

## Aditya Birla Sun Life AMC Limited

November 28, 2024

Scheme Name	Scheme Type	Rating <sup>1</sup>	Rating Action
Aditya Birla Sun Life Liquid Fund	Open-ended liquid scheme	CARE A1+ mfs	Reaffirmed
Aditya Birla Sun Life Money Manager Fund	Open-ended debt scheme	CARE A1+ mfs	Reaffirmed
Aditya Birla Sun Life Overnight Fund	Open-ended debt scheme	CARE A1+ mfs	Reaffirmed

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) has reaffirmed the credit quality rating assigned to Aditya Birla Sun Life Liquid Fund, Aditya Birla Sun Life Money Manager Fund and Aditya Birla Sun Life Overnight Fund. These funds are managed by Aditya Birla Sun Life AMC Limited (ABSLAMC).

The schemes rated 'CARE A1+ mfs' are considered to have a very strong degree of safety regarding the timely receipt of payments from the investments that they have made.

CARE Ratings' fund credit quality rating (CQR) is an opinion on the overall credit quality of the debt mutual fund scheme. CARE Ratings' fund CQR is not a recommendation to purchase, sell, or hold a security or fund. They comment neither on the current market price, suitability for a particular investor, nor on the prospective performance of the fund with respect to appreciation, volatility of net asset value (NAV), or yield of the fund. The ratings do not address the fund's ability to meet the payment obligations to the investors.

The ratings are not an opinion on the fund management practices (including fund structure, expense ratios, and marketing activities), financial performance as well as management quality of an asset management company (AMC), and hence, do not comment upon the business practices. The ratings are also not indicative of compliance and reputation risks, liquidity, market and sectoral risks.

The rating captures the fund's overall exposure to default risk based on the credit quality of individual securities in the portfolio. CARE Ratings' fund CQR is based on the evaluation of the fund's stated investment strategy and portfolio credit risk. It also involves the evaluation of the credit quality of individual securities as well as the diversification of portfolio. CARE Ratings Limited (CARE Ratings) uses the concept of credit scores assigned to individual securities, as per the credit scoring matrix developed by it.

### Rating sensitivities: Factors that could individually or collectively lead to rating actions

**Positive factors:** Not applicable

### Negative factors:

CARE Ratings could downgrade the ratings of the schemes if the credit quality of the underlying securities deteriorates thereby resulting into a breach in the threshold limit set by CARE Ratings for a given rating level.

### Analytical approach

Assessment of underlying credit quality of the debt schemes.

### Detailed description of key rating drivers

**Adherence to credit score threshold** - The credit score of the above schemes has been calculated on the basis of portfolio outstanding as on October 31, 2024, and are within the benchmark set by CARE Ratings.

CARE Ratings reviews the rating of mutual fund schemes on an ongoing basis to support its published rating opinions. As such, portfolio of the fund is reviewed on a monthly basis. In addition, a detailed annual review of the fund is also undertaken. The fund has to maintain the fund credit score within the benchmark fund score associated with a given rating level. If in any particular month, the fund credit score breaches the benchmark, CARE Ratings generally provides a curing period of one month to the AMC to correct the situation and realign the score. If the fund credit score is not corrected within the curing period, CARE Ratings would consider revising the rating.

### Applicable criteria

[CARE Ratings' fund credit quality rating criteria](#)

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ltd.'s publications.

## About the funds

### Aditya Birla Sun Life Liquid Fund

Aditya Birla Sun Life Liquid Fund is an open-ended liquid scheme launched on June 1997. Investment objective of the scheme is to provide reasonable returns at a high level of safety and liquidity through judicious investments in high quality debt and money market instruments. The Scheme does not guarantee/indicate any returns. There is no assurance that the schemes' objectives will be achieved. The fund's assets under management (AUM) stood at ₹48,377 crore as on October 31, 2024.

### Aditya Birla Sun Life Money Manager Fund

Aditya Birla Sun Life Money Manager Fund is an open-ended debt scheme launched on June 2003. Investment objective of the scheme is to generate regular income through investments in a portfolio comprising money market instruments. The Scheme does not guarantee/indicate any returns. There is no assurance that the schemes' objectives will be achieved. The fund's assets under management (AUM) stood at ₹26,348 crore as on October 31, 2024.

### Aditya Birla Sun Life Overnight Fund

Aditya Birla Sun Life Overnight Fund is an open-ended debt scheme launched on November 2018. Investment objective of the scheme is to generate reasonable income through investments in debt securities, Money Market Instruments & Tri-party Repo having maturity of 1 day. The Scheme does not guarantee/indicate any returns. There is no assurance that the schemes' objectives will be achieved. The fund's assets under management (AUM) stood at ₹6,478 crore as on October 31, 2024.

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Capital markets	Asset management company

Established in 1994, Aditya Birla Sun Life AMC Limited (ABSLAMC) is co-owned and backed by Aditya Birla Capital Limited and Sun Life (India) AMC Investments Inc. ABSLAMC is primarily the investment manager of Aditya Birla Sun Life Mutual Fund. ABCL holds a 45.14% stake while Sun life holds a 30.18% stake in ABSL AMC limited as on March 31, 2024. The AMC reported average mutual fund assets under management (AAUM) at ₹ 3,83,309 crore (excluding fund of funds domestic but including fund of funds – overseas) for the quarter ended September 30, 2024.

**Status of non-cooperation with previous CRA:** Not applicable

### Any other information:

#### Disclosure of Interest of Independent/Non-Executive Directors of CARE Ratings Limited

Name of Director	Designation of Director
Najib Shah	Chairman, Non-Executive Independent Director

Najib Shah, who is a Chairman and Independent Director on the Board of Aditya Birla Sun Life Trustee Private Limited is the Chairman, Non - Executive Independent Director of CARE Ratings. Chairman, Non-executive Independent Directors of CARE Ratings are not a part of CARE Ratings' Rating Committee and do not participate in the rating process.

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instruments/facilities:** Not applicable

**Complexity level of instruments rated:** Annexure-3

**Lender details:** Not applicable

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Aditya Birla Sun Life Liquid Fund	-	-	-	-	-	CARE A1+mfs
Aditya Birla Sun Life Money Manager Fund	-	-	-	-	-	CARE A1+mfs
Aditya Birla Sun Life Overnight Fund	-	-	-	-	-	CARE A1+mfs

**Annexure-2: Rating history for last three years**

Sr. No.	Name of Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1.	Aditya Birla Sun Life Liquid Fund	Open-ended liquid scheme – ST	-	CARE A1+mfs	-	1) CARE A1+mfs (18-Dec-2023)	1) CARE A1+mfs (26-Dec-2022)	-
2.	Aditya Birla Sun Life Money Manager Fund	Open-ended debt scheme – ST	-	CARE A1+mfs	-	1) CARE A1+mfs (18-Dec-2023)	1) CARE A1+mfs (26-Dec-2022)	-
3.	Aditya Birla Sun Life Overnight Fund	Open-ended debt scheme – ST	-	CARE A1+mfs	-	1) CARE A1+mfs (18-Dec-2023)	1) CARE A1+mfs (26-Dec-2022)	-

ST: Short term

**Annexure-3: Complexity level of instruments rated**

Sr. No.	Name of Instrument	Complexity Level
1	Credit Quality Rating	Simple

**Note on complexity levels of rated instruments:** CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for clarifications.

## Contact us

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### About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

### Disclaimer:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

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