

**Ref. No. AAVAS/SEC/2023-24/686**

**Date: October 26, 2023**

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

**Sub: Investor Presentation on the Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 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 Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2023.

This Investor Presentation may also be accessed on the website of the Company at [www.aavas.in](http://www.aavas.in).

This is for your information and record.

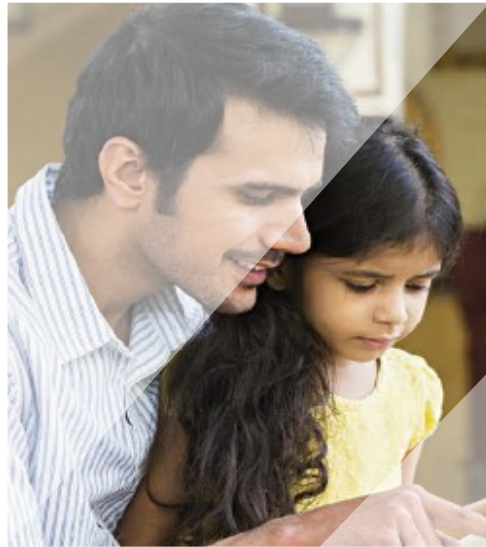
Date and time of occurrence of event/information: October 26, 2023 and Board Meeting concluded at 04:00 P.M.

Thanking You,

**FOR AAVAS FINANCIERS LIMITED**

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

***Enclosed: a/a***



# AAVAS FINANCIERS LIMITED

Investor Presentation – H1 FY24

# Safe Harbor

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This presentation and the accompanying slides (the “Presentation”), which have been prepared by Aavas Financiers Ltd. (the “Company”), without any specific objectives and solely for information purposes and do not constitute directly or indirectly any advertisement, advise, offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever.

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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.

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# 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 350 branches

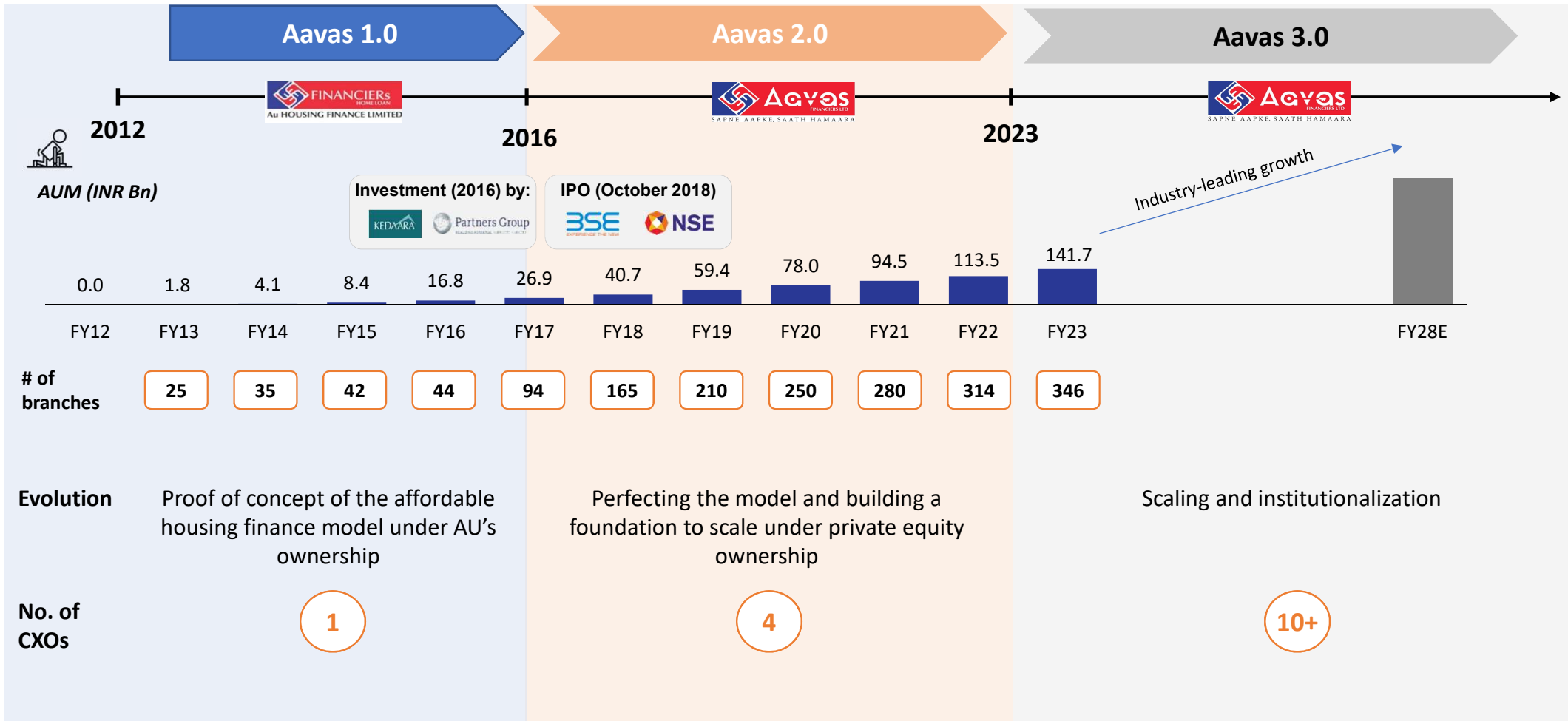




## Our Pillars of Strength

- ✓ 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

# 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



## 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



## Ashutosh Atre

### President & Chief Risk Officer

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



## Siddharth Srivastava

### Chief Business Officer

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



## Ripudaman Bandral

### Chief Credit Officer

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



## Surendra Sihag

### Chief Collections Officer

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



## Anshul Bhargava

### Chief People Officer

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



## Jijy Oommen

### Chief Technology Officer

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



## Rajaram

### Balasubramaniam

#### Chief Strategy Officer & Head of Analytics

- Prior associated with Citibank, Standard Chartered Bank



## Rajeev Sinha

### Executive VP, Operations

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



## Ramachandran Venkatesh

### Head of Internal Audit

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



## Sharad Pathak

### Company Secretary & Chief Compliance Officer

- Associated with Aavas Financiers since May 2012

# Experienced Board has guided Aavas's journey since inception



**Sandeep Tandon**  
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**  
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**  
Independent Director & Chairperson of Audit Committee

30+ years of experience  
**Qualifications:** Chartered Accountant  
**Prior Engagements:** Citibank N.A., IncValue Advisors



**Sachinder Bhinder**  
Managing Director & CEO

25+ 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**  
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**  
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**  
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**  
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**  
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

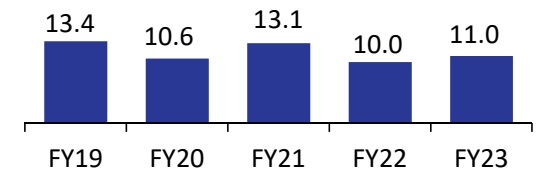
In-house execution model – Replicated across the states

Lead generation and sourcing	Risk management	Collections
<ul style="list-style-type: none"> <li>▪ Focused approach to directly source the business leads</li> <li>▪ Leveraged technology &amp; data-analytics to generate leads through alternate channels</li> <li>▪ Application scorecard to evaluate risk profiles: Streamlined approval process and reduced incidence of error</li> </ul>	<ul style="list-style-type: none"> <li>▪ In-house underwriting team for income assessment &amp; risk-based pricing of customers</li> <li>▪ In-house legal team overseeing external legal verification</li> <li>▪ Digital app-based valuation reports with 100% geo tagging</li> <li>▪ Risk-testing of files by in-house risk containment unit</li> </ul>	<ul style="list-style-type: none"> <li>▪ Four-tiered collection architecture with a high focus on early delinquencies</li> <li>▪ AI/ML Analytics led Bounce prediction model</li> <li>▪ Call centers in multiple languages: Initiate collection process in a timely fashion</li> <li>▪ Real-time tracking of collections</li> </ul>

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

# 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

## Key Objectives

- 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

## Partners in the Journey



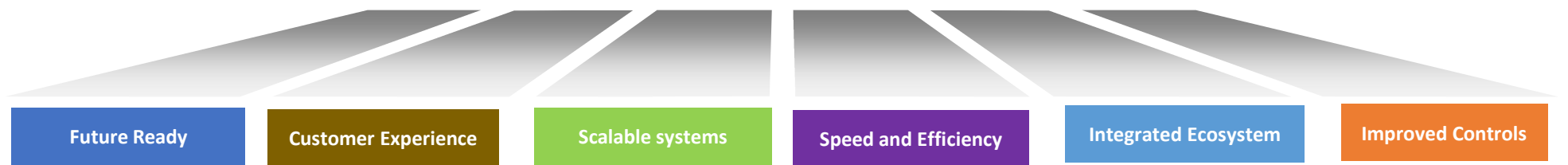
## Status Update

- Phase-I of SFDC-based LOS was live in Q1 FY24 under hypercare and Phase-II of the same is underway.
- 67,000+ login cases successfully processed
- 27,000+ cases sanctioned of worth Rs 3000+ Cr
- Phase-I of Oracle Fusion (ERP-GL) rolled out in September 2023 under hypercare.

