

Ref. No. AAVAS/SEC/2022-23/422

Date: July 28, 2022

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

Dear Sir/Madam,

**Subject: Outcome of the Board Meeting held on Thursday, July 28, 2022**

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 today i.e. Thursday, July 28, 2022 has *inter-alia*, considered and approved the following:

1. Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended on June 30, 2022 ("Financial Results") and took note of the Limited Review Report submitted by Statutory Auditors of the Company, M/s. Walker Chandio & Co LLP, Chartered Accountants.
2. Increase in AFL Prime Lending (PLR) by 50 basis points, with effect from August 05, 2022.

Please find enclosed herewith the following:

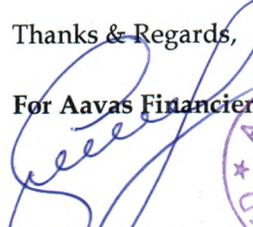
1. Limited Review Report submitted by Statutory Auditors of the Company, M/s. Walker Chandio & Co LLP, Chartered Accountants along with the Unaudited Financial Results of the Company for the quarter ended on June 30, 2022;
2. Declaration pursuant to Regulation 54(3) of the Listing Regulations; (Attached as Annexure 1)

Please note that the said Board Meeting commenced at 01:30 PM (IST) and concluded at 03:00 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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**Walker Chandiook & Co LLP**

11th Floor, Tower II,  
One International Center,  
S B Marg, Prabhadevi (W),  
Mumbai - 400013  
Maharashtra, India  
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**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of Aavas Financiers Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results ('the Statement') of **Aavas Financiers Limited** ('the Company'), for the quarter ended **30 June 2022**, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**Aavas Financiers Limited**  
**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

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4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The review of unaudited standalone quarterly financial results for the period ended 30 June 2021 included in the Statement was carried out and reported by S. R Batliboi & Associates LLP who have expressed unmodified conclusion vide their review report dated 29 July 2021, whose review report have been furnished to us by the management and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No:001076N/N500013



**Manish Gujral**  
Partner  
Membership No:105117

**UDIN:22105117ANTGIB1387**

Place: Jaipur  
Date: 28 July 2022

**AAVAS FINANCIERS LIMITED**  
(CIN: L65922RJ2011PLC034297)  
Statement of standalone financial results for the quarter ended June 30, 2022

(INR in lakh)

Particulars	Quarter ended			Year ended
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
	(Unaudited)	(Audited) (refer note 2)	(Unaudited)	(Audited)
<b>I Revenue from operations</b>				
Interest income	31,484.87	30,405.41	26,303.86	1,12,877.15
Fees and commission income	1,429.46	1,428.99	740.79	4,623.19
Gain on derecognition of financial instruments under amortised cost category	2,169.17	4,573.69	-	12,403.56
Net gain on fair value changes	195.47	94.43	145.05	531.99
<b>Total revenue from operations</b>	<b>35,278.97</b>	<b>36,502.52</b>	<b>27,189.70</b>	<b>1,30,435.89</b>
<b>II Other income</b>	9.35	21.91	9.33	119.91
<b>III Total income (I+II)</b>	<b>35,288.32</b>	<b>36,524.43</b>	<b>27,199.03</b>	<b>1,30,555.80</b>
<b>IV Expenses</b>				
Finance costs	13,467.57	12,366.78	11,279.37	47,750.33
Fees and commission expense	231.90	50.75	197.23	571.23
Impairment on financial instruments	91.61	(1,043.33)	1,700.62	2,260.52
Employee benefits expense	6,756.12	6,897.12	4,550.04	23,223.53
Depreciation, amortization and impairment	622.78	725.10	500.50	2,375.76
Other expenses	2,651.18	2,919.47	1,479.07	8,888.70
<b>Total expenses (IV)</b>	<b>23,821.16</b>	<b>21,915.89</b>	<b>19,706.83</b>	<b>85,070.07</b>
<b>V Profit before tax (III-IV)</b>	<b>11,467.16</b>	<b>14,608.54</b>	<b>7,492.20</b>	<b>45,485.73</b>
<b>VI Tax expense</b>				
(1) Current tax	2,460.84	2,326.91	2,371.75	9,122.53
(2) Deferred tax expense/(credit)	83.90	714.21	(868.83)	683.28
<b>Total tax expense (VI)</b>	<b>2,544.74</b>	<b>3,041.12</b>	<b>1,502.92</b>	<b>9,805.81</b>
<b>VII Profit for the period (V-VI)</b>	<b>8,922.42</b>	<b>11,567.42</b>	<b>5,989.28</b>	<b>35,679.92</b>
<b>Other comprehensive income</b>				
<b>a) Items that will not be reclassified to profit or loss</b>				
Remeasurements of defined benefit liability	-	65.83	-	94.73
Income tax effect	-	(16.57)	-	(23.84)
<b>b) Items that will be reclassified to profit or loss</b>	-	-	-	-
<b>VIII Other comprehensive income, net of income tax</b>	-	<b>49.26</b>	-	<b>70.89</b>
<b>IX Total comprehensive income for the period (VII+VIII)</b>	<b>8,922.42</b>	<b>11,616.68</b>	<b>5,989.28</b>	<b>35,750.81</b>
<b>X Earnings per equity share (EPS for the quarters are not annualised)</b>				
Basic (Amount in INR)	11.30	14.65	7.63	45.31
Diluted (Amount in INR)	11.26	14.59	7.56	45.02
Face value per share (Amount in INR)	10.00	10.00	10.00	10.00



