



18<sup>th</sup> May, 2017

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001

**The National Stock Exchange of India Limited,**

Exchange Plaza, 5<sup>th</sup> Floor,  
Plot. C/1, G-Block,  
Bandra-Kurla Complex,  
Bandra (East),  
Mumbai 400 051

**Scrip Code: 500303**

**Symbol: ABIRLANUVO**

Dear Sirs,

**Re: Investor presentation**

**Sub: Presentation on Audited Financial Results for the quarter and year ended 31<sup>st</sup> March, 2017**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are attaching herewith a copy of the Presentation on the Audited Financial Results of Aditya Birla Nuvo Limited for the quarter and year ended 31<sup>st</sup> March, 2017, which will be presented to our investors and also posted on our website.

Thanking you,

Yours faithfully,

For **Aditya Birla Nuvo Limited**

**Pinky Mehta**  
**Chief Financial Officer**



Encl.: a.a.

Aditya Birla Nuvo Limited  
Corporate Finance Division

Aditya Birla Centre, 'A' Wing, 4th Floor, S. K. Ahire Marg, Worli, Mumbai - 400 030, India

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# Aditya Birla Nuvo Limited

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**Financial Results – FY 2016-17**

**Mumbai, 18<sup>th</sup> May 2017**

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Stock Code: **BSE** : 500303 **NSE** : ABIRLANUVO **Reuters** : ABRL.BO / ABRL.NS **Bloomberg** : ABNL IN

**Investor presentation**

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Note 1 : The financials of ABNL are consolidated financials prepared as per Ind-AS for FY16 & FY17 unless otherwise specified

Note 2 : The financial figures in this presentation have been rounded off to the nearest ₹ 1 Crore

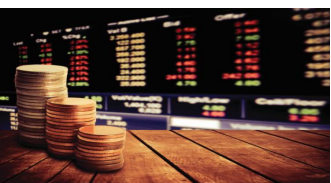
Note 3 : 1 USD = INR 65

## Glossary

- CY – Current Year
- FY – Financial Year (April-March)
- PY – Corresponding period in Previous Year
- PQ – Previous Quarter
- Q1– April-June
- Q2– July-September
- Q3 – October - December
- Q4 – January - March
- YTD – Year to date
- LAS – Loan against Shares
- NIM – Net Interest Margin
- DPD – Days past due
- CAB – Corporate Agents and Brokers
- RMS – Revenue Market Share
- ROACE – Return on Avg. Operating Capital Employed based on EBIT
- VLR – Visitor Location Register
- VAS – Value Added Services
- TPA – Tons per annum
- AAUM – Quarterly Average Assets under Management
- FYP – First Year Premium Income
- PPI – Prepaid Payment Instrument
- Banca - Bancassurance

# Key Highlights

## Financial Services



### Industry Positioning

### Scale

### Portfolio Expansion

### Value Unlocking

- A leading non-bank financial services player in India
- Among top 5 fund managers (Excl. LIC) in India
- Assets under Management at USD 38 billion – grew y-o-y by 34%
- Loan book (Incl. Housing Finance) at USD 6 billion – grew y-o-y by 40%
- Revenue crossed USD 1.5 billion & EBT reached USD 200 million
- Launched Health Insurance business in Q3FY17
- Recently launched Digital Lending business
- Foraying into Asset Reconstruction & Affordable Housing Finance
- Listing of Aditya Birla Financial Services Ltd. (ABFSL) by Q2FY18

## Telecom



### Industry Positioning

### Scale

### Value Unlocking

- 6<sup>th</sup> largest cellular operator in the world in terms of subscribers, based on operations in a single country
- 3<sup>rd</sup> largest in India in terms of revenue market share at 18.7%
- Merger of Idea & Vodafone India : Creating India's largest and world's 2<sup>nd</sup> largest telecommunication company with ~400 million subscribers
- Unlocking further value through monetisation of tower assets

# Key Highlights

## Divisions



### Industry Positioning

- India's largest Linen, VFY & Insulators player
- One of the Leading manufacturers of Urea in India

### Capacity Expansion

- Expanding linen yarn capacity from 3,400 TPA to 6,200 TPA by Q2 FY18
- Scaled up VFY capacity by ~750 TPA in Mar'17

### Returns

- ROACE at 15% p.a.
- Strong pre-tax free cash flow to firm of ~ ₹ 760 Cr.

## New Ventures



### Solar

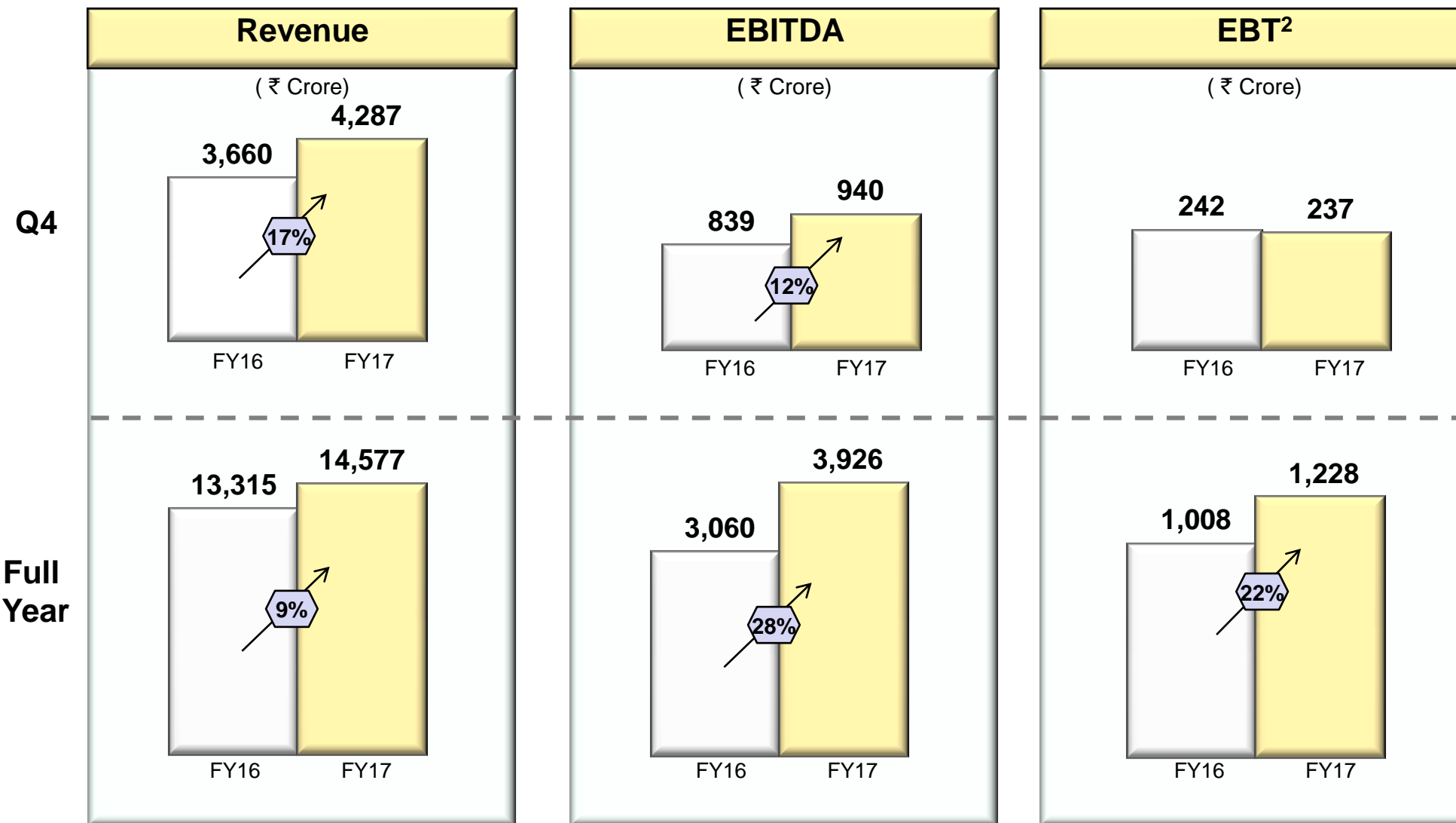
- Won 60 MW (AC Capacity) in 3 talukas of Karnataka in Mar'16
  - ➔ Commissioned 2 plants of 20 MW each in May'17
  - ➔ Targeting to commission 3<sup>rd</sup> plant of 20 MW in June-July'17
- Continues to focus on profitable bidding to achieve a 500 MW portfolio

### Payments Bank

- Received Payments bank license from RBI in Apr'17 to start operations
- Targeting to launch services in Q2FY18 post requisite approvals
- Focus on leveraging Aditya Birla Group's over 40 million digital customers



# Consolidated Earnings<sup>1</sup>



**Note 1:** The Company has adopted Indian Accounting Standards (Ind AS) w.e.f. 1<sup>st</sup> April 2016. The financials for the quarter & full year ended 31<sup>st</sup> March 2016 are also Ind AS compliant.

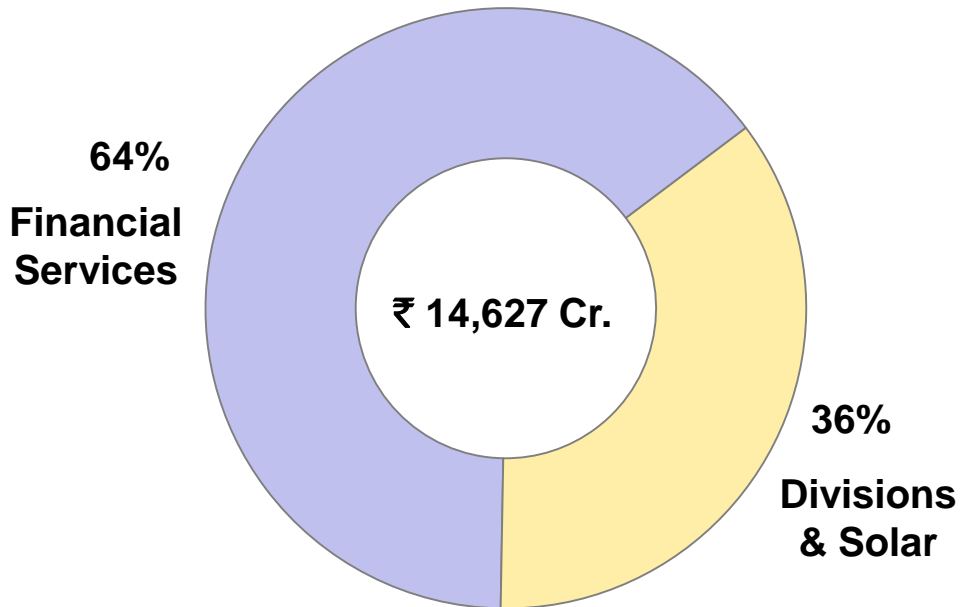
**Note 2:** EBT before exceptional items, share of profit/(loss) of associates/joint ventures and profit attributable to discontinued operations

**Note 3:** Solar JVs, Idea Cellular Ltd., Birla Sun Life Asset Management Co. Ltd. & Aditya Birla Idea Payments Bank Ltd. have been consolidated based on equity accounting as per Ind AS.

