



Aditya Birla Capital posts 23% growth in Q3 profit at ₹216.83 cr

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ADITYA BIRLA CAPITAL, the holding company of the financial services businesses of the Aditya Birla Group, reported a 23.1% year-on-year increase in its third quarter consolidated net profit to ₹216.83 crore on the back of robust growth across its businesses. In the immediately preceding quarter, its net profit stood at ₹226.61 crore, marginally higher due to a lower tax incidence.

The company's consolidated revenue, on a like-to-like basis, increased 26% over the prior year comparable quarter to ₹3,325 crore in the October-December quarter, it said in a release.

Aditya Birla Capital's consolidated earnings before tax (EBT), on a like-to-like basis, increased 30% over the prior year comparable quarter to ₹409 crore during the three-month period, it said. A sharp jump in segmental profits from the asset management business contributed significantly to this growth. Segmental profits from the asset management business increased 70% to ₹114.8 crore from ₹67.6 crore. A buoyant market in 2017 is expected to have helped boost the business.

The company's key businesses include life insurance, asset management, private equity, corporate lending, structured finance, wealth management, broking (equity, currency and commodity), online personal finance management, housing finance, pension fund management and health insurance. The last, is a relatively new business for the group and is still to turn the corner. The health insurance business saw losses increase year-on-year to ₹54.6 crore in the quarter from a loss of ₹20.2 crore in the corresponding quarter of the previous year.

Segmental profits from the asset management business increased 70% to ₹114.8 crore from ₹67.6 crore. A buoyant market in 2017 is expected to have helped boost the business

Aditya Birla Capital was listed on the stock exchanges on September 1, 2017 as the culmination of the composite scheme of arrangement under which Aditya Birla Nuvo Limited (ABNL) merged with Grasim Industries Limited (Grasim), and the financial services undertaking was subsequently demerged into ABCL.

The company said its total assets under management rose by 31% year-on-year to touch ₹2,99,893 crore, while its lending book, including housing, rose by 41% year-on-year to ₹46,522 crore.

Aditya Birla Finance, the largest business of the company, reported earnings before tax of ₹289 crore, an increase of 29% from the year-ago period. Its lending book increased by 33% year-on-year to ₹39,770 crore. It reported gross NPA of 0.70% and net NPA of 0.47%.

The company's asset management arm Aditya Birla Sun Life AMC reported a 33% year-on-year growth in its quarterly average assets under management at ₹2,62,223 crore. Earnings before tax increased by 72% over the prior year comparable quarter to ₹135 crore from ₹78 crore.

Aditya Birla Housing Finance doubled its loan book to ₹6,752 crore from ₹3,235 crore in the prior year comparable period, the company said. The quarterly earnings before tax increased to ₹8 crore from ₹4 crore in the prior year comparable period. The company saw lending to the affordable housing segment increase to ₹150 crore.