

**Ref. No. AAVAS/SEC/2021-22/119**

**Date: April 29, 2021**

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|--|--|
| <b>To,</b><br><b>The National Stock Exchange of India Limited</b><br><b>The Listing Department</b><br><b>Exchange Plaza,</b><br><b>Bandra Kurla Complex,</b><br><b>Mumbai - 400051</b> | <b>To,</b><br><b>BSE Limited</b><br><b>Dept of Corporate Services</b><br><b>Phiroze Jeejeebhoy Towers,</b><br><b>Dalal Street, Fort,</b><br><b>Mumbai - 400001</b> |
| <b>Scrip Symbol: AAVAS</b>   | <b>Scrip Code: 541988</b>  |

Dear Sir/Madam,

**Subject: Outcome of the Board Meeting held on Thursday, April 29, 2021**

Pursuant to applicable provisions of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), this is to inform you that the Board of Directors of the Company at its Meeting held on Thursday, April 29, 2021 has *inter-alia*, considered and approved the following:

1. Audited Financial (Standalone and Consolidated) Results of the Company for the quarter and year ended on March 31, 2021 and took note of the Audit Report thereon, submitted by Statutory Auditors, S.R. BATLIBOI & ASSOCIATES LLP, Chartered Accountants (enclosed).
2. To offer, issue and allot in one or more tranches, Non-convertible Debentures (NCDs) including but not limited to subordinate debentures, bonds, and/or other debt securities for an amount not exceeding Rs. 4000 crore (Rupees Four thousand crore only) through private placement, in terms of Section 42 read with Section 71 of the Companies Act, 2013 ("Act") read with relevant rules made thereunder and the Listing Regulations, subject to the approval of the Shareholders in the General Meeting.
3. Re-appointment of Mr. Sandeep Tandon-Independent Director of the Company as Chairperson of the Board of Directors with effect from conclusion of 11<sup>th</sup> Annual General Meeting of the Company to be held for FY 2020-21 in this calendar year till the conclusion of 12<sup>th</sup> Annual General Meeting of the Company to be held for FY 2021-22 in calendar year 2022.
4. Re-appointment of Mrs. Kalpana Iyer (DIN: 01874130) as an Independent Director of the Company not liable to retire by rotation, to hold office for a second term of 5 consecutive years effective from June 23, 2021, subject to approval of Members in ensuing Annual General Meeting. Pursuant to SEBI circular CIR/CFD/CMD/4/2015 dated September 09, 2015, details are enclosed herewith as Annexure "A".
5. Appointment of M/s. Chandrasekaran Associates, Practicing Company Secretaries as Secretarial Auditors of the Company for the Financial Year 2021-22.





Annexure "A"

Details as per SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015 relating to the appointment/Re-appointment of Directors / Key Managerial Personnel of the Company

| S. No. | Disclosure Requirements on event   | Information on such Event   |
|--------|--|---|
| 1      | Reason of Change   | <p>This is to be informed that Mrs. Kalpana Iyer was appointed as an Independent Director of the Company with effect from June 23, 2016 for the period of 5 years and aforesaid term of 5 years is completing on June 22, 2021.</p> <p>The Board of the Company has approved Re-appointment of Mrs. Kalpana Iyer (DIN: 01874130) as an Independent Director of the Company not liable to retire by rotation, to hold office for a second term of 5 consecutive years effective from June 23, 2021, subject to approval of Members in ensuing Annual General Meeting.</p>  |
| 2      | Date of Appointment & Term of Appointment                                    | <p>Re-appointment with effect from June 23, 2021, subject to approval of shareholder.</p> <p><b>Term:</b> The tenure of the re-appointment will be for the period of 5 (five) years w.e.f June 23, 2021.</p>  |
| 3      | Brief Profile  | <p>Mrs. Kalpana Iyer is Managing Director of Svakarma Finance Private Limited. She is having more than 25 years of experience in the field of Banking and Finance. Mrs. Iyer was previously associated with Citibank N.A., India as its Senior Vice-President, during which she was responsible for women's banking and microfinance. She has also been part of Indian Institute of Management's (IIM) study on Women on Boards in India in collaboration with Federation of Indian Chambers of Commerce and Industry (FICCI). She has also previously held the position of Director at IncValue Advisors Private Limited and Positron Advisory Services.</p> |
| 4      | Disclosure of Interest between Director (In case of appointment of Director) | <p>Mrs. Kalpana Iyer has no relationship with any of the Board Members of the Company as on the date of intimation.</p>   |



AAVAS FINANCIERS LIMITED

(Formerly known as "Au HOUSING FINANCE LIMITED")

An ISO 9001: 2015 Certified Company | CIN NO.: L65922RJ2011PLC034297

Regd. & Corp. Office: 201-202, 2nd Floor, Southend Square,

Mansarovar Industrial Area, Jaipur-302020

Tel: +91 141 661 8888 | E-Mail: info@avas.in, Website: www.avas.in



AAVAS

Further, please also find enclosed herewith the following:

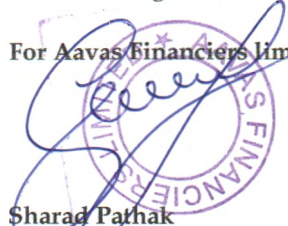
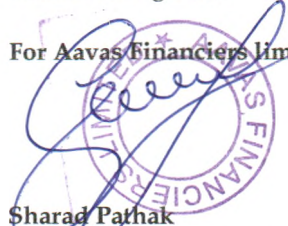
- i. Declaration in respect of Audit Report with unmodified opinion with respect to the aforesaid Audited Financial (Standalone and Consolidated) Results for the quarter and year ended March 31, 2021.
- ii. Disclosures pursuant to Regulation 52(4) of the Listing Regulations;
- iii. Statement pursuant to Regulation 52(7) of the Listing Regulations.

Please note that the said Board Meeting commenced at 12:03 p.m. (IST) and concluded at 12:57 p.m. (IST).

You are requested to take the same on your record.