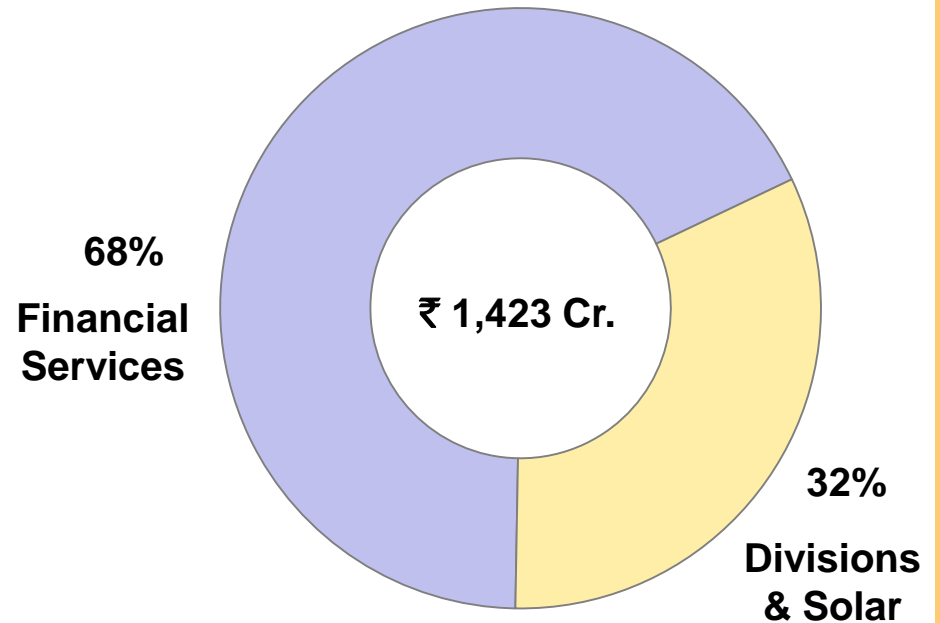


# Consolidated Earnings Mix – FY17

## Segment Revenue



## Segment EBIT

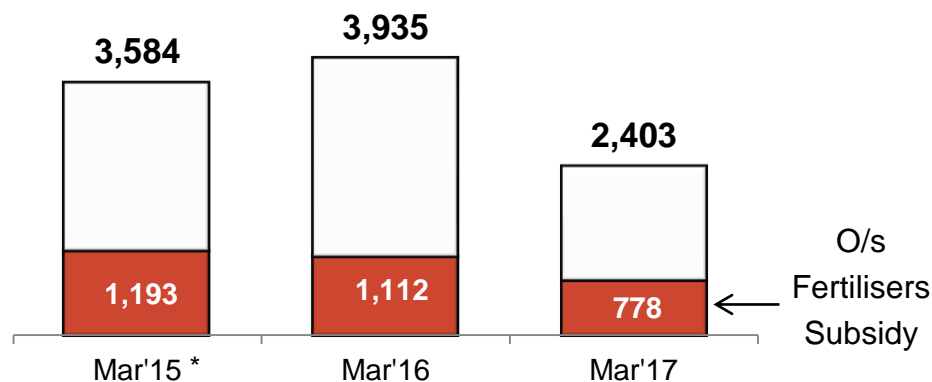


**Note:** Solar JVs, Idea Cellular Ltd., Birla Sun Life Asset Management Co. Ltd. & Aditya Birla Idea Payments Bank Ltd. have been consolidated based on equity accounting as per Ind AS, hence do not form part of segmental financials

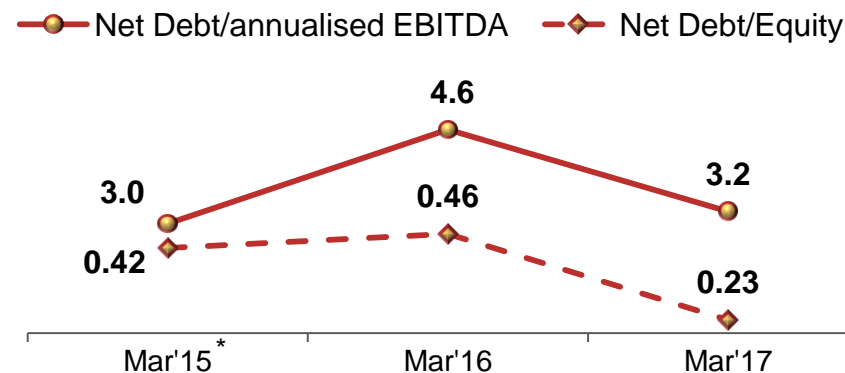
# Standalone Balance Sheet

## Net Debt

(₹ Crore)



## Ratios



- Net Debt stand reduced by ~ ₹ 1,500 Cr. led by proceeds of ₹ 1,664 Cr. from sale of 23% stake in Birla Sun Life Insurance (BSLI) and realisation of fertiliser subsidy.

- Net Debt includes loan of ₹ 325 Cr. received under Special Banking Arrangement (at subsidized rate of 1.75% p.a.) against outstanding fertiliser subsidy

- Capex and Investment outlay for FY17:

- Capex of ₹ 285 Cr. for divisions (Incl. ₹ 152 Cr. for Linen Yarn expansion & ₹ 27 Cr. for VFY expansion)
  - Capital Infusion of ₹ 413 Cr. in Financial Services business mainly in NBFC, Housing Finance & Health Insurance
  - Equity Investment of ₹ 127 Cr. in Payments Bank and ₹ 31 Cr. in Solar JV for ABNL's 51% share

- Capex Guidance for FY18 :

- Capex of ~ ₹ 200 Cr. for divisions (Incl. ₹ 60 Cr. for ongoing VFY and Linen Yarn expansions)

\* Mar'15 financials are as per Indian GAAP



# Update on Composite Scheme of Arrangement

- Grasim Industries Limited, Aditya Birla Nuvo Limited (“ABNL”) and Aditya Birla Financial Services Limited (“ABFSL”) had announced the amalgamation of ABNL with Grasim followed by the demerger and listing of the financial services business on 11<sup>th</sup> August 2016 through a composite scheme of arrangement.
- After receiving clearance from the stock exchanges and SEBI, the composite scheme was filed with National Company Law Tribunal (NCLT) in January 2017.
- The scheme has also been approved by the Competition Commission of India (CCI)
- Having received shareholders’ and creditors’ approval, the Scheme is now subject to the final sanction from NCLT and the BSE & the NSE and is expected to be effective during Q2 FY18.
- The sequence of events will be as under:
  - Step 1: Merger of ABNL into Grasim will become effective and the shareholders of ABNL will be issued 15 new equity shares (Face Value of Rs. 2 each) of Grasim in exchange of every 10 equity shares (Face Value of Rs. 10 each) held in ABNL on the Record Date 1, to be announced by the Board of Grasim. Thereafter, ABNL shall stand dissolved without winding up.
  - Step 2: Demerger of the Financial Services business into ABFSL, followed by the listing of ABFSL, and the shareholders of the demerged Grasim will be issued 7 equity shares (Face Value of Rs. 10 each) in ABFSL for every 5 equity shares (Face Value of Rs. 2 each) held in the demerged Grasim on Record Date 2, to be announced by the Board of the demerged Grasim.

