

Ref. No. AAVAS/SEC/2023-24/195

Date: May 03, 2023

To,
The National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Mumbai – 400051

Scrip Symbol: AAVAS

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001
Scrip Code: 541988

Dear Sir/Madam,

Sub: Investor Presentation on the Audited Standalone and Consolidated Financial Results for the Quarter and Financial Year ended March 31, 2023.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed herewith a copy of Investor Presentation of the Company on the Audited Standalone and Consolidated Financial Results for the Quarter and Financial Year ended March 31, 2023.

This Investor Presentation may also be accessed on the website of the Company at www.aavas.in

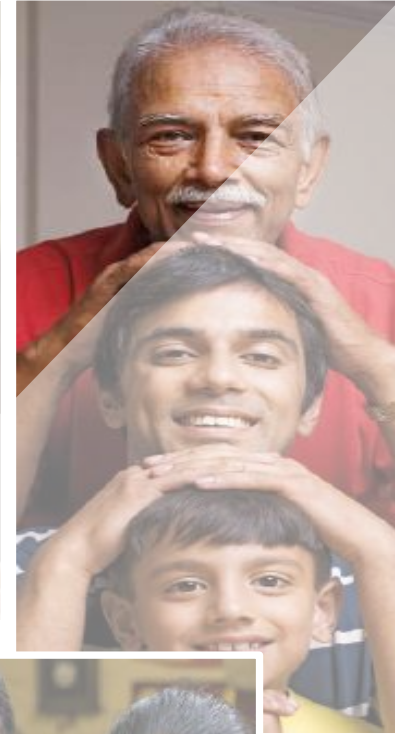
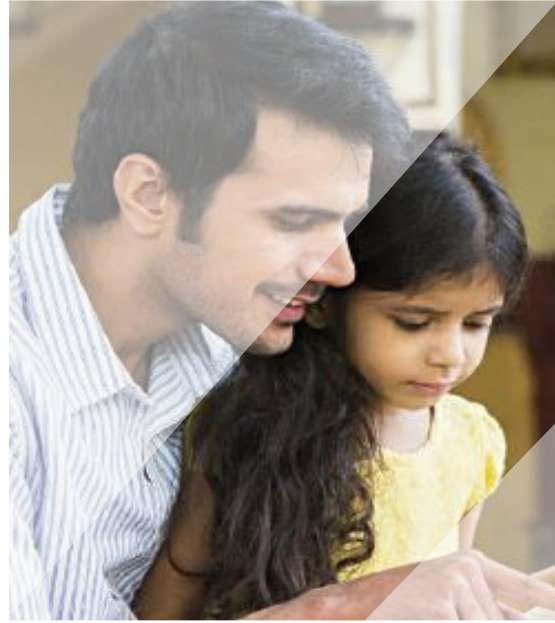
This is for your information and record.

Thanking You,

FOR AAVAS FINANCIERS LIMITED

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

Enclosed: a/a



AAVAS FINANCIERS LIMITED

Investor Presentation – FY23

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This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Further, this presentation is being made on uniform basis and no selective disclosure of the same have been made by the Company. Potential investors must make their own assessment of the relevance, accuracy and adequacy of the information contained in this presentation and must make such independent investigations as they may consider necessary or appropriate for investment purposes.

This presentation contains certain forward-looking statements concerning the Company’s future business prospects, market opportunities and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. These statements can be recognized using words such as “expects,” “plans,” “will,” “estimates,” “projects,” “marks,” “believe” or other words of similar meaning. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, micro and macro geo-political issues, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future or update any forward-looking statements made from time to time by or on behalf of the Company. Any reliance placed on this presentation by any person for its investment strategy shall be at his own risk.

Our Background



Commenced operations in 2011
from Jaipur, Rajasthan



Regulated by Reserve Bank of India (“RBI”)
Supervised by National Housing Bank (“NHB”)



Currently being run by professional
management team backed by
marquee private equity players
Kedaara Capital and Partners Group



Recognized by NHB for refinance
facility



Listed on BSE & NSE in October 2018



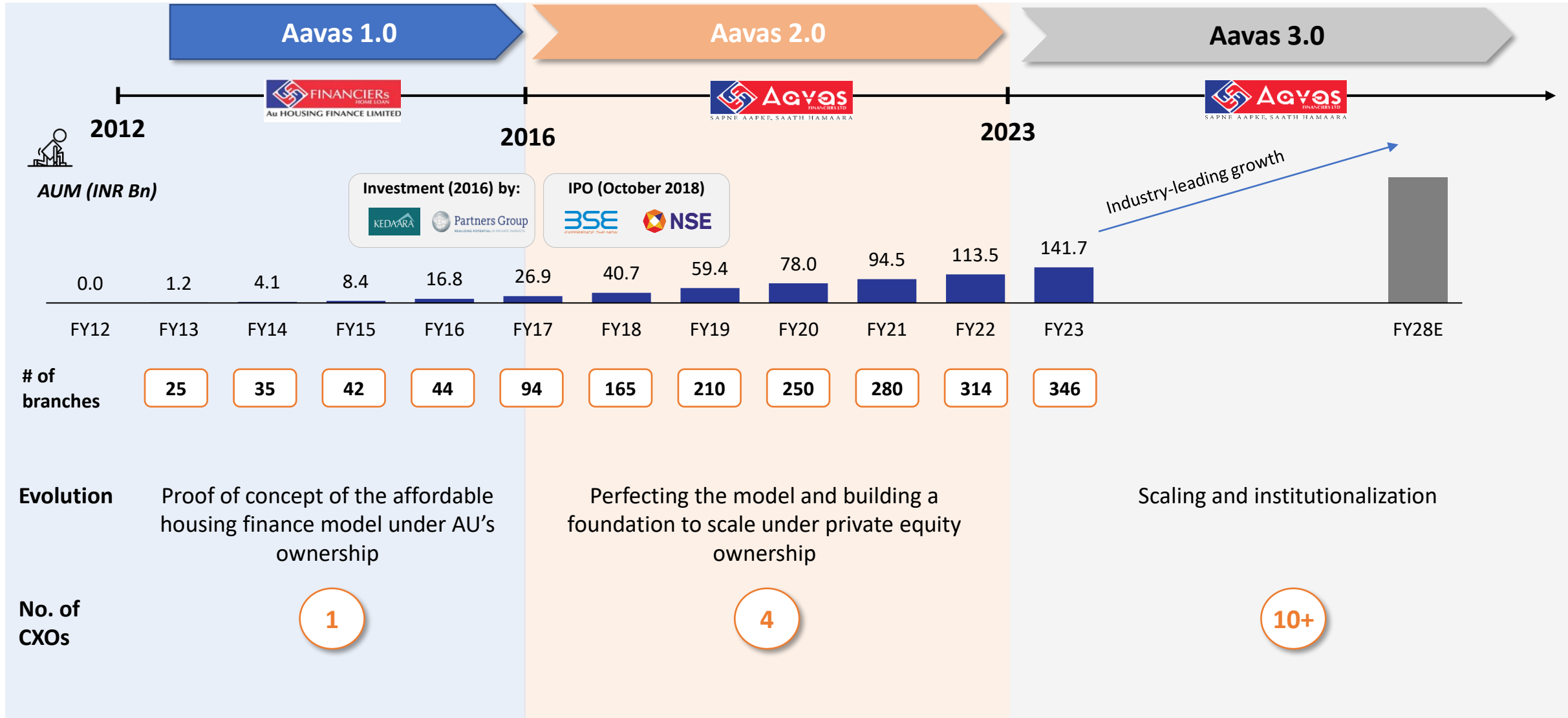
Retail network of 346 branches



Our Pillars of Strength

- ✓ Professional Management Team
- ✓ Experienced Board of Directors
- ✓ In-house Execution Model
- ✓ Technology and Data Analytics
- ✓ Improving Credit Ratings
- ✓ Diversified Shareholding Base

Aavas 3.0: Building a lasting institution



Note: FY28E bar is only for illustrative purposes

Aavas 3.0: Executive Committee is deeply rooted in Aavas



Nishant Sharma

Promoter Nominee Director

7+ years



Manas Tandon

Promoter Nominee Director

7+ years



Sachinder Bhinder

Managing Director and Chief Executive Officer

3+ years



Ghanshyam Rawat

President and Chief Financial Officer

10+ years



Ashutosh Atre

President and Chief Risk Officer

9+ years

Strong Management Depth continues to drive Aavas's Outperformance



Sachinder Bhinder

Managing Director & Chief Executive Officer

- 25+ years of experience
- Prior associated with Kotak Mahindra Bank (EVP and Business Head of Home Finance), HDFC, Standard Chartered

3 years



Ghanshyam Rawat

President & Chief Financial Officer

- 30+ years of experience in financial services
- Prior associated with Accenture, First Blue Home Finance, Deutsche Postbank Home Finance

10 years



Ashutosh Atre

President & Chief Risk Officer

- 30+ years of experience in credit management
- Prior associated with Equitas, ICICI Bank, Cholamandalam

9 years



Siddharth Srivastava

Chief Business Officer

- Experience in secured & unsecured lending and business development
- Prior associated with ICICI Bank, Tata Infomedia, ITC

1 year



Ripudaman Bandral

Chief Credit Officer

- Prior associated with Indiabulls, ICICI Bank, HDFC Ltd
- Experience in financial services & allied sectors

2 years



Surendra Sihag

Chief Collections Officer

- Prior associated with Bajaj Finance, Cholamandalam
- Experience in financial services & allied sectors

6 years



Anshul Bhargava

Chief People Officer

- Prior associated with Power System Operation Corporation Limited, PNB Housing Finance Ltd. and Indian Army

1 year



Jijy Oommen

Chief Technology Officer

- Prior associated with Kinara Capital, Wonderla Holidays, Manappuram Finance, Bajaj Capital

2 years



Rajaram

Balasubramaniam

Chief Strategy Officer & Head of Analytics

- Prior associated with Citibank, Standard Chartered Bank

1 year



Rajeev Sinha

Executive VP, Operations

- Prior associated with Indiabulls, CoinTribe
- Experience in financial services & allied sectors

7 years



Ramachandran Venkatesh

Head of Internal Audit

- Prior associated with Standard Chartered Bank, American Express, HDFC Bank, Fullerton India, and Aditya Birla Finance Ltd.

1 year



Sharad Pathak

Company Secretary & Compliance Officer

- Associated with Aavas Financiers since May 2012

10 years

Years of association with Aavas

Experienced Board has guided Aavas's journey since inception



Sandeep Tandon

5+ years

Chairperson of Board, Independent Director & Chairperson of Stakeholders Relationship Committee

25+ years of experience

Qualifications: Bachelor's in Electrical Engineering from University of Southern California

Prior Engagements: Tandon Advance Device, Accelyst Solutions



Soumya Rajan

3+ years

Independent Director & Chairperson of Nomination & Remuneration Committee

25+ years of experience

Qualifications: Bachelor's in Mathematics & Economics from St. Stephens College, Master's in Mathematics from Oxford University

Prior Engagements: Waterfield Advisors, Standard Chartered Bank, ANZ Grindlays Bank



Kalpana Iyer

7+ years

Independent Director & Chairperson of Audit Committee

30+ years of experience

Qualifications: Chartered Accountant

Prior Engagements: Citibank N.A., IncValue Advisors



Sachinder Bhinder

3+ years

Managing Director & CEO

20+ years of experience

Qualifications: Bachelor's degree in Engineering from Gujarat University, MBA from Nirma University

Prior Engagements: Kotak Mahindra Bank, HDFC Ltd, ICICI Lombard



K. R. Kamath

7+ years

Non-executive Nominee Director

35+ years of experience

Qualifications: Bachelor's degree in commerce from University of Mysore, Certified Associate of the Indian Institute of Bankers

Prior Engagements: Corporation Bank, Punjab National Bank, Allahabad Bank, Bank of India



Vivek Vig

7+ years

Non-executive Nominee Director

30+ years of experience

Qualifications: PG Diploma in management from IIM Bangalore

Prior Engagements: Destimoney Enterprises, Centurion Bank of Punjab, PNB Housing Finance, Citibank N.A., India.



