

<b>Publication:</b> The Economic Times	<b>Edition:</b> Ahmedabad, Kolkata, Mumbai, New Delhi
<b>Date:</b> April 17, 2024	<b>Page:</b> 10

**FORMS NEW ENTITY**  
**Aditya Birla Cap  
 Banks on New  
 App to Double  
 Customer Base**



**Our Bureau**

**Mumbai:** Aditya Birla Capital (ABCL), the non-banking finance company of the \$65 billion cement-to-fashion conglomerate plans to double its customer base in the next three years riding on a new digital application which will allow the company to lend, sell insurance and also offer payment solutions to customers.

The financial services company expects to add 30 million new customers in the next three years, tapping dealers, vendors, and distributors besides retail customers in its ecosystem, doubling its customer base from the current 35 million.

Chairman Kumar Mangalam Birla said the Aditya Birla Group will tap the 250 million customers across the group, its 250,000

**Aditya Birla Capital Digital is set up as a direct selling agent of ABCL earning fees and housed at arms-length basis and will operate the ABCD app**

MSME partners and also its 187,000-strong workforce as it seeks to expand its financial business through the Aditya Birla Capital Digital (ABCD) application housed under a wholly owned subsidiary of ABCL.

ABCD will be a separate entity at an arms-length basis acting like a direct selling agent of ABCL for which it will earn fees.

ABCL chief executive Vishakh Mulye said the digital application will provide a new engine for growth. "This is a large new engine which will help us grow at scale. We have 400,000 distributors and vendors and 800,000 points of sale. But so far each product was a separate company. Henceforth we have to work as a team. The launch of this application is a very important development in the context of the consolidation of lending companies for which we have already applied to RBI and are awaiting court procedures," Mulye said.

Last month, the company announced that Aditya Birla Finance, the lending subsidiary of the group, will be merged with its listed parent ABCL to comply with the Reserve Bank of India's scale-based regulations for NBFCs which mandate listing of non-bank lenders that feature in the RBI's so-called 'upper layer'.

# Birla targets top 3 spot in MF, lending, and life insurance

Aims to add 30 mn users in 3 years on back of new platform

**ABHIJIT LELE**  
Mumbai, 16 April

The Aditya Birla group (ABG) is looking to be among the top three players in the financial services business like lending, asset management (mutual funds), and life insurance. The cements-to-fashion conglomerate launched an omnichannel digital platform on Tuesday and is betting on it to add 30 million customers in three years, said Chairman Kumar Mangalam Birla.

Speaking at the launch of Aditya Birla Digital Capital (ABCD), Birla said the new direct-to-consumer platform will further help the group's financial services arm Aditya Birla Capital Ltd (ABCL) to acquire customers, especially from the younger generation, adding to its current 35 million user base.

"It will acquire customers digitally at scale, cross-sell and up-sell in a frictionless manner and become a full-stack financial services provider," Birla said, talking about the platform, which was built at a cost of about ₹100 crore and has over 400 team members from disciplines like technology, data analytics and distribution.

Aditya Birla Capital's shares closed at ₹203 a share on BSE on Tuesday.

## Growing competition

Apart from ABCL, Bajaj Finance and Tata Capital have launched an app to sell financial products and scaled up investments, while the latest entrant Mukesh

**“ IT (THE PLATFORM) WILL ACQUIRE CUSTOMERS DIGITALLY AT SCALE, CROSS-SELL AND UP-SELL IN A FRICTIONLESS MANNER AND BECOME A FULL-STACK FINANCIAL SERVICES PROVIDER”**

**KUMAR MANGALAM BIRLA**  
Chairman,  
Aditya Birla group



PHOTO: KAMLESH PEDNEKAR

Ambani-backed Jio Financial Services (JFS) is also planning to use Jio's digital infrastructure to sell financial products to investors. JFS's entry into mutual funds, wealth management, and stock broking has also led to the competition in the financial services space becoming intense. The Hinduja group is also betting on financial services with the acquisition of Reliance Capital, which had filed for bankruptcy.

Going forward, Birla said the financial services sector is expected to outpace India's gross domestic product (GDP) growth by two times in five years, and the three key components of financial services model - credit, investments, and insurance - are expected to grow at a compound annual growth rate (CAGR) of 19-21 per cent over three to five years.

"This performance will mirror the explosive growth potential expected in the

financial services sector over the next few years," Birla said.

The assets under management (AUM) of ABG's lending unit Aditya Birla Capital Finance has grown by about two times to over ₹1 trillion, propelling it to become the fourth largest diversified non-banking financial company (NBFC) in the country. Its housing finance loan portfolio has also witnessed growth of 27 per cent year-on-year (Y-o-Y), as on December 31, 2023. The total premium of life insurance business stood at ₹1,101 crore in the first 9 months of the financial year ended March 31, 2024 (FY24). The average AUM of the asset management company (AMC) unit was ₹3.11 trillion as of December quarter of FY24.

ABCD could tap into the ecosystem of businesses like cement with 150,000 dealers and retailers and the recently launched paints business with over 50,000 channel partners.