Thanks & Regards,

For Aavas Financiers Limited



Sharad Pathak  
Company Secretary & Compliance Officer  
(FCS-9587)

Enclosed: a/a

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Regd. & Corp. Office: 201-202, 2nd Floor, Southend Square,  
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Tel: +91 141 661 8888 | E-Mail: info@aavas.in, Website: www.aavas.in





**Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of Aavas Financiers Limited Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
The Board of Directors of  
Aavas Financiers Limited,

**Report on the audit of the Standalone Financial Results****Opinion**

We have audited the accompanying statement of Standalone quarterly financial results and year to date standalone financial results of Aavas Financiers Limited (the "Company") for the quarter ended March 31, 2021 and for the year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2021 and for the year ended March 31, 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to Note 7 to the Statement, which describes the extent to which the COVID-19 pandemic will impact the Company's operations and its financial metrics including the expected credit loss on financial assets which are dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

**Management's Responsibilities for the Standalone Financial Results**

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively





for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

*Sarvesh Warty*

per Sarvesh Warty

Partner

Membership No.: 121411

UDIN: 21121411AAAADD6001

Mumbai

April 29, 2021





**AAVAS FINANCIERS LIMITED**  
(CIN: L65922RJ2011PLC034297)  
Statement of standalone financial results for the quarter and year ended March 31, 2021

| Particulars  | Quarter ended               |                  |                             | Year ended         |                  |
|--|-----------------------------|------------------|-----------------------------|--------------------|------------------|
|  | 31.03.2021                  | 31.12.2020       | 31.03.2020                  | 31.03.2021         | 31.03.2020       |
|  | (Audited)<br>(refer note 2) | (Unaudited)      | (Audited)<br>(refer note 2) | (Audited)          | (Audited)        |
| <b>I Revenue from operations</b>   |                             |                  |                             |                    |                  |
| Interest income  | 24,688.19                   | 25,773.98        | 21,478.75                   | 97,639.40          | 78,642.51        |
| Fees and commission income   | 1,395.86                    | 1,075.55         | 970.82                      | 3,655.37           | 3,327.60         |
| Gain on derecognition of financial instruments under amortised cost category | 2,738.16                    | 4,053.22         | 891.58                      | 8,635.53           | 7,658.88         |
| Net gain on fair value changes   | 108.71                      | 91.48            | 94.65                       | 387.16             | 600.43           |
| <b>Total revenue from operations</b>   | <b>28,940.92</b>            | <b>30,994.23</b> | <b>23,435.80</b>            | <b>1,10,317.46</b> | <b>90,229.42</b> |
| <b>II Other Income</b>   | <b>188.33</b>               | <b>10.20</b>     | <b>65.33</b>                | <b>216.05</b>      | <b>79.99</b>     |
| <b>III Total Income (I+II)</b>   | <b>29,129.25</b>            | <b>31,004.43</b> | <b>23,501.13</b>            | <b>1,10,533.51</b> | <b>90,309.41</b> |
| <b>IV Expenses</b>   |                             |                  |                             |                    |                  |
| Finance costs  | 11,516.69                   | 11,689.02        | 9,740.33                    | 45,824.27          | 35,607.15        |
| Fees and commission expense  | 99.82                       | 230.16           | 9.80                        | 618.46             | 490.05           |
| Impairment on financial instruments  | 696.32                      | 1,616.36         | 626.60                      | 3,713.86           | 1,533.78         |
| Employee benefits expense  | 5,001.85                    | 4,311.10         | 4,250.26                    | 17,213.61          | 14,707.45        |
| Depreciation, amortization and impairment                                    | 941.89                      | 530.64           | 554.92                      | 2,060.37           | 1,956.13         |
| Other expenses   | 1,774.28                    | 1,585.94         | 1,682.16                    | 5,770.00           | 5,910.18         |
| <b>Total expenses (IV)</b>   | <b>19,630.85</b>            | <b>19,953.22</b> | <b>16,864.07</b>            | <b>75,200.57</b>   | <b>60,104.74</b> |
| <b>V Profit before tax (III-IV)</b>  | <b>9,498.40</b>             | <b>11,051.21</b> | <b>6,637.06</b>             | <b>35,332.94</b>   | <b>30,204.67</b> |
| <b>VI Tax expense:</b>   |                             |                  |                             |                    |                  |
| (1) Current tax  | 747.81                      | 2,121.61         | 1,269.15                    | 6,701.45           | 6,397.21         |
| (2) Deferred tax expense/(credit)  | (10.42)                     | 367.57           | (625.44)                    | (318.03)           | (1,104.63)       |
| <b>Total tax expense (VI)</b>  | <b>737.39</b>               | <b>2,489.18</b>  | <b>643.71</b>               | <b>6,383.42</b>    | <b>5,292.58</b>  |
| <b>VII Profit for the year (V-VI)</b>  | <b>8,761.01</b>             | <b>8,562.03</b>  | <b>5,993.35</b>             | <b>28,949.52</b>   | <b>24,912.09</b> |
| <b>Other comprehensive income</b>  |                             |                  |                             |                    |                  |
| a) Items that will not be reclassified to profit or loss                     |                             |                  |                             |                    |                  |
| Remeasurements of defined benefit liability                                  | 63.32                       | -                | (15.88)                     | 111.45             | (6.97)           |
| Income Tax Effect  | (15.94)                     | -                | 4.00                        | (28.05)            | 1.75             |
| b) Items that will be reclassified to profit or loss                         |                             |                  |                             |                    |                  |
| <b>VIII Other comprehensive income, net of income tax</b>                    | <b>47.38</b>                | <b>-</b>         | <b>(11.88)</b>              | <b>83.40</b>       | <b>(5.22)</b>    |
| <b>IX Total comprehensive income for the year (VII+VIII)</b>                 | <b>8,808.39</b>             | <b>8,562.03</b>  | <b>5,981.47</b>             | <b>29,032.92</b>   | <b>24,906.87</b> |
| <b>X Earnings per equity share (EPS for the quarters are not annualised)</b> |                             |                  |                             |                    |                  |
| Basic (Amount in INR)  | 11.17                       | 10.92            | 7.65                        | 36.94              | 31.86            |
| Diluted (Amount in INR)  | 11.08                       | 10.83            | 7.58                        | 36.62              | 31.69            |
| Face value per share (Amount in INR)   | 10.00                       | 10.00            | 10.00                       | 10.00              | 10.00            |