Manas Tandon

7+ years

Promoter Nominee Director & Chairperson of Risk Management Committee

20+ years of experience

Qualifications: Bachelor's degree in technology (Electrical Engineering) from IIT Kanpur, MBA from Wharton School, University of Pennsylvania

Prior Engagements: Matrix India Asset Advisors, TPG Capital India, Cisco



Nishant Sharma

7+ years

Promoter Nominee Director

20+ years of experience

Qualifications: Master of Technology in Bio-Chemical Engineering and Bio -Technology from IIT Delhi, MBA from Harvard University

Prior Engagements: General Atlantic, Mckinsey & Company, Bill & Melinda Gates Foundation



Kartikeya Dhruv Kaji

7+ years

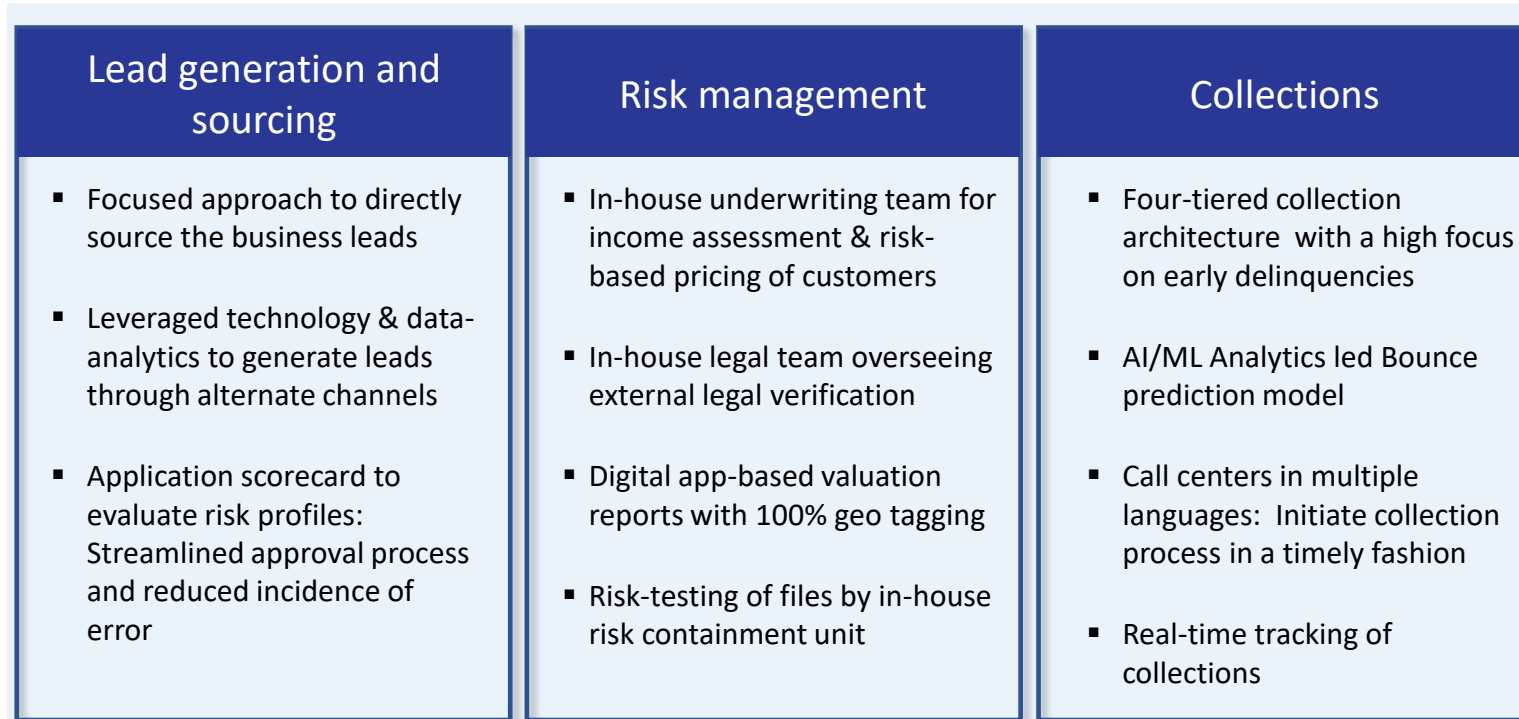
Promoter Nominee Director & Chairperson of CSR Committee

15+ years of experience

Qualifications: Bachelor's degree Economics from the Dartmouth College, MBA from Wharton School, University of Pennsylvania

Prior Engagements: Perella Weinberg Partners and Merrill Lynch, Temasek

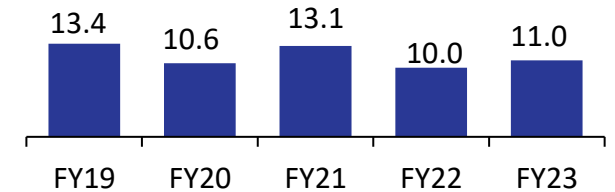
In-house execution model – Replicated across the states



Superior Business Outcome

1. Reduction in average TAT (days)

Turn around time is a key metric for employee incentives



2. Better ability to price risk effectively resulting in yields of more than 12.5%

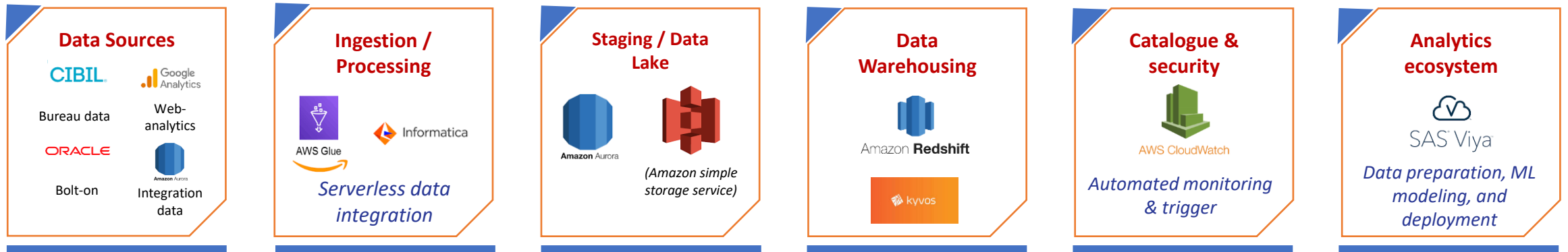
3. High collection efficiency and low GNPA

State-of-the art technological backbone enabling digital & analytical capabilities

Technology backbone backed by high quality systems



Supported by multiple softwares



Driving digital and analytical capabilities across the loan life cycle and operations



IT Transformation – Project GATI and UNNATI

(End to End digital journey from origination to servicing)

Guiding Principles

1

Linear Growth with
Non-Linear Inputs

2

Be a “Bank” by
Technology Capability

3

Create Remarkable
Customer Experience

Partners in the Journey

Deloitte.



ORACLE
FLEXCUBE



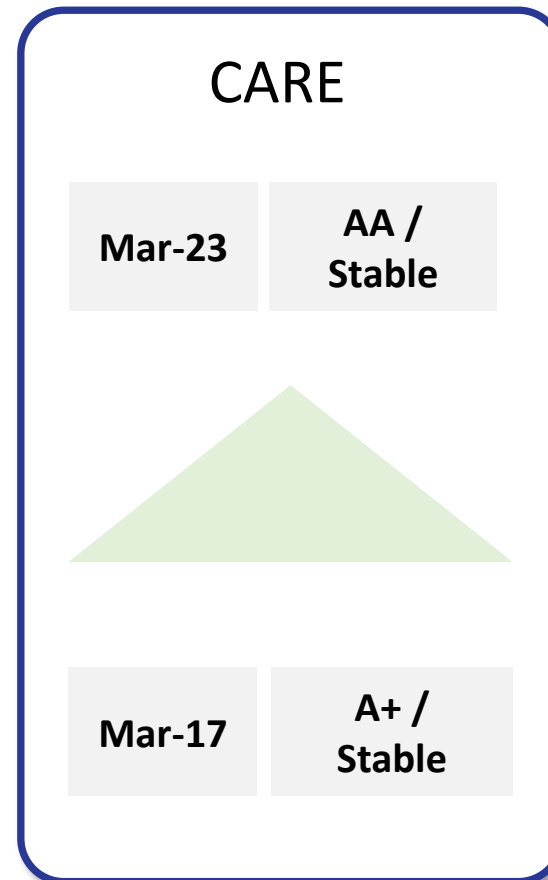
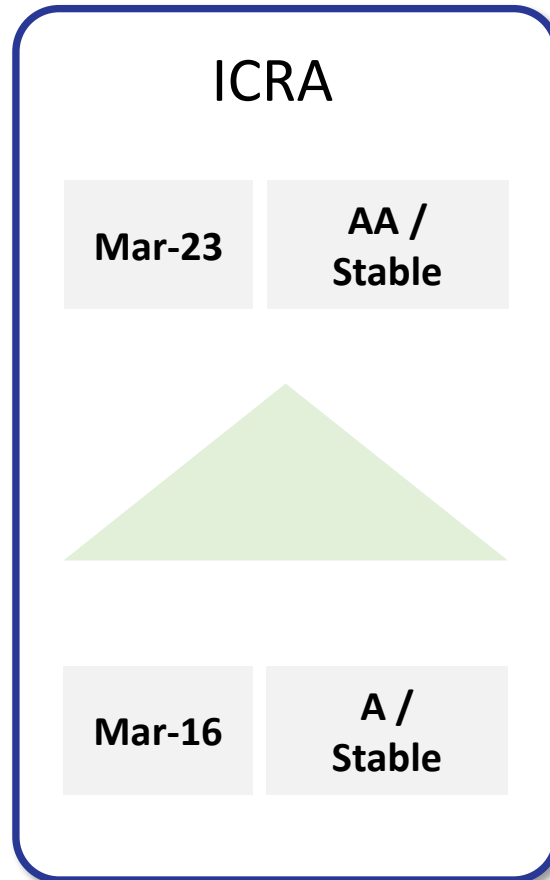
Key Objectives

- Be a digital first, technologically advanced & agile organization
- Transform loan origination & customer service processes leveraging Salesforce platform to achieve 10x scale
- Enable seamless collaboration & information sharing across various teams
- Minimize TAT for loan application processing through automated workflows & end-to-end integration
- Improve team productivity by equipping users with digital tools & enable processing of more applications
- Enable assisted, un-assisted & hybrid digital journeys for customers

Rolled out new LOS system (SFDC-based) across all branches from 1st April'23 under hyper-care after successful pilot in Q4FY23

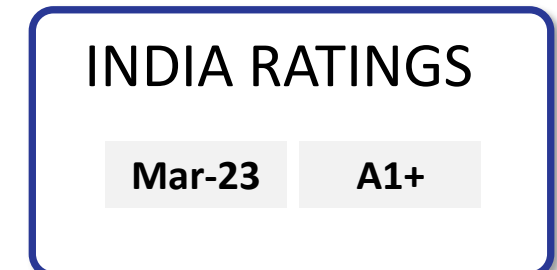
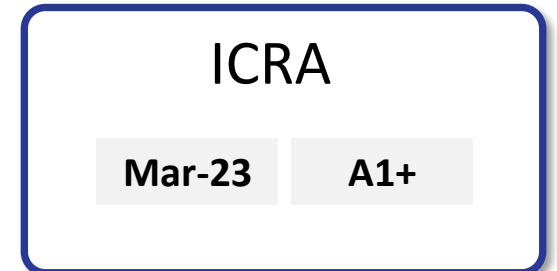
Disbursed INR 1bn+ digital-first originated loans as of Apr'23