<b>Publication:</b> The Times of India	<b>Edition:</b> Ahmedabad, Chandigarh, Goa, Hyderabad, Jaipur, Mumbai, New Delhi, Pune
<b>Date:</b> April 17, 2024	<b>Page:</b> 15

# Birla eyes top three slots in financial services biz

TIMES NEWS NETWORK

**Mumbai:** Aditya Birla Group chairman **Kumar Mangalam Birla** has set an ambitious target for the financial services arm of the conglomerate to be among the top three players in each of its primary businesses — lending, asset management, insurance, and payments.



Birla said this during the launch of Aditya Birla Capital Digital's new direct-to-customer app platform. He said that the platform would add three crore new customers in three years, almost doubling the existing customer base from 3.5 crore.

Birla said that the group is now focusing on consumer-facing businesses. "The launch of new consumer-facing ventures marks the group's commitment to const-

tructing a growth platform characterised by a unique confluence of strength and breadth. Just last month, we launched our paints business, with an initial investment of Rs 10,000 crore. In a few months, we will launch our jewellery retail venture with an initial investment of Rs 5,000 crore," he said. Birla added that Aditya Birla Capital has emerged as a growth engine for the group.

These ambitious targets have been set at a time when other corporate groups, such as Reliance's Jio Financial, Bajaj Finance, Tata Capital, and L&T Financial Services, have set similar growth targets.

Vishaka Mulye, MD & CEO, Aditya Birla Capital, said the ABCDD2C platform offers 22 products, including core financial services and

ABCD's own offerings like portfolio consolidator. It also provides payment solutions for consumers and merchants. The platform aims to enhance Aditya Birla Capital's digital presence by acquiring customers digitally, enabling cross-selling and up-selling, and becoming a full-stack financial services provider.

The strategy to rope in three crore customers in three years includes providing value-added services on its payments platform. Users can make one UPI transaction using balances from multiple banks if there is a shortfall in one account. Customers can also complete their UPI transactions in low-network locations by phone call. The app also facilitates cross-border UPI payments enabled by the National Payments Corporation of India.



<b>Publication:</b> The Financial Express	<b>Edition:</b> Ahmedabad, Bangalore, Chandigarh, Chennai, Hyderabad, Kochi, Kolkata, Lucknow, Mumbai, New Delhi, Pune
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● **UPI, INSURANCE AMONG PRODUCTS OFFERED**

# Aditya Birla Capital targets 30 mn users with new fintech app

**Group sees its core businesses growing 19-21% in 3-5 years**

**PIYUSH SHUKLA**  
Mumbai, April 16

**ADITYA BIRLA CAPITAL** is targeting to onboard 30 million new customers with its new ABCD mobile application in the next three years, CEO Vishakha Mulye has said.

"Currently we have around 35 million customers across channels and we have set a target to add around 30 million new customers over next 3 years. The ABCD app will allow us to acquire customers at scale with the power of technology," Mulye said on Tuesday. The non-banking finance company (NBFC) has invested ₹100 crore in building the app, she added.

The ABCD app will offer 22 products and services, including UPI, online bill payments, loans, insurance and investments, among others. The NBFC claims to have developed the platform within 12 months using over 1,000 APIs, and over 5,000 screens. The app is available on Android and iOS platforms and will be housed under Aditya Birla Capital Digital, a wholly owned subsidiary of Aditya Birla Capital.

As of December 31, 2023, Aditya Birla Capital manages over ₹4.10 trillion in aggregate assets under man-

**VISHAKHA MULYE,**  
CEO, Aditya Birla Capital



THE ABCD APP WILL ALLOW US TO ACQUIRE CUSTOMERS AT SCALE WITH THE POWER OF TECHNOLOGY

**KUMAR MANGALAM BIRLA,**  
chairman, Aditya Birla Group



I AM CONFIDENT, THAT THIS PLATFORM WILL SERVE AS A GROWTH CATALYST ACROSS THE ABC AND ABG ECOSYSTEM

agement (AUM) across different businesses like loans, insurance and other investment services. Out of this, ₹1.5 trillion comes from its lending business, according to information posted on its website.

On March 11, 2024, Aditya Birla Capital announced merger of its subsidiary Aditya Birla Finance with itself for complying with the Reserve Bank of India's (RBI's) upper layer NBFC norms. The merger, subject to regulatory approvals, is likely to be completed in the next 12 months.

While ICICI Bank is the sole partner for UPI transactions for the ABCD app currently, the NBFC will onboard more UPI bank partners in days to come, officials said. Further, the NBFC is exploring onboarding Ananya Birla promoted Svatanttra Microfin's products on the app.

Kumar Mangalam Birla, chairman of the Aditya Birla Group, said

the ABCD platform will enable accelerated growth and allow the NBFC to take leadership position in the financial services space.

"I am confident, that this platform will serve as a growth catalyst across the ABC and ABG ecosystem, and the interplay between financial services stack and the group's diverse businesses will foster a win-win synergy for superior product innovation and unique value creation for all stakeholders," he said.

Overall, he said that Aditya Birla group's credit, investment and insurance businesses will likely grow at a CAGR of 19-21% in the next 3-5 years.

"The three leading components of our financial services model - credit, investment and insurance - are expected to grow at a CAGR of anywhere from 19-21% over the next three to five years," he added.