Aavas FINANCIERS LTD

SAPNE AAPKE, SAATH HAMAARA

Investor Presentation

H1FY27

People. Performance. Perseverance.

Safe Harbour

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.

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.

Executive Summary – H1FY27

Aavas Financiers Ltd
SAPNE AAPKE, SAATH HAMAARA

Customers

99.6%
Retail Loans

62% | 38%
Self-Employed | Salaried

21,500+
New Customers Added

83%
<15 lakhs Ticket Size

2,82,707
Active Loan Counts

4,45,000+
Families Served

Distribution

443
Branches

15
States/UTs

260+
Districts

7,549
Employees

2,600+
Towns covered

80%+
Branch in Tier 3+

Assets

₹ 248.0 bn
AUM

₹ 35.1 bn
Disbursement

63% | 37%
HL | NHL

₹ 1.0 mn
ATS on AUM

55.4%
Average LTV

72%
Floating Rate Assets

Financial Performance

₹ 3,521 mn
PAT*

12.66% | 7.64%
Yield | CoB

5.02% | 7.76%
Spread | NIM

42.9% | 3.33%
C/I | Opex Ratio

1.11% | 0.70%
GNPA | NNPA

3.23% | 13.48%
ROA | ROE

Capital Structure

₹ 54.0 bn
Net Worth

43.77%
CRAR

₹ 31.5 bn | 7.70%
Incre. Borrowings (Amt.| Rate)

35+
Lenders

AA
Long term ratings

**PAT Includes OCI*

Management Commentary

It gives me immense pleasure and pride to share that your company will surpass the significant milestone of **Rs. 250 billion in AUM** this month, **having served nearly 4.5 lakh customers**. As we embark on **our next milestone of Rs. 500 bn in AUM, the quality of growth** will remain **as important as its pace,** with **sustainable profitability, strong governance** and disciplined liability management **at the core** of our strategy**.** And **technology** will serve as **a critical force multiplier** in this journey. During the quarter, we continued to **bolster our team** with several experienced professionals already onboarded and more to join.

During **H1FY27**, **we disbursed Rs. 35.1 bn**, achieving **robust growth of 30% YoY**, primarily **driven by higher volumes**. The momentum continued in **Q2FY27**, with **disbursements close to Rs. 19 bn**, **growing by 21% YoY**, supported by improving productivity and healthy demand across our markets. Our **AUM grew by 16.1% YoY to Rs. 248 bn**, while the **repayment rate normalized** to around 17% and will remain in similar range.

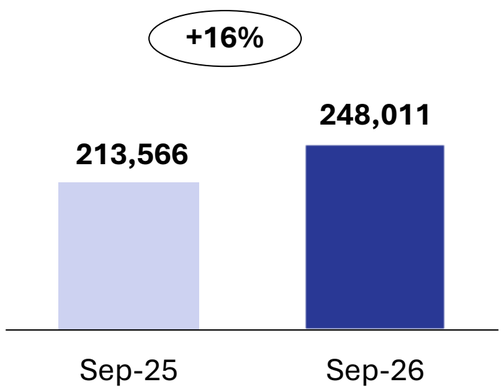
We delivered **16.4% YoY growth in Net profit for H1FY27**, driven by a **healthy 17% YoY** growth **in Net Interest Income**, supported by robust business growth. In addition, improved operating efficiencies, reflected in a **195-bps YoY improvement in our cost-to-income ratio**, further strengthened profitability during the quarter. During Q2FY27 our **ROA improved by 9 bps QoQ to 3.28%** and **ROE improving by 28 bps QoQ to 13.63%**. During the quarter, your company displayed **strong liability management** which **kept borrowing cost stable at 7.64%,** resulting in a **11 bps QoQ improvement** in **NIM to 7.81%.** Furthermore, we strengthened and **diversified** our **funding franchise** with the addition of **two new large relationships**. We also expanded our network to **443 branch locations**.

We continue to deliver **industry-leading asset quality**, with all key indicators trending positively and remaining well within our guided range. Our **1+ DPD improved by 18 bps YoY to 3.81%** in Q2FY27, remaining comfortably below 5%. **Gross NPA improved by 13 bps YoY to 1.11%, while Net NPA improved by 16 bps YoY to 0.70%.**

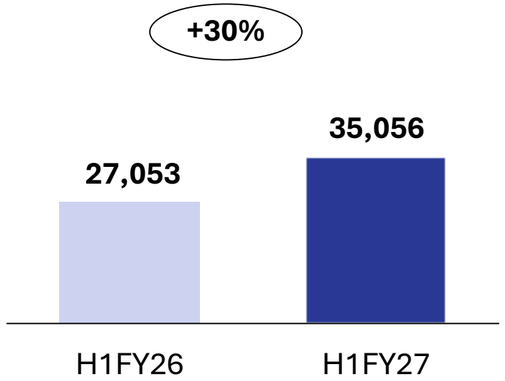
In line with our commitment to promoting sustainable housing, we have **cumulatively funded over 800 green homes**, **establishing ourselves as a leader in green housing segment.**

Key Performance Highlights – H1FY27

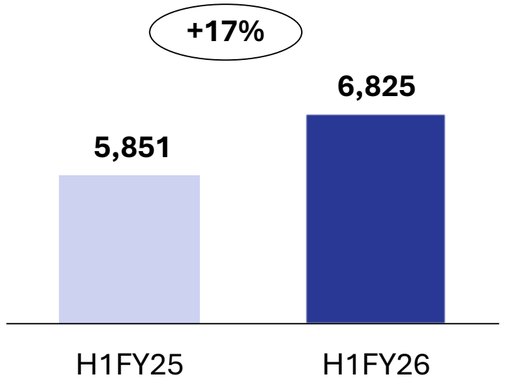
AUM (₹ mn)



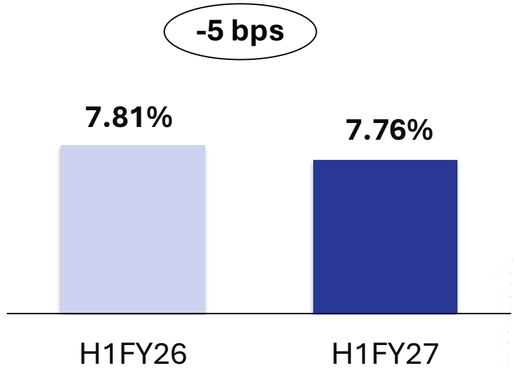
Disbursement (₹ mn)



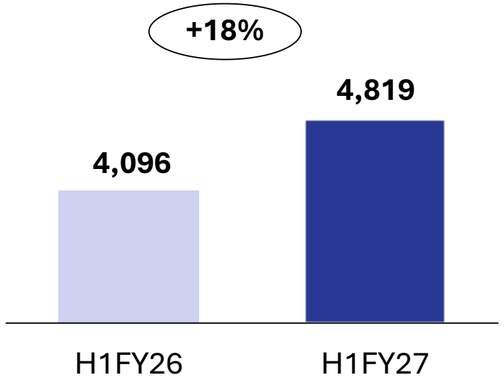
NII(₹ mn)



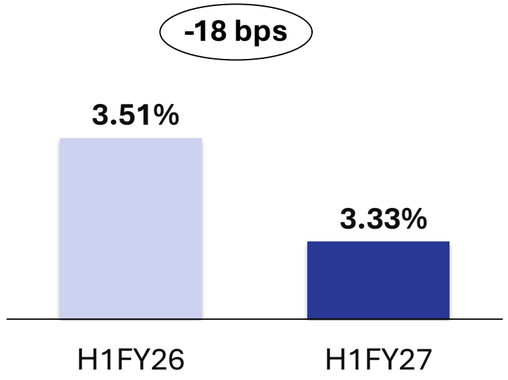
NIM (%)



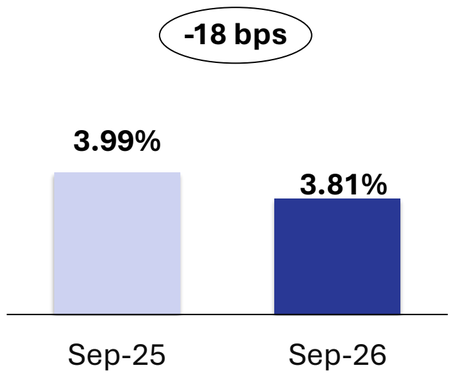
Operating Profit (₹ mn)



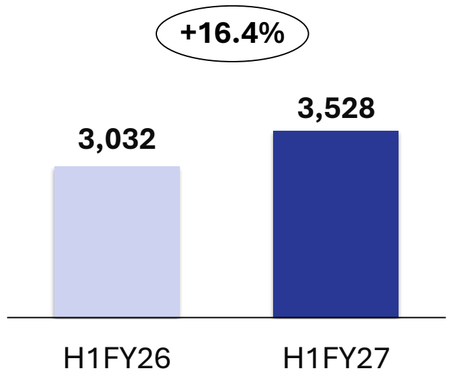
Opex to Assets (%)



1+ DPD (%)



PAT (₹ mn)



Pillars of Strength

Strong Institutional Framework

Diverse Geographical Distribution

In-house Execution Model

Diversified Customer Base

Future ready Tech Platform

Professional Management Team

Experienced Board of Directors

Diversified Shareholding Base

People. Performance. Perseverance

People

Skill & Talent Depth
Strong institutional framework built on robust processes and competent middle layer

Leadership Strength
Build a strong leadership strength across geographies and functions

Cross-Functional Exposure
Provide cross functional exposure and career growth opportunities

Talent Retention
Adding and retaining talent for future readiness

Right Span of Control
Creating the right span of control in Sales and Credit

Incentive Alignment
Realign Incentive Policy to reward and recognize consistent performance

Performance-Oriented Culture
Creating a performance-oriented organization culture.