Long-Term Credit Rating



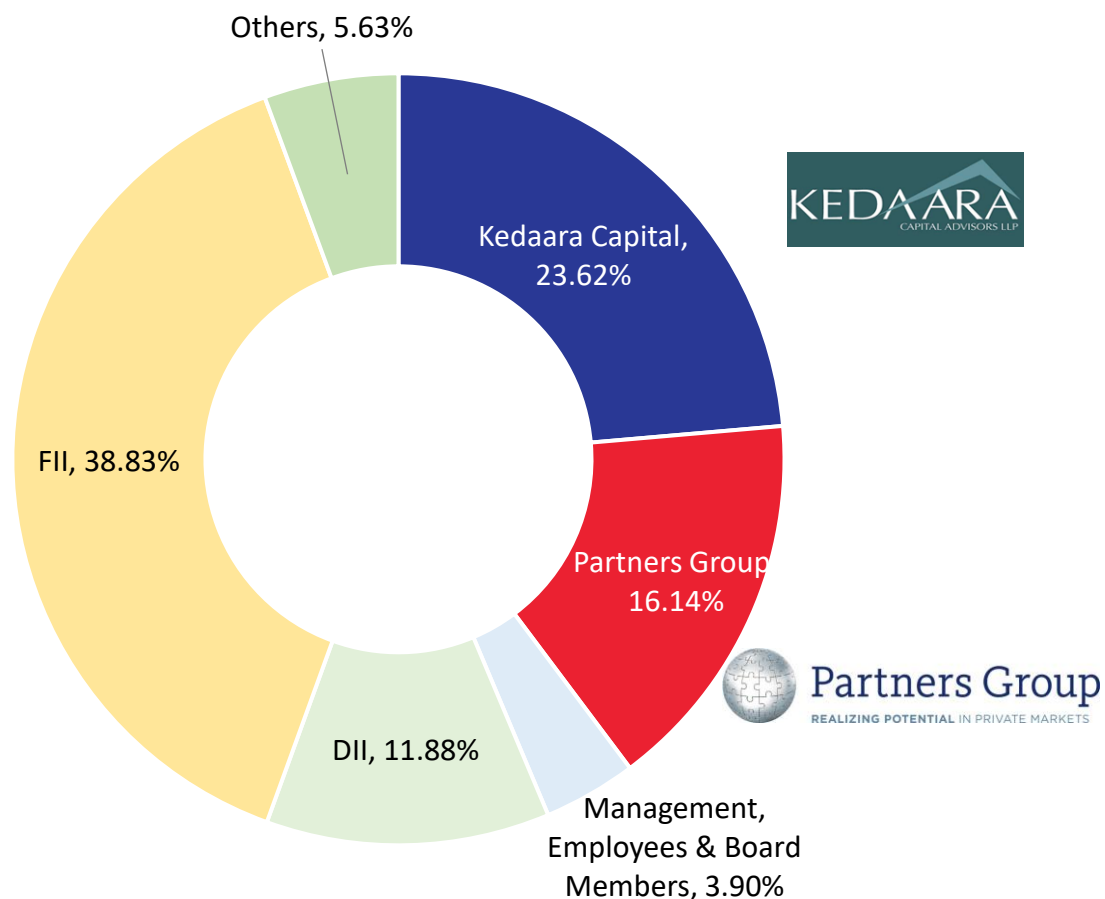
Short-Term Credit Rating

Reaffirmed



Diversified Shareholding Base

Shareholding Pattern as on
31st Mar 2023



Top Institutional Shareholders as on 31st Mar 2023

Investor Details	% Holding
Kedaara Capital [^]	23.62
Partners Group [^]	16.14
Capital Group [^]	8.34
Wasatch Global Investors [^]	7.17
Stewart Investors [^]	4.09
Kotak Mahindra Asset Management ^{^*}	4.04
UTI Asset Management ^{^*}	3.74
SBI Life Insurance [^]	2.74
GIC [^]	2.59
Nomura Asset Management [^]	2.37
Vanguard Index Funds [^]	1.66
ADIA [^]	1.32
Blackrock (ETFs & Index Funds) [^]	1.17
C Worldwide Asset Management [^]	1.08

[^] holding through various schemes/funds

^{*} includes Mutual Funds & Offshore Funds

DII includes Mutual Funds, Insurance Companies & Alternate Investment Funds (Category III)

@ Includes holding by management /board's close relative/trust/HUF, etc.

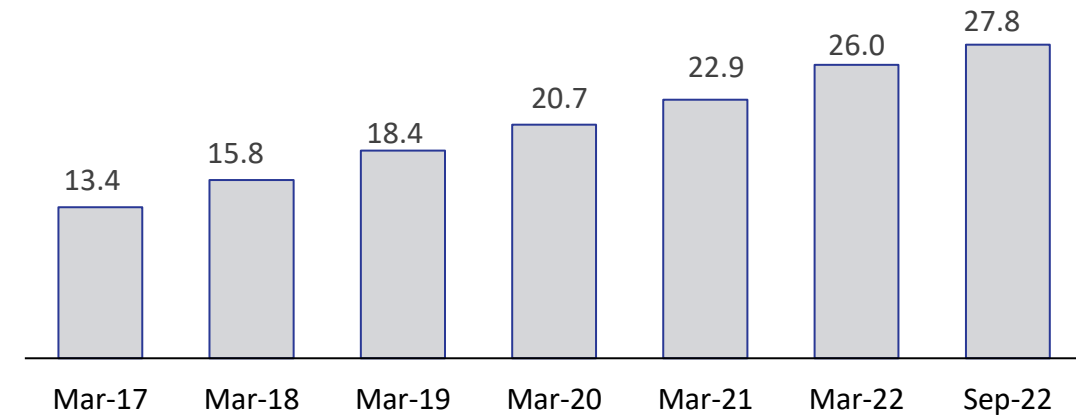
Size of Opportunity

Indian Housing Finance

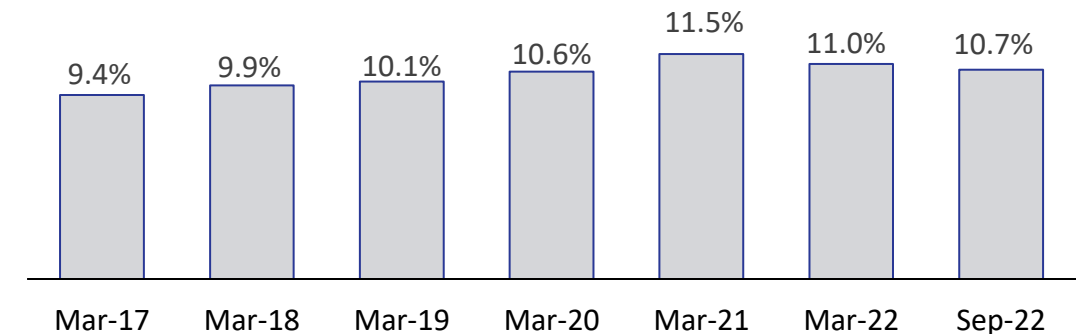
Market Size (as on Sep-22)	₹ 27.8 Trn	
YoY Growth (as on Sep-22)	+15% Banks - 22%, HFCs - 15%	
Market Share (as on Sep-22)	Banks - 68%	HFCs - 32%

Credit Growth Outlook for HFCs FY23 ~ 11-13%	Affordable HFCs YoY Growth (as on Sep-22) 19%	Asset Quality Outlook for HFCs FY23 ~ 2.7-3.0%
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Housing Market (₹ Trn)



Mortgage Penetration (%)





Halt in Repo Rate hike

After witnessing 250bps hike in repo rate during FY23, RBI has given the stance of keeping the repo rate unchanged at 6.50% in their last review meeting and decided to remain focused with readiness to act should the situation requires.



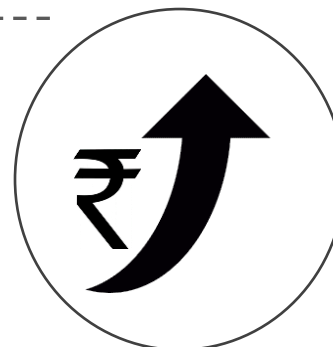
Resolution Framework 2.0

Lending institutions can restructure borrowers having aggregate exposure up to Rs. 500Mn who were classified as Standard as on 31st March 2021 & who didn't avail resolution under Framework 1.0 in FY21. Restructuring may be invoked up to 30th September 2021 & needs to be implemented within 90 days from invocation.



Harmonization of IRACP norms

In order to ensure uniformity in the implementation of IRACP norms across all lending institutions, RBI has harmonized certain aspects of the prevailing guidelines. Specifically, once an account turns NPA upon running of lender's day-end process, it can be upgraded to "standard"* asset category only once the entire arrear of interest & principal is paid by the borrower.



Extension of date & expansion of cover under ECLGS

Government had extended the scheme till 31st March 2023 and increased the quantum of guarantee under the scheme from Rs. 4.5 Tn to Rs. 5.0 Tn. The additional Rs. 0.5 Tn guarantee will be earmarked for companies in hospitality, travel & tourism and civil aviation industry.

* NBFCs/HFCs have time till 30 September 2022 to put in place necessary systems to implement this specific change

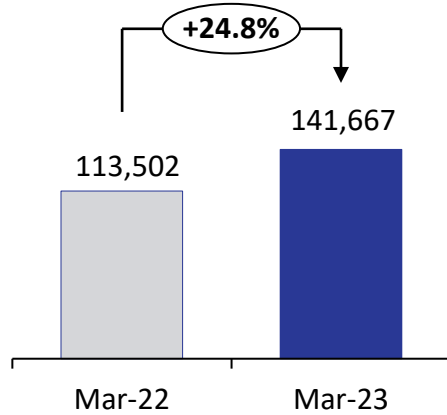


Financial Performance

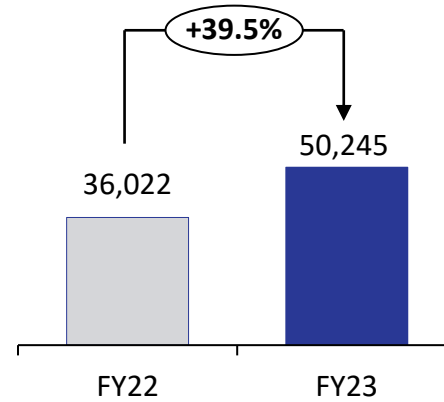
- ✓ Key Business Parameters
- ✓ Geographical Distribution
- ✓ Spreads and Margins
- ✓ Asset Quality
- ✓ Liability Franchise
- ✓ Key Ratios

Performance Highlights: Journey of Aavas 3.0 starts with the strongest quarter ever

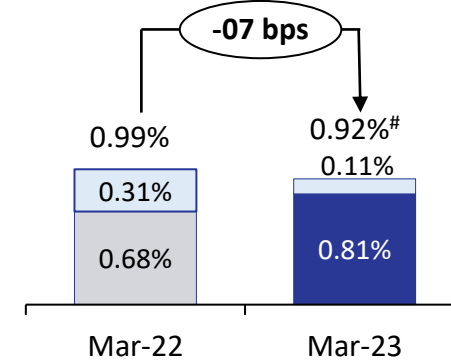
AUM* (₹ Mn)



Disbursement (₹ Mn)

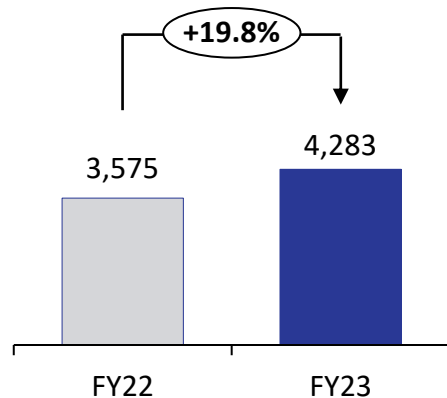


Gross Stage 3 (%)