*Sushil K. Agrawal*



**AAVAS FINANCIERS LIMITED**  
(CIN: L65922RJ2011PLC034297)  
**Statement of standalone financial results for the quarter and year ended March 31, 2021**

**Notes to the financial results :**

- The financial results have been prepared in accordance with applicable accounting standards prescribed under section 133 of Companies Act, 2013 read with (Indian Accounting Standard) Rules, 2015 (Ind AS), as amended from time to time, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations")
- The figures for the last quarter are balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures upto the third quarter of the financial year.

| Particulars   | (INR in Lakh)           |                         |
|---|-------------------------|-------------------------|
|   | As at                   |                         |
|   | 31.03.2021<br>(Audited) | 31.03.2020<br>(Audited) |
| <b>ASSETS</b>   |                         |                         |
| <b>Financial assets</b>   |                         |                         |
| Cash and cash equivalents   | 2,189.12                | 35,022.40               |
| Other bank balance  | 1,09,907.11             | 84,183.13               |
| Loans   | 7,52,328.63             | 6,18,079.83             |
| Investments   | 450.00                  | 450.00                  |
| Other financial assets  | 22,504.91               | 18,136.68               |
| <b>Sub-total - Financial Assets</b>   | <b>8,87,479.77</b>      | <b>7,55,872.04</b>      |
| <b>Non-financial assets</b>   |                         |                         |
| Current tax assets (net)  | 90.45                   | 1,438.03                |
| Property, plant and equipment   | 2,506.66                | 2,699.83                |
| Capital work-in-progress  | -                       | 30.99                   |
| Intangible assets under development   | 40.54                   | 39.90                   |
| Other intangible assets   | 345.56                  | 414.84                  |
| Right-of-use assets   | 2,973.70                | 2,874.20                |
| Other non-financial assets  | 728.44                  | 629.73                  |
| <b>Sub-total - Non-financial Assets</b>   | <b>6,685.35</b>         | <b>8,127.52</b>         |
| <b>Assets held for sale</b>   | <b>1,839.58</b>         | <b>1,705.37</b>         |
| <b>Total Assets</b>   | <b>8,96,004.70</b>      | <b>7,65,704.93</b>      |
| <b>LIABILITIES AND EQUITY</b>   |                         |                         |
| <b>LIABILITIES</b>  |                         |                         |
| <b>Financial liabilities</b>  |                         |                         |
| Payables  |                         |                         |
| Trade payables  |                         |                         |
| (i) total outstanding dues of micro enterprises and small enterprises                       |                         |                         |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 784.31                  | 1,737.64                |
| Debt securities   | 1,46,466.15             | 1,16,846.54             |
| Borrowings (other than Debt Securities)   | 4,78,102.49             | 4,08,391.46             |
| Subordinated liabilities  | 9,973.65                | 9,965.61                |
| Lease liabilities   | 3,229.82                | 3,012.91                |
| Other financial liabilities   | 13,486.63               | 10,694.78               |
| <b>Sub-total - Financial Liabilities</b>  | <b>6,51,543.05</b>      | <b>5,50,648.88</b>      |
| <b>Non-financial liabilities</b>  |                         |                         |
| Provisions  | 372.40                  | 728.11                  |
| Deferred tax liabilities (net)  | 2,852.27                | 3,170.30                |
| Other non-financial liabilities   | 1,096.50                | 1,364.27                |
| <b>Sub-total - Non-financial Liabilities</b>  | <b>4,321.17</b>         | <b>5,262.68</b>         |
| <b>Equity</b>   |                         |                         |
| Equity share capital  | 7,850.46                | 7,832.27                |
| Other equity  | 2,32,290.02             | 2,01,961.10             |
| <b>Sub-total - Equity</b>   | <b>2,40,140.48</b>      | <b>2,09,793.37</b>      |
| <b>Total Liabilities and Equity</b>   | <b>8,96,004.70</b>      | <b>7,65,704.93</b>      |

*Exhibit to Form 3*





**AAVAS FINANCIERS LIMITED**  
(CIN: 165922RJ2011PLC034297)  
Statement of standalone financial results for the quarter and year ended March 31, 2021

| Particulars   | (INR in Lakh)        |                      |
|---|----------------------|----------------------|
|   | Year ended           |                      |
|   | 31.03.2021           | 31.03.2020           |
|   | (Audited)            | (Audited)            |
| <b>Cash flow from operating activities:</b>   |                      |                      |
| Net profit before tax as per statement of profit and loss   | 35,332.94            | 30,204.67            |
| Adjustments for   |                      |                      |
| Depreciation and amortisation of PPE and right of use assets                                      | 2,060.37             | 1,956.13             |
| Interest on lease liabilities   | 217.95               | 249.58               |
| Net gain on derecognition on assigned loans   | (2,150.55)           | (2,154.54)           |
| Provision for expected credit loss (ECL)  | 3,713.86             | 1,533.78             |
| Provision for employee benefits   | 305.47               | 281.30               |
| Derivative mark to market gain  | -                    | (3.23)               |
| Provision for CSR expenditure   | -                    | 17.28                |
| Share based payments  | 850.84               | 647.14               |
| <b>Operating profit before working capital changes</b>  | <b>40,330.88</b>     | <b>32,732.11</b>     |
| <b>Changes in working capital</b>   |                      |                      |
| Increase in loans   | (1,37,099.87)        | (1,46,461.03)        |
| Increase in financial and other assets  | (5,350.48)           | (2,078.85)           |
| Increase in financial and other liabilities   | 668.65               | 4,708.25             |
| <b>Total of changes in working capital</b>  | <b>(1,41,981.70)</b> | <b>(1,43,831.63)</b> |
| Direct taxes paid   | (5,419.64)           | (6,126.03)           |
| <b>Net cash flow used in operating activities (A)</b>   | <b>(1,07,070.46)</b> | <b>(1,17,225.59)</b> |
| <b>Cash flow from investing activities:</b>   |                      |                      |
| Inflow (outflow) on account of :  |                      |                      |
| Investment in fixed deposits  | (25,723.98)          | (32,234.53)          |
| Purchase of Property, plant and equipment (including capital work-in progress)/ intangible assets | (829.17)             | (1,954.17)           |
| Sale of Property, plant and equipment   | 31.33                | 14.43                |
| <b>Net cash flow used in investing activities (B)</b>   | <b>(26,521.82)</b>   | <b>(34,174.27)</b>   |
| <b>Cash flow from financing activities:</b>   |                      |                      |
| Issue of equity shares (including share premium)  | 466.54               | 547.42               |
| Share / debenture issue expenses  | (73.47)              | (908.10)             |
| Proceeds from borrowings  | 2,35,184.87          | 2,36,122.26          |
| Repayment of borrowings   | (1,33,688.76)        | (64,283.89)          |
| Repayment of lease liabilities  | (1,130.18)           | (1,021.70)           |
| <b>Net Cash flow from financing activities (C)</b>  | <b>1,00,759.00</b>   | <b>1,70,456.00</b>   |
| <b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>                               | <b>(32,833.28)</b>   | <b>19,056.18</b>     |
| Cash and cash equivalents as at the beginning of the year   | 85,022.40            | 15,966.22            |
| <b>Cash and cash equivalents at the end of the year</b>   | <b>2,189.12</b>      | <b>35,022.40</b>     |
| <b>Operational Cash Flow from Interest</b>  |                      |                      |
| Interest Received   | 94,268.99            | 75,657.63            |
| Interest Paid   | (39,957.99)          | (30,189.46)          |