# Aditya Birla Financial Services

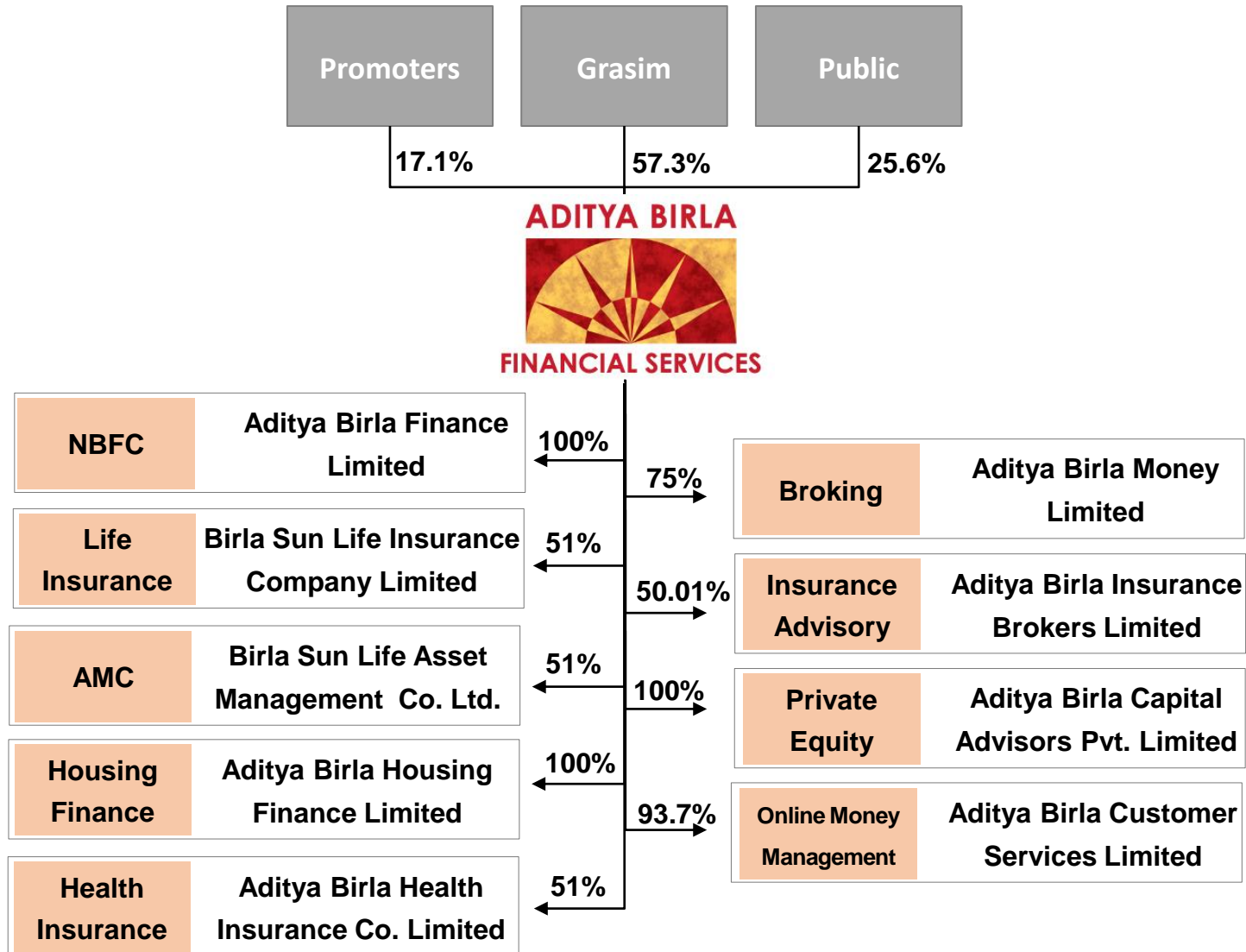


## Performance highlights : FY 2016-17



# Aditya Birla Financial Services Ltd. (ABFSL)

## Resulting Structure post listing of ABFSL



# ABFS : Progressing in line with its Vision

## To be a Leader

Among  
Top 5

Fund Managers in  
India (excl. LIC)

Among  
Top 5

Private Diversified  
NBFCs in India

# 4

Asset Management  
Company in India

# 5

Private life insurance  
Company in India

# 1

In online personal  
finance management

Among  
Top 5

General Insurance  
brokers India

## and Role Model

- A leading non-bank financial services player having a strong focus on the quality of growth
- Renowned for risk management, investor education, product innovation & fund management capabilities
- Among the best 3 financial services players to work for [As per study by Great Place to Work Institute, 2016]
- Won “IMC Ramkrishna Bajaj National Quality Award - 2016” in the Service Category

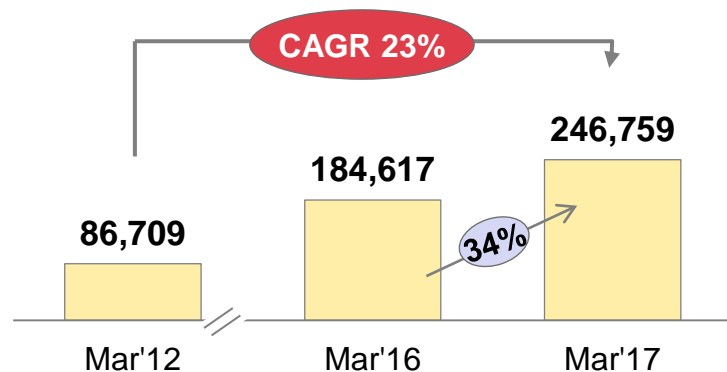
## in a Broad based & Integrated financial services business

- Wide presence across the spectrum of financial services sector with 12 lines of business striving to meet all the customers' needs across their lifecycle
- An integrated play to gain competitive edge by sharing best practices, deriving synergies & providing its talent pool an opportunity to grow in career through cross-functional and cross-sectoral experience
- Well positioned to expand its product per customer metrics through cross selling

# ABFS : Growth across Key Metrics

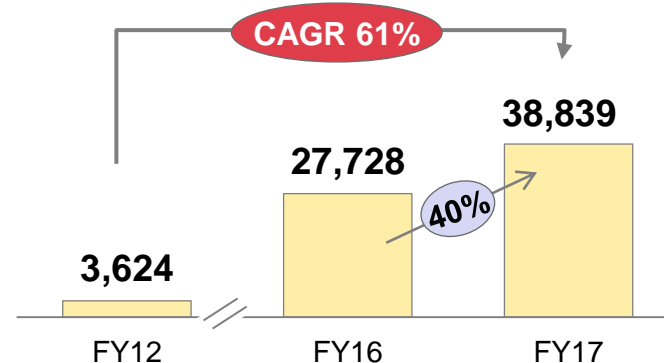
(₹ Crore)

## AUM<sup>1</sup> reaches USD 38 billion

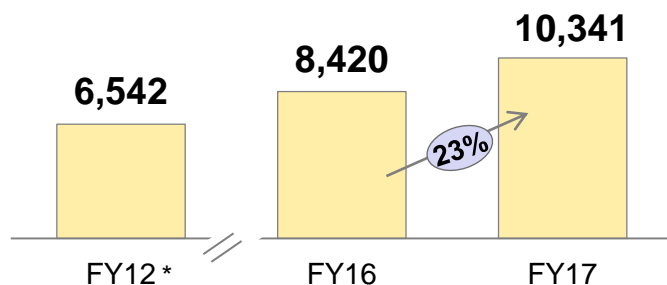


## Lending Book reaches USD 6 billion

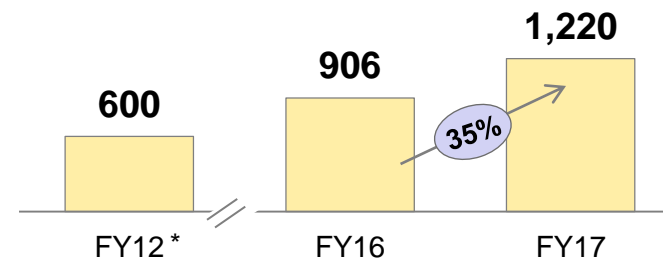
(incl. Housing Finance)



## Revenue crosses USD 1.5 billion



## EBT reaches USD 200 million



<sup>1</sup>Includes AUM of Life Insurance, Health Insurance, Private Equity & quarterly AAUM of Asset Management businesses

\* FY12 financials are as per Indian GAAP

# Aditya Birla Financial Services

## ◆ Broadening and deepening of the portfolio to meet all the customers' needs across their lifecycle

- ➔ Launched Health Insurance business operations in Nov'16
- ➔ Within 3 months of launch, Digital Lending segment has built a loan book ₹ 70 Cr.
- ➔ Foraying into new business segments
  - Asset Reconstruction Company
  - Affordable Housing Finance

## ◆ Corporate Action

- ➔ ABNL has transferred its 51% stake in BSLI to ABFSL in Mar'17, post receipt of the requisite approvals
- ➔ Listing of ABFSL, targeted in Q2FY18, will unlock value for the shareholders



# Aditya Birla Financial Services

## Aditya Birla Finance Ltd. (ABFL)

- Ranks among top 5 private diversified NBFCs, in terms of loan book

- **Loan book** (excl. HFC) **crosses USD 5 billion mark (₹ 34,703 Cr.)**

- ➔ Registered a y-o-y growth of 35%

- ➔ Gross disbursements are up y-o-y by 17% at ~ ₹ 37,100 Cr.

- Among the best NBFCs, operating in similar lines of business, in terms of asset quality

- ➔ Gross NPA at 0.47% at 120 dpd (PY: 0.63% at 150 dpd)

- **Healthy internal accruals funding business growth**

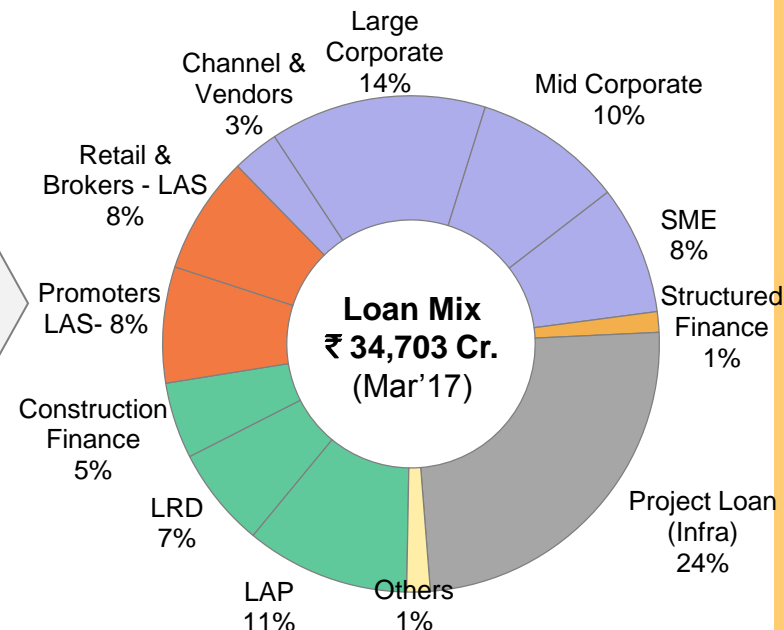
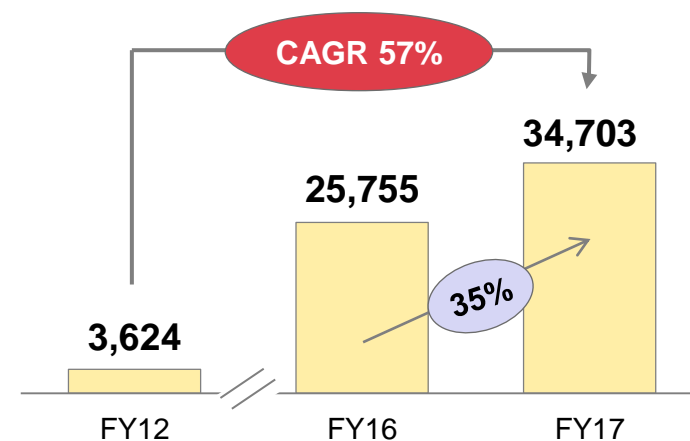
- ➔ Capital infusion at ₹ 700 Cr. (PY: ₹ 702 Cr., Past 5 years : ~₹ 2,825 Cr.)

- **Building a well diversified portfolio for sustainable growth**

- **Wealth Management\*** : AuA doubled y-o-y to ₹ 13,518 Cr.