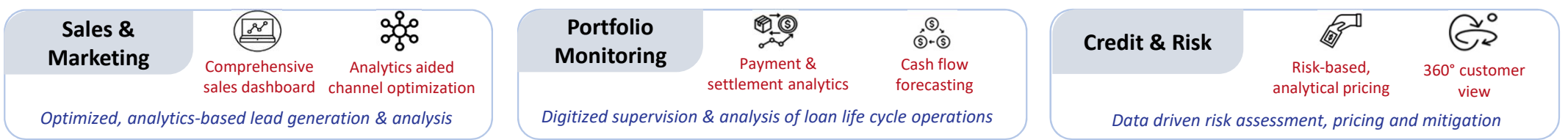
# State-of-the art technology implementation enabling digital & analytical capabilities



Building a modern, innovative, and future-ready digital ecosystem to provide a 360-degree view from transaction origination to reporting

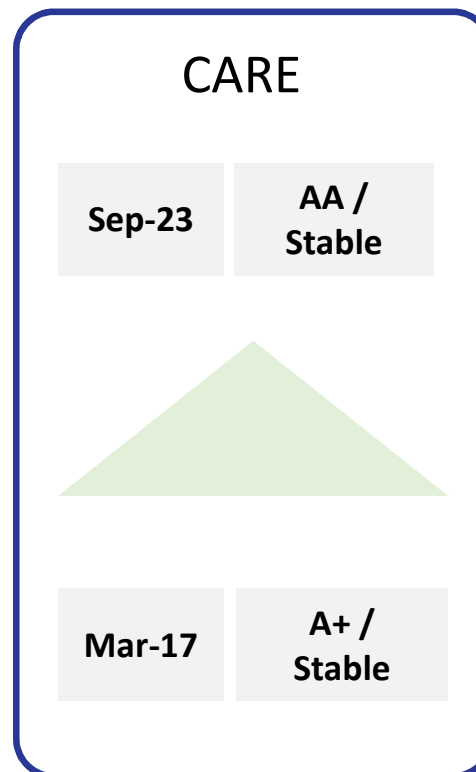
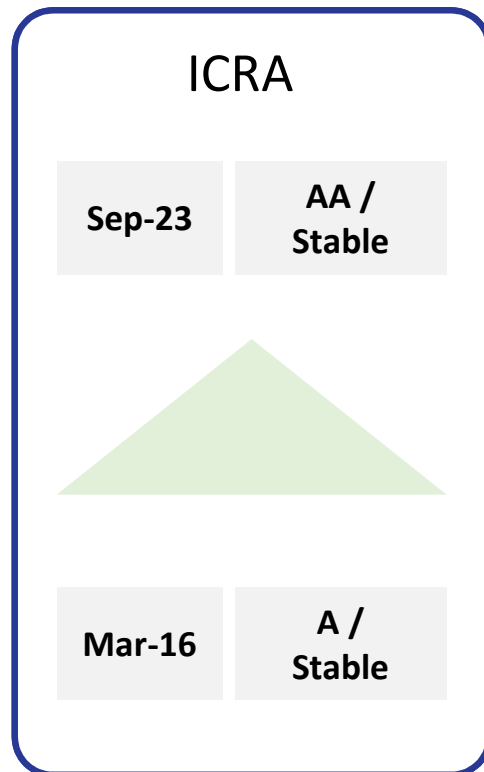


Driving digital and analytical capabilities across the loan life cycle and operations



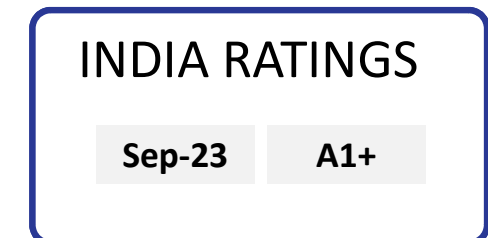
# Improving Credit Ratings

## Long-Term Credit Rating



## Short-Term Credit Rating

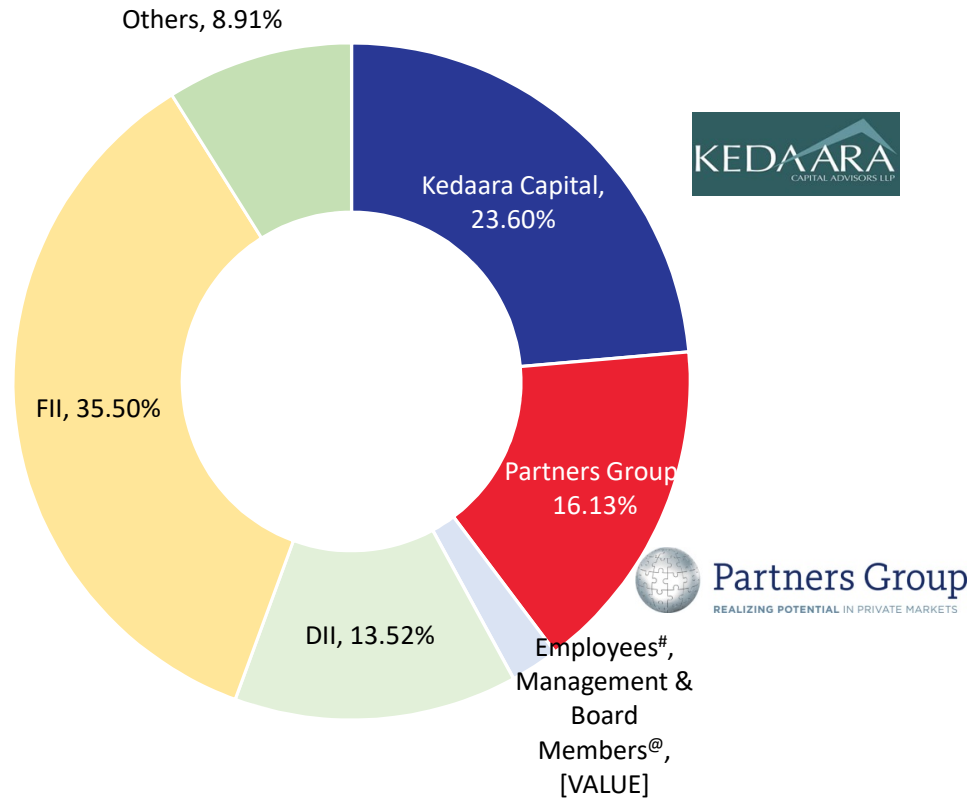
### Reaffirmed





# Diversified Shareholding Base

Shareholding Pattern as on  
30<sup>th</sup> Sept 2023



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

# Employees refers to employees who are covered under SEBI (PIT) Regulations, 2015

@ Includes holding by Management /Board's close relative/trust/HUF, etc.

Top Institutional Shareholders as on 30<sup>th</sup> Sept 2023

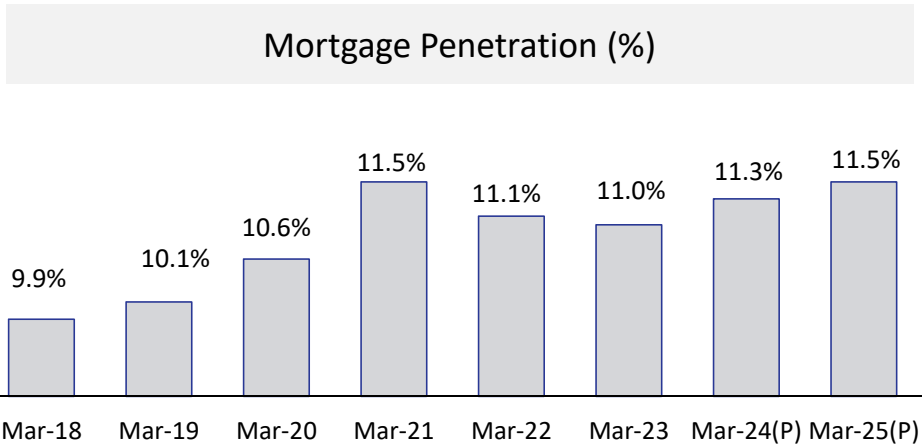
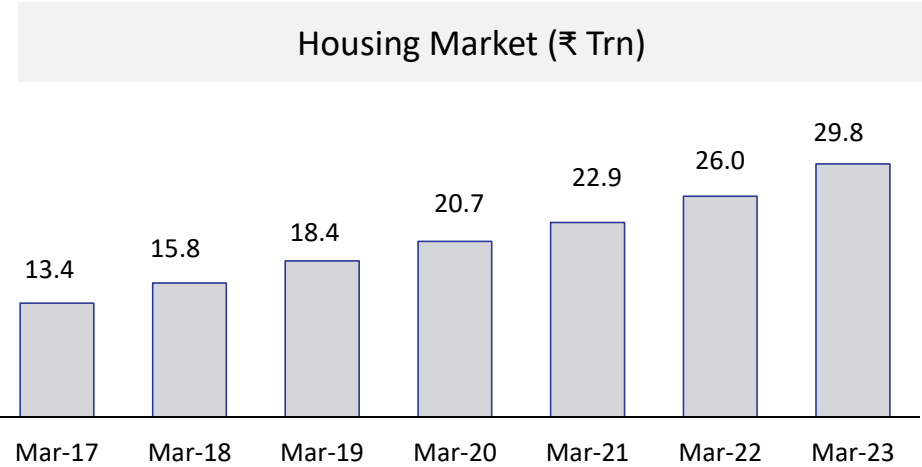
Investor Details	% Holding
<b>Kedaara Capital<sup>^</sup></b>	<b>23.60</b>
<b>Partners Group<sup>^</sup></b>	<b>16.13</b>
Stewart Investors <sup>^</sup>	6.10
Wasatch Global Investors <sup>^</sup>	6.03
UTI Asset Management <sup>^*</sup>	4.19
Kotak Mahindra Asset Management <sup>^*</sup>	3.61
Nomura Asset Management <sup>^</sup>	2.28
ADIA <sup>^</sup>	2.24
Vanguard Index Funds <sup>^</sup>	2.19
Bank of America <sup>^</sup>	1.76
GPF Global <sup>^</sup>	1.74
Sundaram MF*	1.64
Capital Group <sup>^</sup>	1.25
Blackrock (ETFs & Index Funds) <sup>^</sup>	1.24
Invesco MF*	1.17