Performance

Operational Excellence
Deliver industry leading AuM growth

Boost Productivity
Boost productivity per resource and higher revenue per resource

Customer Additions
Drive daily customer additions across Branches

Self-Sourcing
Strengthen Self-Sourcing & embed rigor through daily huddles

Cost-to-Income Optimization
Optimize branch performance on Cost-to-Income & ROE

Asset Quality
Maintain the pristine asset quality

Technology & Analytics
Embed technology and data analytics in growth

Perseverance

Ownership
Common definition of success across the company

Branch Accountability
Daily Branch Accountability Review

CEO Samvad
Weekly direct CEO interaction with Non-Performing ROs for better Support

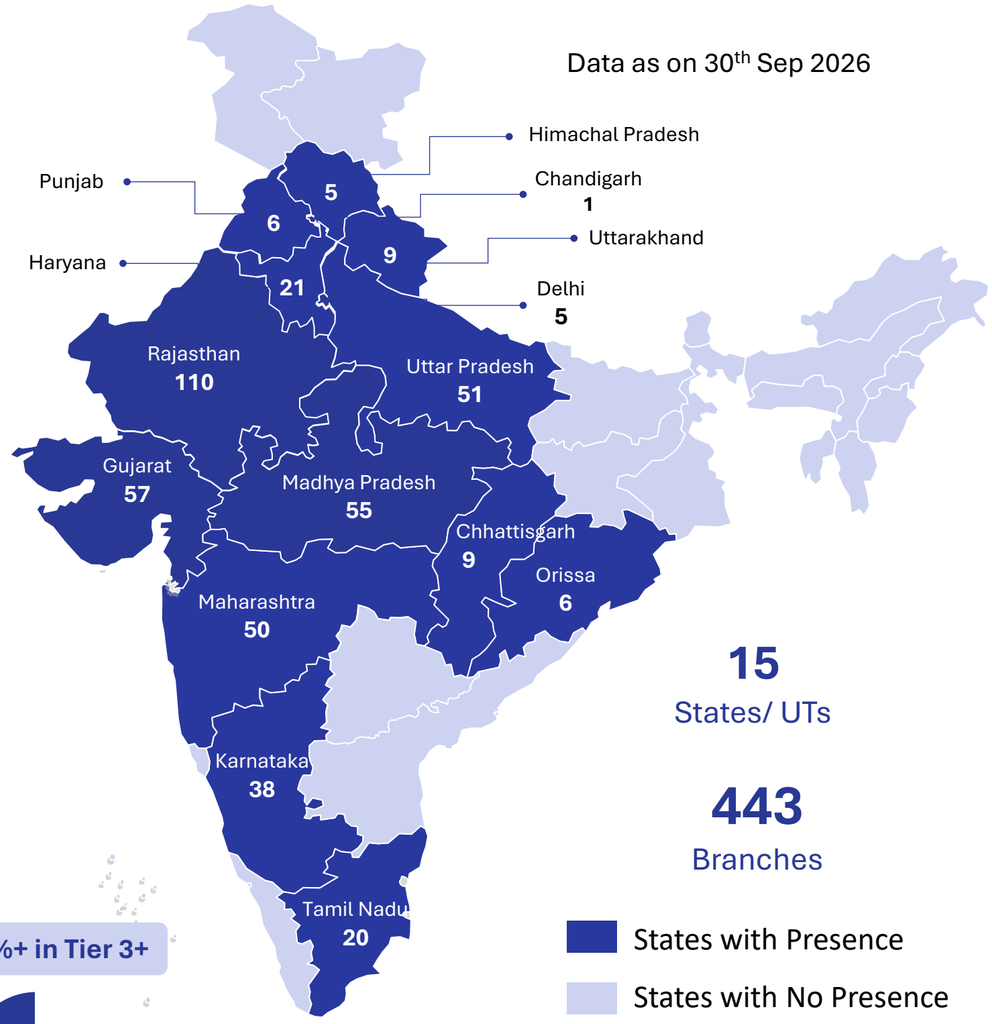
Defined Output
Attain consistency in delivery of defined output

Discipline
Strengthen discipline across operations

Gold Standard of Governance
Establish Ourselves as the Gold Standard of Governance

Diverse Geographical Distribution

Data as on 30th Sep 2026



15
States/ UTs

443
Branches

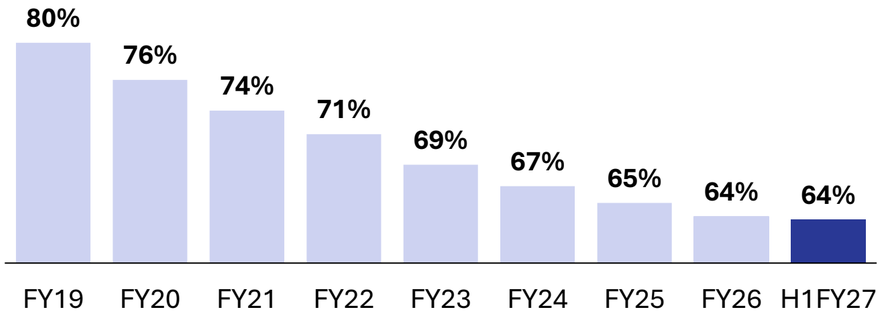
States with Presence

States with No Presence

80%+ in Tier 3+

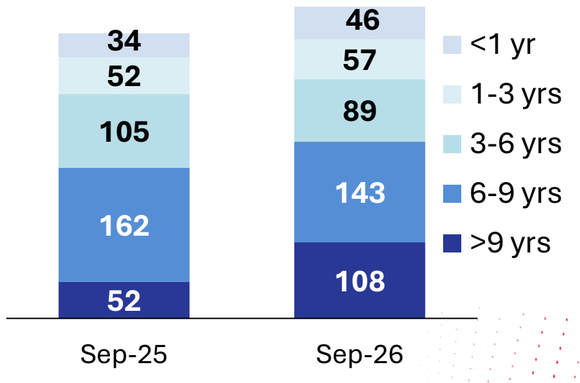
"Focused on contiguous branch expansion strategy"

Geographical diversification journey

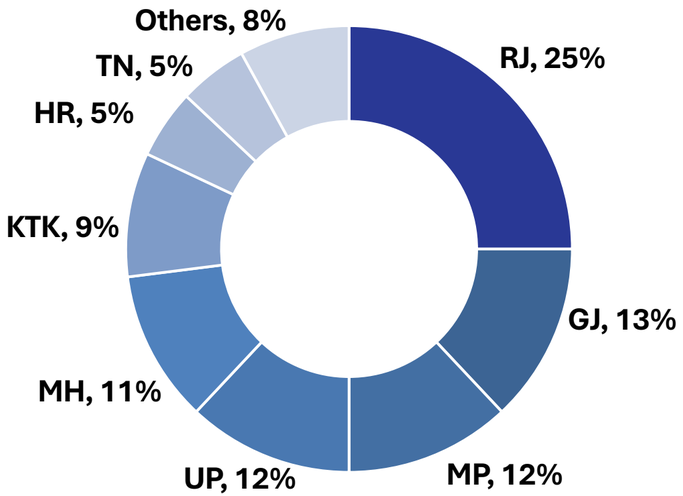


Top 3 states' AUM (RJ, MH and GJ)

Branch Vintage (No of Branches)



Branch Distribution (No of branches)



Right to Win with In-house Model

In-house

CSC & E-Mitra:
Common service centers across India

Mitra:
People in allied[1] industries

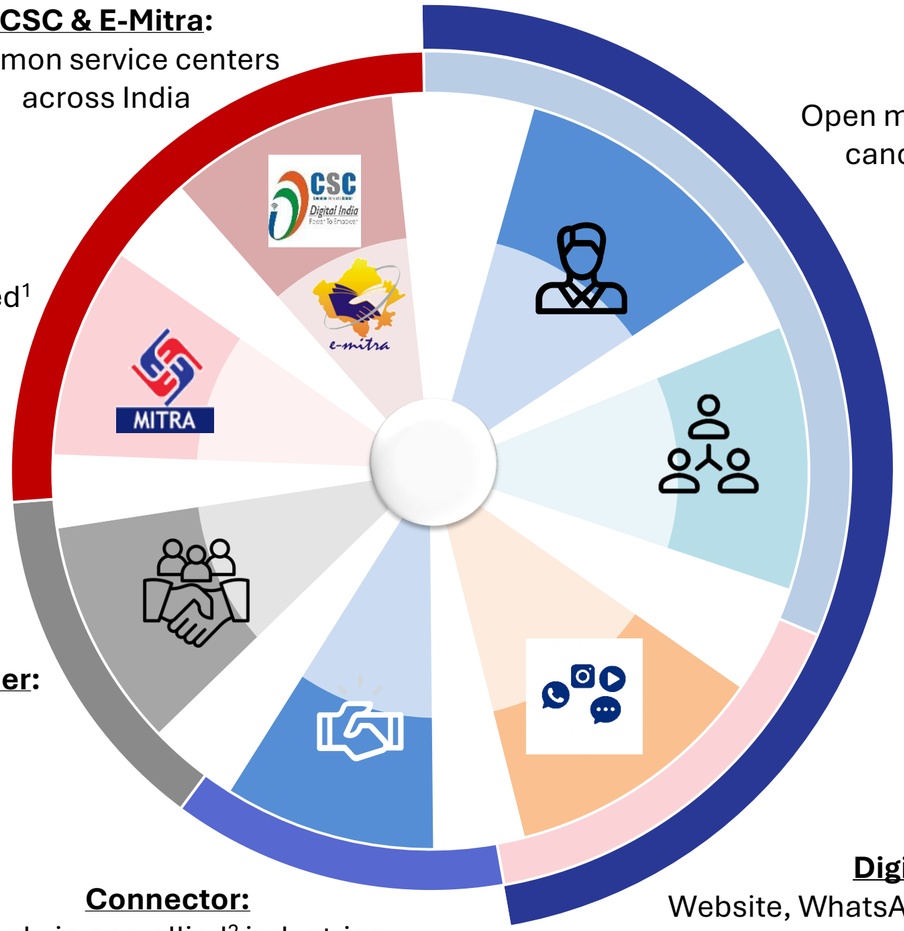
Channel Partner:
DSAs

Connector:
People in non-allied[2] industries

Direct:
Open market, cold calling, canopy activity, etc.