*Sidhi K. Jangra*



**AAVAS FINANCIERS LIMITED**  
(CIN: I65922RJ2011PLC034297)  
**Statement of standalone financial results for the quarter and year ended March 31, 2021**

- 5 The above results for the year ended March 31, 2021 have been audited by the Statutory Auditors of the Company and have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on April 29, 2021.
- 6 The Company has allotted 1,15,784 and 66,106 equity shares to eligible employees under Employee stock Option Plan (ESOP) 2016 at a price of INR 215.25 and INR 328 per equity share at premium of INR 205.25 and INR 318 per equity share respectively.
- 7 COVID-19 pandemic had led to a significant decrease in global & local economic activities, which may persist. The Company has used the principles of prudence to provide for the impact of pandemic on the Financial Statements specifically while assessing the expected credit loss on financial assets by applying management overlays, approved by its Board of Directors. This has resulted in an additional provision of Rs. 1,458.87 lakh (P.Y. Rs. 443.75 lakh) against financial assets during the year, taking the overall additional provision of INR 1,902.62 lakh as of March 31, 2021. The extent to which COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's operations and financial metrics will depend on future developments, which are highly uncertain. In accordance with the COVID-19 Regulatory Packages announced by RBI on March 27, 2020, April 17, 2020 and May 29, 2020, the Company has offered moratorium on the payment of all installments and/or interest, as applicable, falling due between March 01, 2020 and August 31, 2020 to all eligible borrowers. For all such accounts that were granted moratorium, the prudential assets classification remained standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification under Income Recognition, Asset Classification and Provisioning Norms).

- 8 Disclosures as required by RBI circular dated April 17, 2020 'COVID-19 Regulatory Package-Asset Classification and Provisioning' are given below:

| Particulars  | (INR in Lakh) |            |
|--|---------------|------------|
|  | As at         |            |
|  | 31.03.2021    | 31.03.2020 |
| Amount in SMA/Overdue categories as of February 29, 2020*  | 16,767.30     | 16,767.30  |
| Advances outstanding in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of the circular (as of February 29, 2020) | 16,516.30     | 15,486.39  |
| Respective amount where asset classification benefit is extended (as of March 31, 2021 /March 31, 2020)  | 7,837.23      | 722.44     |
| Provision made in terms of paragraph 5 of the circular (As per para 4, applicable to HFC's covered under Ind AS) (as of March 31, 2021 /March 31, 2020) **           | 1,902.62      | 443.75     |
| Provisions adjusted against slippages in terms of paragraph 6 of the circular  | -             | -          |
| Residual provisions as of March 31, 2021 /March 31, 2020 in terms of paragraph 6 of the circular   | 1,902.62      | 443.75     |

\*SMA/Overdue category includes - Cases (1-90 days past due (DPD))

\*\*This includes overall additional provision on account of COVID-19

- 9 Hon'ble Supreme Court vide order dated March 23, 2021, in the matter of Small Scale Industrial Manufacturers Associations vs UIOI & Others, has stated that interim relief granted vide an interim order dated September 03, 2020 stands vacated. Accordingly the Company has classified non-performing assets as per extant RBI guidelines.
- 10 In accordance with the instructions of RBI circular no. DOR.STR.REC.4/21.04.048/2021-22 dated April 07, 2021, the HFC shall refund / adjust 'interest on interest' to all borrowers including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the methodology for calculation of the amount of such 'interest on interest' has been recently circulated by the Indian Banks Association (IBA). The Company is in the process of suitably implementing this methodology and has created a liability of Rs 13.47 lakh towards estimated interest relief and reduced the same from the interest income for the year ended March 31, 2021.
- 11 The Company has not invoked or implemented resolution plan under the "Resolution Framework for COVID-19 related Stress" as per RBI circular dated August 6, 2020 for any of its borrower accounts.
- 12 The Company has received income tax refund of Rs. 2,272.69 lakh (including interest of Rs 161.06 lakh) during the year.
- 13 The Company is a Large Corporate as per criteria stipulated under SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 and necessary disclosure has been made to the stock exchange.
- 14 The Company is engaged primarily in the business of housing finance and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segments.
- 15 Figures for the previous year/period have been regrouped and / or reclassified wherever considered necessary.