<sup>^</sup> holding through various schemes/funds

<sup>\*</sup> includes Mutual Funds & Offshore Funds

# Size of Opportunity

Indian Housing Finance		
Market Size (as on Mar-23)	₹ 29.8 Trn	
YoY Growth (as on Mar-23)	14% - 15%	
Market Share (as on Mar-23)	SCBs - 68%	HFCs - 32%
Credit Growth Outlook for HFCs FY24 ~ <b>11-13%</b>	Affordable HFCs YoY Growth (as of Mar-23): <b>21%</b>	Asset Quality Outlook for HFCs FY25: ~ <b>2.4 to 2.6%</b>



Source: ICRA report of July 2023

HFCs: Housing Finance Companies

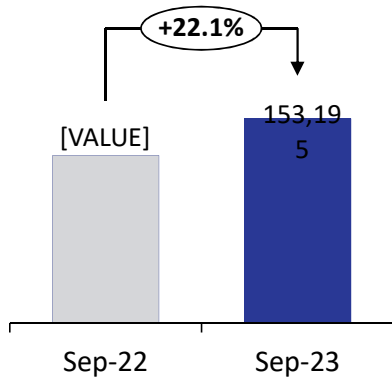


## Financial Performance

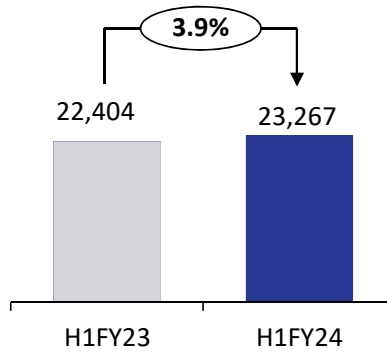
- ✓ Key Business Parameters
- ✓ Geographical Distribution
- ✓ Spreads and Margins
- ✓ Asset Quality
- ✓ Liability Franchise
- ✓ Key Ratios

# Performance Highlights

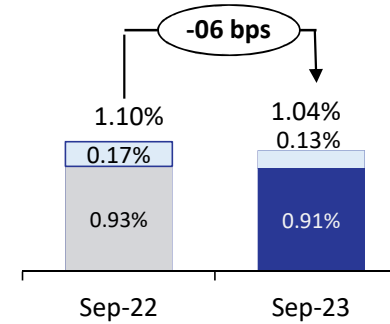
AUM (₹ Mn)



Disbursement (₹ Mn)

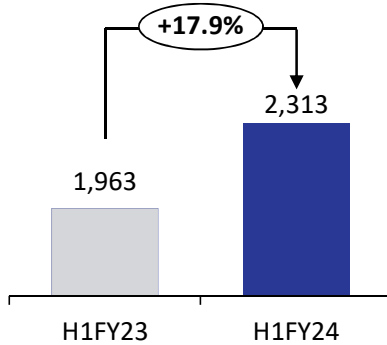


Gross Stage 3 (%)

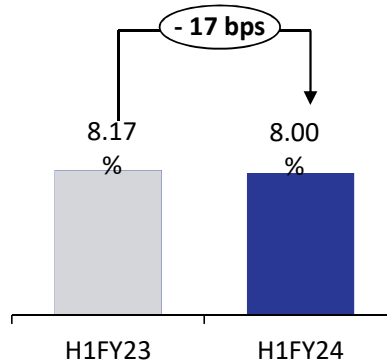


Indicates upto 90 DPD assets but categorized as GNPA/Gross Stage 3 on account of RBI notification

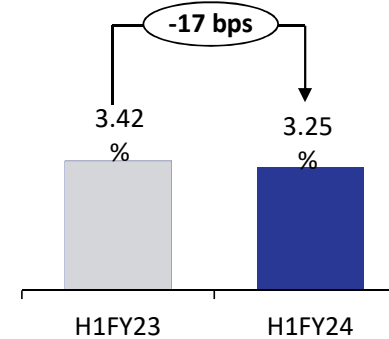
PAT\* (₹ Mn)



NIM (%)



ROA (%)



Average Amount<sup>^</sup> per Active Loan Account as on Sep-23  
**₹ 0.90 Mn**

Average Amount<sup>^</sup> per Disbursed Loan Account in H1FY24  
**₹ 1.09 Mn**

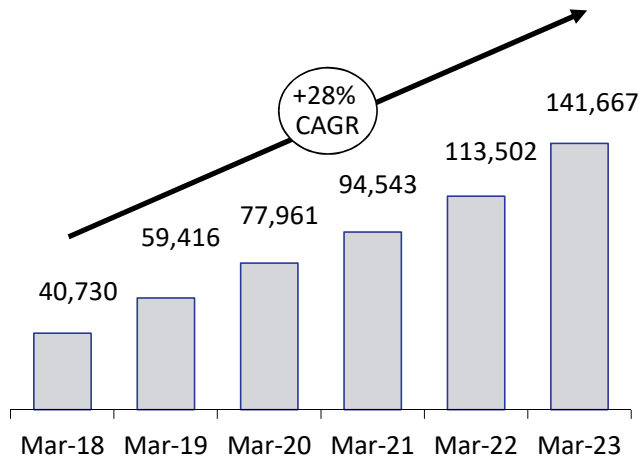
\* PAT includes Other Comprehensive Income

<sup>^</sup> at the time of Sanction

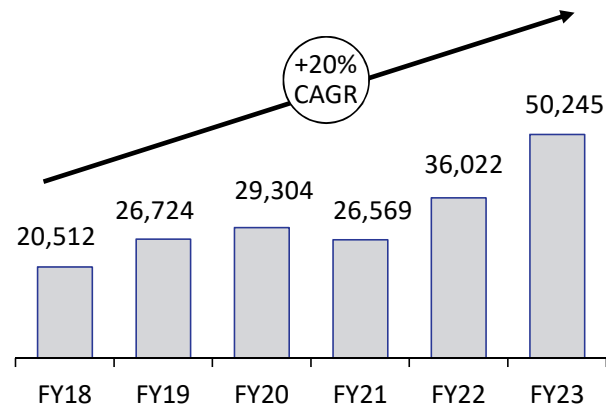


# Healthy Business Growth

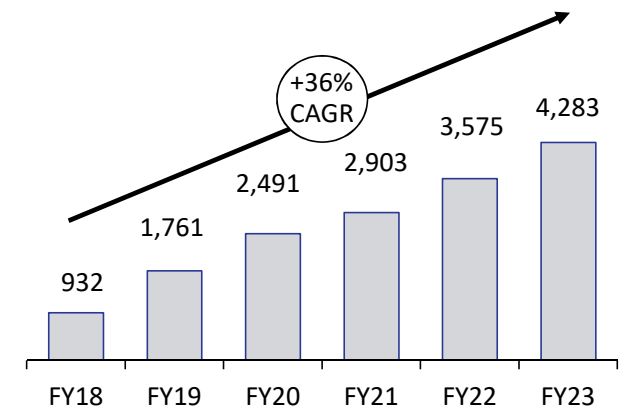
AUM (₹ Mn)