### Lending Book

(₹ Crore)



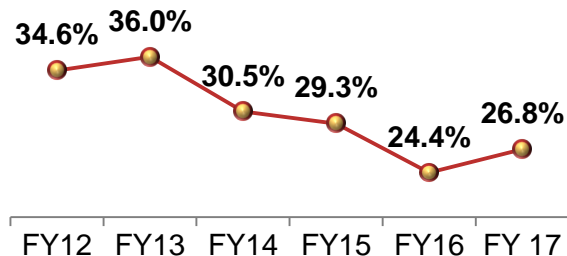
\* Wealth Management business of Aditya Birla Money Mart Ltd. has been merged with ABFL w.e.f. 1<sup>st</sup> April 2016.

# Aditya Birla Financial Services

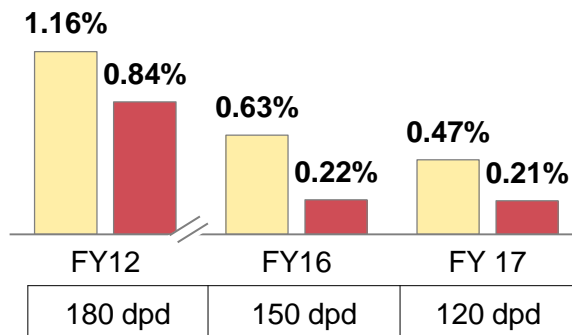
## Aditya Birla Finance Ltd. (ABFL)

Quality of business reflecting in the key performance indicators^ ...

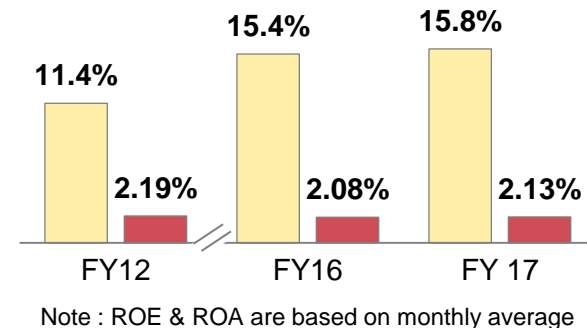
Opex to Net Interest Income (%)



■ Gross NPA    ■ Net NPA

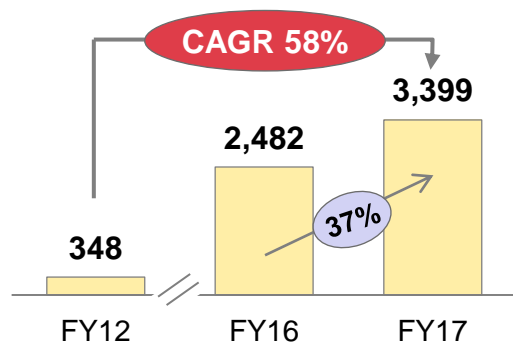


■ Return on Avg. Equity    ■ Return on Avg. Assets

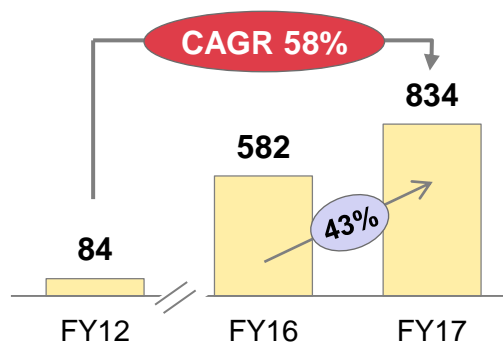


... and sound earnings growth\* : Revenue & EBT have grown ~10x & Net worth has grown ~8x in 5 years

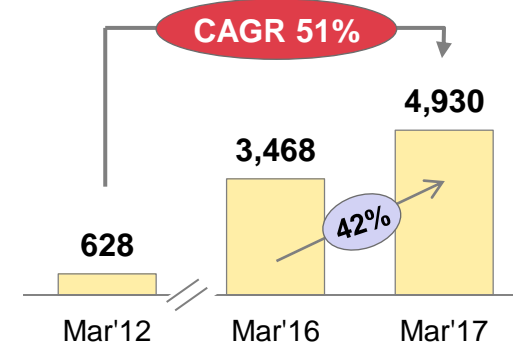
Revenue  
(₹ Crore)



EBT  
(₹ Crore)



Net Worth  
(₹ Crore)



^Performance Indicators are as per Indian GAAP & exclude wealth management business which was merged with ABFL w.e.f. 1st April 2016.

\*FY12 financials are as per Indian GAAP. Financials for FY16 have been restated as per Ind-AS to include the wealth management business to make performance comparable

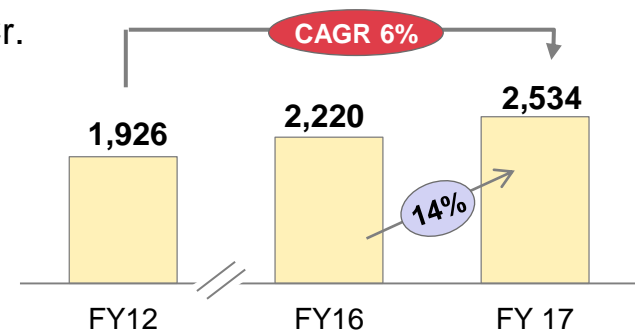
# Aditya Birla Financial Services

## Birla Sun Life Insurance Co. Ltd. (BSLI)

- ◆ Ranks # 5 in India with new business<sup>1</sup> market share at 7.1%
- ◆ In FY17, first year premium (FYP) grew y-o-y by 14% to ₹ 2,534 Cr.
  - ➔ Led by growth across channels, Individual Life FYP rose by 35% to ₹ 960 Cr.
  - ➔ Group segment's FYP grew by 4% ₹ 1,574 Cr.
- ◆ AUM at ₹ 35,004 Cr. (12%↑ y-o-y)
- ◆ Augmenting distribution strength for balanced channel mix
  - ➔ New banca tie ups with HDFC Bank, DBS Bank & Lakshmi Vilas Bank
  - ➔ Non-Agency channels contributed 25% (PY:19%) of individual new business

### First Year Premium (Gross)<sup>^</sup>

(₹ Crore)



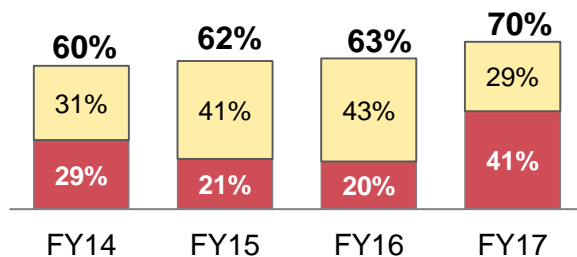
<sup>^</sup> As per Indian GAAP

### Improvement in quality of business

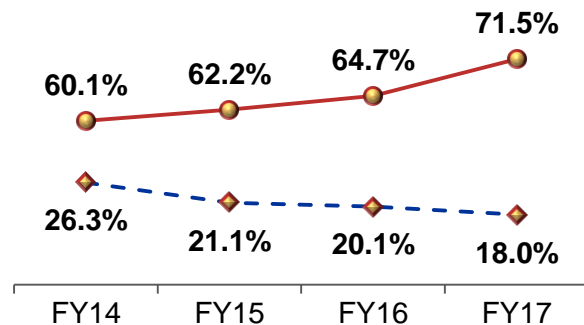
#### Share of Traditional Products

(as % of Individual New business)

■ Non-PAR & Term   ■ PAR

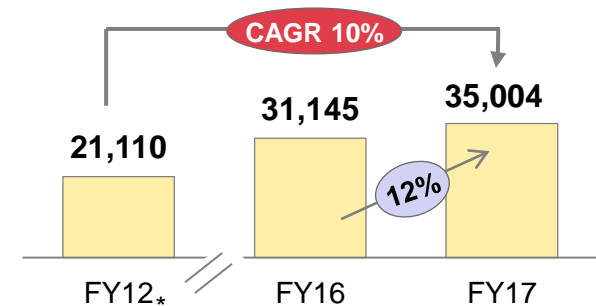


● 13th Month Persistency   -◆- Opex Ratio<sup>2</sup>



### Assets under Management

(₹ Crore)



\* FY 12 financials are as per Indian GAAP

Note 1: In terms of Annual Premium Equivalent (APE) among private sector players

Note 2: (Opex relating to Insurance business + commission expenses)/ Gross Direct Premium

# Aditya Birla Financial Services

## Birla Sun Life Asset Management Co. Ltd. (BSLAMC)

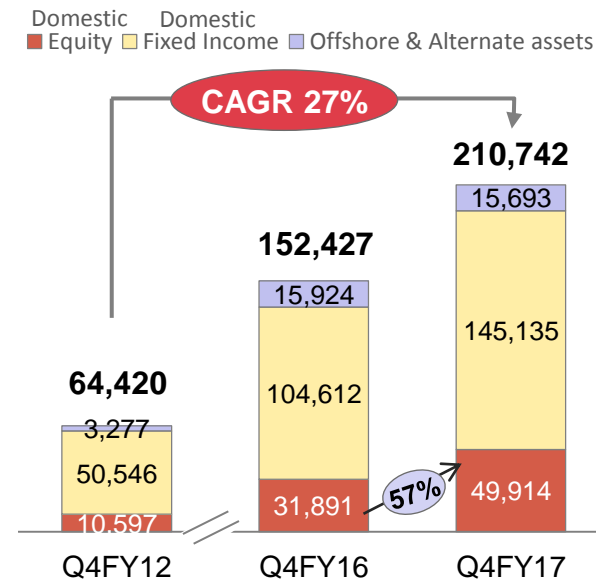
- AAUM crosses ₹ 200,000 Cr. mark growing at a 5-year CAGR of 27%
- 4<sup>th</sup> largest in India with AAUM market share at 10.7% (PY: 10.1%)
  - Ranks #4 in Equity AAUM with enhanced market share at 8.5% (PY: 7.6%)
    - Led by larger 13.1% share in industry's FY17 equity net sales (PY: 9.7%)
- Strong focus on expanding retail & high margin assets
  - Domestic Equity AAUM grew 5x to ₹ 49,914 Cr. in past 5 years
  - Offshore & Alternate Assets grew 5x to ₹ 15,693 Cr. in past 5 years
  - AAUM from B-15 cities grew y-o-y by 54% vis-à-vis 41% industry growth

	Q4FY12	Q4FY16	Q4FY17
Share of equity in domestic AAUM	17.3%	23.4%	25.6%
Live SIP market share *	9.5%	9.7%	10.8%
Monthly SIP book size (₹ Cr.)	88	282	503
Unique customer folios (in million)	2.2	2.5	3.3

