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Aditya Birla Cap to raise ₹1,250 crore

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MUMBAI

Aditya Birla Capital Ltd (ABCL), the holding company of the group's financial services business, on Thursday said it plans to raise ₹1,250 crore through a preferential issue of shares to its promoter and promoter group companies.

The shares will be sold to promoter Grasim Industries Ltd and promoter group entity Surya Kiran Investments Pte Ltd, according to an exchange filing. The fundraising is part of the company's plan to raise as much as ₹3,000 crore.

The funds raised, it said, will be used for augmenting capital, improving the solvency margin and leverage ratio, and meeting growth and funding requirements in one or more subsidiaries, associates or joint ventures engaged in certain businesses and technology, IT infrastructure and digital offering platforms.

On 11 May, ABCL announced that its board approved a fundraising of up to ₹3,000 crore. On Thursday, it said that the preferential issue would be done at ₹165.1 per share, including a premium of ₹155.1 per share. The preferential issue is subject to regulatory and statutory approvals, including the approval of ABCL's shareholders. Under the proposed plan, Grasim Industries Ltd will receive 60.6 million shares, for ₹1,000 crore, and Surya Kiran Investments Pte Ltd will be allotted 15.1 million shares valued at ₹250 crore.

Aditya Birla Capital said it would seek approval for the preferential issue during an extraordinary general meeting (EGM) on 24 June. As of 31 March, ABCL's aggregate assets under management (AUM) stood at approximately ₹3.6 trillion, and its total lending AUM was at ₹94,364 crore and a gross written premium of ₹17,787 crore in its life and health insurance businesses.