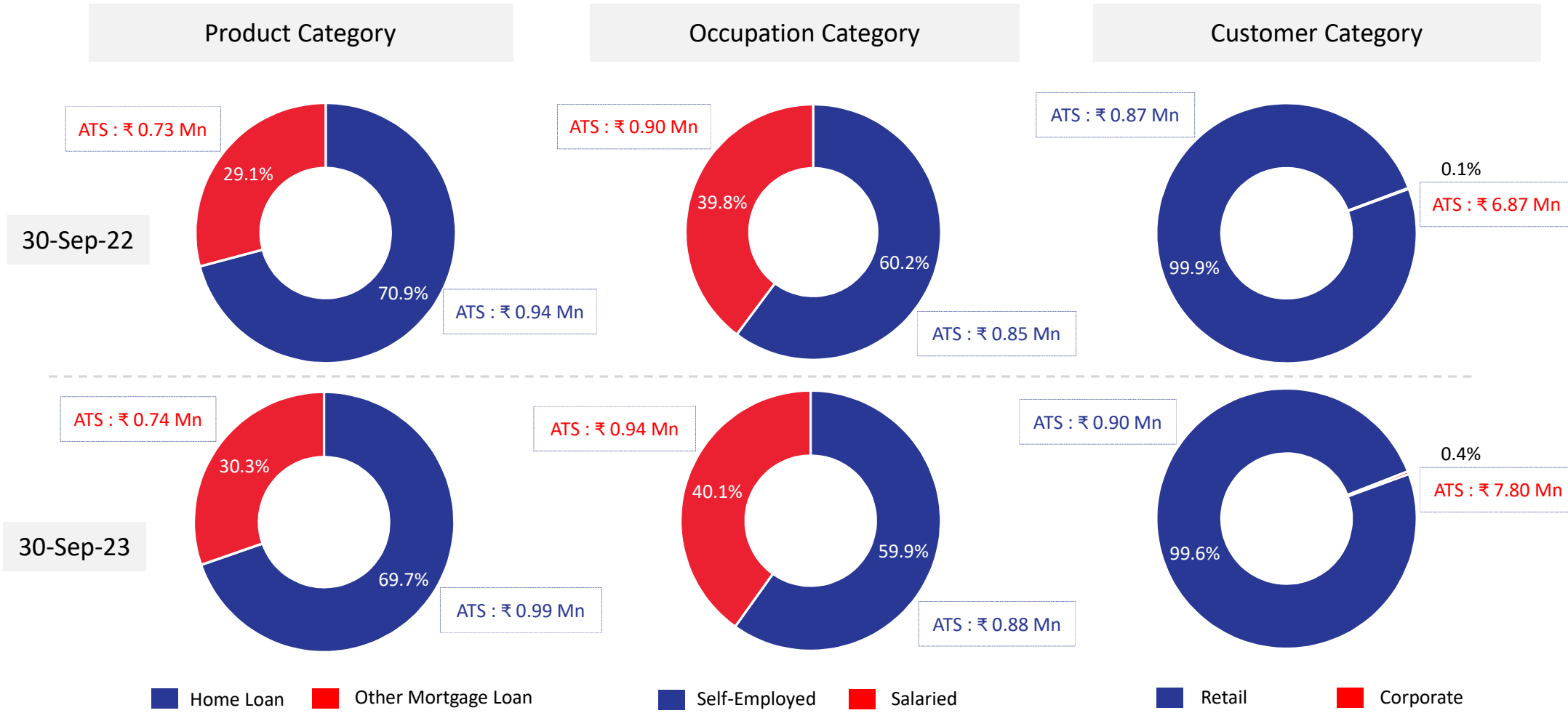
Disbursements (₹ Mn)



PAT\* (₹ Mn)



# AUM Break-up

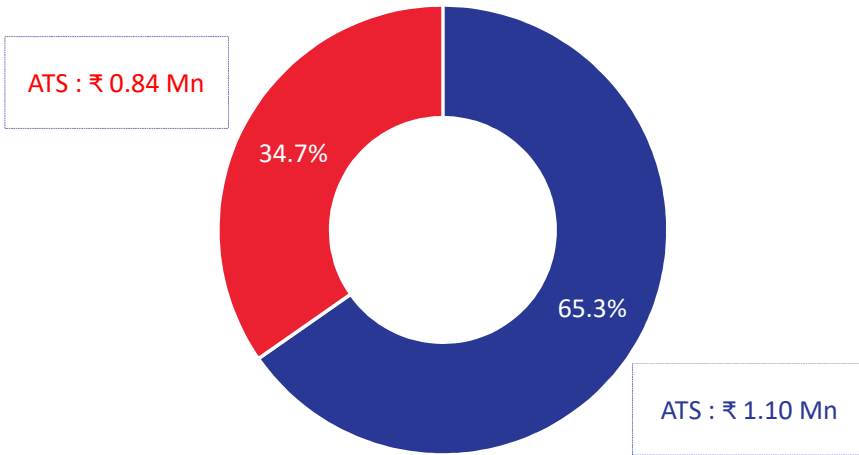


■ Home Loan   
 ■ Other Mortgage Loan   
 ■ Self-Employed   
 ■ Salaried   
 ■ Retail   
 ■ Corporate

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

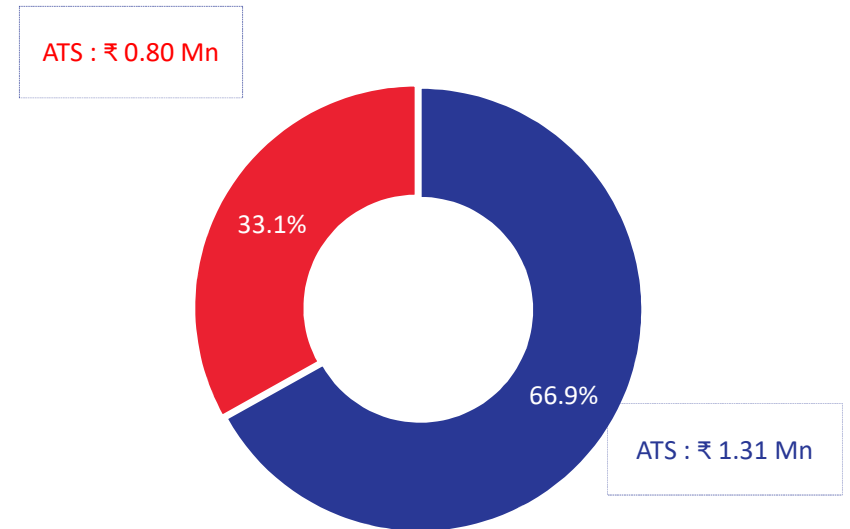
# Disbursement Break-up – Product Category

H1FY23



Disbursement include 13.8% of mortgaged-backed MSME Loans classified under Other Mortgage Loans

H1FY24



Disbursement include 12.6% 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

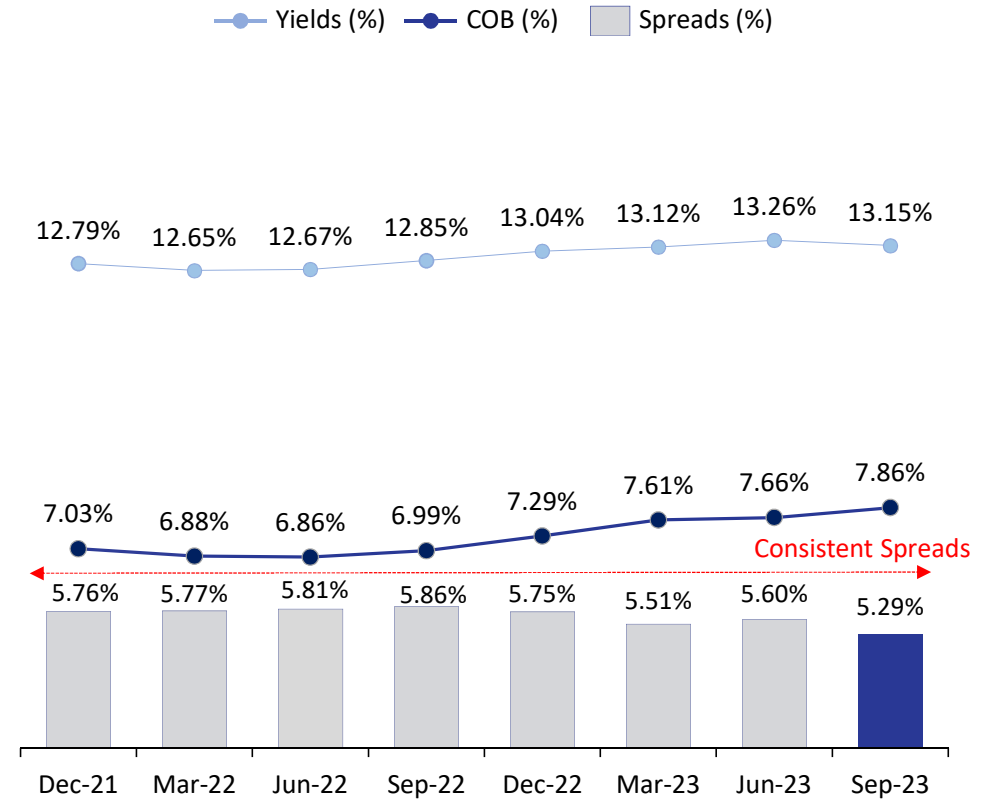
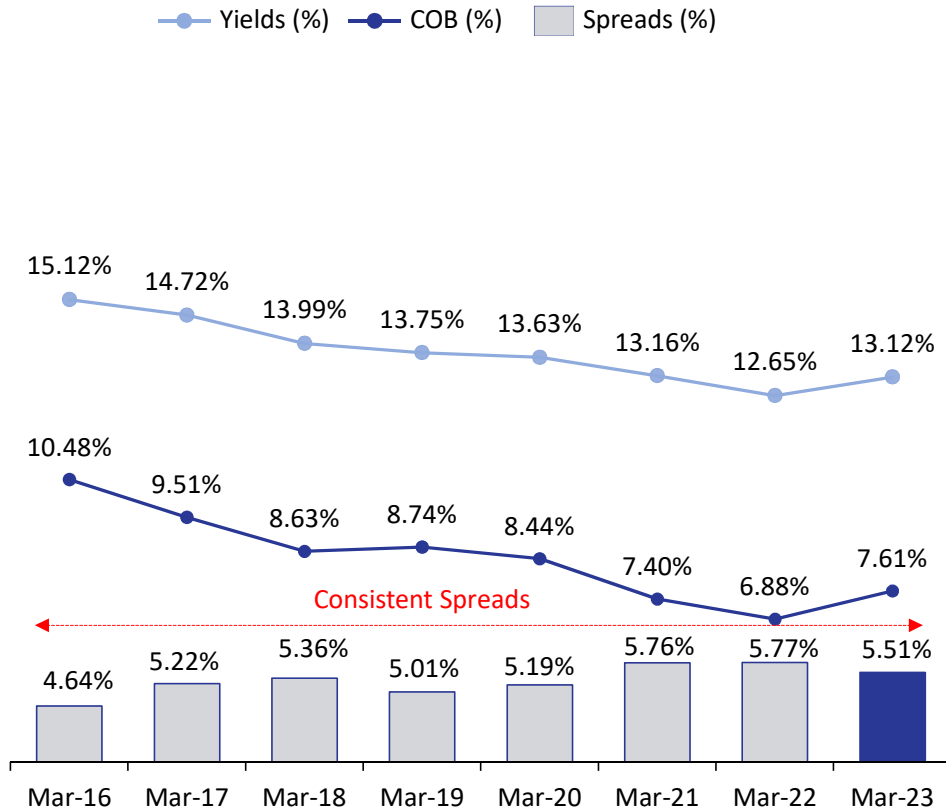
# Geographical Distribution