Place: Jaipur  
Date: April 29, 2021



For and on behalf of the Board of Directors  
AAVAS FINANCIERS LIMITED  
*Sushil Kumar Agarwal*  
Sushil Kumar Agarwal  
(Managing Director and CEO)



**Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of Aavas Financiers Limited Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
The Board of Directors of  
Aavas Financiers Limited

**Report on the audit of the Consolidated Financial Results****Opinion**

We have audited the accompanying statement of quarterly and year to date consolidated financial results of Aavas Financiers Limited ("Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") for the quarter ended March 31, 2021 and for the year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. includes the results of the following entities
  - a. Aavas Financiers Limited
  - b. Aavas Finserv Limited
- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter ended March 31, 2021 and for the year ended March 31, 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to Note 8 to the Statement, which describes the extent to which the COVID-19 pandemic will impact the Group's operations and its financial metrics including the expected credit loss on financial assets which are dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

**Management's Responsibilities for the Consolidated Financial Results**

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the





accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.





# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

We communicate with those charged with governance of the Holding Company and such other entity included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

*Sarvesh Warty*

per Sarvesh Warty

Partner

Membership No.: 121411

UDIN: - 21121411AAAADE6045

Mumbai

April 29, 2021



AAVAS FINANCIERS LIMITED  
(CIN: L65922RJ2011PLC034297)

Statement of consolidated financial results for the quarter and year ended March 31, 2021

(INR in lakh)

| Particulars  | Quarter ended                             |                           |   | Year ended              |                         |
|--|---|---------------------------|---|-------------------------|-------------------------|
|  | 31.03.2021<br>(Audited)<br>(refer note 2) | 31.12.2020<br>(Unaudited) | 31.03.2020<br>(Audited)<br>(refer note 2) | 31.03.2021<br>(Audited) | 31.03.2020<br>(Audited) |
| <b>I Revenue from operations</b>   |   |                           |   |                         |                         |
| Interest income  | 24,701.80                                 | 25,777.45                 | 21,485.34                                 | 97,657.92               | 78,667.67               |
| Fees and commission income   | 1,395.86                                  | 1,075.55                  | 970.82                                    | 3,655.37                | 3,327.60                |
| Gain on derecognition of financial instruments under amortised cost category | 2,738.16                                  | 4,053.22                  | 891.58                                    | 2,635.53                | 7,658.38                |
| Net gain on fair value changes   | 108.71                                    | 91.48                     | 94.65                                     | 387.16                  | 600.43                  |
| <b>Total revenue from operations</b>   | <b>28,944.53</b>                          | <b>30,997.70</b>          | <b>23,442.39</b>                          | <b>1,10,335.98</b>      | <b>90,254.58</b>        |
| <b>II Other Income</b>   | <b>188.33</b>                             | <b>10.20</b>              | <b>65.33</b>                              | <b>216.05</b>           | <b>79.99</b>            |
| <b>III Total income (I+II)</b>   | <b>29,132.86</b>                          | <b>31,007.90</b>          | <b>23,507.72</b>                          | <b>1,10,552.03</b>      | <b>90,334.57</b>        |
| <b>IV Expenses</b>   |   |                           |   |                         |                         |
| Finance costs  | 11,516.69                                 | 11,689.02                 | 9,740.33                                  | 45,834.27               | 35,607.15               |
| Fees and commission expense  | 99.82                                     | 220.16                    | 9.80                                      | 618.46                  | 480.05                  |
| Impairment on financial instruments  | 696.32                                    | 1,616.36                  | 626.60                                    | 3,713.86                | 1,533.78                |
| Employee benefits expense  | 5,026.71                                  | 4,335.26                  | 4,283.60                                  | 17,305.14               | 14,740.79               |
| Depreciation, amortization and impairment                                    | 542.07                                    | 530.82                    | 555.06                                    | 2,061.09                | 1,956.26                |
| Other expenses   | 1,774.63                                  | 1,586.49                  | 1,682.72                                  | 5,773.85                | 5,812.90                |
| <b>Total expenses (IV)</b>   | <b>19,656.24</b>                          | <b>19,978.11</b>          | <b>16,898.11</b>                          | <b>75,296.67</b>        | <b>60,140.93</b>        |
| <b>V Profit before tax (III-IV)</b>  | <b>9,476.62</b>                           | <b>11,029.79</b>          | <b>6,609.61</b>                           | <b>35,255.36</b>        | <b>30,193.64</b>        |
| <b>VI Tax expense:</b>   |   |                           |   |                         |                         |
| (1) Current tax  | 747.81                                    | 2,121.61                  | 1,265.28                                  | 6,701.45                | 6,397.21                |
| (2) Deferred tax expense/(credit)  | (16.01)                                   | 362.07                    | (628.54)                                  | (338.01)                | (1,107.73)              |
| <b>Total tax expense (VI)</b>  | <b>731.80</b>                             | <b>2,483.68</b>           | <b>636.74</b>                             | <b>6,363.44</b>         | <b>5,289.48</b>         |
| <b>VII Profit for the year (V-VI)</b>  | <b>8,744.82</b>                           | <b>8,546.11</b>           | <b>5,972.87</b>                           | <b>28,891.92</b>        | <b>24,904.16</b>        |
| <b>Other comprehensive income</b>  |   |                           |   |                         |                         |
| a) Items that will not be reclassified to profit or loss                     |   |                           |   |                         |                         |
| Remeasurements of defined benefit liability                                  | 63.32                                     | -                         | (15.88)                                   | 111.45                  | (6.97)                  |
| Income Tax Effect  | (15.94)                                   | -                         | 4.00                                      | (28.05)                 | 1.75                    |
| b) Items that will be reclassified to profit or loss                         | -   | -                         | -   | -                       | -                       |
| <b>VIII Other comprehensive income, net of income tax</b>                    | <b>47.38</b>                              | <b>-</b>                  | <b>(11.88)</b>                            | <b>83.40</b>            | <b>(5.22)</b>           |
| <b>IX Total comprehensive income for the year (VII-VIII)</b>                 | <b>8,792.20</b>                           | <b>8,546.11</b>           | <b>5,960.99</b>                           | <b>28,975.32</b>        | <b>24,898.94</b>        |
| <b>X Earnings per equity share (EPS for the quarters are not annualised)</b> |   |                           |   |                         |                         |
| Basic (Amount in INR)  | 11.15                                     | 10.90                     | 7.63                                      | 36.86                   | 31.85                   |
| Diluted (Amount in INR)  | 11.06                                     | 10.81                     | 7.55                                      | 36.54                   | 31.48                   |
| Face value per share (Amount in INR)   | 10.00                                     | 10.00                     | 10.00                                     | 10.00                   | 10.00                   |