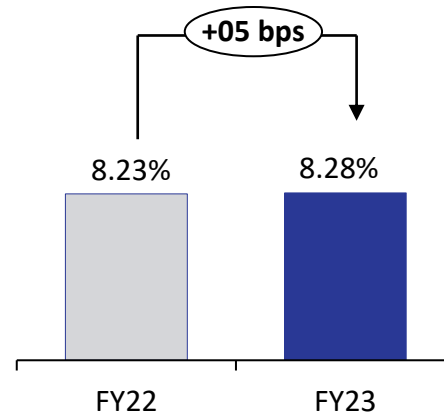


includes 0.11% with DPD upto 90 but categorized as GNPA/Gross Stage 3 on account of RBI notification

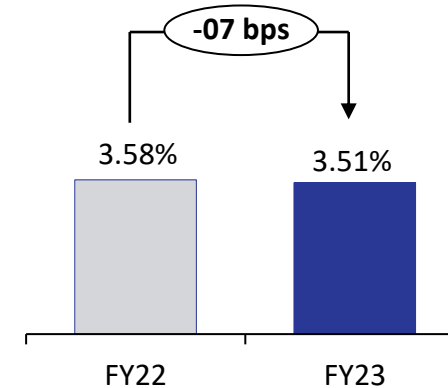
PAT** (₹ Mn)



NIM (%)



ROA (%)



Average Amount[^] per Active Loan Account as on Mar-23

₹ 0.89 Mn

Average Amount[^] per Disbursed Loan Account in FY23

₹ 1.04 Mn

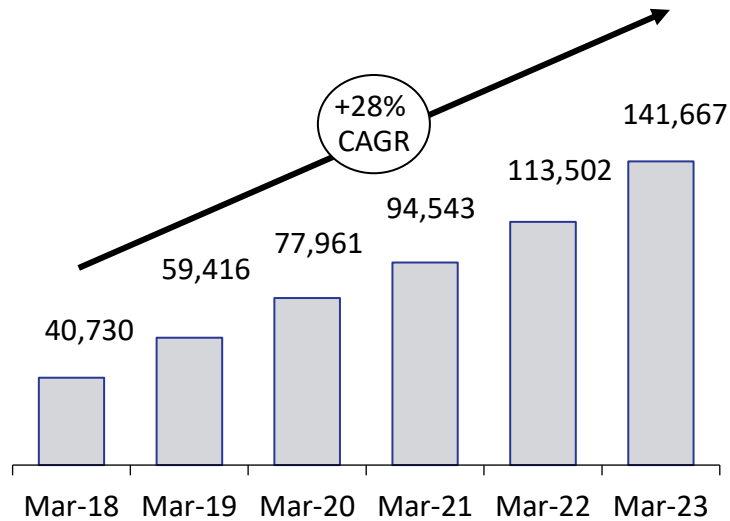
* AUM has an impact of subsidy received Rs 280 Cr during FY23 (PY Rs.108 Cr)
AUM growth excluding subsidy impact is 26.1%.

** PAT includes Other Comprehensive Income

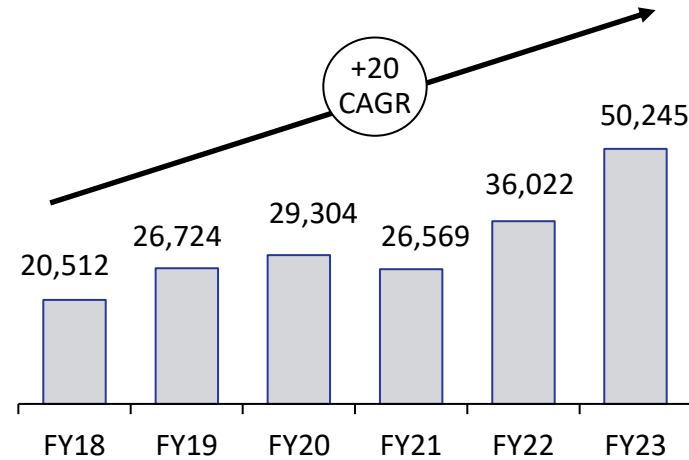
[^] at the time of Sanction

Healthy Business Growth

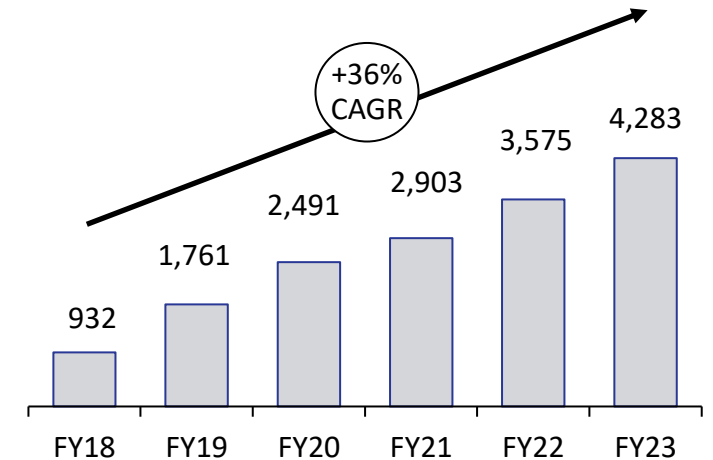
AUM (₹ Mn)



Disbursements (₹ Mn)



PAT* (₹ Mn)



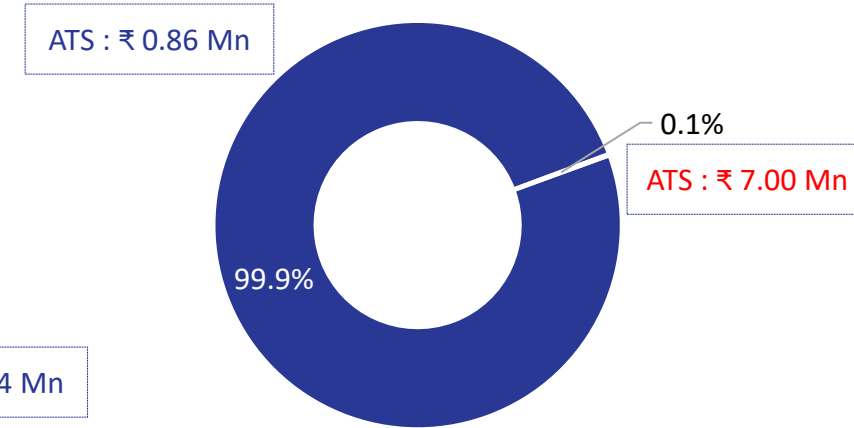
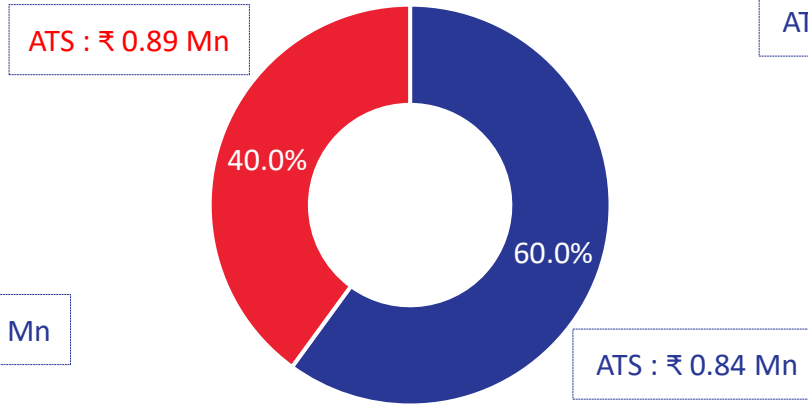
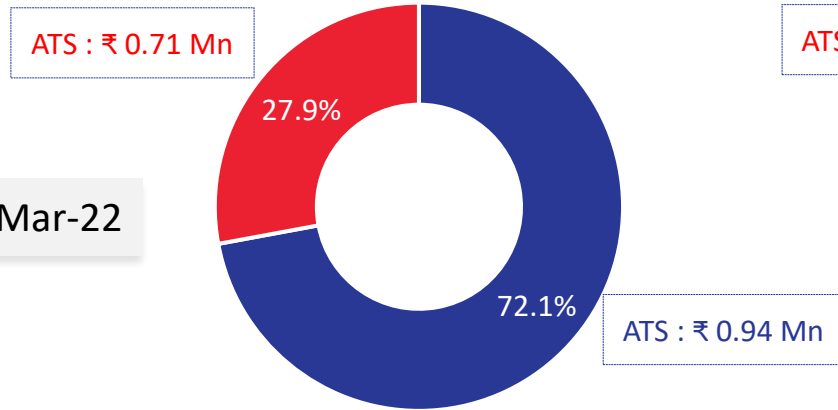
AUM Break-up

Product Category

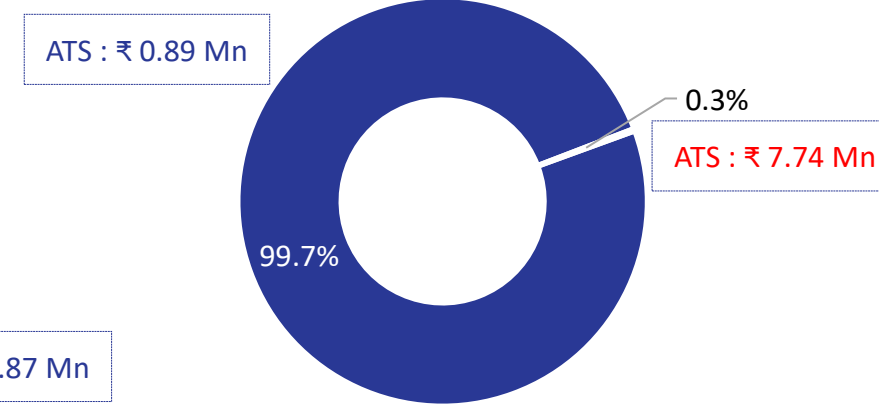
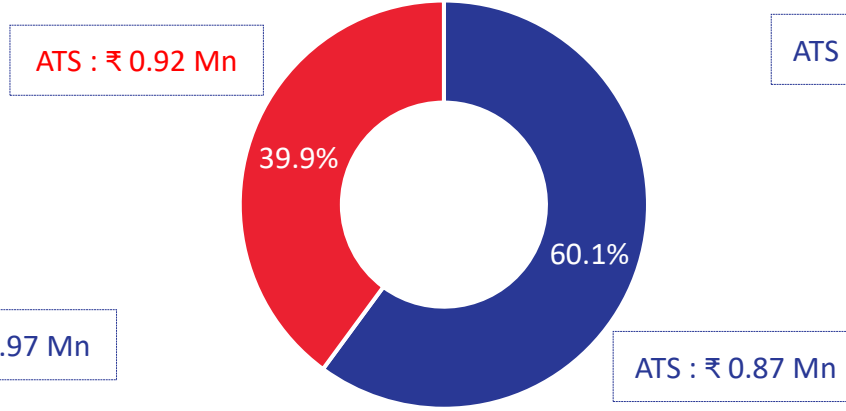
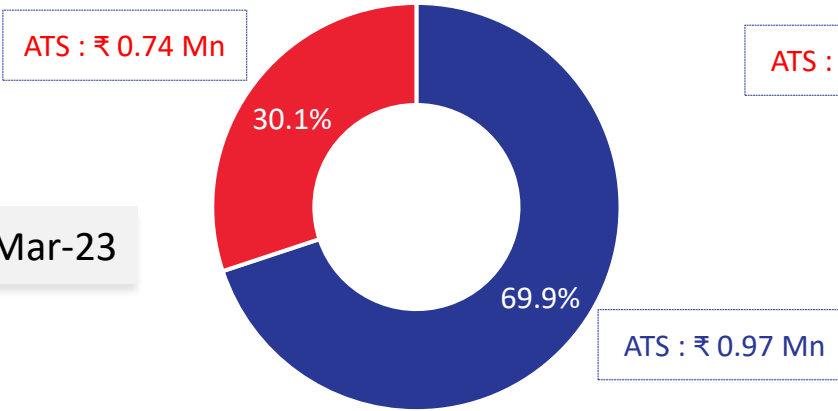
Occupation Category