State	Branches	Operations Commenced in
Rajasthan	102	2012
Maharashtra	48	2012
Gujarat	44	2012
Madhya Pradesh	49	2013
Delhi	5	2013
Haryana & Punjab	20	2017
Chhattisgarh	9	2017
Uttar Pradesh	30	2018
Uttarakhand	9	2018
Himachal Pradesh	4	2020
Orissa	6	2021
Karnataka	24	2021
<b>Total</b>	<b>350</b>	



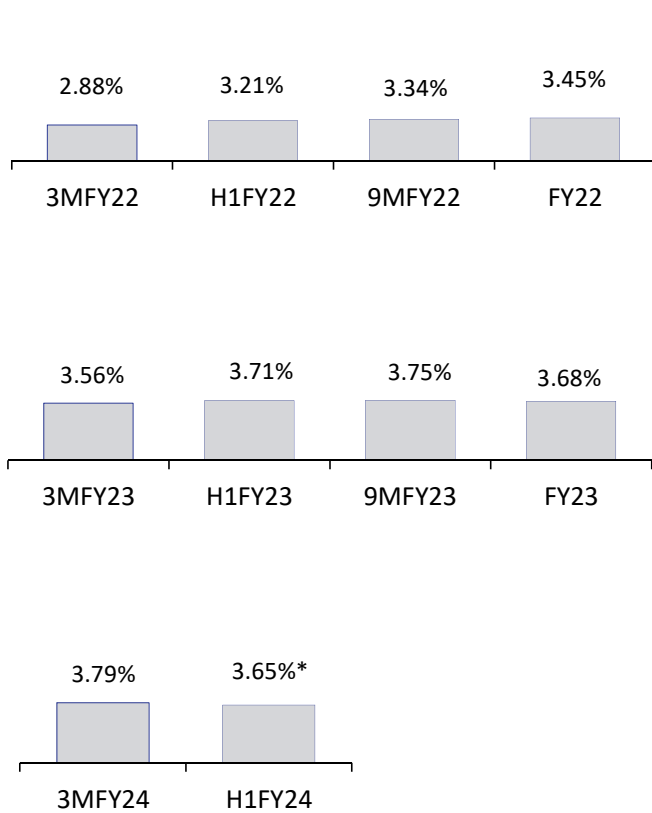
# Consistent Spreads

Yields, Cost of Borrowings and Spreads (%)

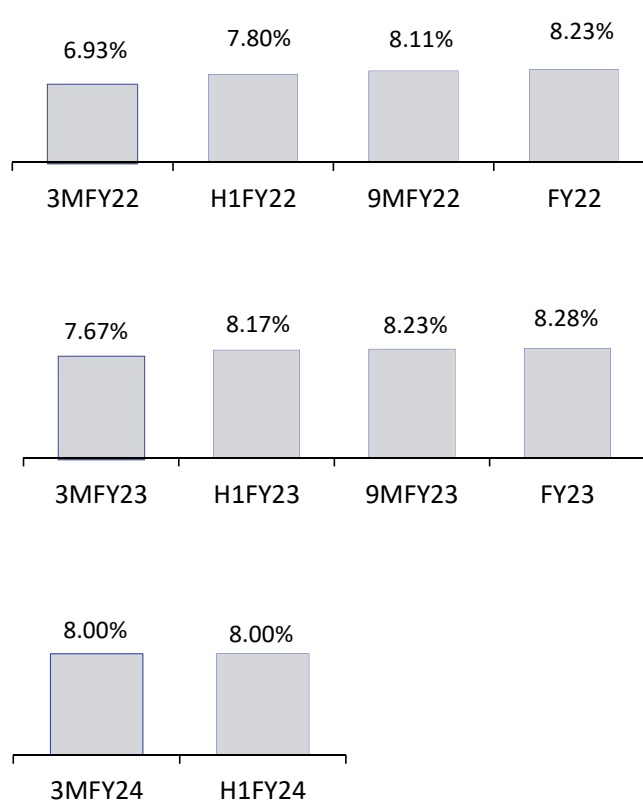


# Margin and Cost Efficiency

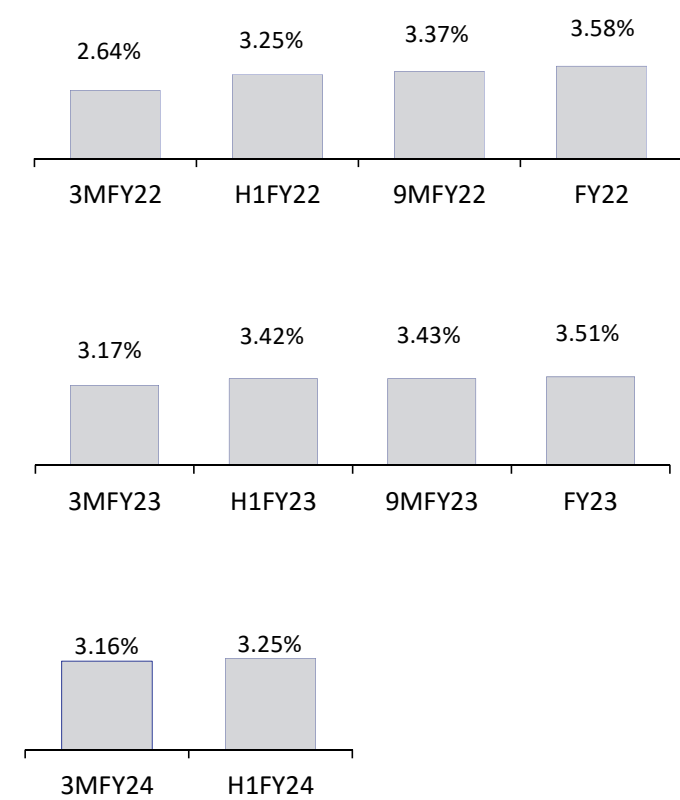
OpEx (%)



NIM (%)



ROA (%)

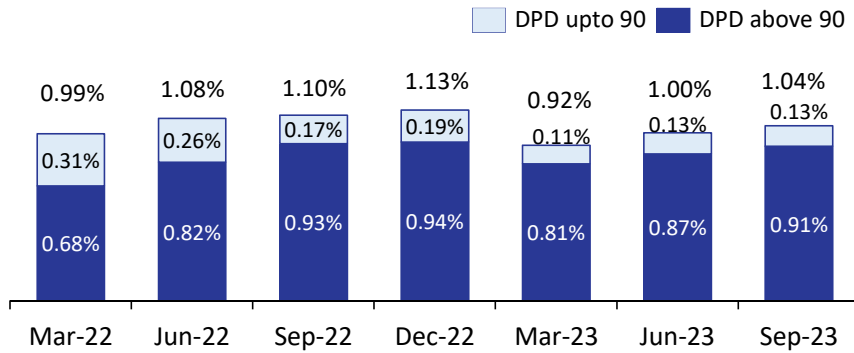


Data as per Ind-AS and cumulative for the mentioned period

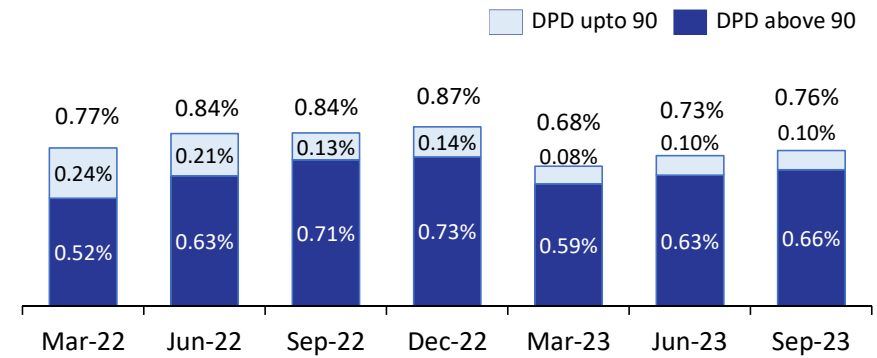
\*Post effect of Service fee on cross sale product is 3.55%.