*Sixtil for stamp*





**AAVAS FINANCIERS LIMITED**  
(CIN: L65922RJ2011PLC034297)

**Statement of consolidated financial results for the quarter and year ended March 31, 2021**

**Notes to the financial results :**

- 1 The consolidated financial results have been prepared in accordance with Ind AS 110 – Consolidated Financial Statements, prescribed under section 133 of the Companies Act, 2013 (the "Act") read with the relevant rules issued thereunder and the other relevant provisions of the Act.
- 2 The figures for the last quarter are balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures upto the third quarter of the financial year.

| Particulars   | (INR in Lakh)           |                         |
|---|-------------------------|-------------------------|
|   | As at                   |                         |
|   | 31.03.2021<br>(Audited) | 31.03.2020<br>(Audited) |
| <b>ASSETS</b>   |                         |                         |
| <b>Financial assets</b>   |                         |                         |
| Cash and cash equivalents   | 2,209.81                | 35,059.39               |
| Other bank balance  | 1,10,307.11             | 84,613.13               |
| Loans   | 7,52,328.63             | 6,18,079.83             |
| Other financial assets  | 22,607.25               | 18,137.69               |
| <b>Sub-total - Financial Assets</b>   | <b>8,87,452.80</b>      | <b>7,55,890.04</b>      |
| <b>Non-financial assets</b>   |                         |                         |
| Current tax assets (net)  | 92.06                   | 1,443.24                |
| Property, plant and equipment   | 2,507.08                | 2,700.97                |
| Capital work-in-progress  | -                       | 30.99                   |
| Intangible assets under development   | 40.54                   | 39.90                   |
| Other intangible assets   | 345.56                  | 414.84                  |
| Right-of-use assets   | 2,973.70                | 2,874.20                |
| Other non-financial assets  | 674.47                  | 603.89                  |
| <b>Sub-total - Non-financial Assets</b>   | <b>6,633.41</b>         | <b>8,108.03</b>         |
| <b>Assets held for sale</b>   | <b>1,839.58</b>         | <b>1,705.37</b>         |
| <b>Total Assets</b>   | <b>8,95,925.79</b>      | <b>7,65,703.44</b>      |
| <b>LIABILITIES AND EQUITY</b>   |                         |                         |
| <b>LIABILITIES</b>  |                         |                         |
| <b>Financial liabilities</b>  |                         |                         |
| Payables  |                         |                         |
| Trade payables  |                         |                         |
| (i) total outstanding dues of micro enterprises and small enterprises                       | -                       | -                       |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 285.40                  | 1,738.64                |
| Debt securities   | 1,46,466.15             | 1,16,846.54             |
| Borrowings (other than Debt Securities)   | 4,78,102.49             | 4,08,391.40             |
| Subordinated liabilities  | 9,973.65                | 9,965.61                |
| Lease liabilities   | 3,229.82                | 3,012.91                |
| Other financial liabilities   | 13,486.63               | 10,694.78               |
| <b>Sub-total - Financial Liabilities</b>  | <b>6,51,544.14</b>      | <b>5,50,649.88</b>      |
| <b>Non-financial liabilities</b>  |                         |                         |
| Provisions  | 372.40                  | 728.11                  |
| Deferred tax liabilities (net)  | 2,829.19                | 3,167.20                |
| Other non-financial liabilities   | 1,099.03                | 1,366.73                |
| <b>Sub-total - Non-financial Liabilities</b>  | <b>4,300.62</b>         | <b>5,262.04</b>         |
| <b>Equity</b>   |                         |                         |
| Equity share capital  | 7,850.46                | 7,832.27                |
| Other equity  | 2,32,230.57             | 2,01,959.25             |
| <b>Sub-total - Equity</b>   | <b>2,40,081.03</b>      | <b>2,09,791.52</b>      |
| <b>Total Liabilities and Equity</b>   | <b>8,95,925.79</b>      | <b>7,65,703.44</b>      |

*Sarita K. Jangra*



**AAVAS FINANCIERS LIMITED**  
(CIN: L65922RJ2011PLC034297)

Statement of consolidated financial results for the quarter and year ended March 31, 2021

| Particulars   | (INR in Lakh)           |                         |
|---|-------------------------|-------------------------|
|   | Year ended              |                         |
|   | 31.03.2021<br>(Audited) | 31.03.2020<br>(Audited) |
| <b>Cash flow from operating activities:</b>   |                         |                         |
| Net profit before tax as per statement of profit and loss   | 35,255.36               | 30,193.64               |
| <b>Adjustments for</b>  |                         |                         |
| Depreciation and amortisation of PPE and right of use assets                                      | 2,061.09                | 1,956.26                |
| Interest on lease liabilities   | 217.95                  | 249.58                  |
| Net gain on derecognition on assigned loans   | (2,150.55)              | (2,154.54)              |
| Provision for expected credit loss (ECL)  | 3,713.86                | 1,533.78                |
| Provision for employee benefits   | 305.47                  | 281.30                  |
| Derivative mark to market gain  | -                       | (3.23)                  |
| Provision for CSR expenditure   | -                       | 17.28                   |
| Share based payments  | 850.84                  | 647.14                  |
| <b>Operating profit before working capital changes</b>  | <b>40,254.02</b>        | <b>32,721.21</b>        |
| <b>Changes in working capital</b>   |                         |                         |
| Increase in loans   | (1,37,099.87)           | (1,46,461.02)           |
| Increase in financial and other assets  | (5,548.43)              | (2,076.10)              |
| Increase in financial and other liabilities   | 697.16                  | 4,722.78                |
| <b>Total of changes in working capital</b>  | <b>(1,41,951.14)</b>    | <b>(1,43,814.34)</b>    |
| Direct taxes paid   | (5,419.64)              | (6,130.92)              |
| <b>Net cash flow used in operating activities (A)</b>   | <b>(1,07,116.76)</b>    | <b>(1,17,224.09)</b>    |
| <b>Cash flow from investing activities:</b>   |                         |                         |
| <b>Inflow (outflow) on account of :</b>   |                         |                         |
| Investment in fixed deposits  | (25,693.98)             | (32,234.53)             |
| Purchase of Property, plant and equipment (including capital work-in-progress)/ intangible assets | (829.17)                | (1,955.45)              |
| Sale of Property, plant and equipment   | 31.33                   | 14.43                   |
| <b>Net cash flow used in investing activities (B)</b>   | <b>(26,491.82)</b>      | <b>(34,175.55)</b>      |
| <b>Cash flow from financing activities:</b>   |                         |                         |
| Issue of equity shares (including share premium)  | 466.54                  | 547.42                  |
| Share / debenture issue expenses  | (73.47)                 | (908.10)                |
| Proceeds from borrowings  | 2,35,184.87             | 2,36,122.26             |
| Repayment of borrowings   | (1,33,688.76)           | (64,283.88)             |
| Repayment of lease liabilities  | (1,130.18)              | (1,021.70)              |
| <b>Net Cash flow from financing activities (C)</b>  | <b>1,00,759.00</b>      | <b>1,70,456.00</b>      |
| <b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>                               | <b>(32,849.58)</b>      | <b>19,056.40</b>        |
| Cash and cash equivalents as at the beginning of the year   | 35,059.39               | 15,002.99               |
| <b>Cash and cash equivalents at the end of the year</b>   | <b>2,209.81</b>         | <b>35,059.39</b>        |
| <b>Operational Cash Flow from Interest</b>  |                         |                         |
| Interest Received   | 94,268.99               | 75,657.63               |
| Interest Paid   | (39,957.99)             | (30,189.46)             |

