

**Ref. No. AAVAS/SEC/2024-25/460**

**Date: July 25, 2024**

<b>To, The National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Mumbai – 400051</b>	<b>To, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001</b>
<b>Scrip Symbol: AAVAS</b>	<b>Scrip Code: 541988</b>

Dear Sir/Madam,

**Sub: Investor Release on the Financial and Operational Performance of the Company for Quarter ended June 30, 2024.**

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 June 30, 2024.

This Investor Release may also be accessed on the website of the company at <https://www.aavas.in/investor-relations/investor-intimation>.

This is for your information and record.

Date and time of occurrence of event/information: July 25, 2024 and Board Meeting concluded at 3:15 P.M.

Thanking You,

**FOR AAVAS FINANCIERS LIMITED**

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

***Enclosed: a/a***

# Aavas Financiers Limited

## Q1 FY25 Results

- AUM of Rs. 178 bn; Growth of 22% YoY
- PAT at Rs. 1.26 bn; Growth of 15% YoY
- Gross Stage 3 at 1.01%; 1 DPD at 3.65%
- ROA at 3.01% and ROE at 13.14%
- Positive ALM & Strong Capital Base

### Investor Release: 25<sup>th</sup> July 2024, Mumbai

Aavas Financiers Limited has declared unaudited Financial Results for the quarter ended 30<sup>th</sup> June 2024.

### Key Performance Metrics for Q1FY25:

Particulars (Rs. Mn)	Q1FY25	Q1FY24	Y-o-Y
Assets Under Management (AUM)	1,78,415	1,46,500	22%
Disbursements	12,109	10,682	13%
Net Total Income	3,064	2,781	10%
Net Profit	1,261	1,097	15%
Gross Stage 3 (Overall)	1.01%	1.00%	Increased by 1 bps
Opex to Total Assets (%)	3.27%	3.79%	Improved by 52 bps
ROA (%)	3.01%	3.16%	Reduced by 15 bps
ROE (%)	13.14%	13.18%	Reduced by 4 bps
Active Loan Accounts (No.)	2,23,658	1,92,446	16%

### Performance Highlights:

- Assets under Management (AUM) of the company grew by 22% YoY and stood at ~Rs. 178 bn.
- Disbursement during the quarter was Rs. 12.11 bn i.e., a growth of 13% YoY.
- Net Profit grew by 15% Y-o-Y to Rs 1.26 bn for Q1FY25 boosted by a 10% Y-o-Y growth in Net Total Income, coupled with strong AUM growth.
- Opex declined sequentially by 4% resulting in an improvement in Opex ratio by 29bps QoQ to 3.27% during the quarter.
- Spread and NIM during the quarter stood at 5.00% and 7.31%, respectively.
- In Q1FY25, Gross Stage 3 is at 1.01% and Net Stage 3 is 0.72%. 1+ DPD remained well below 4% at 3.65%. Credit cost during the quarter was at 20 bps.
- In terms of Borrowings mix, 91.4% of our borrowings are from Term Loans, Assignment, and NHB Refinancing, 8.6% of our borrowings are from debt capital market (of which 77.2% is from development finance institutions like IFC, CDC & ADB), with no borrowings through CPs.
- Net Worth grew by 15% YoY to Rs. 39 bn as on 30<sup>th</sup> June 2024.
- The total number of branches stands at 371 as on 30<sup>th</sup> June 2024. During Q1 FY25, we have added 4 new branches.

**Commenting on the performance Mr. Sachinder Bhinder, Managing Director & Chief Executive Officer, said:**

*"Dear All,*

*India stands on the cusp of a remarkable economic journey, and the housing sector is poised to lead the charge. With low mortgage penetration and a significant urban housing shortage across various income levels and regions, Aavas is committed to being at the forefront of this industry transformation. Our focus remains steadfast on serving the unserved, underserved, and underbanked customers in Tier 2 to Tier 5 markets, with a relentless pursuit of risk-adjusted returns.*

*The green shoots of our technology transformation are already evident, with improvements in turnaround time (TAT) enhancing customer service. This tech-led evolution is expected to further boost productivity and efficiency across the organization.*

*Our network has expanded to 371 branches across 13 states, with the addition of 4 new branches this quarter. This strategic expansion deepens our footprint and reinforces our presence in a contiguous manner.*

*Thanks to prudent cash management and a robust liability profile, we have successfully contained borrowing costs and maintained our spreads around 5%, in line with our guidance. Aavas is well-capitalized, boasting a Capital to Risk (Weighted) Assets Ratio (CRAR) of 44.48% as of June 2024.*

*Our granular underwriting practices and collection efforts, backed by cutting-edge technology, have led to an improvement in 1+ days past due, decreasing from 3.68% in June 2023 to 3.65% in June 2024. The portfolio's health remains robust, with Gross Stage 3 at a mere 1.01% in June 2024.*

*The FY25 Union Budget marks a transformative leap in addressing India's housing needs by significantly expanding the Pradhan Mantri Awas Yojana to include 30 million Additional Houses, backed by a proposed central assistance of Rs.2.2 trillion over the next 5 years, underscoring the Government of India's commitment to providing "Housing For All".*

*The introduction of an interest subsidy scheme for urban housing will make loans more accessible for the economically weaker sections and low-income groups, enabling countless individuals to realize their dreams of home ownership. This decisive step forward underscores the Government's commitment to ensuring every Indian has access to safe, affordable housing, fostering inclusive growth and prosperity for all. This aligns perfectly with the mission and vision of Aavas.*

*We continue to maintain a razor-sharp focus on Governance, Asset Quality, Profitability, and Growth. By leveraging technology and creating superior customer experiences, we are optimistic about the future. Our strategic initiatives are set to drive sustainable growth and enhance shareholder value."*

### **About Aavas Financiers Limited**

Aavas Financiers 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, Loan against property and MSME loans. 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. Rakesh Shinde (Head of Investor Relations)

Email: [rakesh.shinde@aavas.in](mailto:rakesh.shinde@aavas.in) /  
[investorrelations@aavas.in](mailto:investorrelations@aavas.in)

**Strategic Growth Advisors Pvt. Ltd.**

CIN: U74140MH2010PTC204285