Aavas Ambassador:
Customer referral program

Digital:
Website, WhatsApp, Chatbot, etc.



Direct Channel | Digital | Connector | Channel Partners | Mitra & CSC

1) *Allied industries such as CA/CS/Tax Consultant, LIC Agent, Retired Banker,*
2) *Non-allied industries such as Lead Providers, Cement vendor, Notary, Lawyer, Stamp vendor Property Broker, Sanitary vendor, Paint shop, Building Contractor.*

Diversified & Connected Sourcing Engine

20+ Digitally Enabled Sourcing Channels with robust API Stack

Automated Flow & Integration

- Real-time lead flow into Salesforce
- Seamless integration with partner platforms
- Automated lead assignment to field teams
- Capability to onboard connectors in real time

Funnel Optimization

- End-to-end visibility of opportunities
- Minimizes opportunity leakage across the funnel

AI-Led Transformation Driving Efficiency & Scale

	Customer Acquisition	Underwriting & Disbursement	Customer Lifecycle	Employee Productivity
AI Initiative	**AI Based Login Quality Control**	**Concurrent Disbursement realization marking via RPA & Agentic AI**	**Gen AI Voice BOT for Collections & Tele-sales**	**AI-Driven Software Development** **Employee Co-Pilot**
Key Deployment	• Automate document/data validation using an AI/ML-powered IDP	• Auto-Marking of successful realizations in LMS	• Pre-dues • Post-dues • Penal flows	• Provide conversational information on policies, SOPs & Org knowledge. • Agentic flows for ticket creation, Account Unlock
Business Impact	✓ FTR reached at ~45% ✓ Improvement in Credit TAT ✓ Improved user experience	✓ TAT Reduction ✓ Minimal manual intervention	✓ ~37000 calls converted into P2P or Payment without human intervention in H1FY27 ✓ Faster campaign execution of Top-up opportunities	✓ Improve employee productivity ✓ Quick information access ✓ Support ticket reduction

*Overall Login to Decision TAT has improved from 13 days at peak to 6 days in Q1FY27.

Experienced Management Team

Manu Singh

MD & Chief Executive Officer

- **25+** years of experience in financial services
- **Qualification**: Master in Management from Sydenham and B. E from VJTI
- **Experience:** Kotak Bank, Tata Capital, ICICI Bank
- **Aavas Tenor**: <1 Year

Ripudaman Bandral

Chief Business Officer

- **25+** years of experience
- **Qualification**: PG in Finance
- **Experience:** Indiabulls, ICICI Bank, HDFC Ltd
- **Aavas Tenor**: 5+ Years

Jijy Oommen

Chief Technology Officer

- **25+** years of experience
- **Qualification:** M. Tech from Birla Institute of Technology and Science, Pilani
- **Experience:** Kinara Capital, Wonderla Holidays, Manappuram Finance, Bajaj Capital
- **Aavas Tenor**: 5+ Years

Rajaram Balasubramaniam

Chief Strategy Officer & Head of Analytics

- **25+** years of experience
- **Qualifications:** Chartered Accountant
- **Experience:** Citibank, Standard Chartered Bank
- **Aavas Tenor**: 4+ Years

Nitin Rughwani

Chief Credit Officer

- **20+** years of experience
- **Qualification**: Chartered Accountant
- **Experience:** Shriram Finance, Yes Bank, Tata Capital
- **Aavas Tenor**: <1 Years

Ashish Gautam

Head of Operations

- **23+** years of experience
- **Qualification**: MBA in Finance from SRC
- **Experience:** Fedbank Financial, AU Bank, ICICI Bank, Kotak Bank, Barclays Finance, Indiabulls.
- **Aavas Tenor**: ~1 Year

Sharad Pathak

Chief Compliance Officer

- **14+** years of experience
- **Qualification**: Company Secretary
- **Associated** with Aavas Financiers since May 2012
- **Aavas Tenor**: 14+ Years

Ramachandran Venkatesh

Head of Internal Audit

- **29+** years of experience
- **Qualifications:** MA in History, JNU
- **Experience:** Standard Chartered Bank, American Express, HDFC Bank, Fullerton India, Aditya Birla Finance.
- **Aavas Tenor**: 4 Years

Saurabh Sharma

Company Secretary & Compliance Officer

- **8+** years of experience
- **Qualification**: Company Secretary & Law Graduate
- **Experience:** H.G. Infra Eng. Ltd.
- Associated with Aavas Financiers since Sep 2021
- **Aavas Tenor**: 4+ Years

Ghanshyam Gupta

Interim, Chief Financial Officer

- **20+** years of experience
- **Qualification**: Chartered Accountant
- **Experience:** Vaibhav Global, Tata Technologies Limited and Capgemini India
- **Aavas Tenor**: 9+ Year

Punit Agarwal

Interim, Chief Risk Officer

- **13+** years of experience
- **Qualification**: Chartered Accountant
- **Experience:** Aditya Birla Capital, HDFC Bank and ICICI Bank
- **Aavas Tenor**: 9+ Years

New Board bringing in a wealth of experience

Vellur Gopalaraghavan Kannan

Chairperson of Board and Independent Director

- **40+** years of experience
- **Qualifications:** MBA from Univeraity of Madras
- **Experience**: State Bank of India, SBI Capital

Soumya Rajan

Independent Director & Chairperson of Nomination & Remuneration Committee

- **31+** years of experience
- **Qualifications:** Bachelors in Mathematics & Economics from St. Stephens College, Masters in Mathematics from Oxford University
- **Experience**: Prior associated with Waterfield Advisors, Standard Chartered Bank, ANZ Grindlays Bank

Vivek Karve

Independent Director & Chairperson of Audit Committee

- **30+** years of experience
- **Qualifications:** Chartered Accountant and Cost Accountant
- **Experience:** M&M Financial Services, Marico, ICICI, P&G, Siemens Information Systems

Manu Singh

MD & Chief Executive Officer

- **25+** years of experience in financial services
- **Qualification**: Master in Management from Sydenham and B. E. from VJTI
- **Experience:** Kotak Mahindra Bank, Tata Capital, ICICI Bank

Siddharth Patel

Promoter Nominee Director

- **27+** years of experience
- **Qualifications:** Bachelor of Arts and Master of Arts from Oxford University
- **Experience:** Apax Partners

Nikhil Gahrotra

Promoter Nominee Director

- **23+** years of experience
- **Qualifications**: Bachelor's degree in Engineering (Electronics) from VJTI in Mumbai, PGP in Management from ISB
- **Experience:** AIP India Investment, BanyanTree Finance, 3i, Q-India Investment Advisors, Citigroup Global Markets, Reliance Communications.

Neha Sureka

Promoter Nominee Director

- **18+** years of experience
- **Qualifications**: Bachelor of Engineering in Computer Science and MBA from JBIMS
- **Experience**: Aditya Birla Finance, Airtel, Abbott Nutrition, McKinsey & Co.