# Asset Quality

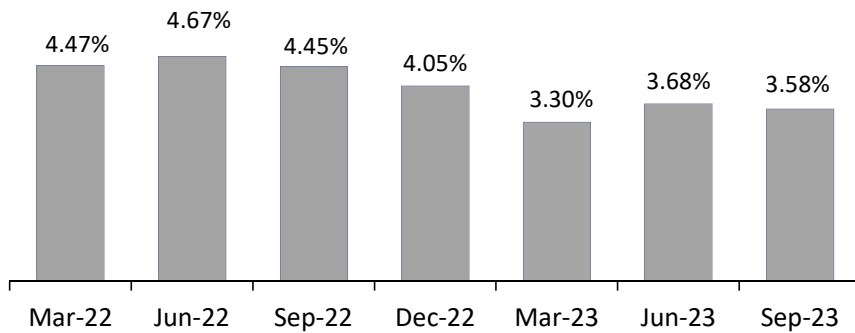
### Gross Stage 3 (%)



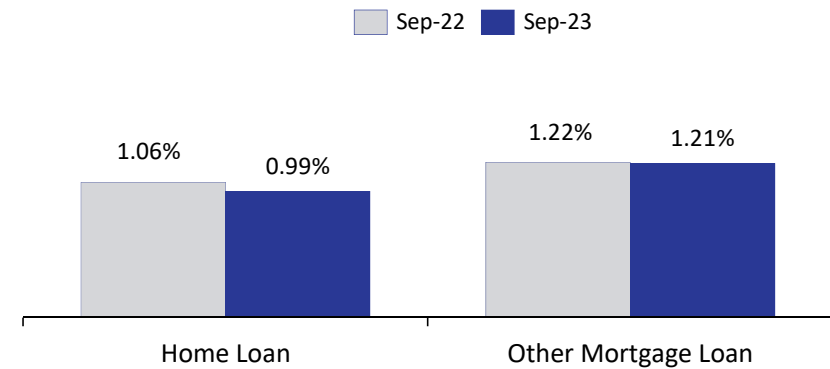
### Net Stage 3 (%)



### 1+DPD (%)



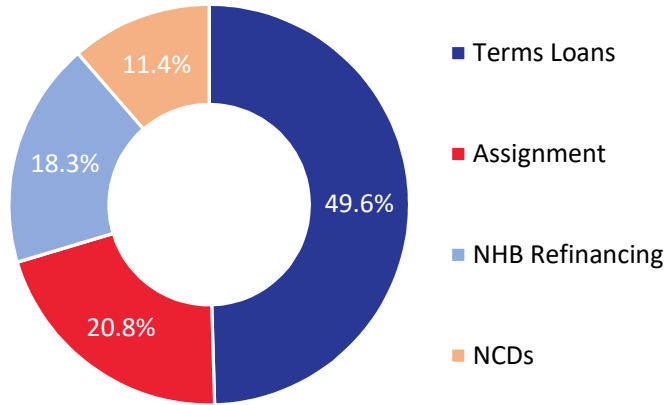
### Segment-wise Gross Stage 3 (%)



# Robust Liability Management

## Diversified Funding Mix

As on Sep-23



34 Lenders

Diversified Mix

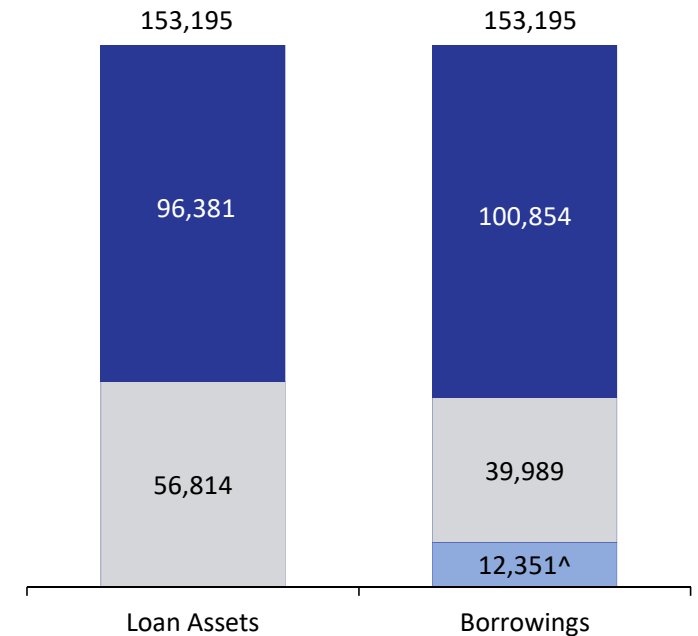
No exposure to Commercial Papers

Incremental H1 FY24 Borrowings - ₹ 30,761 Mn for 135 months at 8.19%

## Loan Assets & Borrowings (₹ Mn)

As on Sep-23

Floating Fixed Equity



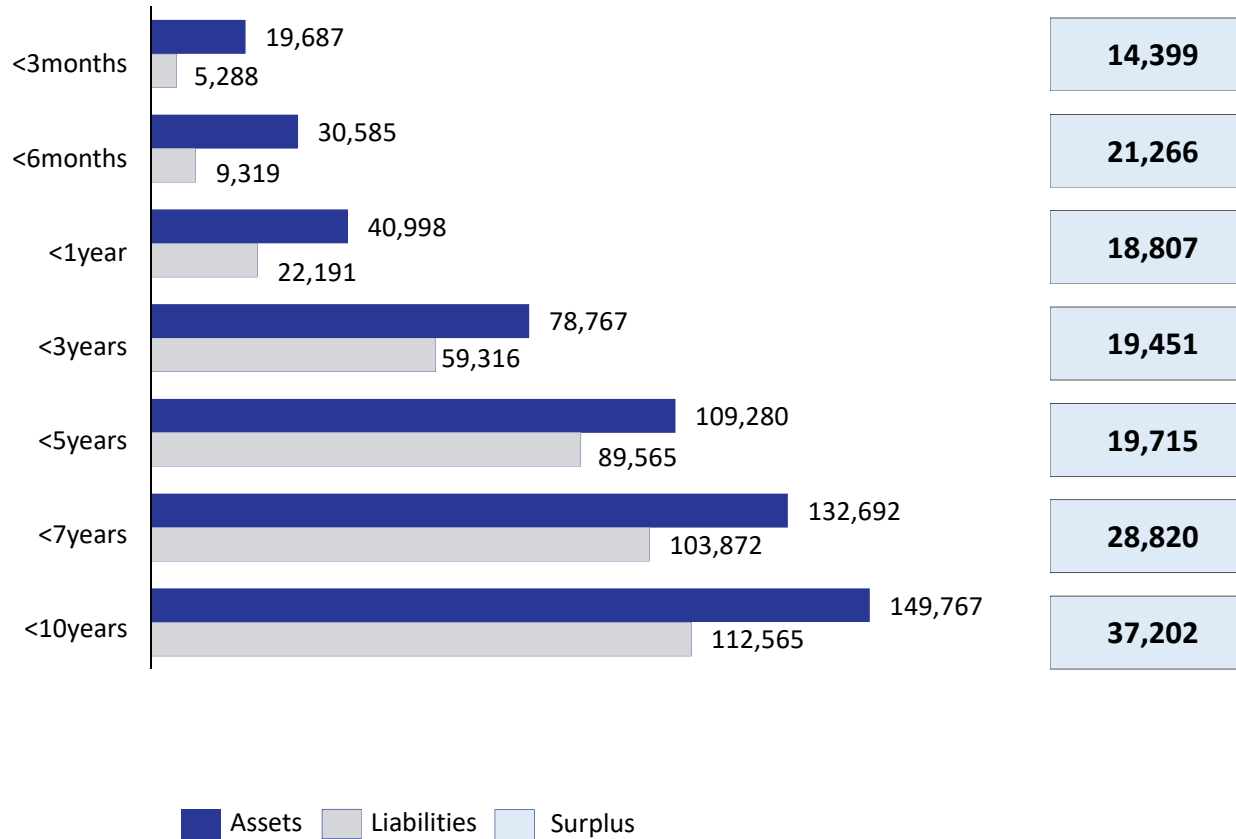
## Payment Schedule of Debt Capital Market Exposure

NCD Investor	Exposure (₹ Mn)	Payment Schedule (₹ Mn)					
	As on 30-Sep-23	H2 FY24	FY25	FY26	FY27	FY28	FY29
IFC	1,240	250	-	-	990	-	-
ADB	3,450	-	3,450	-	-	-	-
BII (erstwhile CDC)	3,400	1,100	700	650	500	300	150
Domestic Bank	4,850	250	500	1,400	900	900	900
Mutual Fund	3,077	342	684	684	684	684	-
<b>Total (Mn)</b>	<b>16,017</b>	<b>1,942</b>	<b>5,334</b>	<b>2,734</b>	<b>3,074</b>	<b>1,884</b>	<b>1,050</b>

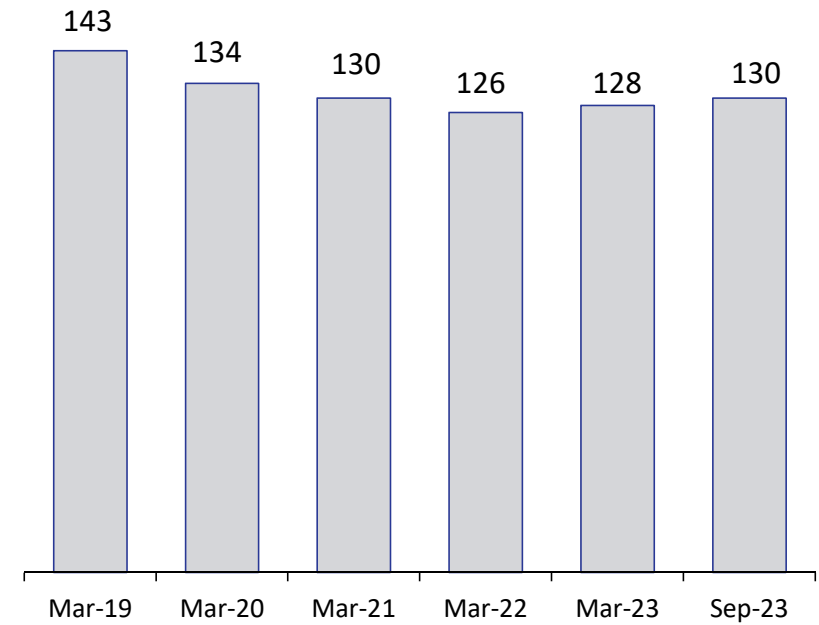
<sup>^</sup> gap between Loan Assets & Borrowings filled by a portion of Equity 23

