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## 'NBFC, housing finance to be among major contributors to the group'

Aditya Birla Nuvo's merger with Grasim Industries and the subsequent demerger of Aditya Birla Financial Services (ABFS) into a listed entity is expected to consolidate all financial services businesses of the group under one roof. **AJAY SRINIVASAN**, chief executive, ABFS, details the deal contours of the financial services business in an interaction with M Saraswathy. Edited excerpts:



**AJAY SRINIVASAN**  
Chief executive, Aditya Birla  
Financial Services

### **Once Aditya Birla Financial Services is listed after the demerger, what segments would be the biggest contributor to growth?**

I have said consistently that all businesses will grow under Aditya Birla Financial Services. Growth will be there across the platform. But, the non-banking financial company (NBFC) business will obviously be a large contributor. Housing finance will be a large contributor, as also asset management and insurance. Life insurance growth is coming back. These four will be the largest contributors.

### **How will this transaction benefit market participants? By when is it**



### **expected to be completed?**

For us, this was a good time to unlock value. It is a big opportunity which does not exist in the market. It will give the market an access to a wide array of diversified financial services which gives both breadth and scale. This transaction is expected to be completed by the fourth quarter of FY17 or

the first quarter of FY18.

### **Now that ABFS will be listed, could this be taken as a precursor of an initial public offering (IPO) for the life insurance business?**

ABFS will be listed, there is no plan to list the companies under it, including Birla Sun Life Insurance. There is no immediate move towards that.

### **With two large life insurers, HDFC Life and Max Life, set to merge, do you see any impact on your ranking?**

Birla Sun Life Insurance ranks fourth among private life insurers and we expect it to hold that ranking. We do not have a large bank partners like the other insurers, though we would distribute our insurance products through our payments bank.

### **Are you looking to enter the general insurance space as well?**

We already have Birla Sun Life Insurance and have recently received approval to roll out our standalone health insurance business under Aditya Birla Health Insurance, which through its differentiated products and solutions will be relevant to our target consumers. However, we are not planning to set up any separate general insurance company.