Rohit Ranjan

Non-Executive Nominee Director

- **30+** years of experience in Financial Service
- **Qualifications**: M.B.A (Finance), from Anderson School of Management, New Mexico, USA and Bachelor's in Arts (Economic Honors) from University of Delhi
- **Experience**: Citibank and Axis Bank

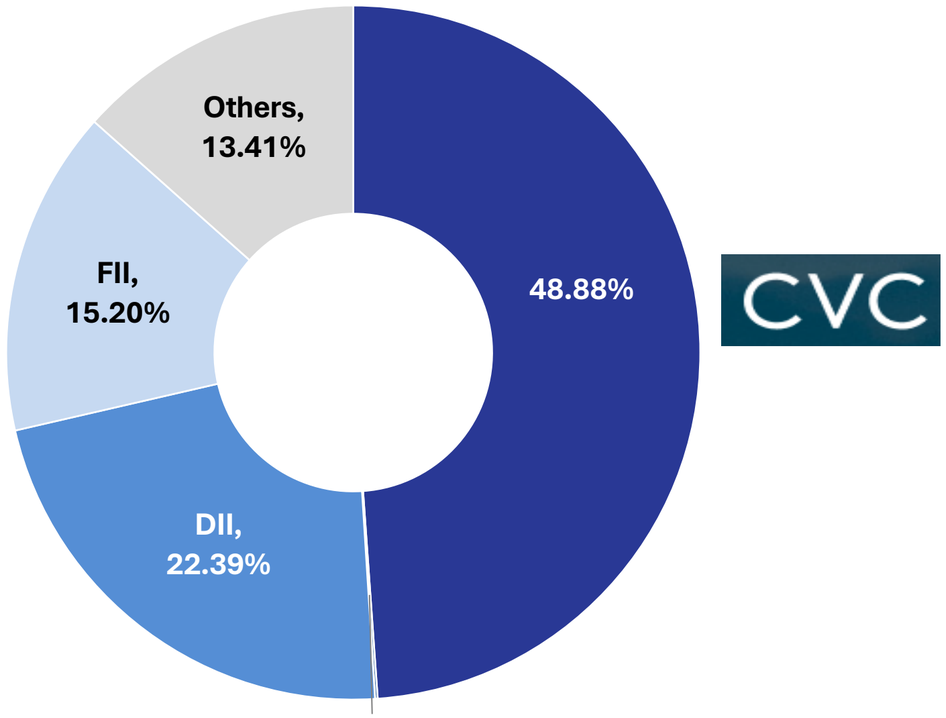
Sanjeev Srinivasan

Additional Non-Executive Nominee Director

- **28+** years of experience
- **Qualifications:** MBA in Marketing, Finance from Rohilkhand University
- **Experience:** Acko General Insurance, Bharti AXA General Insurance, ICICI Lombard, ING Vysya Life Insurance Company Ltd.

Diversified Institutional Shareholding

Shareholding Pattern as on 30th Sep 2026



@Management & #Employees, **0.12%**

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

Top Institutional Shareholders as on 30th Sep 2026

Investor Details	% Holding
CVC Capital	48.88
HDFC Asset Management^*	3.50
ICICI Pru Asset Management^*	3.14
UTI Asset Management^*	3.04
Axis Max Life^*	2.73
Sundaram Asset Management^*	2.79
GPF Global^	2.29
Nippon Asset Management^*	2.19
Vanguard Index Funds^	2.15
ADIA^	2.12
SBI Asset Management^*	1.93
MIT (managed by 360 One AMC)^	1.37
Blackrock Asset Management*^	1.28
Whiteoak Capital AMC^*	1.16
Franklin Templeton AMC^*	1.03

^ holding through various schemes / Funds
** includes Mutual Funds & Offshore Funds*

@ Includes holding by Management
 # Employees refers to employees who are covered under SEBI (PIT) Regulations, 2015

Business Performance

Business Growth

Business Mix

Spreads, Margins and Yields

Cost Efficiency and Return Ratios

Earnings & Capital Ratios

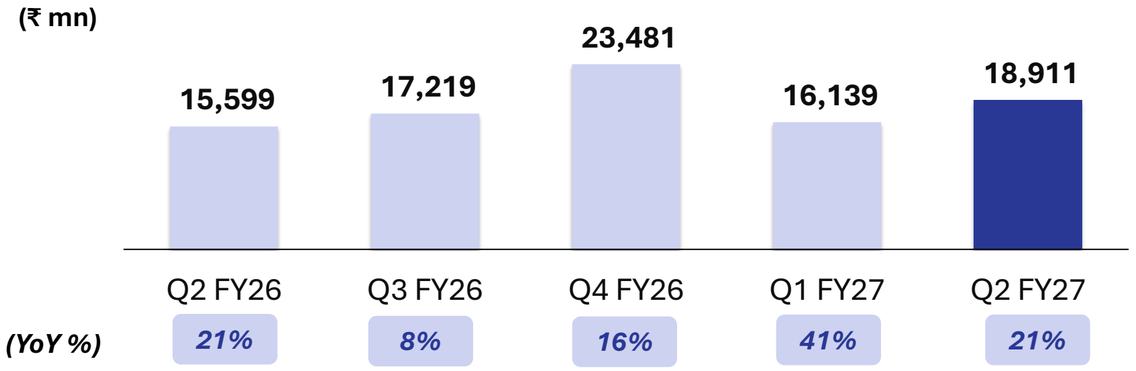
Asset Quality

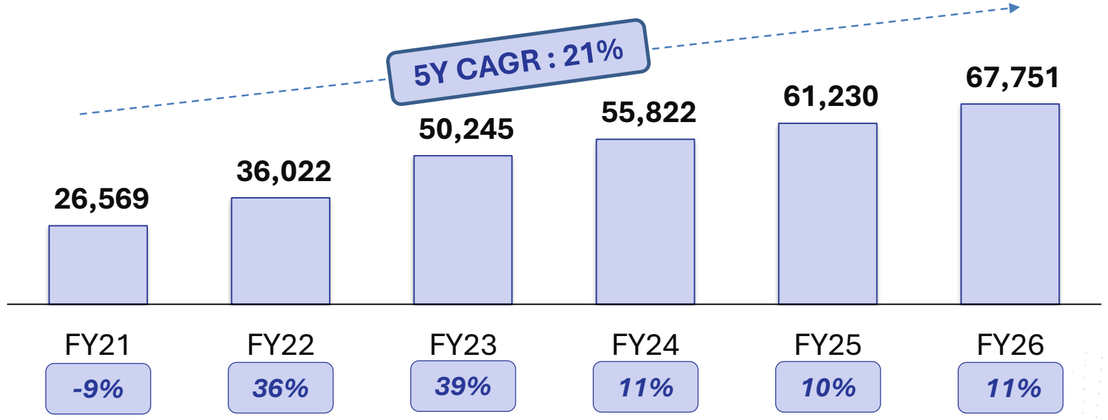
Borrowings Profile

ALM and Liquidity Position

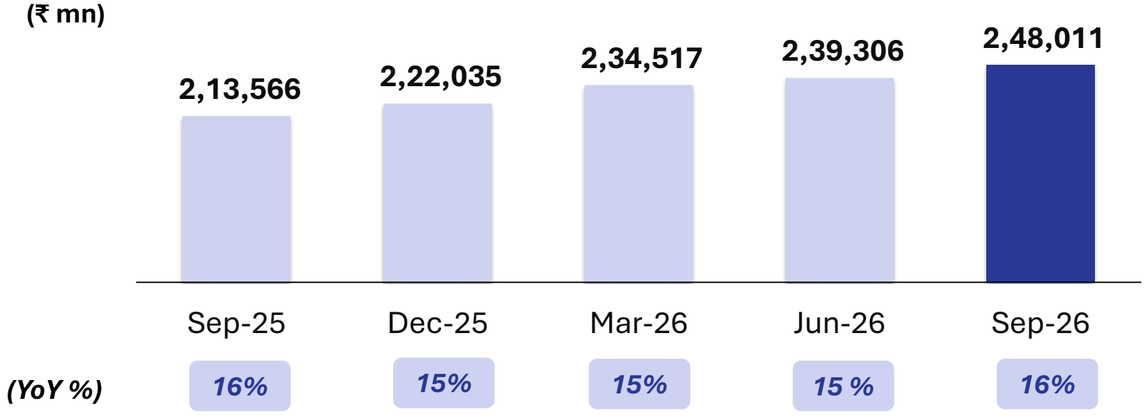
Healthy Business Growth

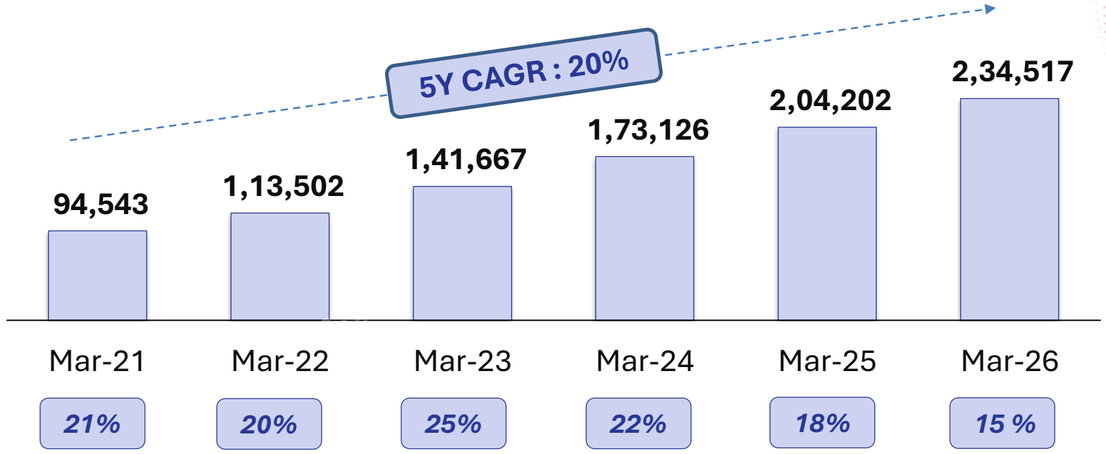
Disbursement





Assets under Management (AUM)