**AAVAS FINANCIERS LIMITED**  
(CIN: L65922RJ2011PLC034297)  
Statement of standalone financial results for the quarter ended June 30, 2022

**Notes to the financial results :**

- 1 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 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations")
- 2 The figures for the quarter ended March 31, 2022 represent balancing figures between the audited figures for the year ended March 31, 2022 and year to date figures upto December 31, 2021 which were subjected to limited review by Statutory auditors.
- 3 The above results for the quarter ended June 30, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 28, 2022 and subjected to limited review by the statutory auditors of the Company. The financial results for the quarter ended June 30, 2021 were subjected to limited review by S.R Batliboi & Associates LLP, Chartered Accountants.
- 4 During the quarter ended June 30, 2022, the Company has allotted 21,380 and 2,993 equity shares to eligible employees under Employee stock Option Plan 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.
- 5 COVID-19 pandemic affected the global economies over the last two years. Like other countries, India is also fast emerging from the impact of pandemic by a significant reduction in new cases and vaccination coverage of a large part of the population. The extent to which the pandemic will impact the Company's operations and financial metrics going forward will depend on ongoing as well as future developments, including the nature and severity of any new waves.
- 6 Disclosures pursuant to RBI Notification-RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021  
(a) Details of transfer through assignment in respect of loans not in default during the quarter ended June 30, 2022

Particulars	Quarter ended June 30, 2022
Entity	NBFC (Housing Finance Company)
Count of loan accounts assigned	1,526 loans
Amount of loan accounts assigned	INR 15,816 lakh
Weighted average maturity	131 months
Weighted average holding period	10 months
Retention of beneficial economic interest (MRR)	10%
Tangible security coverage	100%
Rating wise distribution of rated loans	Unrated

(b) The Company has not transferred or acquired, any stressed loans during the quarter ended June 30, 2022

(c) The Company has not acquired, any loans not in default during the quarter ended June 30, 2022

- 7 Pursuant to the RBI circular dated November 12, 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications", the Company has implemented the requirements and aligned its definition of default accordingly. On February 15, 2022, RBI has deferred the implementation of Para 10 of circular till September 30, 2022 pertaining to upgradation of Non performing assets. However, the Company has not opted for this deferment and such alignment has resulted in additional non-performing assets of INR 2,525.54 lakh as at June 30, 2022.
- 8 Disclosure in compliance with Regulation 52(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 for the quarter ended June 30, 2022 is attached as annexure A.
- 9 The Company has maintained at-least 100% assets cover on its secured redeemable non-convertible debentures as on June 30, 2022 (by creating floating charge on hypothecation of book debts and receivables). The proceeds of the NCDs were used for the objects that were stated in the respective offer documents.
- 10 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.
- 11 Figures for the previous year/period have been regrouped and/or reclassified wherever considered necessary.



Place: Jaipur  
Date: July 28, 2022

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

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

**Annexure A**

**Disclosures in compliance with regulation 52(4) of the Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended June 30, 2022**

