

Asset Reconstruction

Aditya Birla ARC Limited

(A subsidiary of Aditya Birla Capital Ltd.)



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

January 18, 2023

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 18, 2023 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 Wednesday i.e. January 18, 2023, have, inter alia, considered and approved:-

- a) the Unaudited Financial Results of the Company for the quarter ended December 31, 2022; and
- b) The appointment of Mr. Ravi Venkatraman (DIN: 00307328) as an Additional Independent Director, subject to approval of RBI.

Accordingly, please find enclosed the Unaudited Financial Results for the quarter ended December 31, 2022 along with Limited Review Report issued by the M/s CNK and Associates LLP and 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.

The above meeting of the Board of Directors commenced at 12.20 p.m. and concluded at 12.50 p.m. The above is for your information, records and dissemination please.

Thanking You

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

**Hiral Sidhpura
Company Secretary & Compliance Officer
Membership No: 32296
Place: Mumbai**

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

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 31st December, 2022 ("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.



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.
5. Other Matters
- a) The financial results of the Company for the quarter and nine months ended 31st December, 2021, prepared solely for the purpose of inclusion in the consolidated financial results of the Holding Company – Aditya Birla Capital Limited, for which we have issued a review report dated 12th January, 2022.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/W-100036



Hiren Shah

Partner

Membership No. 100052

Place: Mumbai

Date: 18th January, 2023

UDIN: 23100052BGVTQK3595



Aditya Birla ARC Limited
CIN: U65999MH2017PLC292331
Statement of Unaudited Standalone Financial Results for the Quarter and Nine months ended 31st December, 2022

Rs. in Lakhs

Particulars	Quarter Ended 31st December 2022 (Unaudited) (Note 2)	Quarter Ended 30th September 2022 (Unaudited)	Quarter Ended 31st December 2021 (Unaudited) (Note 3)	Nine Months Ended 31st December 2022 (Unaudited) (Note 2)	Nine Months Ended 31st December 2021 (Unaudited) (Note 3)	Year Ended 31st March 2022 (Audited)
1 Revenue from operations						
(a) Fee Income	1,033.25	885.76	804.03	2,559.47	2,125.54	2,761.44
(b) Net Gain on Fair Value Changes	1,646.22	1,280.67	1,290.74	4,031.89	3,242.74	4,443.34
Total Revenue from Operations	2,679.47	2,166.43	2,094.77	6,591.36	5,368.28	7,204.78
2 Other Income	165.91	34.91	66.21	278.58	164.39	239.50
3 Total Income (1+2)	2,845.38	2,201.34	2,160.98	6,869.94	5,532.67	7,444.28
4 Expenses						
(a) Finance Costs	1,202.16	1,116.10	965.28	3,002.14	2,530.08	3,337.83
(b) Impairment on Financial Instruments	(4.38)	3.56	2.18	(1.34)	2.18	2.94
(c) Employee benefits expense	259.31	253.95	255.36	733.90	655.36	1,001.85
(d) Depreciation and amortisation expenses	23.61	23.72	23.33	71.36	68.28	92.17
(e) Other expenses	33.39	45.92	31.70	126.27	97.48	129.96
Total Expenses	1,514.09	1,443.25	1,277.85	3,932.33	3,353.38	4,564.75
5 Profit before tax (3-4)	1,331.29	758.09	883.13	2,937.61	2,179.29	2,879.53
6 Tax Expenses						
Current Tax	112.12	80.53	430.81	360.50	458.53	546.04
Excess Provision for Tax Related to Earlier Years (Net)	-	-	-	-	-	(10.08)
Deferred Tax	223.84	109.06	(212.93)	378.88	82.33	176.63
Tax Expenses	335.96	189.59	217.88	739.38	540.86	712.59
7 Profit for the period/year (5-6)	995.33	568.50	665.25	2,198.23	1,638.43	2,166.94
8 Other Comprehensive Income						
Items that will not be reclassified to profit or loss						
i Remeasurement of the net defined benefit liability/asset (net)	7.32	0.05	(0.93)	24.93	(11.32)	(10.77)
ii Income tax relating to items that will not be reclassified to profit and loss	1.84	0.01	(0.23)	6.27	(2.85)	(2.71)
Other Comprehensive Income (i-ii)	5.48	0.04	(0.70)	18.66	(8.47)	(8.06)
9 Total Comprehensive Income for the period/year (7+8)	1,000.81	568.54	664.55	2,216.89	1,629.96	2,158.88
# 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
# Reserves						4,773.85
# Earnings per equity share :						
Basic - (Rs.)	1.00	0.57	0.67	2.20	1.64	2.17
Diluted - (Rs.) (Face Value of Rs. 10 each)	0.97	0.55	0.65	2.14	1.61	2.12
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 18th January 2023.
- The Unaudited standalone financial results of the Company for the quarter and nine months ended 31st December 2022 have been subjected to limited review by the statutory auditors.
- The Unaudited financial Results of the Company for the quarter and nine months ended 31st December 2021 have been subjected to review by the auditors solely for the purpose of inclusion in the consolidated financials of the holding company.
- 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 as per the requirements of Ind AS 108 - 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 31st December 2022:

Particulars	Issue date	Redemption date	Outstanding as at 31st December 2022 (Rs. In lakhs)	Rating
ABARC NCD Series PPMLD FY 2022-23	20th June 2022	20th December 2023	5,187.35	CARE PP-MLD AA, Stable

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 1,59,375 SRs of 'ABARC-AST-006-TRUST SECURITY RECEIPT CLASS B 29SEP20' having NAV of Rs. 1,313.55/- and Rs. 1,146.52/- respectively. The security cover for the MLDs issued by the Company has been maintained as per the terms of the Information Memorandum and Debenture Trust Deed and is sufficient to discharge principal amount and interest thereon.

- The table below provides information with respect to Unlisted Non Convertible Debentures issued and outstanding as on 31st December 2022:

Particulars	Issue date	Redemption date	Outstanding as at 31st December 2022 (Rs. In lakhs)	Rating
Unlisted, unrated and redeemable non-convertible debentures (NCD 1)	20th December 2019	19th December 2027	5,285.00	Unrated
Unlisted, unrated and redeemable non-convertible debentures (NCD 2)	20th February 2020	19th February 2028	1,447.78	Unrated
Unlisted, unrated and redeemable non-convertible debentures (NCD 3)	28th September 2021	27th September 2029	7,545.96	Unrated
Unlisted, unrated and redeemable non-convertible debentures (NCD 4)	10th August 2022	09th August 2030	9,994.78	Unrated

Security Details:

First ranking and exclusive charge by way of hypothecation over the Debt Service Trust Accounts - 'ADITYA BIRLA ARC LIMITED DSTA 002', 'ADITYA BIRLA ARC LIMITED DSTA 003', 'ADITYA BIRLA ARC LIMITED DSTA 009' and 'ADITYA BIRLA ARC LIMITED DSTA 011' against NCD 1, 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 period / year figures have been regrouped / rearranged wherever necessary to conform to the current period figures.



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

(Signature)
Tushar Shah
Director
DIN-00239762
Mumbai, 18th January 2023



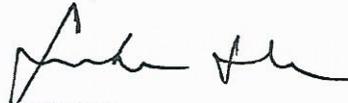
Below is the information as required by Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No.	Particulars	Standalone As on December 31, 2022
1	Debt-Equity Ratio *	2.00
2	Debt service coverage ratio**	0.59
3	Interest service coverage ratio	3.35
4	Outstanding Redeemable Preference Shares (quantity and value)	-
5	Capital Redemption Reserve/Debt Redemption Reserve (Rs. In lakhs)	-
6	Net Worth (Rs. In lakhs)	19,690.74
7	Net Owned Funds (Rs. In lakhs)	13,125.83
8	Net Profit after tax (Rs. In lakhs)	2,198.23
9	Earnings per share (Basic, not annualised)	2.20
10	Earnings per share (Diluted, not annualised)	2.14
11	Bad debts to Accounts Receivable ratio	-
12	Total debts to total assets *	0.63
13	Net profit margin (%)	33.35%
14	Capital Risk Adequacy Ratio (%)	27.07%

* 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, 18th January 2023



Asset Reconstruction

Aditya Birla ARC Limited

(A subsidiary of Aditya Birla Capital Ltd.)



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

Date: January 18, 2023

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, 2022

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, 2022, 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, 2022. The format of disclosure is attached Annexure I.

This above is for your information and records.

Thanking You,

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

**Hiral Sidhpura
Company Secretary & Compliance Officer
Membership no – A32296**

Encl: As Above

Aditya Birla ARC Limited

One World Center, Tower 1, 7th Floor, Jupiter Mill Compound,
841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013.
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Elphinstone Road, Mumbai - 400 013.
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	50,00,00,000	50,00,00,000	No	NA	-

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	50,00,00,000
Report filed for quarter ended	September 30, 2022
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

Hiral Sidhpura
Company Secretary & Compliance Officer
Date January 18, 2023