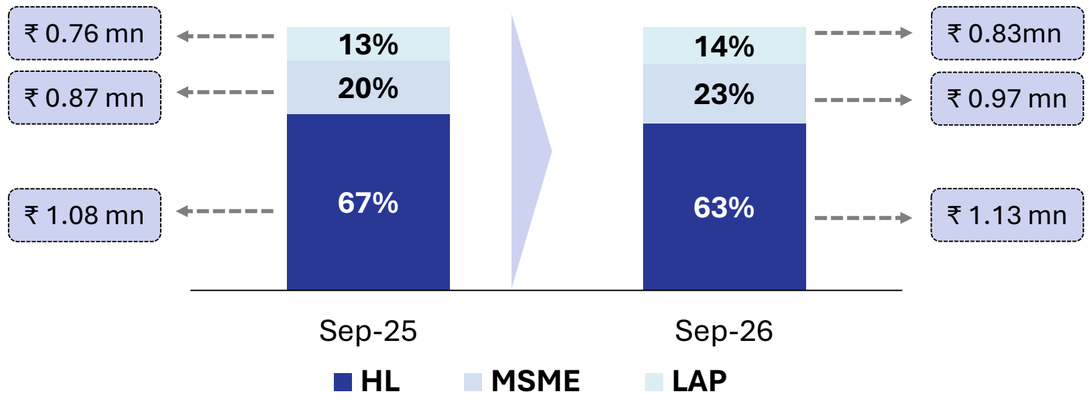


"Focus on driving AuM growth to 20%"

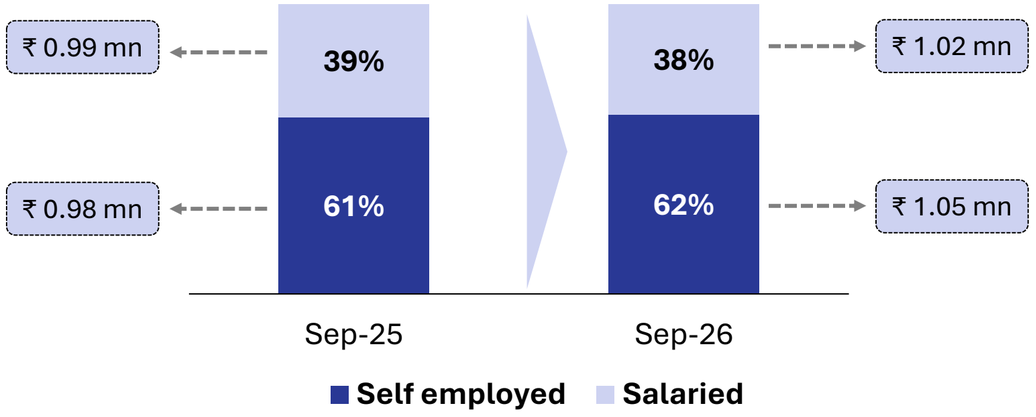
Optimum Business Mix

Average ticket size

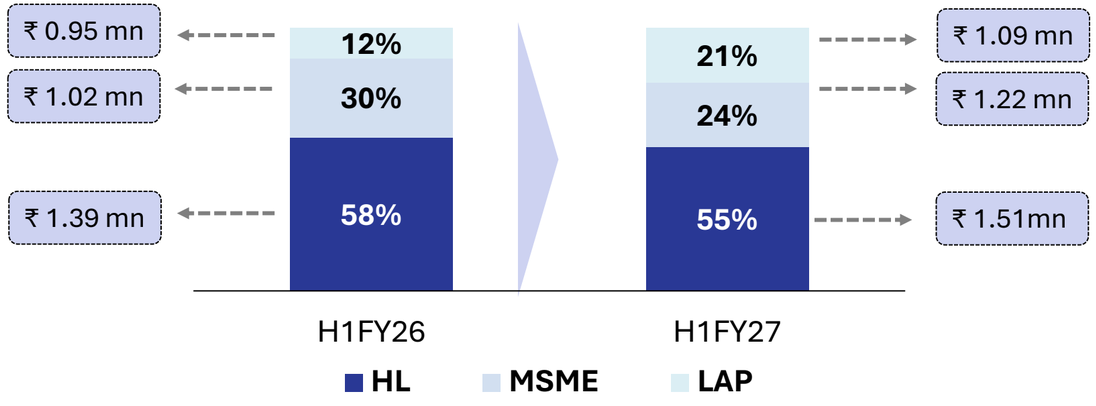
AUM (Segment wise)



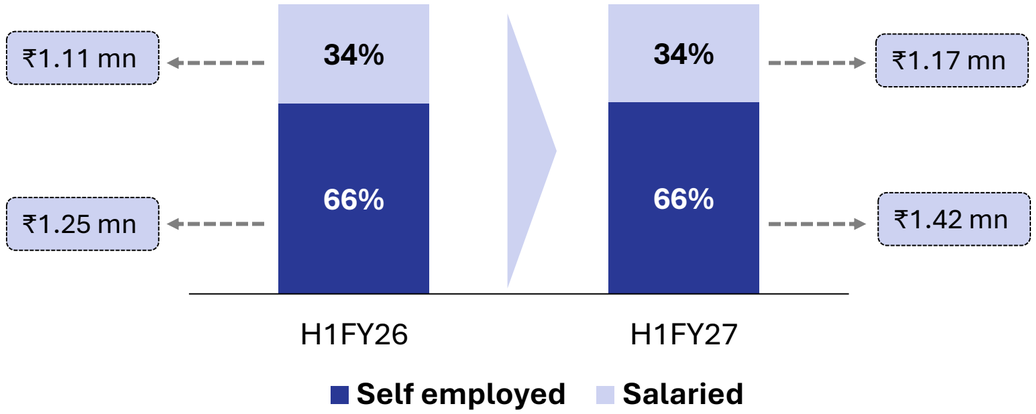
AUM (Occupation wise)



Disbursement (Segment wise)

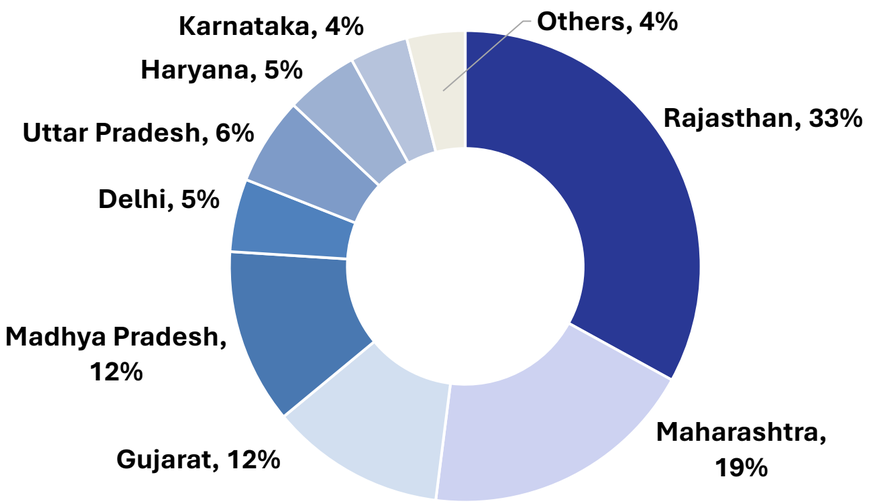


Disbursement (Occupation wise)

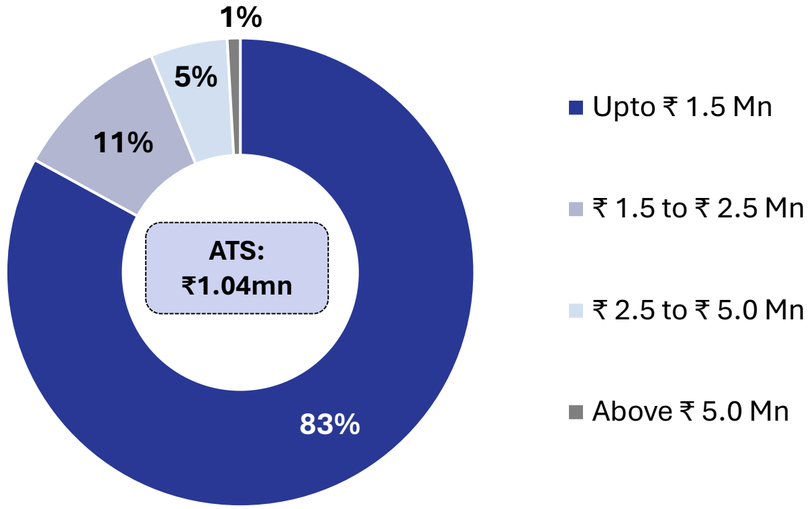


Well Diversified Portfolio Mix

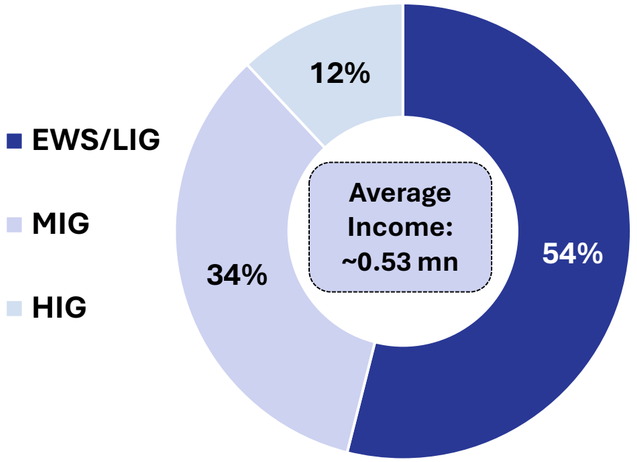
AUM by Geography



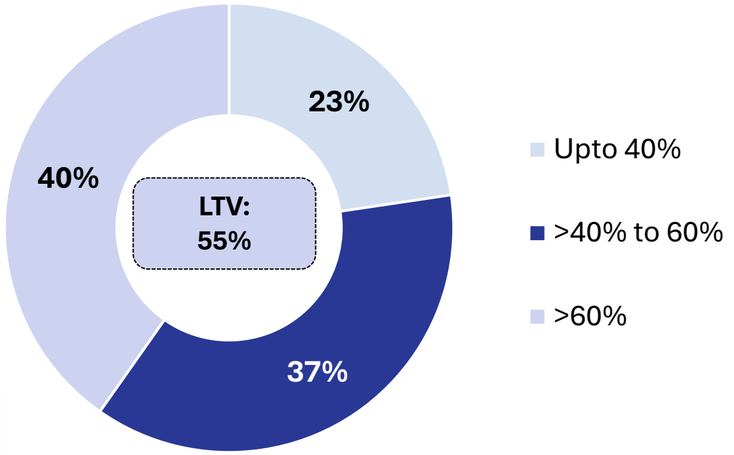
AUM by Ticket size (No of Loans)