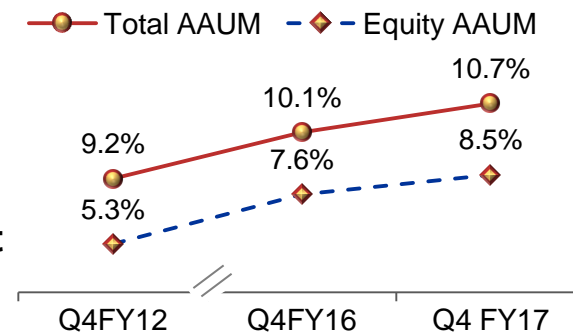
\* Source: CAMS

- Declared maiden interim dividend of ₹ 60.2 Cr. (Incl. Dividend Distribution Tax)
- Won “CIO of the Year – Equity”, “CIO of the Year - Fixed Income” and “Best Investor Education” awards at Asia Asset Management Awards - 2016

### Growth in AAUM



### Domestic AAUM Market Share

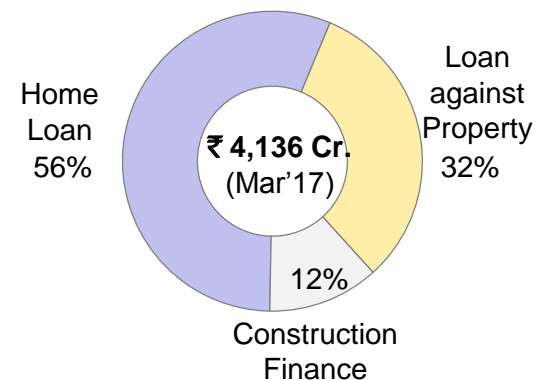


# Aditya Birla Financial Services

## Aditya Birla Housing Finance Ltd. (ABHFL)

- ◆ **Loan book more than doubled y-o-y to ₹ 4,136 Cr.** (PY: ₹ 1,973 Cr.) , while sector growth slowed down to 16% in 2016 due to impact of demonetisation
  - ➔ Gross disbursement rose y-o-y by 30% to ₹ 2,800 Cr.
- ◆ **A geographically well diversified & healthy portfolio**
  - ➔ Gross NPA at 0.34% is lowest among the peers
- ◆ **Focus on optimal Product-Sourcing-Customer mix to attain profitable scale**
  - ➔ Average yield at 10.7% & NIM at 3.2% given the balanced loan mix
  - ➔ Direct sourcing increased y-o-y from 25% to 43%
  - ➔ Foraying into affordable housing finance segment
- ◆ **Turned profitable within 7 quarters of full operations**
- ◆ **Net worth stood at ₹ 377 Cr. led by capital infusion of ₹ 178 Cr. in FY17**

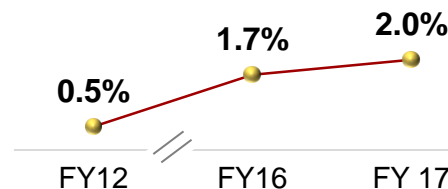
### ABHFL Loan Mix



## Aditya Birla Insurance Brokers Ltd. (ABIBL: General Insurance Advisory)

- ◆ **Consistent outperformance:** In FY17, ABIBL's premium placement rose y-o-y by 59% to ₹ 2,580 Cr. while general insurance industry's premium grew by 32%.
- ◆ **ABIBL's share in industry's premium placement has grown to 2%**

### Industry Premium Share



# Aditya Birla Financial Services

## Aditya Birla Health Insurance Co. Ltd. (ABHICL)

- Commenced operations with a differentiated business model in Nov'16
- Gross Premium at ₹ 54 Cr. covering > 2 lacs lives across Group & Retail segments
- Won 'New Insurance product of the year' by 'World Health and Wellness Congress'.
- Received 'Best Digital Integrated Campaign' and 'Best Digital Marketing Campaign' awards at 'BBC Knowledge National Digital Marketing Awards' and 'Abby Bronze' for 'The Movekars' campaign in 2017
- Multi channel distribution model activated within 3 months of launch
  - ➔ Tied up with 4 Banks - HDFC Bank, DCB, Ratnakar Bank & Deutsche Bank
  - ➔ Empanelled ~1,800 direct selling agents & over 180 brokers
  - ➔ Tied up with 1,600+ hospitals in 120 cities
  - ➔ Launched Mobile App 'Activ Health' for customers

Sehat hai,  
toh zindagi behad hai.

activ  
health  
Active Dayz™

## Aditya Birla Private Equity (ABPE)

- Managing two funds with AUM at ₹ 1,179 Cr. (gross) and ₹ 785 Cr. (net after distributions)
  - ➔ Sector agnostic growth Funds, invested in 18 companies
- Commenced Exits across both funds: 6 full exits and 5 partial exits. The Multiple of Cost (MOC) ranges are:
  - ➔ MOC over 3x → 2 exits
  - ➔ MOC 2x-3x → 4 exits
  - ➔ MOC 1.5x-2x → 2 exits



# Aditya Birla Financial Services

## Aditya Birla Money Ltd. (ABML : Broking)

- In FY17, revenue grew from ₹ 119 Cr. to ₹ 125 Cr.
  - Earning before tax increased from ₹ 0.3 Cr. to ₹ 5 Cr.
- Digital initiatives to build a “Technology Driven Advisory Platform”
  - Industry’s first end-to-end Aadhar based paperless e-KYC platform launched for account opening & on-boarding
  - New advanced web trading platform with few industry first and unique features went live in Jan’17 end
  - Mobile trading app “Mobile Invest” gaining significant traction

## MyUniverse : Online Personal Finance Management

- Enjoying trust of over 3.7 million registered users who are managing over ₹ 200 billion through MyUniverse
- Transformed into a multi-product transaction platform with analytics based integrated cross-sell capabilities
  - Offering a range of financial products viz., Mutual Funds, Personal Loans, Housing Finance, Education Loans, Life Insurance, Health Insurance, Equity and Credit Cards
- Revenue grew from ₹ 5 Cr. to ₹ 12 Cr.

# Aditya Birla Financial Services

- Revenue from the established businesses rose by 20% to ₹ 9,961 Cr.
- EBT from the established businesses surged by 35% to ₹ 1,374 Cr.

Revenue			₹ Crore)	EBT			Remarks
FY16	FY17	Δ%		FY16	FY17	Δ%	
2,482	3,399	↑ 37%	NBFC <sup>1</sup>	582	834	↑ 43%	Higher lending book (35%↑ y-o-y)
4,839	5,314	↑ 10%	Life Insurance	73	161	↑ 120%	Mark to Market of investments
765	968	↑ 27%	Asset Management <sup>2</sup>	354	384	↑ 9%	Growth in AUM (38%↑ y-o-y)
97	121	↑ 25%	General Insurance Advisory	32	39	↑ 20%	Higher premium placement (59%↑ y-o-y)
119	125	↑ 4%	Broking	0	5	↑	Higher revenue and lower opex
20	17	↓	Private Equity	7	2	↓	
2	17		Others / Elimination	(30)	(49)		
8,324	9,961	↑ 20%	<b>Established businesses</b>	1,018	1,374	↑ 35%	
96	381		<b>New Operating Businesses</b>	(112)	(154)		Housing Finance, MyUniverse & Health Insurance are in the investment phase
8,420	10,341	↑ 23%	<b>Total</b>	906	1,220	↑ 35%	

Note 1: Wealth Management business has been merged with Aditya Birla Finance Ltd. (ABFL) w.e.f. 1st Apr'16. Previous year financials of ABFL have been restated to make the performance comparable

Note 2: Full financials of Birla Sun Life Asset Management (BSLAMC) have been considered above. In the consolidated financials of ABNL, BSLAMC gets consolidated based on equity accounting as per Ind AS

# Telecom



## Performance highlights : FY 2016-17



# Telecom : Idea Cellular

## Revenue (1% ↓ y-o-y) & EBITDA (14% ↓ y-o-y)

- ▶ Industry witnessed an unprecedented disruption in second half of FY17 mainly due to free voice & mobile data promotion by new entrant in the sector
- ▶ With the new entrant starting to charge for its service, albeit very slowly, the sector is expected to return to growth in the next financial year.
- ▶ Rise in depreciation & amortisation and interest on account of rapid expansion of 3G & 4G services & renewal of licenses in 9 circles constrained net profits

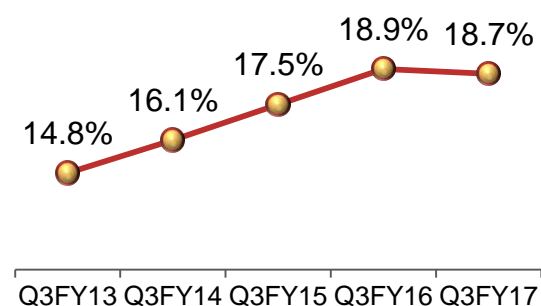
Key metrics <sup>2</sup>	FY16	FY17	Δ%
Minutes of Use (billion)	786	836	+6%
Data Volume (billion Mega Bytes)	297.9	436.4	+46%

## Strong spectrum bank & accelerated expansion to tap data opportunity

- ▶ Completed its mobile broadband 3G and/or 4G footprint across all 22 circles
- ▶ Broadband spectrum can carry 15-20 times of current data traffic
- ▶ Owned 3G / 4G spectrum in 15 / 20 circles covers 86% / 94% of its revenue
- ▶ With launch of digital services in Jan'17, Idea has begun transformation from a pure play mobile operator to an integrated digital service and solution provider

## Announced merger of Idea and Vodafone India in Mar'17 to create India's largest telecom operator with ~ 400 million customer

### Revenue Market Share<sup>1</sup>



### Strong Incremental RMS

Rank & Circles	RMS Q3FY17	Incremental RMS <sup>3</sup>
Leader in 8 Geographies	30.5%	60%
# 3 in 7 Emerging Geographies	12.4%	22%
# 4 in 7 New Geographies	6.9%	22%
<b>Total 22</b>	<b>18.7%</b>	<b>40%</b>

<sup>1</sup> Based on gross revenue for UAS & Mobile licenses, as released by TRAI

<sup>2</sup> Standalone = Idea and its subsidiaries

<sup>3</sup> Q3FY17 over Q3FY14

# Divisions

LINEN CLUB



RAY ONE

Aditya Birla Insulators

## Performance highlights : FY 2016-17



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

- Revenue at ₹ 4,974 Cr. (12% ↓ y-o-y) de-grew y-o-y due to pass through of reduction in natural gas prices coupled with plant shutdown for annual maintenance in the Agri business and lower volumes in Textiles & Insulators businesses.
- EBITDA at ₹ 591 Cr. (24% ↓ y-o-y)
- ROACE at 15% p.a.

