

Ref. No. AAVAS/SEC/2022-23/840

Date: February 02, 2023

To, The National Stock Exchange of India Limited The Listing Department Exchange Plaza, Bandra Kurla Complex, Mumbai – 400051	To, BSE Limited Dept. of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001
Scrip Symbol: AAVAS	Scrip Code: 541988

Dear Sir/Madam,

**Sub: Investor Release on the Financial and Operational Performance of the Company
for quarter ended December 31, 2022**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Investor Release on the Financial and Operational performance of the Company for the quarter ended December 31, 2022.

This Investor Release may also be accessed on the website of the company at www.aavas.in

This is for your information and record.

Thanking You,

FOR AAVAS FINANCIERS LIMITED

**SHARAD PATHAK
COMPANY SECRETARY & COMPLIANCE OFFICER
(FCS-9587)**

Enclosed: a/a

Aavas Financiers Limited

9M FY23 Results

- **AUM of Rs. 130,887 Mn; Growth of 23.3% YoY** (26% growth without impact of subsidy)
- **PAT at Rs. 3035 Mn; Growth of 26% YoY**
- **Gross Stage 3 at 1.13%** (includes 0.19% of upto 90 DPD assets)
- **ROA at 3.43%; Increased by 6 bps YoY**
- **Sufficient Liquidity of Rs. 27,882 Mn**
- **Positive ALM & Strong Capital Base**

Investor Release: 2nd Feb 2023, Jaipur

Aavas Financiers Limited has declared Un-audited Financial Results for the quarter ended 31st Dec 2022.

Key Performance Metrics for 9M FY23:

Particulars (Rs. Mn)	9M FY23	9M FY22	Y-o-Y
AUM	130,887	106,126	23.3%*
Disbursements	34,428	23,150	48.7%
PAT (incl. Other Comprehensive Income)	3035	2413	26%
Gross Stage 3 a (DPD <= 90) (%)	0.19%**	0.89%	Decreased by 70 bps
Gross Stage 3 b (DPD > 90) (%)	0.94%	0.83%	Increased by 11 bps
ROA (%)	3.43%	3.37%	Increased by 6 bps
Active Loan Accounts (No.)	175,001	141,311	24%
NIMs (incl. Fee & Other Income)	8.23%	8.11%	Increased by 12 bps

* AUM has an impact of subsidy received Rs 290 Cr since Dec21 (PY 9M 44 Cr), AUM growth excluding subsidy impact is 26%.

** Upto 90 DPD assets categorized as GNPA/Gross Stage 3 on account of RBI notification dated 12-Nov-21

Performance Highlights:

- AUM as on 31st Dec 2022 is Rs. 130,887 Mn of which
 - Home Loans contributed 70.1%
 - Other Mortgage Loans contributed 29.9%
- The total number of branches stands at 321 as on 31st Dec 2022
- Gross Stage 3 is 1.13% comprising 0.94% of above 90 DPD assets & 0.19% of upto 90 DPD assets (categorized as GNPA/Gross Stage 3 on account of RBI notification) and Net Stage 3 is 0.87%
- 86.5% of our borrowings are from Term Loans, Assignment and NHB Refinancing. 13.5% of our borrowings are from debt capital market (of which 78.2% is from development finance institutions like IFC, CDC & ADB), with no borrowings by way of Commercial Papers.
- The Company has a Networth of Rs. 31,489 Mn as on 31st Dec 2022

Commenting on the performance Mr. Sushil Kumar Agarwal, Managing Director said:

“Dear All,

Despite the rising interest rates, we have witnessed increased demand in affordable housing space. Our focused approach, deep presence and customer centricity have enabled us to achieve a sturdy disbursement growth of 48.7% YoY which stood at Rs. 34,428 Mn for 9M FY23.

We are enhancing the technological upgradation systems for LOS, LMS, and ERP through best-in-class systems like Sales Force, Oracle Flexcube and Oracle Fusion. The company has rolled out its first pilot phase of the LOS system (Sales Force) in the month of Jan-23 and the same is expected to be completed by end of FY23.

Aavas continues to deepen its distribution network through a combination of venturing into newer states as well as increasing its presence in the existing states. The Company has strengthened its branch network to 321 branches, adding 7 branches in 9M FY23 and expected to add another 20-25 branches in Q4 FY23.

Through our prudent underwriting and vigorous collection efforts, 1 day pass due (1+DPD) is further improved to 4.05% for Dec-22 as against 4.45% for Sept-22. Gross Stage 3 assets stood at 1.13% for Dec-22 where the Company has categorized 0.19% of assets with DPD up to 90 as Gross Stage 3 following RBI’s notification dated 12th November 2021 to harmonize IRACP norms. Additionally, the Company has stopped recognizing ‘Assets Held for Sale’ under SARFAESI and marked them as NPA after Mar22, amounting to Rs 28 Cr which has an impact of 0.26% on above stated Gross Stage 3 assets.

The company is well capitalized with CRAR of 49.5% as of Dec-22 and sufficient balance sheet liquidity of Rs. 27,882 Mn in the form of cash & cash equivalents and unavailed sanctions. The incremental borrowing during 9M FY23 stood at Rs. 31,815 Mn borrowed at a rate of 6.84%. A further increase in 35 bps in PLR has been taken wef 5th Jan 2023.

*Lastly, I am happy to announce that Aavas has taken a collaborative initiative with International Finance Corporation (“IFC”) in successfully achieving EDGE certification of first lot of affordable Green Self Built Homes. This is the **first-ever pilot project by IFC and EDGE in collaboration with Aavas** for self-built Green homes **not just in India but at a global level**, marking a significant turning point in the history of construction as well as affordable housing finance space. Our continued focus on sustainable expansion has led us to not just maintain, but also improve our growth, operating and asset quality metrics even as our business scales new heights.*

About Aavas Financiers Limited

Aavas Financiers Limited (formerly known as Au Housing Finance Limited), incorporated in 2011 in Jaipur is a retail, affordable housing finance company, primarily serving low and middle income self-employed customers in semi-urban and rural areas in India. A majority of our customers have limited access to formal banking credit. The Company's product offering consists of home loans for the purchase or construction of residential properties, and for the extension and repair of existing housing units. The Company has in-house execution model leading to superior business outcomes.

Safe Harbor Statement

This document may contain forward-looking statements about the Company, which are based on the beliefs, opinions and expectations of the Company's management as the date of this press release and the companies do not assume any obligation to update their forward looking statements if those beliefs, opinions, expectations, or other circumstances should change, These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. Consequently, readers should not place any undue reliance on such forward-looking statements.

For more Information, please contact:

Aavas Financiers Limited

CIN: L65922RJ2011PLC034297

Mr. Ghanshyam Gupta

Email: investorrelations@aavas.in

Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285