# ALM Surplus

## Surplus Management\* (₹ Mn) As on Sep-23



## Average tenor of outstanding borrowing (months)



\* Data as per Ind-AS

# Comfortable Liquidity Position

Particulars (₹ Mn)	As on Sep-23
Cash & Cash Equivalents	19,887
Un-availed CC Limits	1,100
Documented & Un-availed Sanctions from NHB	10,000
Documented & Un-availed Sanctions from other Banks	19,050
<b>Total Liquidity Position</b>	<b>50,037</b>

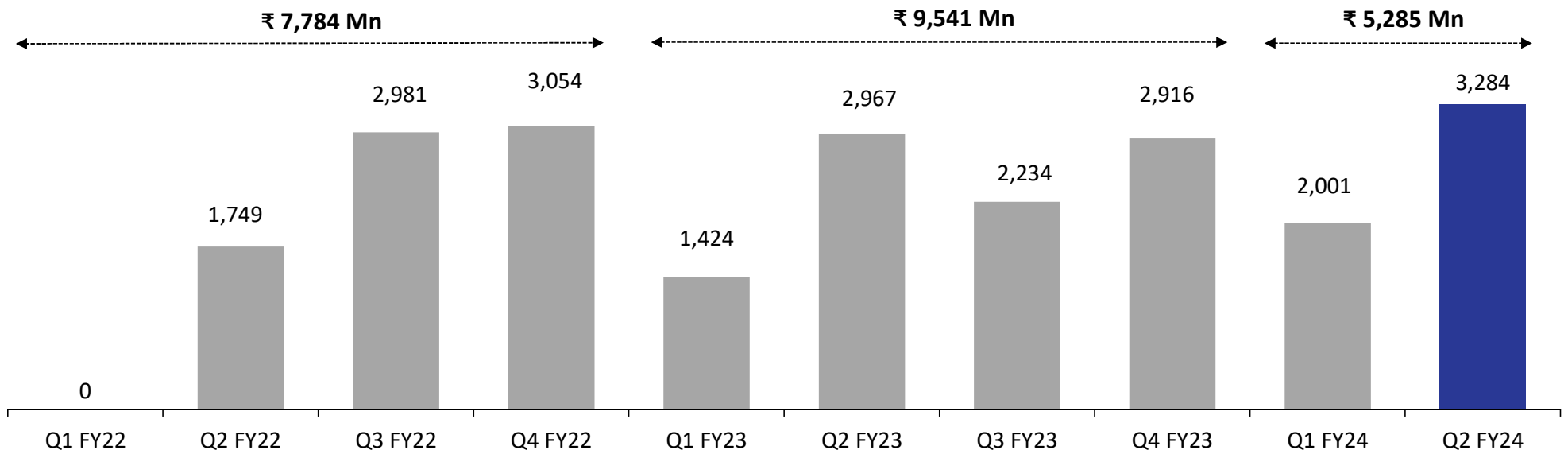
**High-Quality Liquidity of ₹ 30,987 Mn**

Particulars (₹ Mn)	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25
<b>Opening Liquidity</b>	<b>50,037</b>	<b>52,439</b>	<b>54,570</b>	<b>55,919</b>
Add: Principal Collections & Surplus from Operations	5,822	6,122	5,911	6,018
Less: Debt Repayments	3,420	3,990	4,562	8,123
<b>Closing Liquidity</b>	<b>52,439</b>	<b>54,570</b>	<b>55,919</b>	<b>53,814</b>

**₹ 53,814 Mn of Surplus Funds\* available for business**

\* without including any incremental sanctions

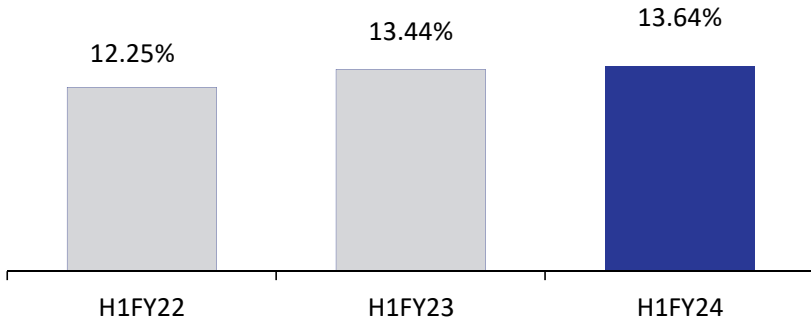
# Net Securitization Volume



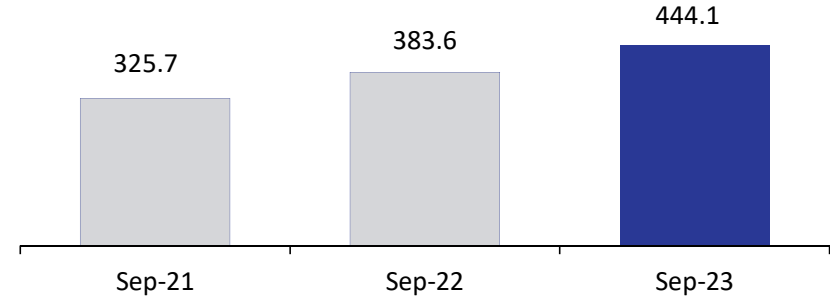


# Key Financial Ratios

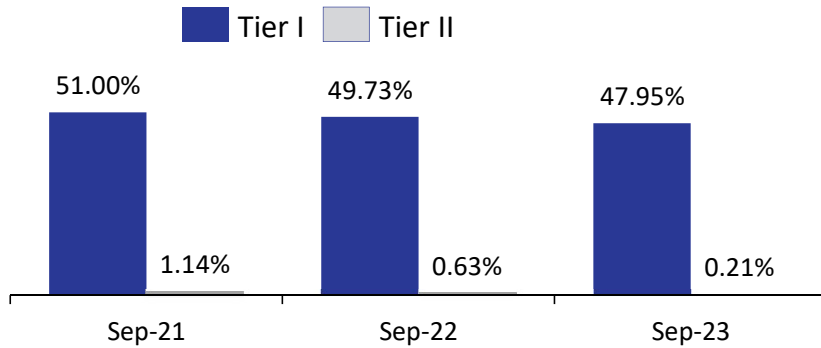
ROE (%)



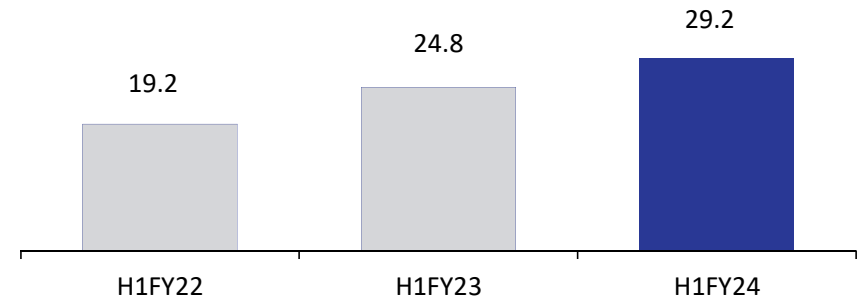
Book Value Per Share (₹)



Capital Adequacy Ratio (%)



Earning Per Share\* (₹)



Data of Capital Adequacy Ratio, ROE, Book Value Per Share & Earning Per Share is as per Ind AS

\* Diluted EPS – on non-annualized basis



## Annexures

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

# Quarterly Profit & Loss Statement

Particulars (₹ Mn)	Q2 FY24	Q2 FY23	Y-o-Y	Q1 FY24	Q-o-Q
Interest Income on Loans (incl. Processing Fee)	4,222.4	3,357.9	25.7%	4,129.4	2.3%
Interest Income on Fixed Deposits	370.8	197.6		297.7	
Reversal Income on Earlier Assigned Loans	(334.5)	(268.8)		(299.0)	
Upfronting Income on Fresh Assigned Loans	466.4	493.8		330.3	
Non-Interest Income	249.3	170.3		210.1	
Interest Expense (incl. Finance Charges)	(2,067.0)	(1,433.0)	44.2%	(1,888.0)	9.5%
<b>NIM</b>	<b>2,907.5</b>	<b>2,517.8</b>	<b>15.5%</b>	<b>2,780.6</b>	<b>4.6%</b>
Operating Expenses	1,276.9	1,123.7		1,317.0	
Credit Costs	65.2	16.1		56.8	
<b>Profit Before Tax</b>	<b>1,565.4</b>	<b>1,378.0</b>	<b>13.6%</b>	<b>1,406.8</b>	<b>11.3%</b>
Provision for Taxation	348.2	309.7		309.7	
<b>Profit After Tax</b>	<b>1,217.2</b>	<b>1,068.2</b>	<b>13.9%</b>	<b>1,097.1</b>	<b>10.9%</b>
Total Comprehensive Income	1,216.1	1,070.3	13.6%	1,097.1	10.8%
<b>EPS (Diluted)</b>	<b>15.4</b>	<b>13.5</b>		<b>13.9</b>	