<u>Revenue</u>			( <b>₹ Crore</b> )	<u>EBITDA</u>			<b>Remarks on profitability</b>
FY16	FY17	Δ%		FY16	FY17	Δ%	
1,486	<b>1,277</b>	↓14%	<b>Jaya Shree</b>	182	<b>89</b>	↓51%	Subdued consumer demand across the textiles value chain coupled with demonetisation impacted the volumes
2,504	<b>2,165</b>	↓14%	<b>Agri</b>	213	<b>191</b>	↓10%	Plant shutdown for maintenance from 17 <sup>th</sup> Mar'17 & impact of demonetisation & poor monsoon on trading segment
1,036	<b>1,035</b>	↔	<b>Rayon</b>	269	<b>259</b>	↓4%	Sales volume marginally down owing to impact of demonetisation during part of the year
634	<b>498</b>	↓22%	<b>Insulators</b>	116	<b>52</b>	↓56%	Lower volumes & relisation due to sluggish domestic demand
<b>5,660</b>	<b>4,974</b>	↓12%	<b>Total</b>	<b>781</b>	<b>591</b>	↓24%	



# New Ventures

## Payments Bank

- ◆ Incorporated 'Aditya Birla Idea Payments Bank Limited' (ABIPBL) in joint venture with Idea Cellular
  - ➔ The senior management team is in place
- ◆ ABIPBL received license of Payments bank from RBI in April 2017
- ◆ Targeting to launch its services in Q2 FY18
  - ➔ The JV will acquire customers 'Online' leveraging Aditya Birla Group's over 40 million digital customers as well as 'Offline' riding on the strength of Idea's 2 million+ retail distribution channel across 400,000 towns/villages.
  - ➔ Will partner with Aditya Birla Financial Services, select universal banks & financial institution for offering range of financial products.
- ◆ Having received court approval, the NEFT/IMPS & PPI business of Idea Cellular will be merged as and when ABIPBL is ready to commence its operations, for which permission is yet to be received from RBI

## Solar Power

- ◆ Setting up 3 solar projects of 20 MW each (AC) won in Karnataka in Mar'16 at a capex of ~₹ 310 Cr.
  - ➔ Tariff ranges between ₹ 4.86 to ₹ 4.97 per KWh. Power Purchase Agreements got signed in Jun'16 and were approved by Karnataka Electricity Regulatory Commission in Oct'16.
  - ➔ Commissioned 2 plants in May'17 and targeting to commission 3<sup>rd</sup> plant in June-July 2017
  - ➔ Capital infusion of about ₹ 60 Cr. received from JV partners as equity contribution for funding the project
  - ➔ CRISIL A- (Stable) rating assigned for bank facilities for the project

## **Annexure I**

# **Financials**

# Consolidated Revenue (₹ Crore)

Quarter - 3	Quarter 4		Revenue	Full Year	
2016-17 (PQ)	2015-16 (PY)	2016-17 (CY)		2015-16 (PY)	2016-17 (CY)
<b>2,233</b>	<b>2,424</b>	<b>2,845</b>	<b>Aditya Birla Financial Services</b>	<b>7,659</b>	<b>9,431</b>
1,195	1,613	1,712	<i>Life Insurance</i>	4,839	5,314
1,044	813	1,138	<i>Other Financial Services*</i>	2,826	4,133
(6)	(2)	(5)	<i>Elimination</i>	(6)	(16)
<b>1,217</b>	<b>1,237</b>	<b>1,225</b>	<b>Divisions</b>	<b>5,660</b>	<b>4,974</b>
286	329	335	<i>Jaya Shree</i>	1,486	1,277
566	458	487	<i>Agri</i>	2,504	2,165
244	271	265	<i>Rayon</i>	1,036	1,035
121	179	137	<i>Insulators</i>	634	498
-	-	<b>225</b>	<b>Solar</b>	-	<b>225</b>
(1)	(1)	(1)	<i>Inter-segment Elimination</i>	(4)	(4)
<b>3,449</b>	<b>3,660</b>	<b>4,294</b>	<b>Consolidated Revenue</b>	<b>13,315</b>	<b>14,627</b>

**Note:** Telecom, Asset Management, Payments Bank and Solar businesses have been consolidated based on equity accounting as per Ind AS, hence do not form part of segment financials

\* Includes NBFC, Housing Finance, Health Insurance, Private Equity, Broking, Wealth Management, Online Personal Finance Management & General Insurance Broking businesses.

# Segment EBIT (₹ Crore)

Quarter - 3	Quarter 4		EBIT	Full Year	
	2016-17 (PQ)	2015-16 (PY)		2016-17 (CY)	2015-16 (PY)
<b>231</b>	<b>155</b>	<b>229</b>	<b>Aditya Birla Financial Services</b>	<b>589</b>	<b>963</b>
5	28	80	<i>Life Insurance</i>	73	161
227	126	150	<i>Other Financial Services*</i>	516	802
<b>93</b>	<b>146</b>	<b>46</b>	<b>Divisions</b>	<b>654</b>	<b>450</b>
1	38	4	<i>Jaya Shree</i>	151	56
41	14	1	<i>Agri</i>	178	154
43	67	45	<i>Rayon</i>	226	210
7	27	(4)	<i>Insulators</i>	99	29
-	-	<b>10</b>	<b>Solar</b>	-	<b>10</b>
<b>325</b>	<b>301</b>	<b>286</b>	<b>Segment EBIT</b>	<b>1,243</b>	<b>1,423</b>

**Note:** Telecom, Asset Management, Payments Bank and Solar businesses have been consolidated based on equity accounting as per Ind AS, hence do not form part of segment financials

\* Includes NBFC, Housing Finance, Health Insurance, Private Equity, Broking, Wealth Management, Online Personal Finance Management, General Insurance Broking businesses. Interest cost of NBFC business, being an operating expense is deducted from Segment EBIT.

# Consolidated Profit & Loss (₹ Crore)

Quarter - 3	Quarter 4		Consolidated Profit & Loss Account	Full Year	
	2016-17 (PQ)	2015-16 (PY)		2016-17 (CY)	2015-16 (PY)
3,437	3,660	4,287	Revenue	13,315	14,577
955	839	940	EBITDA	3,060	3,926
580	479	593	Less : NBFC Interest expenses	1,600	2,276
52	72	48	Less : Other Interest Expenses	279	218
323	288	298	EBDT	1,181	1,432
49	46	61	Less : Depreciation	173	204
274	242	237	<b>Earnings before Tax</b> (before exceptional items and share of profit/(loss) of associates and Joint ventures)	<b>1,008</b>	<b>1,228</b>
(68)	130	(57)	Share of Profit / (loss) of associate and Joint ventures	753	11
(0)	0	16	Exceptional Gain / Profit attributable to discontinued operations	411	16
205	372	196	<b>Earnings before Tax</b>	<b>2,172</b>	<b>1,255</b>
6	99	66	Less : Provision for Taxation (Net)	532	298
(7)	7	15	Less : Minority Interest	27	49
<b>206</b>	<b>266</b>	<b>115</b>	<b>Net Profit</b>	<b>1,613</b>	<b>908</b>

**Note 1 :** In FY16, exceptional gain includes profit of ₹ 355 Cr. attributable to discontinued operations pertaining to cessation of Pantaloons Fashion & Retail Ltd.(PFRL) as subsidiary pursuant to de-merger of Madura Fashion & Lifestyle into PFRL w.e.f. 1<sup>st</sup> April 2015.

**Note 2:** Telecom, Asset Management, Payments Bank and Solar businesses have been consolidated based on equity accounting as per Ind AS

# Balance Sheet (₹ Crore)

Standalone		Balance Sheet	Consolidated	
Mar-16	Mar-17		Mar-16	Mar-17
8,598	<b>10,281</b>	Net Worth	13,391	<b>16,317</b>
-	-	Minority Interest	492	<b>1,095</b>
4,055	<b>2,957</b>	Debt	3,940	<b>3,408</b>
-	-	NBFC borrowings (incl. Housing)	23,488	<b>32,865</b>
166	<b>100</b>	Deferred Tax Liabilities (Net)	734	<b>589</b>
12,819	<b>13,338</b>	Capital Employed	42,045	<b>54,273</b>
-	-	Policyholders' funds (Incl. funds for future appropriation)	30,245	<b>34,334</b>
12,819	<b>13,338</b>	Total Liabilities	72,290	<b>88,607</b>
1,601	<b>1,723</b>	Net Block (Incl. Capital Advances)	1,741	<b>1,978</b>
-	-	Goodwill on Consolidation	263	<b>263</b>
-	-	NBFC Lending (Incl. Housing)	27,728	<b>38,839</b>
1,663	<b>1,189</b>	Net Working Capital	1,419	<b>872</b>
9,435	<b>9,872</b>	Long Term Investments	9,336	<b>10,217</b>
-	-	Insurance Investments	31,062	<b>35,021</b>
120	<b>553</b>	Cash Surplus & Current Investments	741	<b>1,416</b>
660	<b>789</b>	Book Value (₹)	1,028	<b>1,253</b>
4.6	<b>3.2</b>	Net Debt <sup>1</sup> / Annualised EBITDA <sup>2</sup> (x)	2.2	<b>1.2</b>
0.46	<b>0.23</b>	Net Debt <sup>1</sup> / Equity (x)	0.24	<b>0.12</b>

Note 1 : Total Debt less Cash Surplus & Current Investments and excluding NBFC borrowings

Note 2: EBITDA less finance cost related to NBFC

# Standalone Profit & Loss (₹ Crore)

Quarter - 3	Quarter 4		Standalone Profit & Loss Account	Full Year	
	2016-17 (PQ)	2015-16 (PY)		2016-17 (CY)	2015-16 (PY)
1,217	1,237	1,461	Revenue	5,660	5,211
141	189	117	EBITDA	857	745
51	71	47	Interest Expenses	280	215
90	118	70	EBDT	576	530
32	31	38	Depreciation	121	134
57	86	31	Earnings before Tax (before exceptional items)	455	396
-	(0)	16	Exceptional Gain / (Loss)	79	1,136
57	86	47	Earnings before Tax	534	1,532
(8)	19	15	Provision for Taxation (Net)	148	186
66	67	33	Net Profit	386	1,346

Note 1 : In FY17, exceptional gain includes gain of ₹ 1,120 Cr. on sale of 23% stake in Birla Sun Life Insurance to Sun Life, Canada in Apr '16.