AUM by Income Category



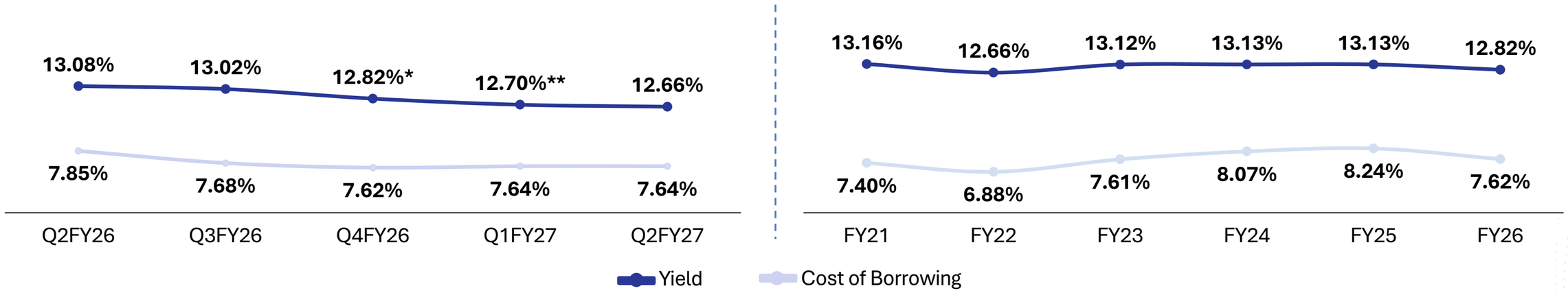
AUM by LTV (at Origination)



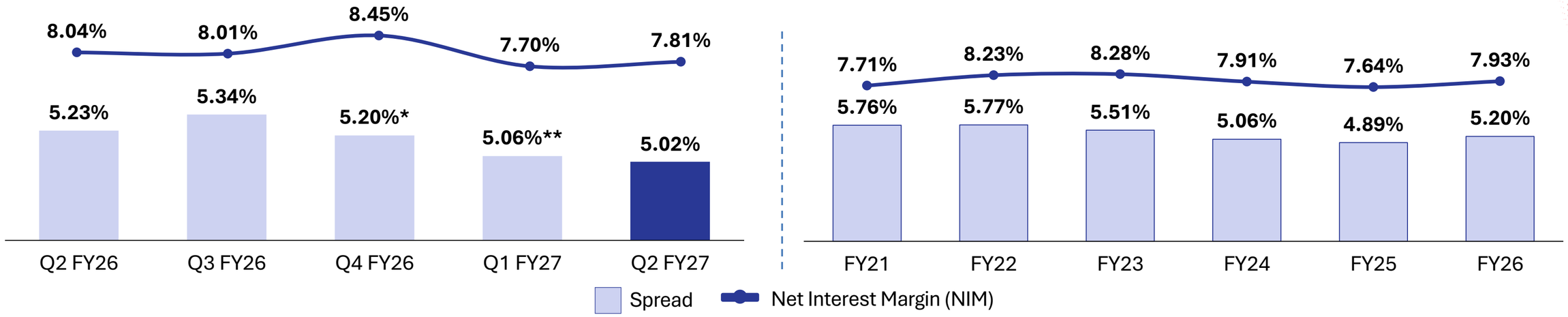
"Granular portfolio construct driving superior asset quality"

Yield, Spread and Margin

Yield and Cost of Borrowing (%)



Spread & Net Income Margin (%)

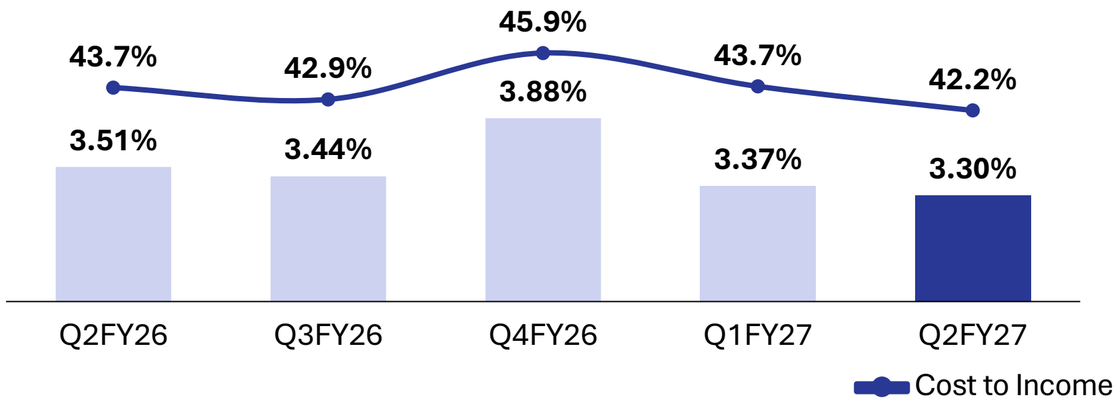


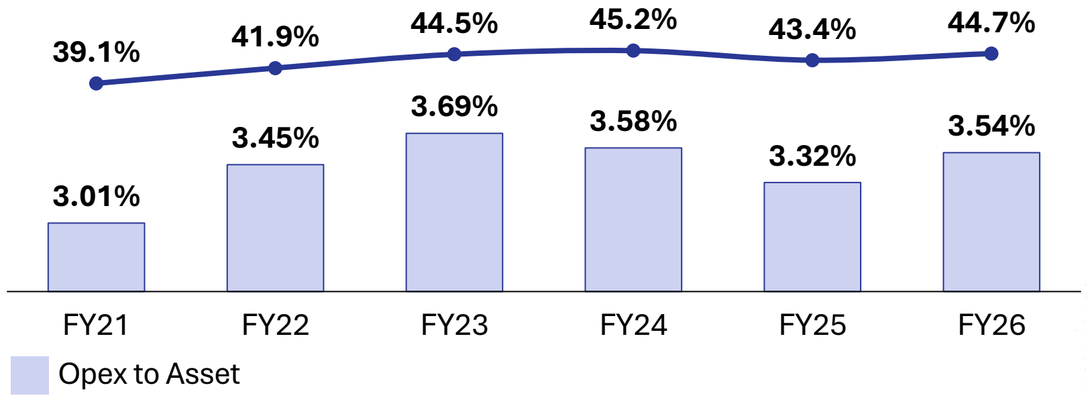
** Impact of 15 bps reduction in PLR w.e.f. Mar-26*
*** Impact of 10 bps reduction in PLR w.e.f. Jun-26*

"Healthy Margins across cycles"

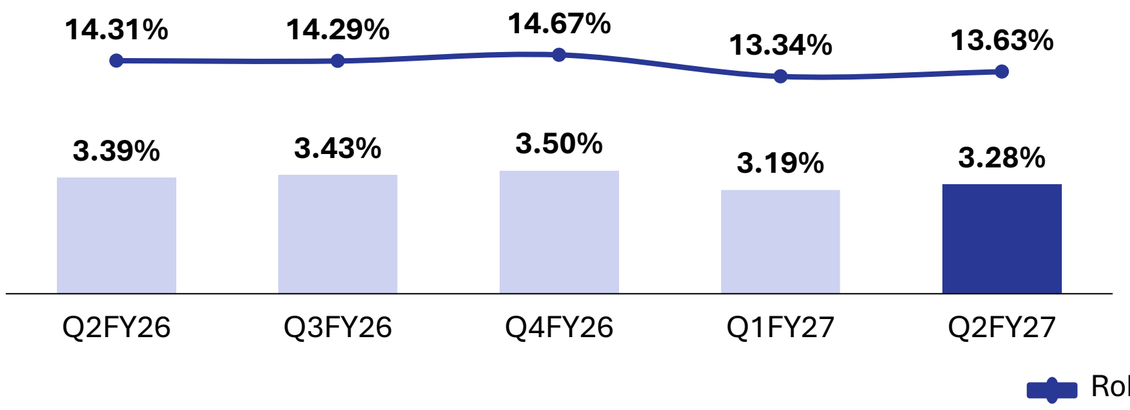
Cost Efficiency & Return Ratios

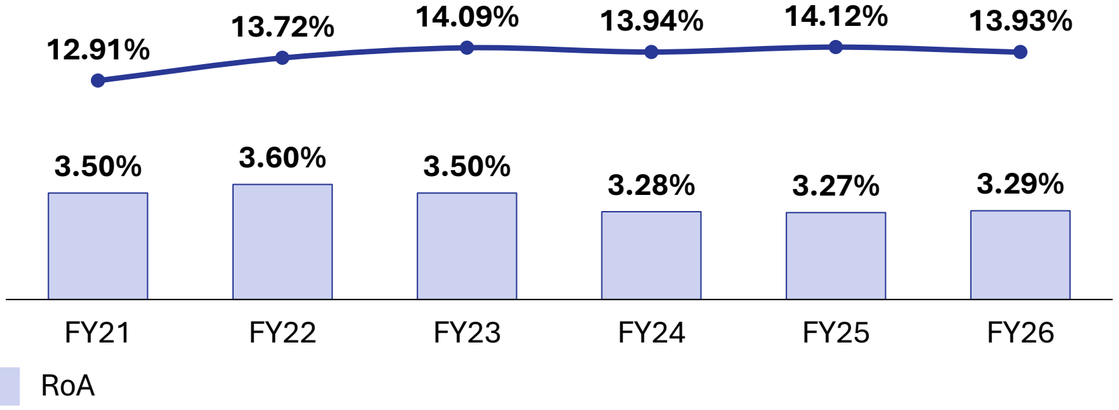
Opex to Assets and Cost to Income (%)