	<b>Particulars</b>	<b>For the quarter ended June 30, 2022</b>
a)	Debt Equity Ratio	2.87
b)	Debt service coverage ratio	Not applicable, being a Housing Finance Company (HFC)
c)	Interest service coverage ratio	Not applicable, being a Housing Finance Company (HFC)
d)	Outstanding redeemable preference shares (quantity and value)	NA
e)	Capital redemption reserve/Debenture redemption reserve	NA
f)	Net worth (lakh)	2,90,496.61
g)	Net profit after tax (lakh)	8,922.42
h)	Earnings per share (INR)	
	-Basic	11.30
	-Diluted	11.26
i)	Current Ratio	Not applicable, being a Housing Finance Company (HFC)
j)	Long term debt to working capital	Not applicable, being a Housing Finance Company (HFC)
k)	Bad debts to account receivable ratio	Not applicable, being a Housing Finance Company (HFC)
l)	Current liability ratio	Not applicable, being a Housing Finance Company (HFC)
m)	Total Debts to Total Assets	0.72
n)	Debtors Turnover	Not applicable, being a Housing Finance Company (HFC)
o)	Inventory Turnover	Not applicable, being a Housing Finance Company (HFC)
p)	Operating Margin(%)	Not applicable, being a Housing Finance Company (HFC)
q)	Net Profit Margin(%)	25.28%
r)	Sector specific equivalent ratios, as applicable	
i)	Gross Non-Performing Assets (GNPA)	1.08%
ii)	Net Non-Performing Assets (NNPA)	0.84%
iii)	Provision coverage ratio	61.92%
iv)	Capital Risk Adequacy Ratio (CRAR)	50.46%
v)	Liquidity Coverage Ratio (Calculated as per RBI guidelines)	855%

Debt Equity Ratio = (Debt securities+Borrowings+Subordinated liabilities+ Interest accrued on total debt)/Networth

Total Debts to Total Assets= (Debt securities+Borrowings+Subordinated liabilities+ Interest accrued on total debt)/Total assets

Provision Coverage Ratio (PCR)(%) = Total impairment loss allowance / Gross Stage III Loans.



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**Walker Chandiook & Co LLP**

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One International Center,  
S B Marg, Prabhadevi (W),  
Mumbai - 400013  
Maharashtra, India

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F +91 22 6626 2601

**Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of Aavas Financiers Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of **Aavas Financiers Limited** ('the Holding Company') and Aavas Finserv Limited, ('the subsidiary') (the Holding Company and its subsidiary together referred to as 'the Group'), for the quarter ended **30 June 2022**, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.



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

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4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review report of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We did not review the interim financial results of one subsidiary included in the Statement, whose financial information reflect total revenues of ₹ 12.51 lakhs, total net loss after tax of ₹ 17.55 lakhs and total comprehensive loss of ₹ 17.55 lakhs, for the quarter ended on 30 June 2022, and, as considered in the Statement. These interim financial results have been reviewed by other auditors whose review report has been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the review report of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

6. The review of unaudited consolidated quarterly financial results for the period ended 30 June 2021 included in the Statement was carried out and reported by S. R Batliboi & Associates LLP who have expressed unmodified conclusion vide their review report dated 29 July 2021, whose review report have been furnished to us by the management and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration No:001076N/N500013



**Manish Gujral**  
Partner  
Membership No:105117

**UDIN:22105117ANTGPW4875**

Place: Jaipur  
Date: 28 July 2022

**AAVAS FINANCIERS LIMITED**  
(CIN: L65922RJ2011PLC034297)  
Statement of consolidated financial results for the quarter ended June 30, 2022

Particulars	(INR in lakh)			
	Quarter ended		Year ended	
	30.06.2022	31.03.2022	30.06.2021	
	(Unaudited)	(Audited) (refer note 3)	(Unaudited)	(Audited)
<b>I Revenue from operations</b>				
Interest income	31,491.93	30,411.51	26,307.41	1,12,886.13
Fees and commission income	1,429.46	1,428.99	740.79	4,623.19
Gain on derecognition of financial instruments under amortised cost category	2,169.17	4,573.69	-	12,403.56
Net gain on fair value changes	195.47	94.43	145.05	531.99
<b>Total revenue from operations</b>	<b>35,286.03</b>	<b>36,508.62</b>	<b>27,193.25</b>	<b>1,30,444.87</b>
<b>II Other income</b>	<b>9.35</b>	<b>21.91</b>	<b>9.33</b>	<b>119.91</b>
<b>III Total income (I+II)</b>	<b>35,295.38</b>	<b>36,530.53</b>	<b>27,202.58</b>	<b>1,30,564.78</b>
<b>IV Expenses</b>				
Finance costs	13,467.57	12,366.78	11,280.33	47,750.34
Fees and commission expense	231.90	50.75	197.23	571.23
Impairment on financial instruments	91.61	(1,043.33)	1,700.62	2,260.52
Employee benefits expense	6,785.32	6,928.72	4,665.36	23,428.89
Depreciation, amortization and impairment	622.80	725.17	500.56	2,376.02
Other expenses	2,652.47	2,921.59	1,479.34	8,908.85
<b>Total expenses (IV)</b>	<b>23,851.67</b>	<b>21,949.68</b>	<b>19,823.44</b>	<b>85,295.85</b>
<b>V Profit before tax (III-IV)</b>	<b>11,443.71</b>	<b>14,580.85</b>	<b>7,379.14</b>	<b>45,268.93</b>
<b>VI Tax expense</b>				
(1) Current tax	2,460.84	2,326.91	2,371.75	9,122.53
(2) Deferred tax expense/(credit)	78.00	707.15	(897.38)	628.34
<b>Total tax expense (VI)</b>	<b>2,538.84</b>	<b>3,034.06</b>	<b>1,474.37</b>	<b>9,750.87</b>
<b>VII Profit for the period (V-VI)</b>	<b>8,904.87</b>	<b>11,546.79</b>	<b>5,904.77</b>	<b>35,518.06</b>
<b>Other comprehensive income</b>				
<b>a) Items that will not be reclassified to profit or loss</b>				
Remeasurements of defined benefit liability	-	65.83	-	94.73
Income tax effect	-	(16.57)	-	(23.84)
<b>b) Items that will be reclassified to profit or loss</b>	-	-	-	-
<b>VIII Other comprehensive income, net of income tax</b>	<b>-</b>	<b>49.26</b>	<b>-</b>	<b>70.89</b>
<b>IX Total comprehensive income for the period (VII+VIII)</b>	<b>8,904.87</b>	<b>11,596.05</b>	<b>5,904.77</b>	<b>35,588.95</b>
<b>X Earnings per equity share (EPS for the quarters are not annualised)</b>				
Basic (Amount in INR)	11.28	14.63	7.52	45.10
Diluted (Amount in INR)	11.24	14.57	7.46	44.81
Face value per share (Amount in INR)	10.00	10.00	10.00	10.00