# Half Yearly Profit & Loss Statement

Particulars (₹ Mn)	H1 FY24	H1 FY23	Y-o-Y
Interest Income on Loans (incl. Processing Fee)	8,351.8	6,557.7	27.4%
Interest Income on Fixed Deposits	668.6	394.2	
Reversal Income on Earlier Assigned Loans	(633.5)	(516.7)	
Upfronting Income on Fresh Assigned Loans	796.7	710.7	
Non-Interest Income	459.4	333.8	
Interest Expense (incl. Finance Charges)	(3,955.0)	(2,803.0)	41.1%
<b>NIM</b>	<b>5,688.0</b>	<b>4,676.7</b>	<b>21.6%</b>
Operating Expenses	2,593.9	2,126.7	
Credit Costs	121.9	25.3	
<b>Profit Before Tax</b>	<b>2,972.2</b>	<b>2,524.7</b>	<b>17.7%</b>
Provision for Taxation	657.9	564.2	
<b>Profit After Tax</b>	<b>2,314.3</b>	<b>1,960.5</b>	<b>18.0%</b>
Total Comprehensive Income	2,313.2	1,962.6	17.9%
<b>EPS (Diluted)</b>	<b>29.2</b>	<b>24.8</b>	

# Balance Sheet

Particulars (₹ Mn)	30-Sept-23	31-Mar-23
<b>Sources of Funds</b>		
Share Capital	791	791
Reserves & Surplus	34,344	31,906
Borrowings	1,11,996	98,873
Deferred Tax Liability (Net)	540	502
Other Liabilities & Provisions	2,705	2,034
<b>Total</b>	<b>1,50,376</b>	<b>1,34,105</b>
<b>Application of Funds</b>		
Loan Assets	1,24,026	1,14,763
Investments	1,527	1,231
Fixed Assets	647	561
Liquid Assets	20,016	13,816
Other Assets	4,159	3,734
<b>Total</b>	<b>1,50,376</b>	<b>1,34,105</b>

# PAT Reconciliation

Particulars (₹ Mn)	H1 FY24	H1 FY23	Y-o-Y	Q2 FY24	Q2 FY23	Y-o-Y
<b>Net Profit as per IGAAP</b>	<b>2,174.3</b>	<b>1,799.4</b>	<b>20.8%</b>	<b>1,099.9</b>	<b>915.8</b>	<b>20.1%</b>
<b><u>Add / (Less) : Adjustments as per IndAS on account of:</u></b>						
Adoption of effective interest rate (EIR) for amortisation of Income and expenses - financial assets at amortised cost / net interest on credit impaired loans	(12.7)	58.2		(22.4)	13.0	
Fair valuation of employee stock options (ESOP)	(89.9)	(128.0)		(20.8)	(70.7)	
Adoption of effective interest rate (EIR) for amortisation of expenses - financial liabilities at amortised cost	(3.4)	(19.9)		4.2	(8.1)	
Net gain from excess interest spread on assignment transactions	163.2	194.0		131.9	225.0	
Expected Credit Loss (ECL) provision	(11.1)	13.3		(4.2)	3.8	
Other Adjustments	(6.3)	3.3		(8.3)	1.9	
Deferred Tax impact on above adjustments and reversal of DTL on special reserve and other tax impact	100.1	40.1		36.8	(12.4)	
<b>Net Profit Before Other Comprehensive Income as per IndAS</b>	<b>2,314.3</b>	<b>1,960.5</b>	<b>18.0%</b>	<b>1,217.2</b>	<b>1,068.2</b>	<b>13.9%</b>
Other Comprehensive Income after Tax	(1.1)	2.1		(1.1)	2.1	
<b>Total Comprehensive Income as per IndAS</b>	<b>2,313.2</b>	<b>1,962.6</b>	<b>17.9%</b>	<b>1,216.1</b>	<b>1,070.3</b>	<b>13.6%</b>

# ECL Provisions

Particulars (₹ Mn )	30-Sep-23	30-Sep-22	31-Mar-23
Gross Stage 1	1,21,432.8	97,945.8	1,12,318.4
% portfolio in Stage 1	97.28%	96.53%	97.26%
ECL Provision Stage 1	279.6	220.4	259.6
<b>ECL Provision % Stage 1</b>	<b>0.23%</b>	<b>0.22%</b>	<b>0.23%</b>
Gross Stage 2	2,096.0	2,408.4	2,093.5
% portfolio in Stage 2	1.68%	2.37%	1.81%
ECL Provision Stage 2	161.8	164.1	169.4
<b>ECL Provision % Stage 2</b>	<b>7.72%</b>	<b>6.81%</b>	<b>8.09%</b>
Gross Stage 3 a (DPD <= 90) *	153.2	172.6	127.2
% portfolio in Stage 3 a	0.12%	0.17%	0.11%
ECL Provision Stage 3 a	36.3	40.8	30.1
Gross Stage 3 b (DPD > 90)	1,141.5	940.3	939.7
% portfolio in Stage 3 b	0.91%	0.93%	0.81%
ECL Provision Stage 3 b	319.7	223.8	256.9
<b>ECL Provision % Stage 3</b>	<b>27.50%</b>	<b>23.78%</b>	<b>26.91%</b>
Gross Stage 1, 2 & 3	1,24,823.5	1,01,467.0	1,15,478.8
ECL Provision Stage 1, 2 & 3	797.3	649.1	716.1
<b>Total ECL Provision %</b>	<b>0.64%</b>	<b>0.64%</b>	<b>0.62%</b>

During FY22, a resolution plan was implemented for certain borrower accounts as per RBI's Resolution Framework 2.0 dated 05-May-21. Basis the perceived risk and as a matter of prudence, some such accounts with an outstanding amount of ₹ 779.6 Mn are being classified as Stage 2, and a provision of ₹ 106.4 Mn has been created on such accounts as of 30-Sep-23 as per the guidelines.

DPD wise status of Restructured book as of Sep 30, 2023 :

DPD Bucket	Total EAD
Current	447.5
1-30	127.8
31-60	187.6
61-90	16.7
<b>Total</b>	<b>779.6</b>

Data as per Ind-AS

\* assets which are upto 90 DPD but categorized as GNPA/Gross Stage 3 following RBI's notification dated 12-Nov-21 to harmonize IRACP norms across all lending institutions



# Networth Reconciliation

Particulars (₹ Mn )	30-Sep-23	31-Mar-23
<b>Net worth as per previous GAAP</b>	<b>32,385.6</b>	<b>30,177.4</b>
<b>Adjustments increasing/(decreasing) net worth as reported under previous GAAP:</b>		
Adoption of EIR for amortisation of Income and expenses - financial assets at amortised cost / net interest on credit impaired loans	(230.6)	(217.9)
Adoption of EIR for amortisation of expenses - financial liabilities at amortised cost	92.9	96.0
Net gain from excess interest spread on assignment transactions	2,830.4	2,667.2
Expected Credit Loss (ECL)	(76.0)	(65.0)
Other Adjustments	(229.6)	(224.0)
Deferred Tax impact on above adjustments and reversal of DTL on special reserve and other tax impact	363.0	262.9
<b>Net worth as per Ind AS</b>	<b>35,135.6</b>	<b>32,696.6</b>

# Environmental, Social & Governance

## 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

Annual Report for FY 2022-23 embodies SDG mapping of value creation over the years, continuing our focus on maintaining transparency & business integrity.

## Key Quarterly Updates

### Green housing program with IFC:

- **Capacity building workshops on Green Housing** for all on-roll employees & and for ROs on internal Apps as well as webinars engaging frontline workforce Pan India.
- **Developing in-house team expertise on Green Housing** of intensive engagement with IFC for EDGE Expert Trainings.
- **Engaged 120+ suppliers, masons, architects, builders etc.,** to improve awareness about green homes in the construction community of Bhopal.
- Participated in **“Habitat for Humanity India Urban Dialogue”** with UN-Habitat, IFC, and Sphere India with the aim of shaping the future of urban housing policies in India.

## Key Quarterly Updates

### Stakeholder Engagement Initiatives:

- **Silver partners in the Annual Directors Conclave**, a Flagship event of the Institute of Directors (IOD) on the theme “Emerging Trends in Corporate Governance and Building Futuristic Boards- 2030” on 10<sup>th</sup> August 2023 in New Delhi.
- Aavas **supported the Rajasthan Deaf Cricket Association team** during the 7<sup>th</sup> National Deaf T20 tournament.
- **“Each One Plant One”** tree plantation drive across all its branches to plant 22,000 + saplings in one day & also participated in NHB plantation drive in Bhopal & Jaipur.
- **UDAAN: “Taking Flight Towards Leadership Excellence”** – conducted in collaboration with the renowned faculty from the prestigious **IIM Ahmedabad** towards leadership excellence.
- The company introduced the '**Perna Wellness Series**,' which is dedicated to enhancing the health and overall well-being of its valued woman employees. Additionally, the company initiated an **empowerment program called 'RISE' for its women managers**.
- The company designed **Women’s Wellness Policy** to support the well-being and health of our female employees by providing an **additional monthly leave** to those who experience discomfort or health issues due to menstruation.

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

# Contact Us



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Thank You !