RoA and RoE (%)

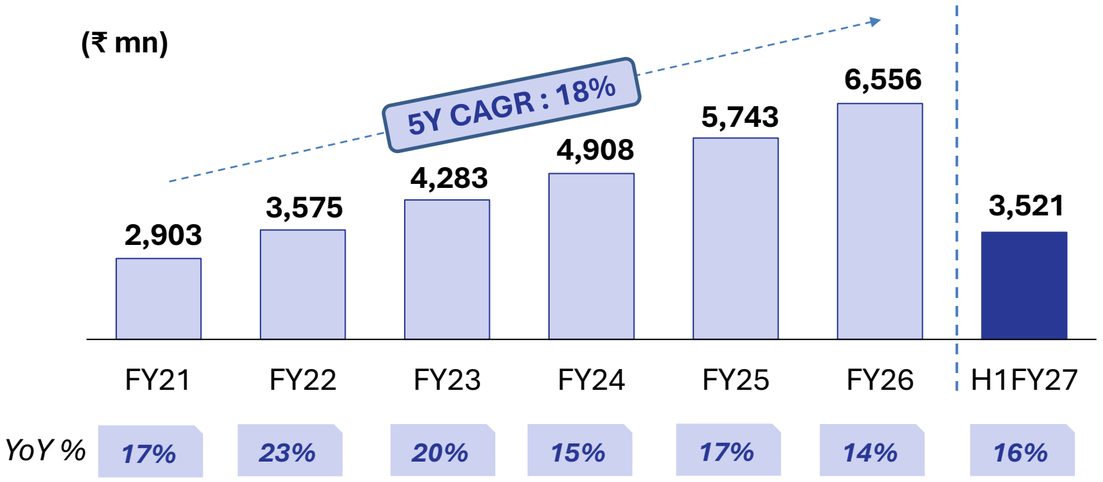




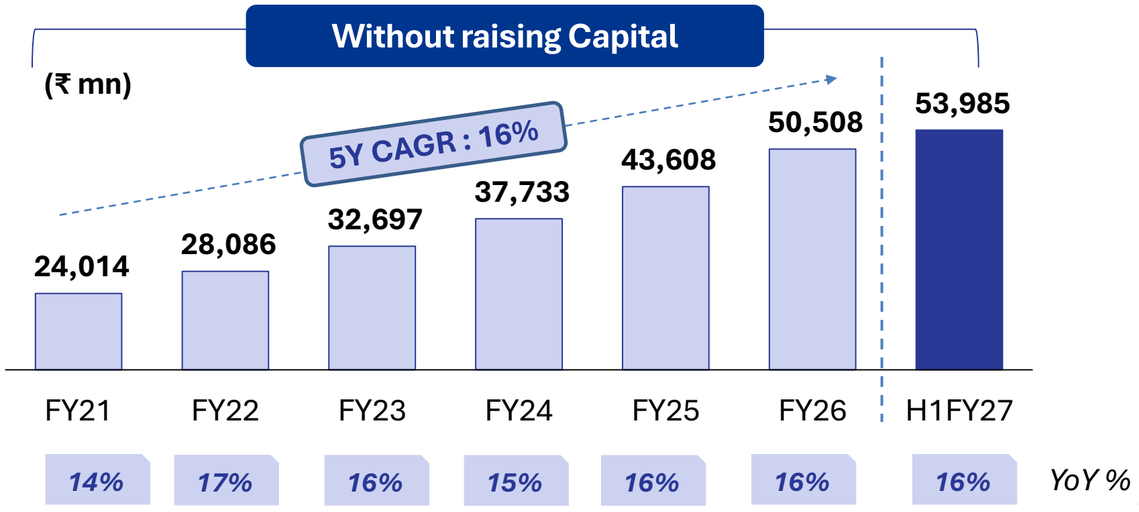
"Operational efficiency to drive returns"

Earnings & Capital Ratios

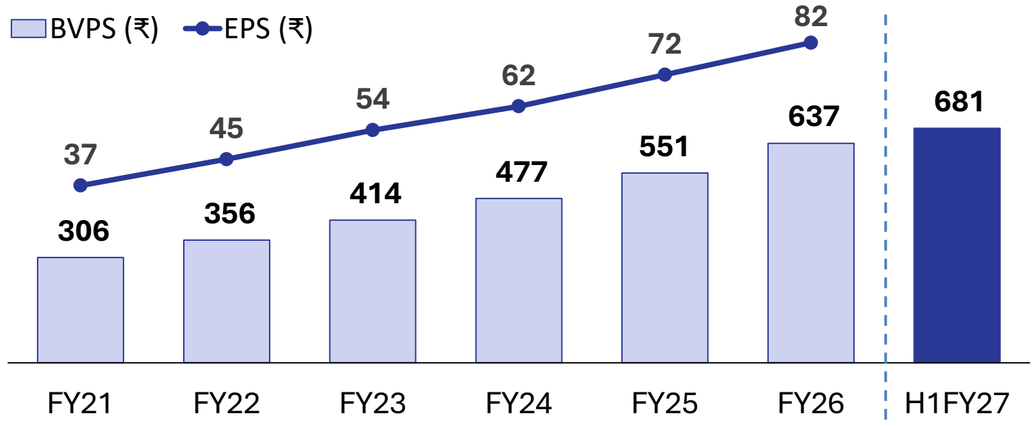
Net Profit



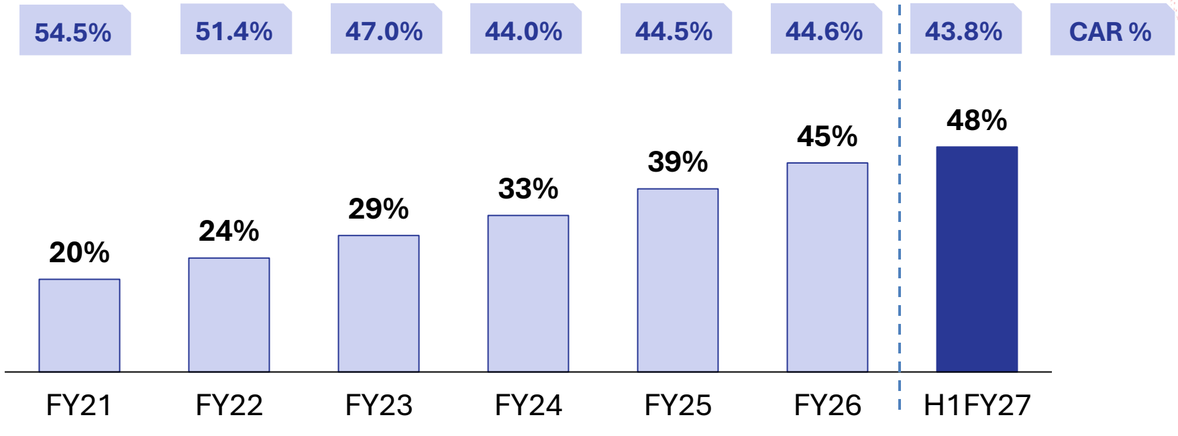
Net Worth



BVPS and EPS



ROCI and CAR (%)