5 The consolidated financial results include result of the following Company:

| Name of the Company   | % Shareholding and voting power of Aavas Financiers Limited | Consolidated as |
|-----------------------|---|-----------------|
| Aavas Finserv Limited | 100%  | Subsidiary      |



*Sudip K. Jannu*





**AAVAS FINANCIERS LIMITED**  
(CIN: L65922RJ2011PLC034297)

**Statement of consolidated financial results for the quarter and year ended March 31, 2021**

- 6 The above results for the year ended March 31, 2021 have been audited by the Statutory Auditors of the Company and have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on April 29, 2021.
- 7 The Holding Company has allotted 1,15,784 and 66,106 equity shares to eligible employees under Employee stock Option Plan (ESOP) 2016 at a price of INR 215.25 and INR 328 per equity share at premium of INR 205.25 and INR 318 per equity share respectively.
- 8 COVID-19 pandemic had led to a significant decrease in global & local economic activities, which may persist. The Company has used the principles of prudence to provide for the impact of pandemic on the Financial Statements specifically while assessing the expected credit loss on financial assets by applying management overlays, approved by its Board of Directors. This has resulted in an additional provision of Rs. 1,458.87 lakh (P.Y. Rs. 443.75 lakh) against financial assets during the year, taking the overall additional provision of INR 1,902.62 lakh as of March 31, 2021. The extent to which COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's operations and financial metrics will depend on future developments, which are highly uncertain. In accordance with the COVID-19 Regulatory Packages announced by RBI on March 27, 2020, April 17, 2020 and May 23, 2020, the Company has offered moratorium on the payment of all instalments and/or interest, as applicable, falling due between March 01, 2020 and August 31, 2020 to all eligible borrowers. For all such accounts that were granted moratorium, the prudential assets classification remained standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification under Income Recognition, Asset Classification and Provisioning Norms).
- 9 Disclosures as required by RBI circular dated April 17, 2020 'COVID-19 Regulatory Package-Asset Classification and Provisioning' are given below:

| Particulars  | (INR in Lakh) |            |
|--|---------------|------------|
|  | As at         |            |
|  | 31.03.2021    | 31.03.2020 |
| Amount in SMA/Overdue categories as of February 29, 2020*  | 16,767.30     | 16,767.30  |
| Advances outstanding in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of the circular (as of February 29, 2020) | 16,516.30     | 15,486.39  |
| Respective amount where asset classification benefit is extended (as of March 31, 2021 /March 31, 2020)  | 7,837.23      | 722.44     |
| Provision made in terms of paragraph 5 of the circular (As per para 4, applicable to HFC's covered under Ind AS) (as of March 31, 2021 /March 31, 2020) **           | 1,902.62      | 443.75     |
| Provisions adjusted against slippages in terms of paragraph 6 of the circular  | -             | -          |
| Residual provisions as of March 31, 2021 /March 31, 2020 in terms of paragraph 6 of the circular   | 1,902.62      | 443.75     |

\*SMA/Overdue category includes - Cases (1-90 days past due (DPD))  
\*\*This includes overall additional provision on account of COVID-19

- 10 Hon'ble Supreme Court vide order dated March 23, 2021, in the matter of Small Scale Industrial Manufacturers Associations vs UOI & Others, has stated that interim relief granted vide an interim order dated September 03, 2020 stands vacated. Accordingly the Company has classified non-performing assets as per extant RBI guidelines.
- 11 In accordance with the instructions of RBI circular no. DCR.STR.REC.4/21.04.048/2021-22 dated April 07, 2021, the HFC shall refund / adjust 'interest on interest' to all borrowers including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the methodology for calculation of the amount of such 'interest on interest' has been recently circulated by the Indian Banks Association (IBA). The Company is in the process of suitably implementing this methodology and has created a liability of Rs 13.47 lakh towards estimated interest relief and reduced the same from the interest income for the year ended March 31, 2021.
- 12 The Company has not invoked or implemented resolution plan under the "Resolution Framework for COVID-19 related Stress" as per RBI circular dated August 6, 2020 for any of its borrower accounts.
- 13 The Company has received income tax refund of Rs. 2,272.69 lakh (including interest of Rs 161.06 lakh) during the year.
- 14 The Company is a Large Corporate as per criteria stipulated under SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 and necessary disclosure has been made to the stock exchange.
- 15 The Holding Company is engaged primarily in the business of housing finance and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segments.
- 16 Figures for the previous year/period have been regrouped and / or reclassified wherever considered necessary.