Customer Category

31-Mar-22



31-Mar-23



Home Loan Other Mortgage Loan

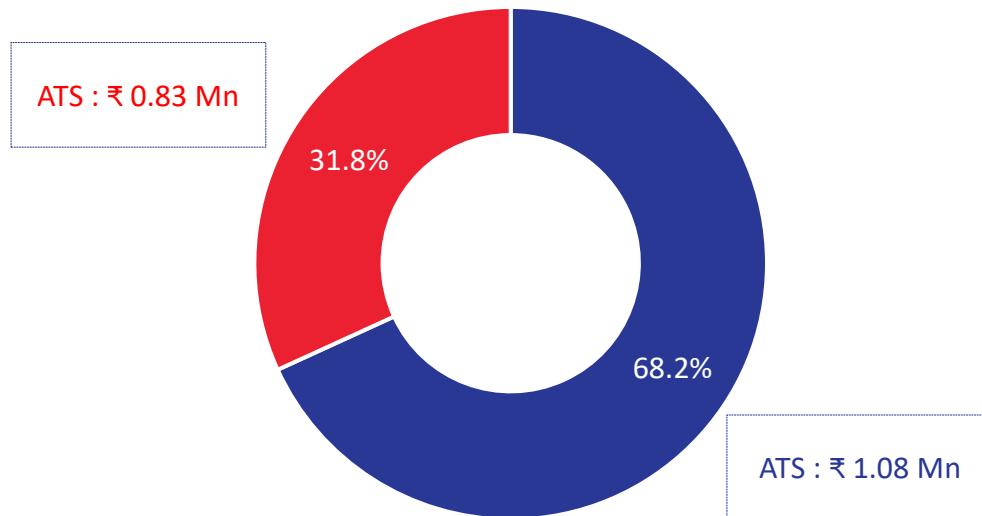
Self-Employed Salaried

Retail Corporate

ATS : Average Amount (at the time of Sanction) per Active Loan Account

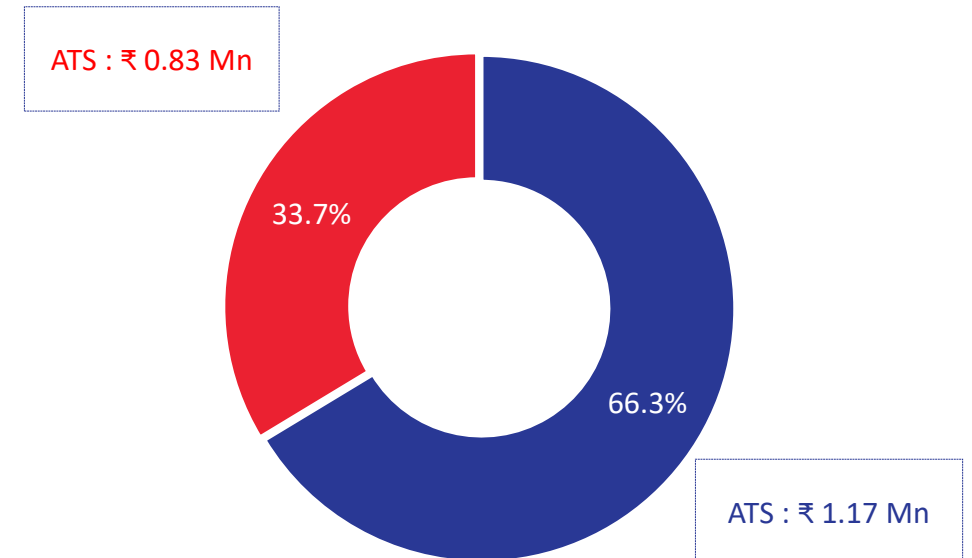
Disbursement Break-up – Product Category

FY22



Disbursement include 11.5% of mortgaged-backed MSME Loans classified under Other Mortgage Loans

FY23



Disbursement include 14.1% of mortgaged-backed MSME Loans classified under Other Mortgage Loans

■ Home Loan ■ Other Mortgage Loan

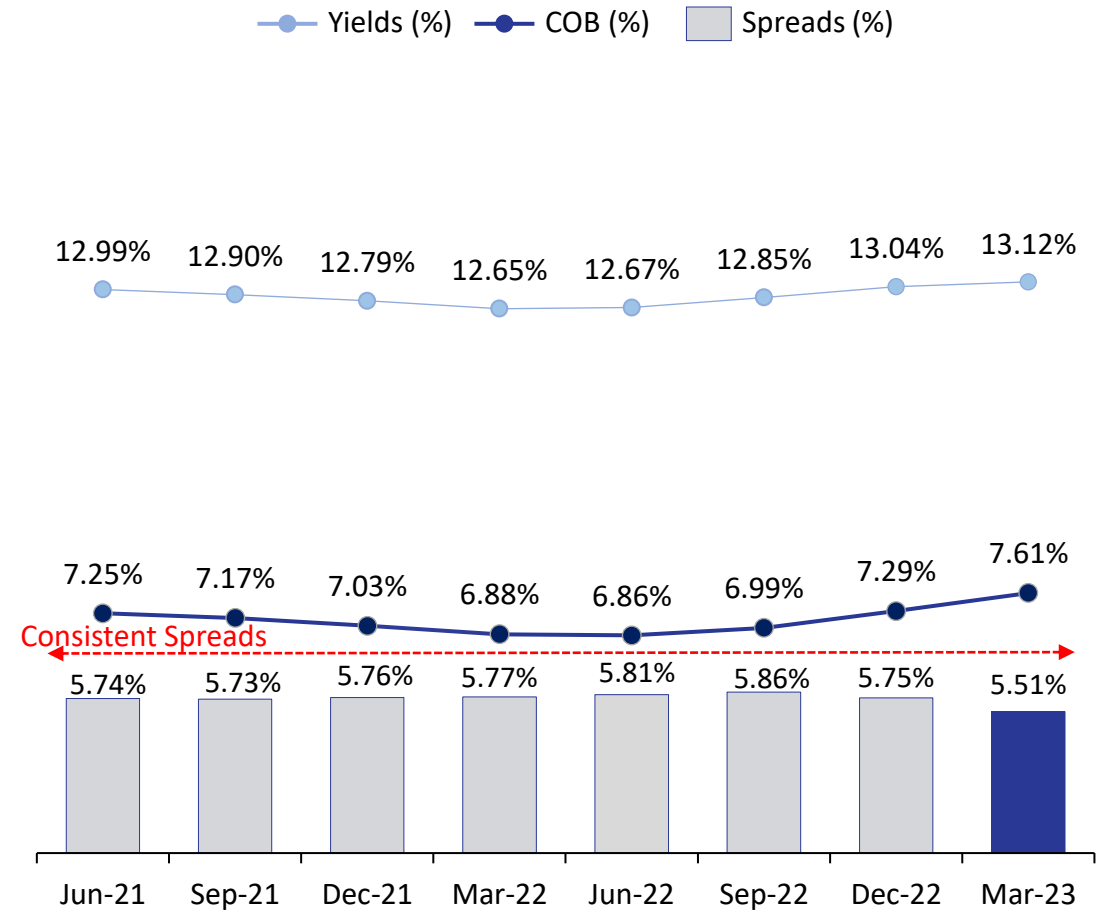
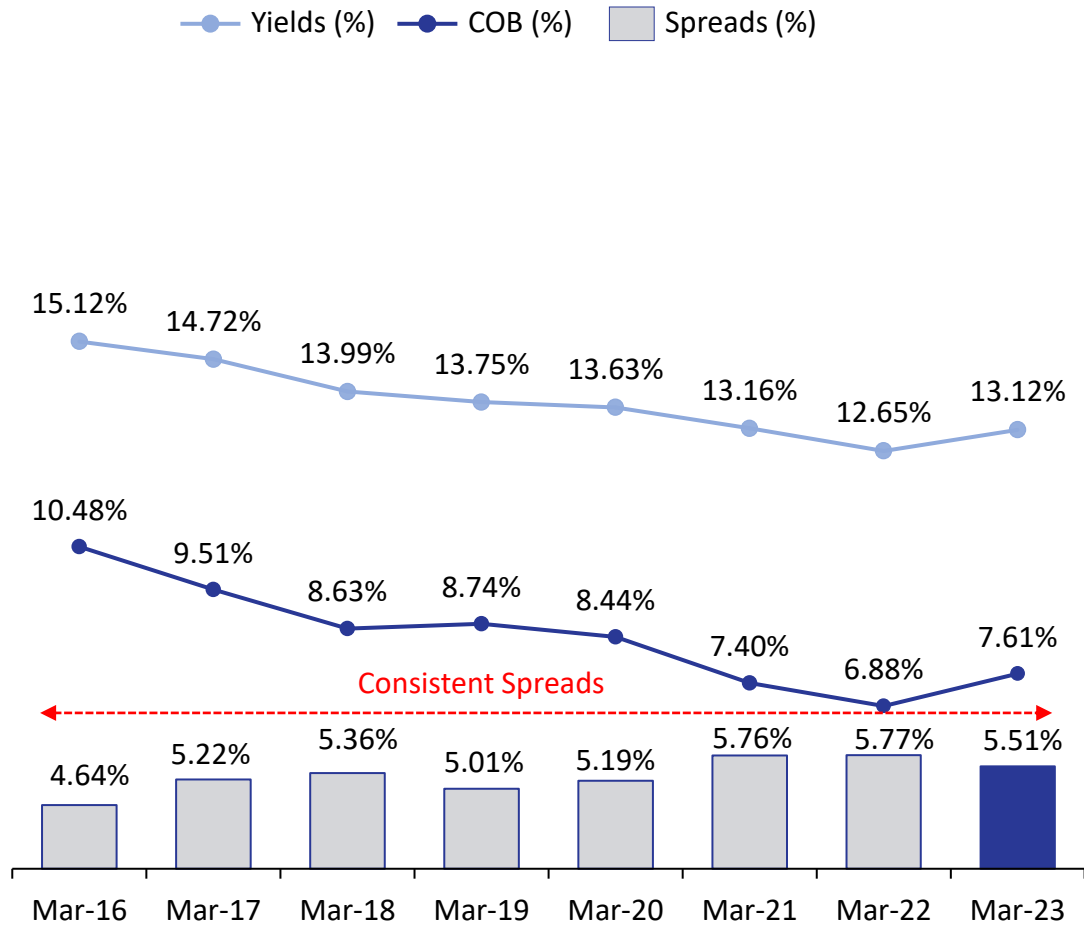
ATs : Average Amount (at the time of Sanction) per Disbursed Loan Account

Geographical Distribution

State	Branches	Operations Commenced in
Rajasthan	102	2012
Maharashtra	48	2012
Gujarat	44	2012
Madhya Pradesh	49	2013
Delhi	4	2013
Haryana & Punjab	20	2017
Chhattisgarh	9	2017
Uttar Pradesh	27	2018
Uttarakhand	9	2018
Himachal Pradesh	4	2020
Orissa	6	2021
Karnataka	24	2021
Total	346	

Consistent Spreads

Yields, Cost of Borrowings and Spreads (%)