**AAVAS FINANCIERS LIMITED**  
(CIN: L65922RJ2011PLC034297)  
**Statement of consolidated financial results for the quarter ended June 30, 2022**

**Notes to the financial results :**

- 1 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

- 2 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 in compliance with Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”)
- 3 The figures for the quarter ended March 31, 2022 represent balancing figures between the audited figures for the year ended March 31, 2022 and year to date figures upto December 31, 2021 which were subjected to limited review by Statutory auditors.
- 4 The above results for the quarter ended June 30, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 28, 2022 and subjected to limited review by the statutory auditors of the Company. The financial results for the quarter ended June 30, 2021 were subjected to limited review by S.R Batliboi & Associates LLP, Chartered Accountants.
- 5 During the quarter ended June 30, 2022, the Company has allotted 21,380 and 2,993 equity shares to eligible employees under Employee stock Option Plan 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.
- 6 COVID-19 pandemic affected the global economies over the last two years. Like other countries, India is also fast emerging from the impact of pandemic by a significant reduction in new cases and vaccination coverage of a large part of the population. The extent to which the pandemic will impact the Company's operations and financial metrics going forward will depend on ongoing as well as future developments, including the nature and severity of any new waves.
- 7 Pursuant to the RBI circular dated November 12, 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications", the Company has implemented the requirements and aligned its definition of default accordingly. On February 15, 2022, RBI has deferred the implementation of Para 10 of circular till September 30, 2022 pertaining to upgradation of Non performing assets. However, the Company has not opted for this deferment and such alignment has resulted in additional non-performing assets of INR 2,525.54 lakh as at June 30, 2022.
- 8 The Holding Company has maintained at-least 100% assets cover on its secured redeemable non-convertible debentures as on June 30, 2022 (by creating floating charge on hypothecation of book debts and receivables). The proceeds of the NCDs were used for the objects that were stated in the respective offer documents.
- 9 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.
- 10 Figures for the previous year/period have been regrouped and/or reclassified wherever considered necessary.



Place: Jaipur  
Date: July 28, 2022

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

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

**Annexure 1**

**Ref. No. AAVAS/SEC/2022-23/423**

**Date: July 28, 2022**

To,  
BSE Limited  
Dept. of Corporate Services  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400001

Dear Sir/Madam,

**Sub: Security Cover Declaration**

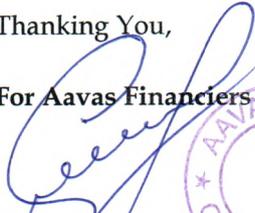
**Ref: Regulation 54(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to the captioned regulation, it is hereby declared that all the 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 or higher security cover as per the terms of Offer Document/Placement Memorandum for the quarter ended June 30, 2022.

Kindly take note of the same.

Thanking You,

For Aavas Financiers Limited

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



**AAVAS FINANCIERS LIMITED**

(Formerly known as "Au HOUSING FINANCE LIMITED")

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

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