For and on behalf of the Board of Directors  
AAVAS FINANCIERS LIMITED

*Sushil Kumar Agarwal*  
Sushil Kumar Agarwal  
(Managing Director and CEO)

Place: Jaipur  
Date: April 29, 2021

**Date: April 29, 2021**

|  |   |
|--|---|
| <b>To,</b><br>The National Stock Exchange of India Limited<br>The Listing Department<br>Exchange Plaza,<br>Bandra Kurla Complex,<br>Mumbai - 400051<br><br>Scrip Symbol: AAVAS | <b>To,</b><br>BSE Limited<br>Dept of Corporate Services<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Fort,<br>Mumbai - 400001<br><br>Scrip Code: 541988 |
|--|---|

Dear Sir/Madam,

**Subject: Declaration Pursuant to Regulation 33(3)(d) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to requirement of Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, Statutory Auditors of the Company has submitted the Audit Report with unmodified opinion on Annual Audited Financial Results of the Company (Standalone & Consolidated) for the financial year ended on March 31, 2021.

We request you to take the above on your records.

Thanks & Regards,

For Aavas Financiers Limited

  
Ghanshyam Rawat  
Chief Financial Officer



AAVAS FINANCIERS LIMITED

(Formerly known as "Au HOUSING FINANCE LIMITED")

An ISO 9001: 2015 Certified Company | CIN NO.: L65922RJ2011PLC034297

Regd. & Corp. Office: 201-202, 2nd Floor, Southend Square,  
Mansarovar Industrial Area, Jaipur-302020

Tel: +91 141 661 8888 | E-Mail: info@aavas.in, Website: www.aavas.in





**Disclosures in accordance with Regulation 52 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended on March 31, 2021**

**(a) Credit Rating and changes in Credit Rating (if any):**

There is no change in ratings, the Credit Ratings of the Company as on March 31, 2021 are as follows:-

| Nature of Debt Instrument  | Rating Agency | Term       | Credit Ratings       | Credit Ratings   |
|----------------------------|---------------|------------|----------------------|------------------|
|                            |               |            | (September 30, 2020) | (March 31, 2021) |
| Non-Convertible Debentures | CARE          | Long Term  | AA-/ Stable          | AA-/ Stable      |
|                            | ICRA          | Long Term  | AA-/ Stable          | AA-/ Stable      |
| Bank Loans                 | CARE          | Long Term  | AA-/ Stable          | AA-/ Stable      |
|                            | ICRA          | Long Term  | AA-/ Stable          | AA-/ Stable      |
| Subordinated Debt          | CARE          | Long Term  | AA-/ Stable          | AA-/ Stable      |
| Commercial Paper           | CARE          | Short Term | A1+                  | A1+              |
|                            | ICRA          | Short Term | A1+                  | A1+              |
|                            | India Ratings | Short Term | A1+                  | A1+              |

**(b) Asset Cover available:** All secured Non-Convertible Debentures issued by the Company are secured by way of exclusive hypothecation of specified receivables and/or against pari passu charge on specified immovable property of the company to the extent of at least 100% of outstanding secured Non-Convertible Debentures.

**(c) Debt Equity Ratio:** 2.65 Times

**(d) Details of previous due dates fallen during the half year ended on March 31, 2021 for payment of interest/Repayment of principal of Non-Convertible Debt Securities:**

| ISIN          | Interest/ Principal due dates |            | Interest/ Principal payment dates |            | Payment status on due date |
|---------------|-------------------------------|------------|-----------------------------------|------------|----------------------------|
|               | Interest                      | Principal  | Interest                          | Principal  |                            |
| INE216P07159  | 17.10.2020                    | -          | 17.10.2020                        | -          | Paid                       |
| INE216P07134  | 18.11.2020                    | -          | 18.11.2020                        | -          | Paid                       |
| INE216P08017  | 22.12.2020                    | -          | 22.12.2020                        | -          | Paid                       |
| INE216P07183  | 22.12.2020                    | -          | 22.12.2020                        | -          | Paid                       |
| INE216P07209* | 31.03.2021                    | 31.03.2021 | 31.03.2021                        | 31.03.2021 | Paid                       |

\* The Company has made part principal repayment in respect of Non- Convertible Debentures as per Principal Repayment Schedule.



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Tel: +91 141 661-8888 | E-Mail: info@aavas.in, Website: www.aavas.in






(e) **Details of Next due dates falling during the half year ended on September 30, 2021 for payment of interest/Repayment of principal of Non-Convertible Debt securities:**

| ISIN         | Next due dates from April 01, 2021 to September 30, 2021 |                         |
|--------------|--|-------------------------|
|              | Interest   | Principal               |
| INE216P07159 | 17.04.2021   | 17.04.2021**            |
| INE216P07134 | 18.05.2021   | -                       |
| INE216P07183 | 22.06.2021   | -                       |
| INE216P07209 | 30.06.2021 & 30.09.2021                                  | 30.06.2021 & 30.09.2021 |

\*\*Principal repayment pursuant to exercise of call option

- (f) **Debt service coverage ratio:** 0.48 Times
- (g) **Interest service coverage ratio:** 1.82 Times
- (h) **Debenture Redemption Reserve:** HFC's Registered with the NHB are not required to create Debenture Redemption Reserve in case of Privately Placed Debentures and the Company has not issued any Preference Shares.
- (i) **Net Worth:** Net Worth of the Company as on March 31, 2021 is 2,40,140.48 lakh.
- (j) **Net Profit after Tax:** Net Profit after tax for the year ended March 31, 2021 is Rs. 28,949.52 lakh.
- (k) **Earnings per Share:** basic and diluted EPS for the year ended March 31, 2021 is Rs. 36.94 and Rs. 36.62 respectively.

Thanks & Regards,

For Aavas Financiers Limited

Sharad Pathak  
Company Secretary & Compliance Officer  
(FCS-9587)



**Statement under Regulation 52(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

We hereby confirm that the proceeds raised from the issue of Non-Convertible Debentures (NCDs) have been utilized for the purpose as mentioned in the Offer Document/Disclosure Document and there have been no material deviations in the utilization of such proceeds as on March 31, 2021.

We request you to take the same on records.

Thanks & Regards,

For Aavas Financiers Limited



Sharad Pathak  
Company Secretary & Compliance Officer  
(FCS-9587)

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