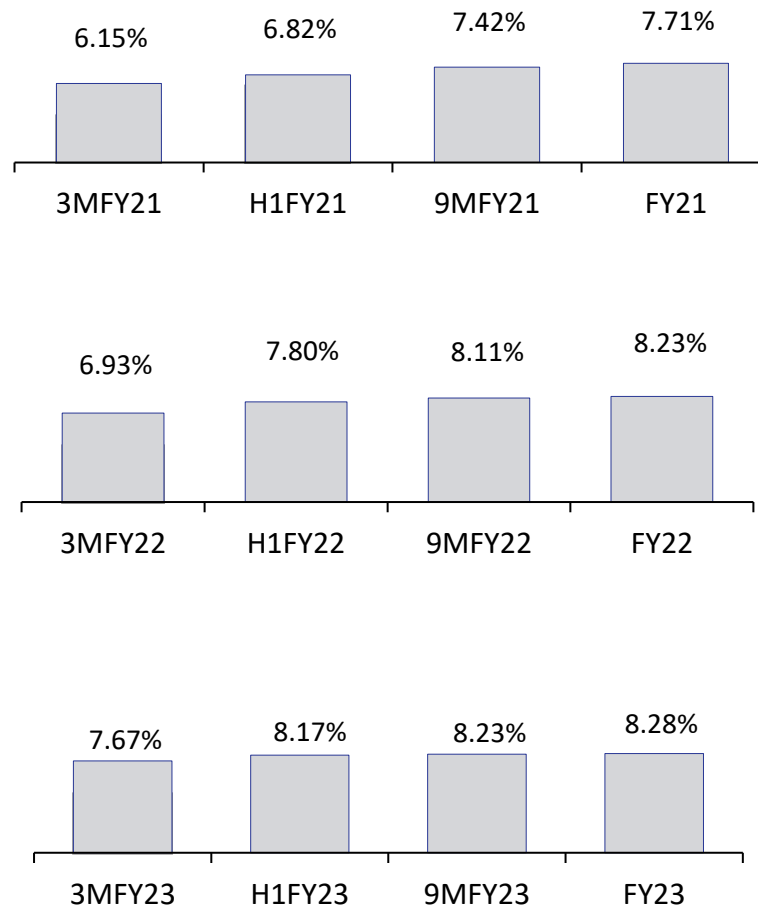
Further increase of 40 bps in PLR w.e.f. Apr 5th, 2023

Margin and Cost Efficiency

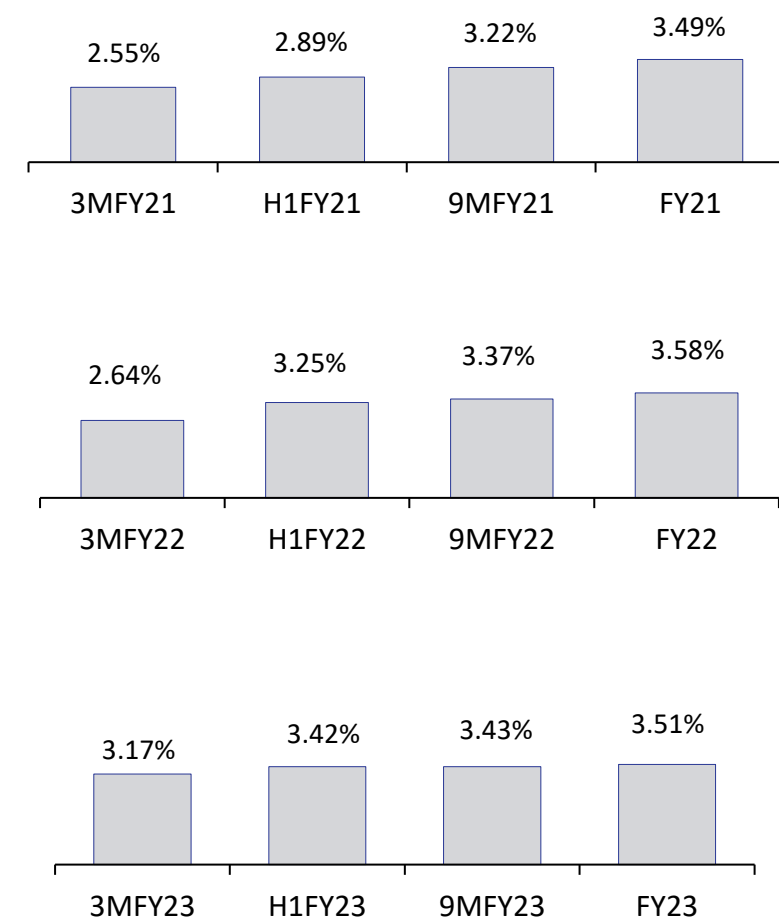
OpEx (%)



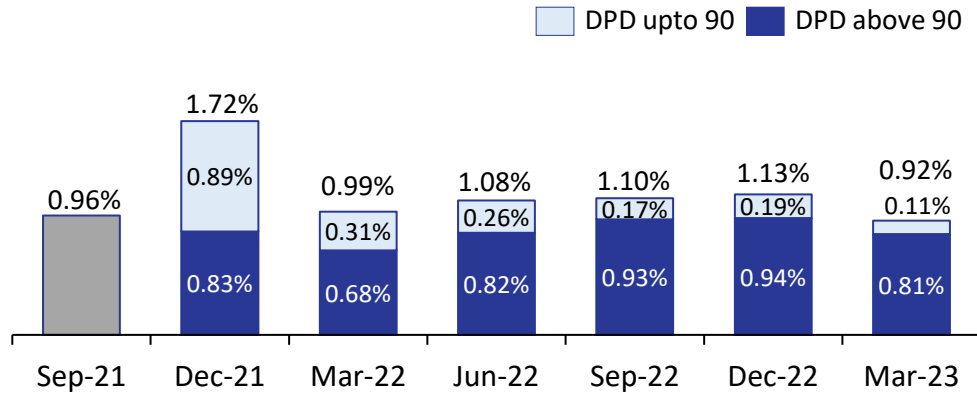
NIM (%)



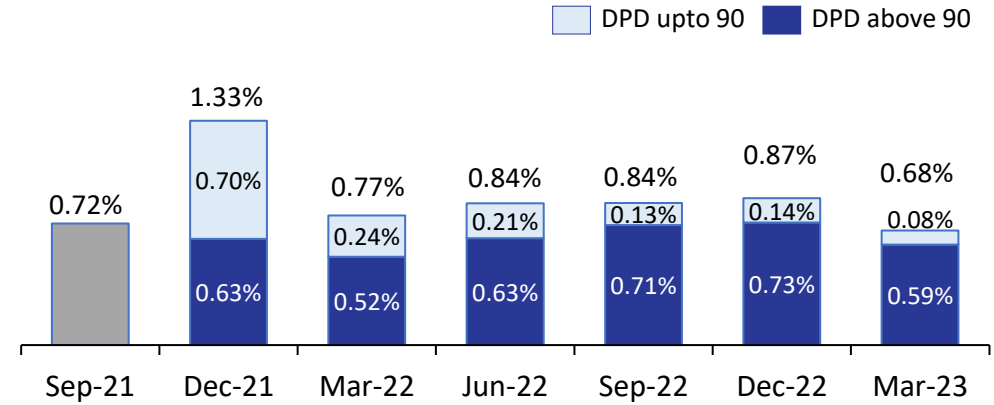
ROA (%)



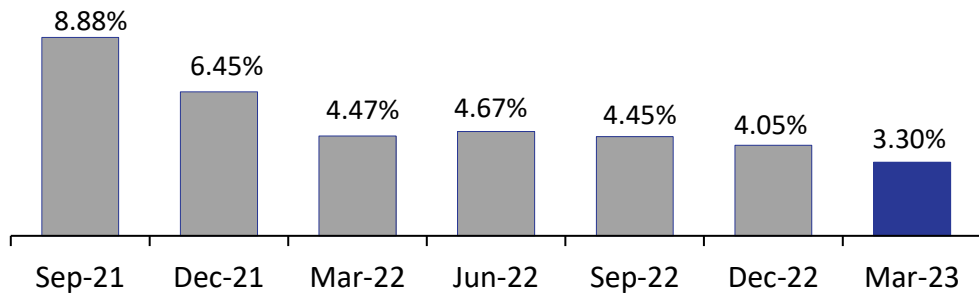
Gross Stage 3 (%)



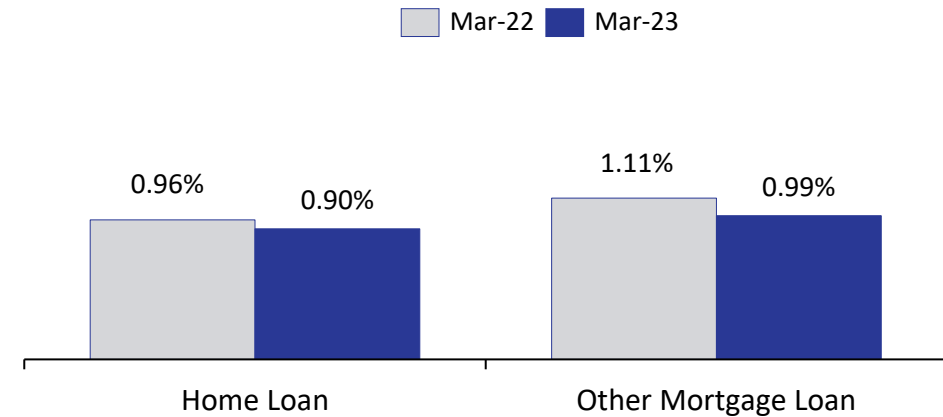
Net Stage 3 (%)



1+DPD (%)



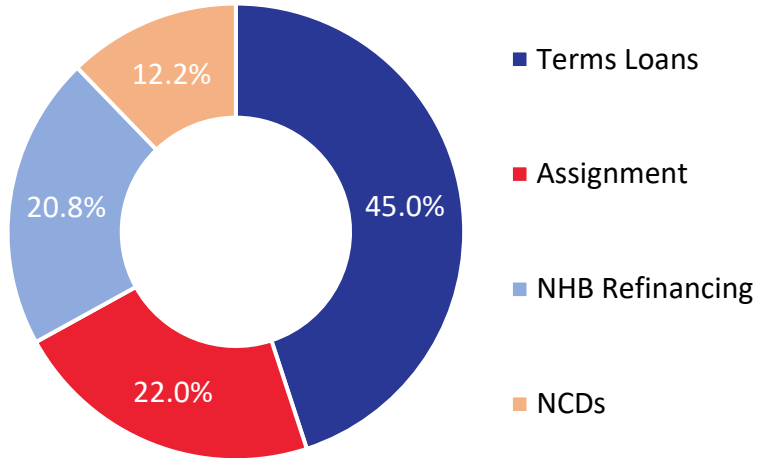
Segment-wise Gross Stage 3 (%)



Robust Liability Management

Diversified Funding Mix

As on Mar-23



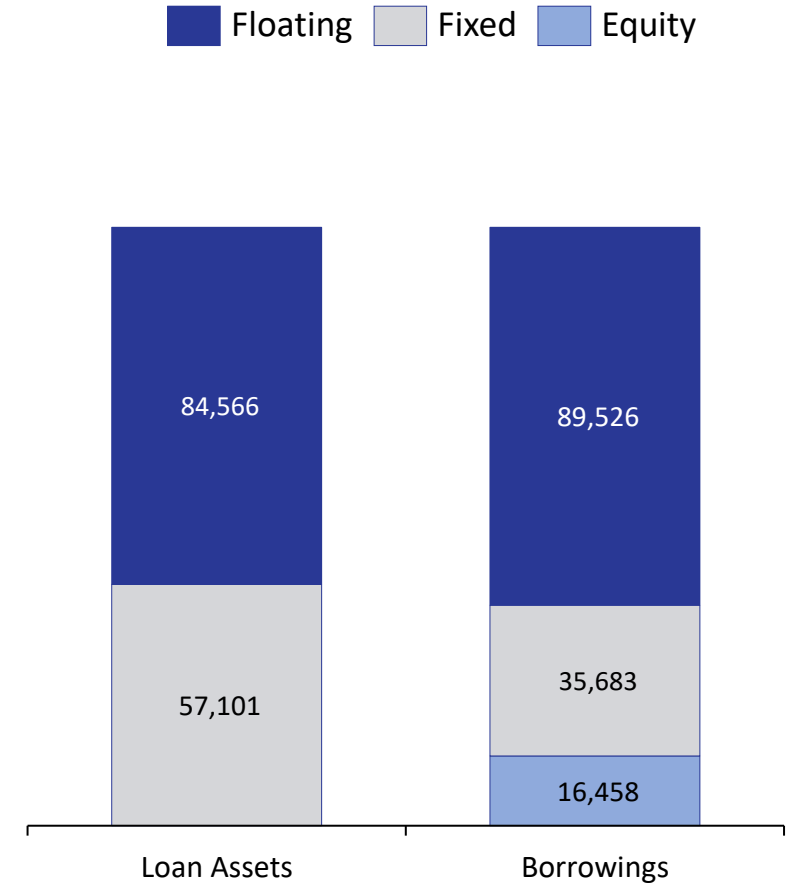
Prime Lending Rate hiked by 160 bps in FY23
Further increase of 40 bps w.e.f. 05th Apr 2023