Note 2 : FY16, exceptional gain includes ₹ 50 Cr. received towards facilitation for development of distribution network for financial services business and ₹ 6.4 Cr. received as deferred consideration w.r.t. divestment of Minacs. It also include ₹ 23 Cr. fair valuation of shares of Aditya Birla Fashion & Retail Ltd. (ABFRL) received pursuant to demerger of luxury branded apparel division of Maura Garment & Lifestyle Retail Company Ltd. as per Ind AS.



## **Annexure II**

# **Business-wise Financials**

# Aditya Birla Financial Services

Quarter 4				₹ Crore	Full Year			
Revenue		EBT			Revenue		EBT	
2015-16 (PY)	2016-17 (CY)	2015-16 (PY)	2016-17 (CY)		2015-16 (PY)	2016-17 (CY)	2015-16 (PY)	2016-17 (CY)
725	<b>953</b>	159	<b>202</b>	Aditya Birla Finance (Incl. Wealth Division)	2,482	<b>3,399</b>	582	<b>834</b>
1,613	<b>1,712</b>	28	<b>80</b>	Birla Sun Life Insurance	4,839	<b>5,314</b>	73	<b>161</b>
182	<b>275</b>	78	<b>92</b>	Birla Sun Life Asset Management	765	<b>968</b>	354	<b>384</b>
20	<b>26</b>	1	<b>2</b>	Aditya Birla Insurance Brokers	97	<b>121</b>	32	<b>39</b>
28	<b>33</b>	(0)	<b>3</b>	Aditya Birla Money	119	<b>125</b>	0	<b>5</b>
5	<b>3</b>	2	<b>(2)</b>	Aditya Birla Capital Advisors (PE)	20	<b>17</b>	7	<b>2</b>
(10)	<b>(41)</b>	(10)	<b>(11)</b>	Others / Elimination	2	<b>17</b>	(30)	<b>(49)</b>
2,562	<b>2,961</b>	258	<b>366</b>	<b>Established businesses</b>	8,324	<b>9,961</b>	1,018	<b>1,374</b>
42	<b>149</b>	(37)	<b>(66)</b>	New operating businesses (Housing Finance, MyUniverse & Health Insurance)	96	<b>381</b>	(112)	<b>(154)</b>
2,604	<b>3,110</b>	221	<b>300</b>	<b>Total</b>	8,420	<b>10,341</b>	906	<b>1,220</b>

Note 1: Full financial figures of Birla Sun Life Asset Management Co. Ltd. (BSLAMC) have been considered above. In the consolidated financials of ABNL, BSLAMC has been consolidated based on equity accounting as per Ind AS

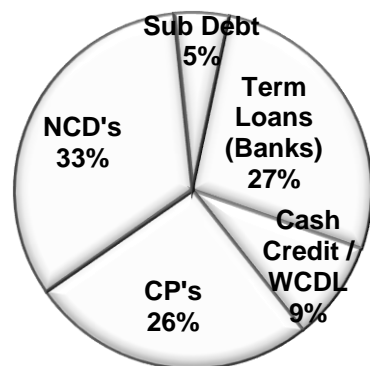
Note 2: Wealth Management business of Aditya Birla Money Mart Ltd. has been merged with Aditya Birla Finance Ltd. w.e.f. 1st April 2016. Previous year financials of ABFL have been restated to make the performance comparable

# Aditya Birla Finance Ltd. (ABFL)

## Optimising borrowings cost and ALM profile

- Long term debt accounts for 65% of total debt
- Long term / Short term credit rating at AA+ / A1+

### Borrowings Mix (31<sup>st</sup> Mar'17)

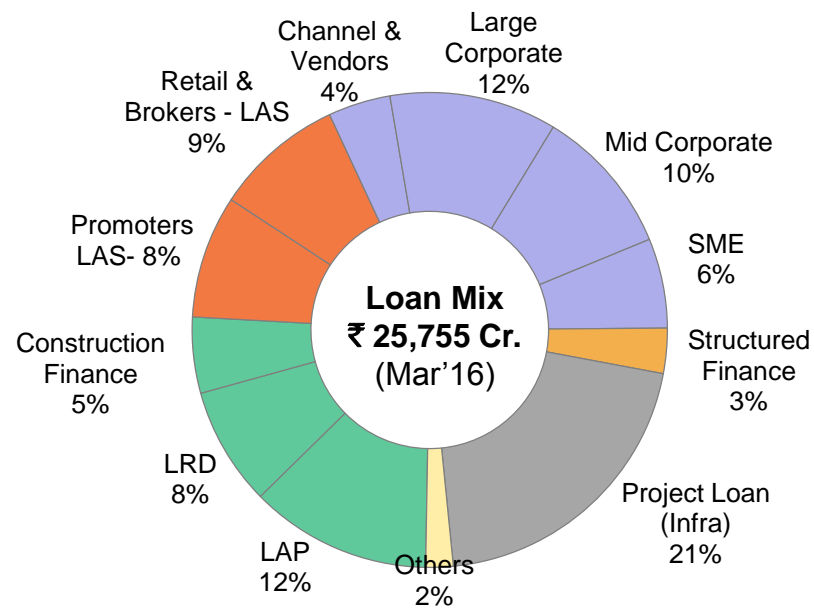


## Strong performance across key parameters

Key Ratios <sup>#</sup> (Based on Indian GAAP)	FY 12	FY16	FY17
Capital Adequacy Ratio	17.7%	16.2%	<b>17.3%</b>
- Out of which Tier I	16.7%	13.6%	<b>13.7%</b>
Average Borrowing Cost (%)	9.9%	9.1%	<b>8.6%</b>
Closing Leverage (x)	4.8	5.8	<b>5.8</b>
No. of Employees	202	475	<b>723</b>

Spread Analysis <sup>#</sup> (Based on Indian GAAP)	FY 12	FY16	FY17
Total Income / Avg. Loan Book	13.7%	12.6%	<b>11.9%</b>
Interest Cost / Avg. Loan Book	7.8%	7.8%	<b>7.4%</b>
Net Interest Income (incl. fee income)	5.8%	4.8%	<b>4.6%</b>
Opex / Avg Loan Book	2.0%	1.2%	<b>1.2%</b>
Provisioning & Write-offs / Avg. Loan Book	0.6%	0.4%	<b>0.3%</b>
ROA	2.2%	2.1%	<b>2.1%</b>

Quarter 4		₹ Crore	Full Year	
2015-16 (PY)	2016-17 (CY)		2015-16 (PY)	2016-17 (CY)
725	953	Revenue	2,482	3,399
159	202	Earnings before tax	582	834
107	131	Net Profit	377	588



# Birla Sun Life Insurance Co. Ltd. (BSLI)

## Industry

- In FY17, industry's total new business premium<sup>1</sup> grew by 19% while private sector grew by 22%. In individual life segment, industry grew by 21% while private sector grew by 26%.

## Birla Sun Life Insurance

- BSLI remains #1 in group segment with 25.3% share<sup>1</sup>
- EBT higher at ₹ 161 Cr. mainly on account of mark to market of investments
- Average ticket size increased y-o-y by 22% to ~ ₹ 36,000
- Product and Channel Mix (Individual Life Segment) :

Product Mix		Channel Mix			
	FY16	FY17	FY16	FY17	
ULIP	37%	30%	Agency	81%	75%
PAR	43%	29%	Banca	9%	9%
Non-PAR	17%	39%	CAB	5%	6%
Term	3%	2%	Others	5%	10%

Note 1: In terms of APE<sup>2</sup> among private sector players

Quarter 4		BSLI ₹ Crore	Full Year	
2015-16 (PY)	2016-17 (CY)		2015-16 (PY)	2016-17 (CY)
950	833	<b>First Year Premium (Gross)</b>	2,220	2,534
285	411	Individual	711	960
665	423	Group	1,509	1,574
1,066	1,064	<b>Renewal Premium (Gross)</b>	3,359	3,190
1,026	1,008	Individual	3,218	3,011
40	56	Group	141	178
2,016	1,898	<b>Premium Income (Gross)</b>	5,580	5,724
(74)	(84)	Less : Reinsurance ceded & Service tax	(268)	(290)
1,943	1,814	<b>Premium Income (Net)</b>	5,312	5,434

Note : Premium details are as per Indian GAAP

Quarter 4		BSLI ₹ Crore	Full Year	
2015-16 (PY)	2016-17 (CY)		2015-16 (PY)	2016-17 (CY)
1,613	1,712	<b>Revenue</b>	4,839	5,314
28	80	Earnings before tax	73	161
28	80	<b>Net Profit</b>	73	160
		<b>Assets under management</b>	31,145	35,004

Note 2: Annual Premium Equivalent (APE) = 100% of regular premium + 10% of single premium

# Birla Sun Life Asset Management Co. Ltd. (BSLAMC)

## Industry

- AAUM at an all time high of ₹ 18.3 trillion (35%↑ y-o-y)
  - Equity AUM rose by 40% to ₹ 5.9 trillion contributing to 35% of industry's AUM growth in past one year

## Birla Sun Life Asset Management

- Servicing 3.3 million unique customer folios through pan India reach of 145 branches, 83 national distributors & 35 banks tie up
  - Active IFAs grew y-o-y by 43% to ~ 12,500

## Fund Performance and Awards

- Based on 1 year returns, 92% of Equity AAUM & 81% of Debt/ Liquid AAUM are in top 2 quartiles (Mar'17) vis-à-vis peer group
- Birla Sun Life Frontline Equity Fund becomes the largest fund in Large Cap category with AUM of ~ ₹16,500 Cr.
- 9 funds of BSLAMC are now over a billion dollar each
- “Overall Fund House of the Year” – 2017 Thomson Reuters Lipper Award
- Won “Runner Up - Equity AMC of the Year” – Outlook Money Awards - 2016

₹ Crore	BSLAMC - Average AUM		
	Q4 FY16 (PY)	Q3FY17 (PQ)	Q4FY17 (CY)
Domestic Equity	31,891	43,440	49,914
Domestic Fixed Income	104,612	137,368	145,135
Offshore Assets	13,718	10,493	11,622
Alternate Assets	2,206	3,624	4,071
<b>Total AAUM</b>	<b>152,427</b>	<b>194,925</b>	<b>210,742</b>

