the covenants of the respective Offer Document/Information Memorandum/ Debenture Trust deeds in the manner as may be specified by SEBI and adherence with all other applicable conditions mentioned in the Regulations till the date of redemption and to intimate to the debenture trustees and SEBI about the redemption of the NCD and non-applicability of maintenance of Security cover as per the terms of issue post redemption of NCD.

#### **Auditor's Responsibility**

4. Our responsibility is to provide a reasonable assurance as to whether redemption of NCD on the maturity date is as per the terms of issue and are in agreement with the books of account and other relevant records,
5. The financial results as at and for the quarter and nine months ended December 31, 2023 have been reviewed by us, on which we issued a report dated January 12, 2024. Our review of these financial results was conducted in accordance with the Standards on Auditing specified under Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.
6. We have verified the details of redemption of NCD in accordance with the Guidance Note on Reports or Certificates for Special Purposes (the "Guidance Note") issued by the Institute of Chartered Accountant of India (ICAI) and the Standards on Auditing specified under Section 143(10) of the Companies Act 2013 in so far as applicable for the purpose of this Certificate, which includes the concepts of test checks and materiality. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control ("SQC") 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### **Opinion**

8. Based on our examination, and according to the information, explanation and representations provided to us by the Management of the Company, we are of the opinion that the redemption of NCD on December 20, 2023 on maturity are as per the terms of issue and accordingly post redemption, Company is not required to maintain Security cover as per the terms of issue.

#### **Restricted Use**

9. This certificate has been issued at the request of and is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to Debenture Trustee and SEBI in response to requirement of aforesaid circular by SEBI and should not be used for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.



10. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For C N K & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 101961W/W-100036



Himen Shah

Partner

Membership No.: 100052

Place: Mumbai

Date: January 12, 2024



REF No.: REF/CERT/VLP/467/23-24

UDIN: 24100052BKFAEV8285

Cc:

Vistra ITCL (India) Limited, IL & FS Financial Centre,  
Plot No C-22, G Block, Bandra Kurla Complex,  
Bandra East, Mumbai, Maharashtra – 400 051

## Asset Reconstruction

Aditya Birla ARC Limited

(A subsidiary of Aditya Birla Capital Ltd.)



**ADITYA BIRLA  
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

Date: January 12, 2024

BSE Limited  
Listing Compliance, BSE Limited,  
Ground Floor,  
P. J. Towers, Fort, Mumbai-400001.  
**Scrip Code – 12777-974003**

Dear Sir/Madam,

**Sub: Statement on utilization of issue proceeds of Non-Convertible Securities and Statement of deviation/ variation in use of Issue proceeds for the quarter ended December 31, 2023**

Pursuant to Regulation 52(7) & (7A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby confirms that for the quarter ended December 31, 2023, the issue proceeds of Non-Convertible Securities raised were fully utilized for the purpose for which the same were raised by the Company. Further, there are no material deviation for the quarter ended December 31, 2023. The format of disclosure is attached Annexure I.

In reference to subject captioned above, the Company vide its intimation dated December 20, 2023 has fully redeemed its listed Senior, Secured, Rated, Listed, Redeemable, Principal Protected Market Linked Debentures. Since the Company is yet to receive the delisting notice from BSE Limited.

This above is for your information and records.

Thanking You,

**Thanking you.  
For Aditya Birla ARC Limited**

**Sucheta Chaturvedi  
Company Secretary & Compliance Officer  
Membership no – A47964**

**Encl: As Above**

**Aditya Birla ARC Limited**

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CIN: U65999MH2017PLC292331

Annexure I

Statement indicating the utilization of issue proceeds and the format for statement indicating deviation/ variation, if any under regulation 52(7)/(7A) of SEBI (LODR) Regulations, 2015

A. Statement of utilization of issue proceeds:

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of instrument	Date of raising funds	Amount Raised	Funds utilized	Any deviation (Yes/ No)	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
Aditya Birla ARC Limited	INE01Q807038	Private Placement	Market Linked Debentures	June 20, 2022	500,000,000	500,000,000	No	NA	Fully redeemed on December 20, 2023

B. Statement of deviation/ variation in use of issue proceeds: Not applicable

Particulars	Remarks
Name of listed entity	Aditya Birla ARC Limited
Mode of fund raising	Private Placement
Type of instrument	MLDs
Date of raising funds	June 20, 2022
Amount raised	500,000,000
Report filed for quarter ended	Dec 31, 2023
Is there a deviation/ variation in use of funds raised?	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	NA
If yes, details of the approval so required?	NA
Date of approval	NA
Explanation for the deviation/ variation	NA
Comments of the audit committee after review	NA
Comments of the auditors, if any	No

Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:

Deviation could mean:

- Deviation in the objects or purposes for which the funds have been raised.
- Deviation in the amount of funds actually utilized as against what was originally disclosed

For Aditya Birla ARC Limited

Sucheta Chaturvedi  
Company Secretary & Compliance Officer

Date January 12, 2024