31 Lenders
Diversified Mix
No exposure to Commercial Papers

Incremental Borrowings -
Q4 FY23 - ₹ 15,816 Mn at 8.07%
FY23 - ₹ 47,631 Mn at 7.25% for 128 months

Loan Assets & Borrowings (₹ Mn)

As on Mar-23



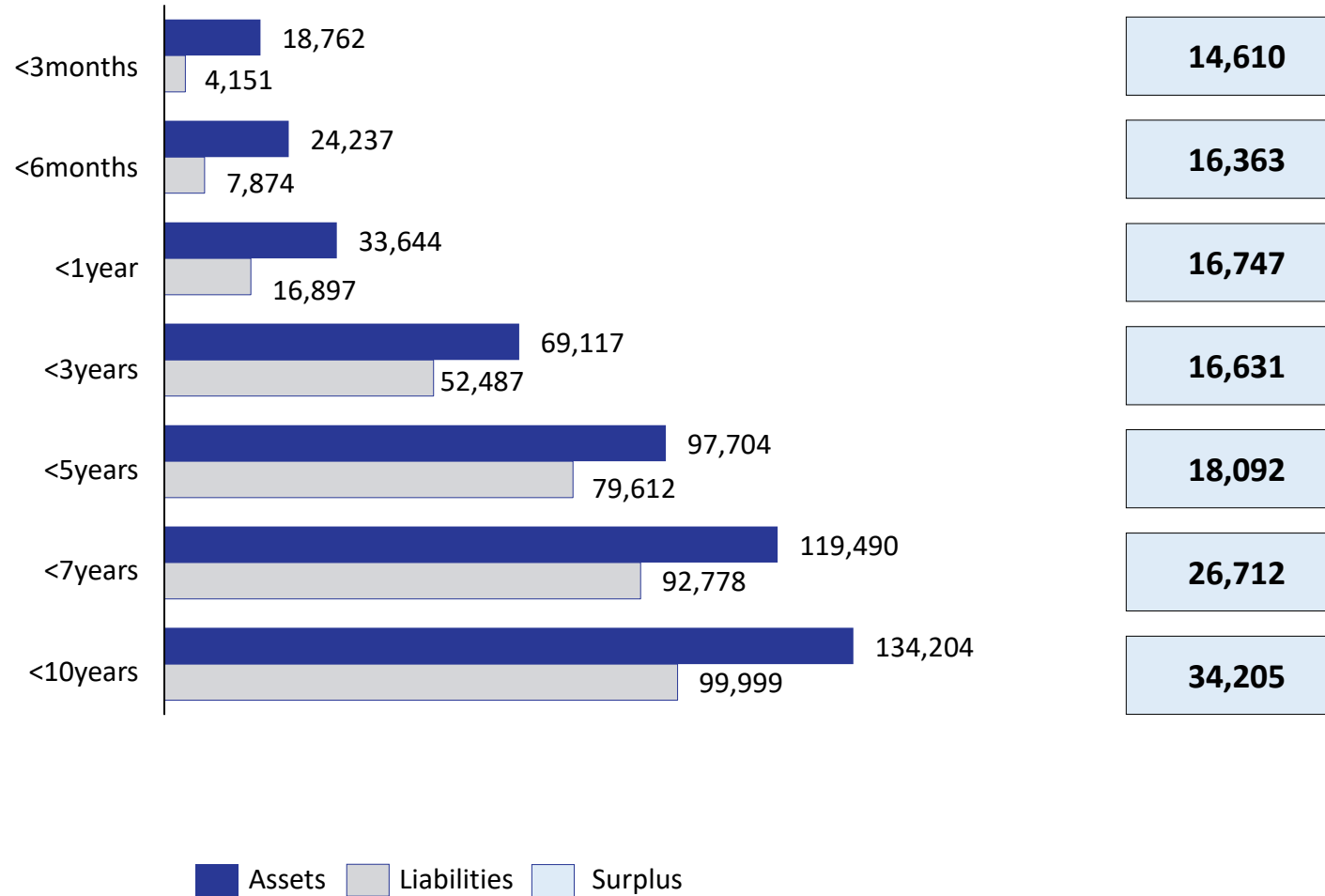
Payment Schedule of Debt Capital Market Exposure

NCD Investor	Exposure (₹ Mn)		Payment Schedule (₹ Mn)				
	31-Mar-23	FY24	FY25	FY26	FY27	FY28	FY29
IFC	3,450	-	3,450	-	-	-	-
ADB	3,419	684	684	684	684	684	-
BIl (erstwhile CDC)	5,100	500	500	1,400	900	900	900
Domestic Bank	2,100	1,150	400	350	200	-	-
Mutual Fund	1,240	250	-	-	990	-	-
Total (Mn)	15,309	2,584	5,034	2,434	2,774	1,584	900

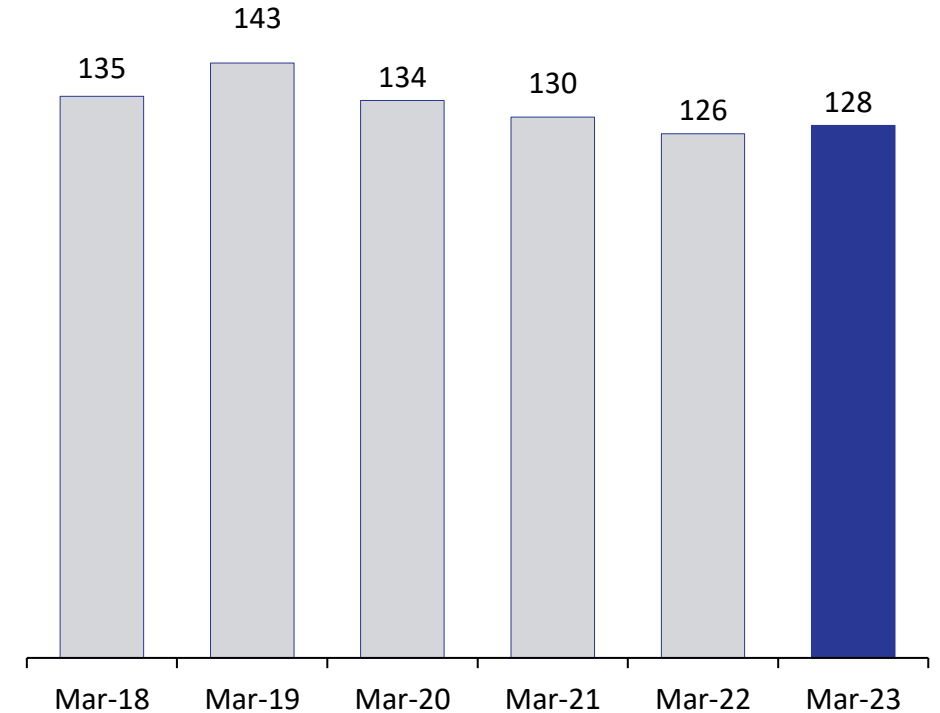
[^] gap between Loan Assets & Borrowings filled by a portion of Equity

Surplus Management* (₹ Mn)

As on Mar-23



Average tenor of outstanding borrowing (months)



* Data as per Ind-AS

Comfortable Liquidity Position

Particulars (₹ Mn)	As on Mar-23
Cash & Cash Equivalents	13,687
Un-availed CC Limits	1,100
Documented & Un-availed Sanctions from NHB	2,620
Documented & Un-availed Sanctions from other Banks	15,340
Total Liquidity Position	32,747

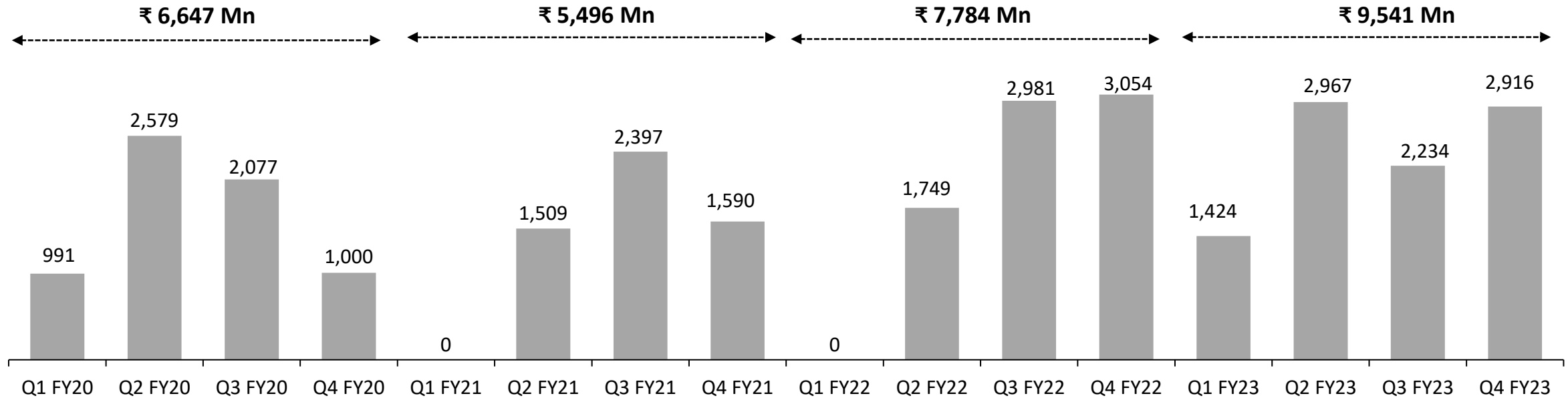
**High Quality Liquidity of
₹ 17,407 Mn**

Particulars (₹ Mn)	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24
Opening Liquidity	32,747	34,017	35,387	36,637
Add: Principal Collections & Surplus from Operations	1,501	1,724	1,723	1,929
Less: Debt Repayments	231	353	474	384
Closing Liquidity	34,017	35,387	36,637	38,182

₹ 38,182 Mn of Surplus Funds* available for business

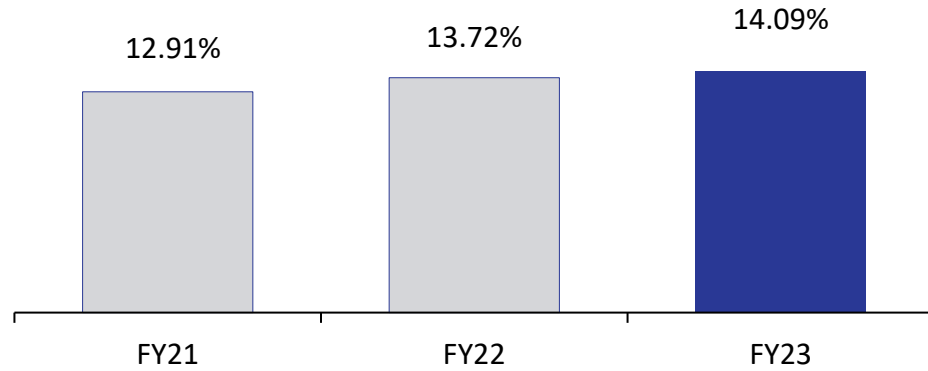
* without including any incremental sanctions

Net Securitization Volume

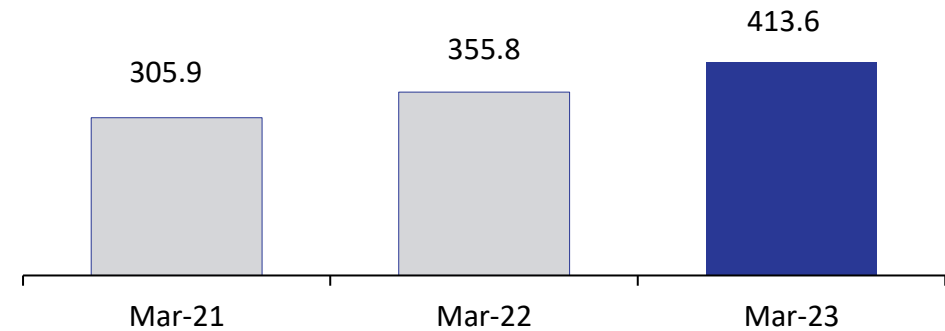


Key Financial Ratios

ROE (%)