Quarter 4		₹ Crore BSLAMC	Full Year	
2015-16 (PY)	2016-17 (CY)		2015-16 (PY)	2016-17 (CY)
182	275	Revenue (Fee Income)	765	968
78	92	Earnings before tax	354	384
49	66	Net Profit	231	260
830	1,026	Net Worth	830	1,026

# Other Financial Services

## > **Aditya Birla Insurance Brokers Ltd. (General insurance advisory)**

- In FY17, revenue rose by 25% to ₹ 121 Cr. and EBT increased by 20% to ₹ 39 Cr

## > **Aditya Birla Money (Broking and Online Money Management )**

- **Broking:** Focus on growing online volume and revenue, which contributed 18% of revenue (PY: 16%)
- **Online Money Management:** Growing revenues through broadening of product offerings

₹ Crore	Aditya Birla Insurance Brokers (General Insurance Broking)		Aditya Birla Money (Equity & Commodity Broking)		Aditya Birla Capital Advisors (Private Equity)	
	PY	CY	PY	CY	PY	CY
<b>Quarter 4</b>						
Revenue	20.4	26.3	28	33	4.9	3.3
Earnings before tax	1.0	2.4	(0.2)	2.9	1.7	(1.7)
Net Profit / (Loss)	0.0	1.8	(0.9)	2.9	1.2	(0.5)
<b>Full Year</b>						
Revenue	96.8	121.1	119	125	20.3	16.5
Earnings before tax	32.3	38.7	0.3	4.9	6.8	1.6
Net Profit / (Loss)	20.8	25.0	(0.4)	4.9	4.8	1.9

## Aditya Birla Housing Finance Ltd. (ABHFL)

- Targeting to add 15 new branches to reach to 36 markets (through 55 branches) by Mar '18 from current 34 markets (though 40 branches in 16 states)
- Long term debt accounts for ~ 67% of total debt
  - ➔ Exit cost of debt reduced y-o-y by 150 bps to 7.9%

Quarter 4		₹ Crore	Full Year	
2015-16 (PY)	2016-17 (CY)		2015-16 (PY)	2016-17 (CY)
40	93	Revenue	91	304
(8)	1	Earnings before tax	(26)	(10)
209	377	Net Worth	209	377
Closing Leverage (x) As per I GAAP			8.6x	10.2x

# Idea Cellular

- Base of 198 million VLR (active) subscribers provides Idea a unique platform for future growth in Mobile Voice, Wireless Data Services, Digital Content and Payment services

	Q4FY17	Y-o-Y Δ%
Idea's total Data Subscribers (Mn)	42.2	- 4%
- Of these 3G / 4G Data Subscribers (Mn)	24.7	+5%
- 3G / 4G Data Volume Usage (Bn MB)	104.2	+81%
- 3G / 4G data volume as % of total volume	82%	+1201 bps
VLR as % of reported Subscribers	101.4% (Feb'17)	Highest in industry
VAS as % of Service revenue (Q3)	24.9%	-340 bps

Quarter 4		₹ Crore (Consolidated Results)	Full Year	
2015-16 (PY)	2016-17 (CY)		2015-16 (PY)	2016-17 (CY)
9,478	8,126	Revenue	35,949	35,576
3,334	2,197	EBITDA	11,968	10,276
1,457	208	EBIT	5,712	2,449
452	(328)	Net Profit	2,728	(400)

## Merger Update

- The transaction is subject to approvals from relevant regulatory authorities & Idea's shareholders. Both have initiated necessary steps for approvals.
- A joint merger notification has been filled with the Competition Commission of India & and the scheme has been filled with SEBI & stock exchanges



- ◆ **Subdued consumer demand across the textiles value chain coupled with demonetisation impacted the business volumes**

- ◆ **Revenue de-grew to ₹ 1,277 Cr. (14% ↓ y-o-y)**

- ▶ Linen segment revenue is lower by 22%
  - Cheaper Chinese imports and price differential with alternate fibers led to further pressure on volumes and realisation in the linen yarn and fabric segments

- ▶ Wool segment revenue de-grew by 6%

- Sales volumes were also impacted due to unrest in J&K

- ◆ **EBITDA de-grew from ₹ 182 Cr. to ₹ 89 Cr.**

- ◆ **Strengthening the “Linen Club” fabric brand & expansion of retail channel will be key focus areas**

- ▶ Scaling up presence in linen apparels and blended fabrics

- ◆ **Expanding Linen yarn capacity by 19,040 spindles from current 3,400 MTPA to 6,200 MTPA in two phases at a total capex of ₹ 194 Cr. by Q2 FY18**

- ▶ Commercial production from Phase-I expansion [8,160 spindles] has started

- Capex of ₹ 155 Cr. has been incurred till Mar '17

- ▶ Substitution of imported yarn with own manufactured yarn will enhance margins

Quarter 4		₹ Crore	Full Year	
2015-16 (PY)	2016-17 (CY)		2015-16 (PY)	2016-17 (CY)
161	141	Linen Segment	763	597
168	194	Wool Segment	723	680
<b>329</b>	<b>335</b>	<b>Revenue</b>	<b>1,486</b>	<b>1,277</b>
<b>46</b>	<b>12</b>	<b>EBITDA</b>	<b>182</b>	<b>89</b>
38	4	Segment EBIT	151	56
436	507	Capital Employed	436	507
35	3	ROACE (Annualised) (%)	44	12

# Indo Gulf Fertilisers

- Manufacturing revenue at ₹ 1,879 Cr. de-grew on account of pass through of reduction in natural gas prices and lower urea volumes owing to annual maintenance shutdown from 17<sup>th</sup> Mar'17
- Trading revenue de-grew to ₹ 286 Cr. (7%↓ y-o-y) due to poor monsoon and demonetisation
- EBITDA is lower at ₹ 191 Cr. mainly due to lower trading sales volume and realisation
- Outstanding fertilisers subsidy at ₹ 778 Cr. (PY: ₹ 1,112 Cr.)
  - Received loan of ₹ 325 Cr. at subsidised rate of 1.75% p.a. under special banking arrangement (SBA) against outstanding fertiliser subsidy.
  - SBA loan was repaid in Apr '17 on realisation of subsidy
- Indo-Gulf has undertaken planned shutdown of urea & ammonia plants for 25 days starting from 17<sup>th</sup> Mar '17 for annual maintenance. The plants resumed operations on 10<sup>th</sup> Apr'17.

Quarter 4		₹ Crore	Full Year	
2015-16 (PY)	2016-17 (CY)		2015-16 (PY)	2016-17 (CY)
300	263	Manufactured Urea Sales ('000 MT)	1,196	1,179
<b>458</b>	<b>487</b>	<b>Revenue</b>	<b>2,504</b>	<b>2,165</b>
434	468	Manufacturing (Urea, Customised Fertilisers)	2,197	1,879
25	19	Trading (Fertilisers, Seeds, Agro-Chemicals)	306	286
<b>24</b>	<b>10</b>	<b>EBITDA</b>	<b>213</b>	<b>191</b>
14	1	Segment EBIT	178	154
1,523	1,205	Capital Employed	1,523	1,205
4	0	ROACE (Annualised) (%)	11	11

# Indian Rayon

- ◆ Sales volume in both VFY & Caustic Soda segments were marginally down due to impact of demonetisation during part of the year

- ◆ Revenue remained flat at ₹ 1,035 Cr.

- ◆ VFY segment revenue at ₹ 826 Cr.
  - Lower sales volume partly offset by higher realization driven by improved product mix
- ◆ Chemicals segment revenue at ₹ 208 Cr. led by higher caustic soda realisation

- ◆ EBITDA marginally de-grew to ₹ 259 Cr.

- ◆ Lower sales volumes partly offset by higher realisation in both the segments

- ◆ VFY Capacity expansion

- ◆ Added ~750 TPA at a capex of ₹ 48 Cr. (Incurred ₹ 27 Cr. till Mar'17).
  - Commercial production has started from Mar '17

- ◆ ROACE stands at 30% p.a.

Quarter 4		₹ Crore	Full Year	
2015-16 (PY)	2016-17 (CY)		2015-16 (PY)	2016-17 (CY)
		<b>VFY</b>		
5,171	4,897	Manufactured VFY Sales Volumes (MT)	20,412	19,833
213	212	Revenue (VFY & allied chemicals) (₹ Cr.)	826	826
		<b>Chemicals</b>		
21,211	19,369	Caustic Soda Sales Volume (MT) <sup>1</sup>	83,014	79,137
58	54	Revenue (₹ Cr.)	210	208
<b>271</b>	<b>265</b>	<b>Total Revenue</b>	<b>1,036</b>	<b>1,035</b>
<b>79</b>	<b>59</b>	<b>EBITDA</b>	<b>269</b>	<b>259</b>
67	45	Segment EBIT	226	210
720	706	Capital Employed	720	706
37	25	ROACE (Annualised) (%)	31	30

Note 1 : Including captive consumption and inter unit sale

# Aditya Birla Insulators

- Sluggish domestic demand due to lack of investments and poor financial health of state utilities impacted new projects
- Increased acceptance of alternate technologies (particularly composite insulators for transmission and GIS substations) continues to adversely impact demand for porcelain insulators
- Lower demand scenario led to squeeze in margin across segments pulling down the overall profitability
- In the backdrop of weak market condition, revenue of Aditya Birla Insulators de-grew y-o-y by 22% at ₹ 498 Cr and EBITDA de-grew from ₹ 116 Cr. to ₹ 52 Cr.
- Insulator demand is expected to improve in medium term with Central Electrical Authority targeting to add more transmission lines, dedicated transmission lines for renewable energy and increase in electrification over next 5 years by Railways.
- Focusing on diversifying order book, enhancing operational and cost efficiencies to improve market competitiveness

Quarter 4		₹ Crore	Full Year	
2015-16 (PY)	2016-17 (CY)		2015-16 (PY)	2016-17 (CY)
11,939	8,833	Sales Volumes (MT)	40,897	32,145
<b>179</b>	<b>137</b>	<b>Revenue</b>	<b>634</b>	<b>498</b>
<b>32</b>	<b>5</b>	<b>EBITDA</b>	<b>116</b>	<b>52</b>
27	<b>(4)</b>	Segment EBIT	99	29
412	359	Capital Employed	412	359
27	<b>(4)</b>	ROACE (Annualised) (%)	23	8

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