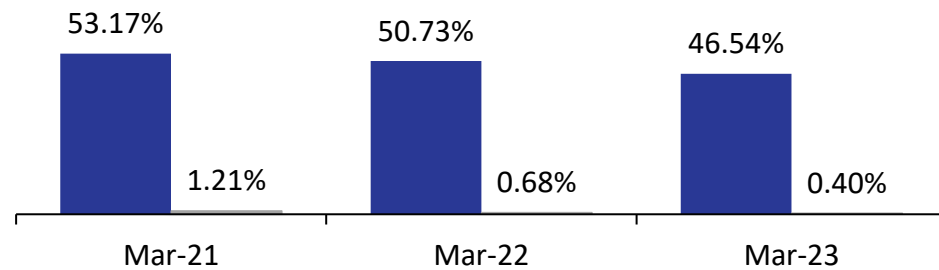


Book Value Per Share (₹)

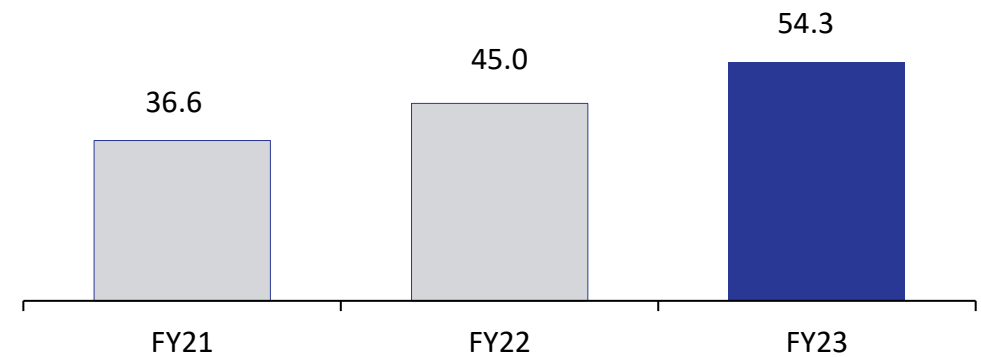


Capital Adequacy Ratio (%)

■ Tier I ■ Tier II



Earning Per Share* (₹)





Annexures

- ✓ Quarterly Profit & Loss Statement
- ✓ Balance Sheet
- ✓ PAT Reconciliation
- ✓ ECL Provisioning
- ✓ Networth Reconciliation
- ✓ ESG

Quarterly Profit & Loss Statement

Particulars (₹ Mn)	Q4 FY23	Q4 FY22	Y-o-Y	Q3 FY23	Q-o-Q
Interest Income on Loans (incl. Processing Fee)	3,887.2	3,097.3	25.5%	3,635.4	6.9%
Interest Income on Fixed Deposits	280.3	174.3		237.0	
Reversal Income on Earlier Assigned Loans	(306.1)	(231.0)		(287.2)	
Upfronting Income on Fresh Assigned Loans	447.6	457.4		359.9	
Non-Interest Income	193.1	154.5		174.5	
Interest Expense (incl. Finance Charges)	(1,668.3)	(1,241.8)	34.4%	(1,514.8)	10.1%
NIM	2,833.8	2,410.7	17.6%	2,604.8	8.8%
Operating Expenses	1,184.4	1,054.2		1,190.0	
Credit Costs	63.8	(104.3)		35.1	
Profit Before Tax	1,585.6	1,460.9	8.5%	1,379.7	14.9%
Provision for Taxation	318.1	304.1		306.9	
Profit After Tax	1,267.5	1,156.7	9.6%	1,072.7	18.2%
Total Comprehensive Income	1,247.5	1,161.7	7.4%	1,072.7	16.3%
EPS (Diluted)	16.0	14.6		13.5	

Yearly Profit & Loss Statement

Particulars (₹ Mn)	FY23	FY22	Y-o-Y
Interest Income on Loans (incl. Processing Fee)	14,080.4	11,450.2	23.0%
Interest Income on Fixed Deposits	911.4	640.7	
Reversal Income on Earlier Assigned Loans	(1,110.0)	(803.3)	
Upfronting Income on Fresh Assigned Loans	1,518.2	1,240.4	
Non-Interest Income	701.4	527.5	
Interest Expense (incl. Finance Charges)	(5,986.1)	(4,832.2)	23.9%
NIM	10,115.3	8,223.4	23.0%
Operating Expenses	4,501.2	3,448.8	
Credit Costs	124.2	226.1	
Profit Before Tax	5,490.0	4,548.6	20.7%
Provision for Taxation	1,189.2	980.6	
Profit After Tax	4,300.7	3,568.0	20.5%
Total Comprehensive Income	4,282.8	3,575.1	19.8%
EPS (Diluted)	54.3	45.0	

Balance Sheet

Particulars (₹ Mn)	31-Mar-23	31-Mar-22
Sources of Funds		
Share Capital	790.6	789.4
Reserves & Surplus	31,906.0	27,297.1
Borrowings	98,872.8	80,119.8
Deferred Tax Liability (Net)	501.8	353.6
Other Liabilities & Provisions	2,034.1	1,644.0
Total	1,34,105.3	1,10,203.8
Application of Funds		
Loan Assets	1,14,762.7	90,534.2
Investments	1,230.8	675.2
Fixed Assets	561.1	327.3
Liquid Assets	13,816.3	15,302.3
Other Assets	3,734.3	3,364.8
Total	1,34,105.3	1,10,203.8

PAT Reconciliation

Particulars (₹ Mn)	FY23	FY22	Y-o-Y	Q4 FY23	Q4 FY22	Y-o-Y
Net Profit as per IGAAP	3,793.1	3,282.3	15.6%	1,006.1	947.9	6.1%
Add / (Less) : Adjustments as per IndAS on account of:						
Adoption of effective interest rate (EIR) for amortisation of Income and expenses - financial assets at amortised cost / net interest on credit impaired loans	192.2	(1.3)		89.2	10.2	
Fair valuation of employee stock options (ESOP)	(164.2)	(178.5)		52.1	(50.9)	
Adoption of effective interest rate (EIR) for amortisation of expenses - financial liabilities at amortised cost	(30.2)	(18.5)		(2.6)	6.2	
Net gain from excess interest spread on assignment transactions	408.3	437.1		141.5	226.4	
Expected Credit Loss (ECL) provision	5.6	(13.4)		(28.2)	75.4	
Other Adjustments	32.6	(30.2)		20.7	(14.1)	
Deferred Tax impact on above adjustments and reversal of DTL on special reserve and other tax impact	63.4	90.4		(11.2)	(44.4)	
Net Profit Before Other Comprehensive Income as per IndAS	4,300.7	3,568.0	20.5%	1,267.5	1,156.7	9.6%
Other Comprehensive Income after Tax	(17.9)	7.1		(20.0)	4.9	
Total Comprehensive Income as per IndAS	4,282.8	3,575.1	19.8%	1,247.5	1,161.7	7.4%

ECL Provisions

Particulars (₹ Mn)	31-Mar-23	31-Dec-22	31-Mar-22
Gross Stage 1	1,12,318.4	1,02,743.1	87,571.0
% portfolio in Stage 1	97.26%	96.74%	96.04%
ECL Provision Stage 1	259.6	231.7	216.8
ECL Provision % Stage 1	0.23%	0.23%	0.25%
Gross Stage 2	2,093.5	2,256.2	2,702.8
% portfolio in Stage 2	1.81%	2.12%	2.96%
ECL Provision Stage 2	169.4	156.1	218.0
ECL Provision % Stage 2	8.09%	6.92%	8.07%
Gross Stage 3 a (DPD <= 90) *	127.2	199.9	284.0
% portfolio in Stage 3 a	0.11%	0.19%	0.31%
ECL Provision Stage 3 a	30.1	47.3	62.7
Gross Stage 3 b (DPD > 90)	939.7	1,004.1	619.6
% portfolio in Stage 3 b	0.81%	0.95%	0.68%
ECL Provision Stage 3 b	256.9	240.2	145.6
ECL Provision % Stage 3	26.91%	23.88%	23.06%
Gross Stage 1, 2 & 3	1,15,478.8	106,203.4	91,177.4
ECL Provision Stage 1, 2 & 3	716.1	675.3	643.2
Total ECL Provision %	0.62%	0.64%	0.71%

During FY22, resolution plan was implemented for certain borrower accounts as per RBI's Resolution Framework 2.0 dated 05-May-21. Basis the perceived risk & as a matter of prudence, some such accounts with an outstanding amount of ₹ 885.2 Mn are being classified as Stage 2 and a provision of ₹ 122.3 Mn has been created on such accounts as of 31-Mar-23 as per the guidelines.

DPD wise status of Restructured book as of Mar 31, 2023 :

DPD Bucket	Total EAD
Current	534.4
1-30	141.3
31-60	181.9
61-90	27.6
Total	885.2

Networth Reconciliation

Particulars (₹ Mn)	31-Mar-23	31-Mar-22
Net worth as per previous GAAP	30,177.4	26,133.3
Adjustments increasing/(decreasing) net worth as reported under previous GAAP:		
Adoption of EIR for amortisation of Income and expenses - financial assets at amortised cost / net interest on credit impaired loans	(217.9)	(410.1)
Adoption of EIR for amortisation of expenses - financial liabilities at amortised cost	96.0	126.2
Net gain from excess interest spread on assignment transactions	2,667.2	2,258.9
Expected Credit Loss (ECL)	(65.0)	(70.5)
Other Adjustments	(224.0)	(150.9)
Deferred Tax impact on above adjustments and reversal of DTL on special reserve and other tax impact	262.9	199.5
Net worth as per Ind AS	32,696.6	28,086.4

Pillars for Sustainable Future

Green Planet

Create a healthy planet by reducing our carbon footprint, optimizing energy consumption & mitigating climate change

Nurturing Workplace

Create a healthy & diverse workplace where talent is nurtured, recognized & rewarded

Responsible Lending

Create a positive impact on environment & society through our responsible lending practices

Secure Customer

Ensure highest level of customer privacy and data security by ensuring zero data breaches & fraud risk minimization

Empowered Community

Commit to welfare & empowerment of communities we work in by reducing inequality, promoting education, health & gender equality

Robust Governance

Continue our focus on maintaining transparency & business integrity while driving our ESG ambitions

Key Quarterly Updates

Green housing program with IFC:

- **40 Green house certificates** received so far and ROI reduction of 0.5% has been passed on for 30 green homes.
- **Green home training sessions for 6 branches** across Karnataka and Orissa, covering 130+ employees
- **Green Home Awareness** outreaching 2,40,000+ people.

Community Well-being Initiatives:

- An initiative to promote sustainable development by **planting 1500 saplings** at the Government's world largest Goshala, Hingonia, Jaipur.
- Aavas Foundation has organized 5 Shramik Mela with 1200+ participants.
- **Two solar plants** having a total capacity of 230 kWh has been set up by Aavas Foundation

Self-defense training: Provided **3-day training to 28 female employees** in the HO of the company.

Perna Initiative launched on International Women's Day to promote gender diversity, equity, and inclusion(DEI)

ESG related reports & an independent review of ESG initiatives available on website: <https://www.aavas.in/esg-reporting>



SAPNE AAPKE, SAATH HAMAARA

Aavas Financiers Limited

(Formerly known as Au HOUSING FINANCE LIMITED)

CIN: L65922RJ2011PLC034297

Mr. Ghanshyam Gupta

investorrelations@aavas.in

www.aavas.in

SGA Strategic Growth Advisors

Strategic Growth Advisors Private Limited

CIN: U74140MH2010PTC204285

www.sgapl.net



Thank You !