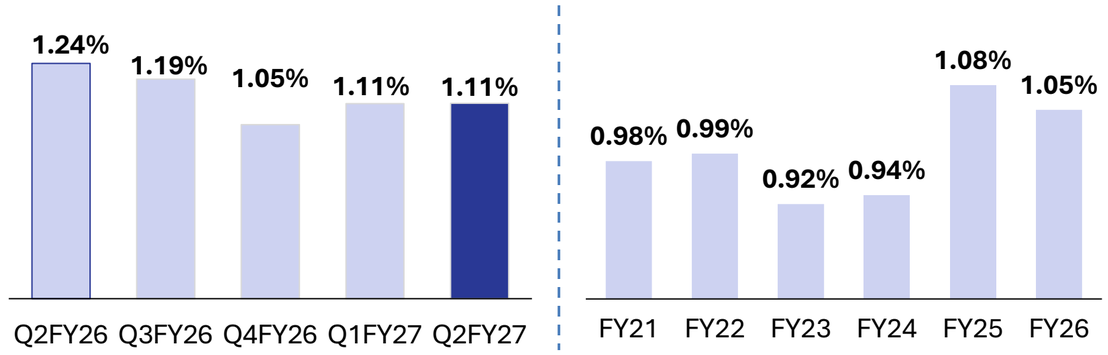


Return on Capital Invested (ROCI) is annualized

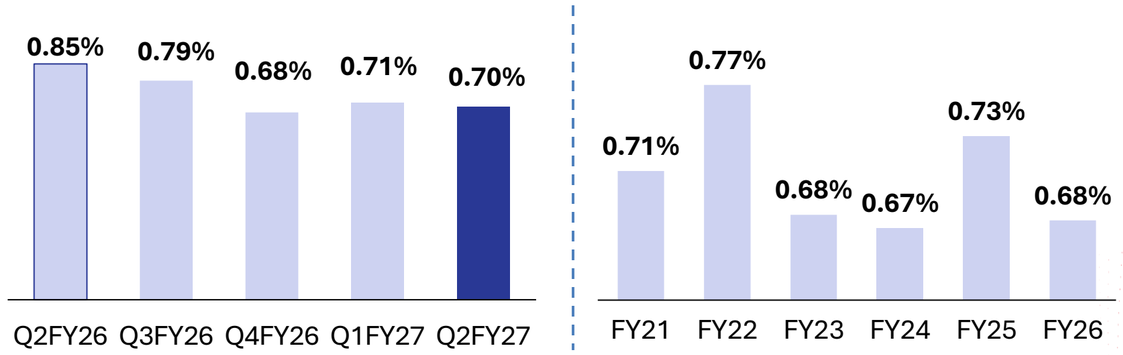
"Consistent Earnings Compounding"

Pristine Asset Quality

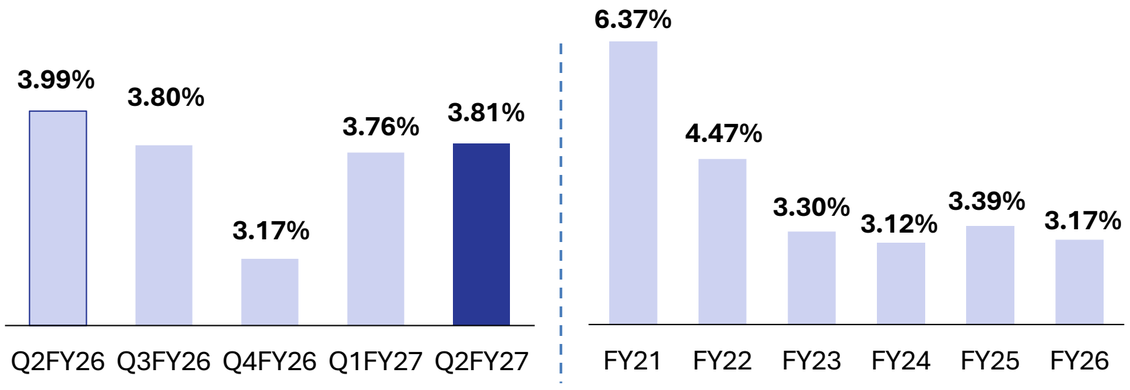
Gross Stage 3 (%)



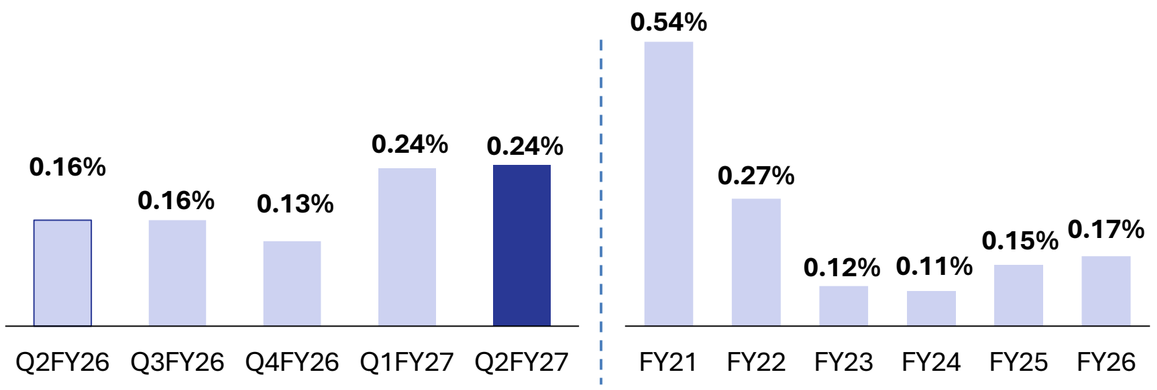
Net Stage 3 (%)



1+DPD (%)



Credit Cost (%)

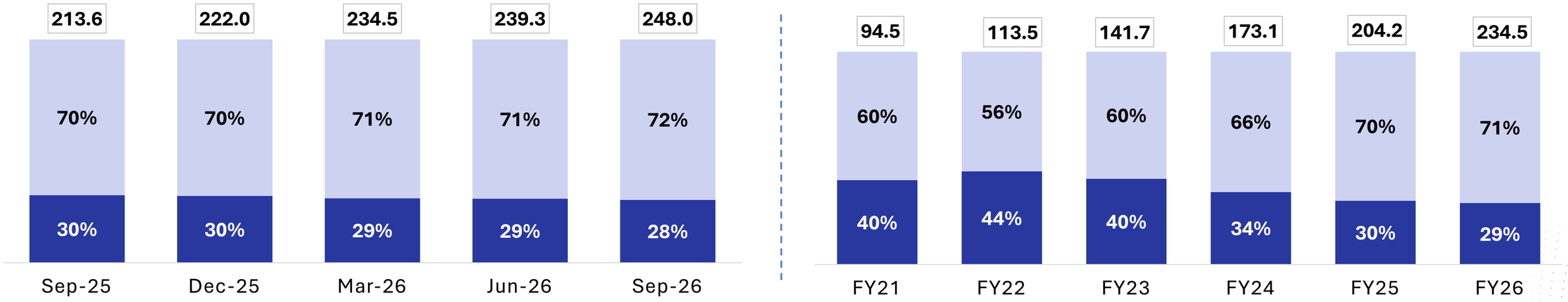


"Lifetime write-off of 11 bps against lifetime disbursement of Rs. 444 bn"

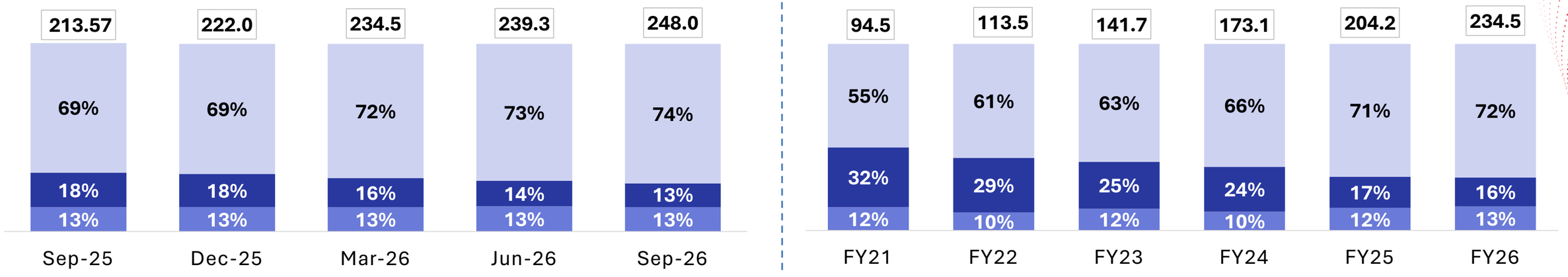
Robust Liability Management

AuM (₹ bn)

AUM – Fixed/ Floating Mix (%)



Funding Mix – Fixed/ Floating/ Equity (%)



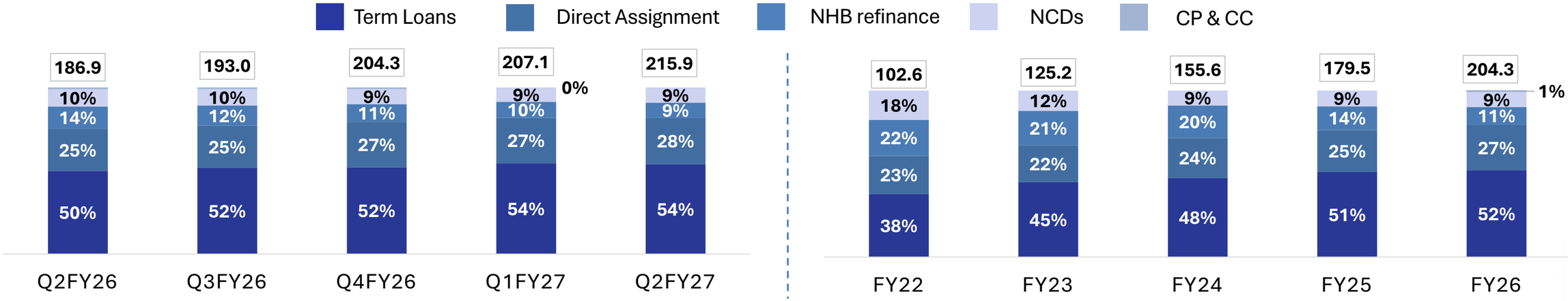
Fixed Floating Equity*

* Equity is balancing figure utilized to fund AuM

Diversified Funding Profile & Credit Rating

Borrowings Mix (%)

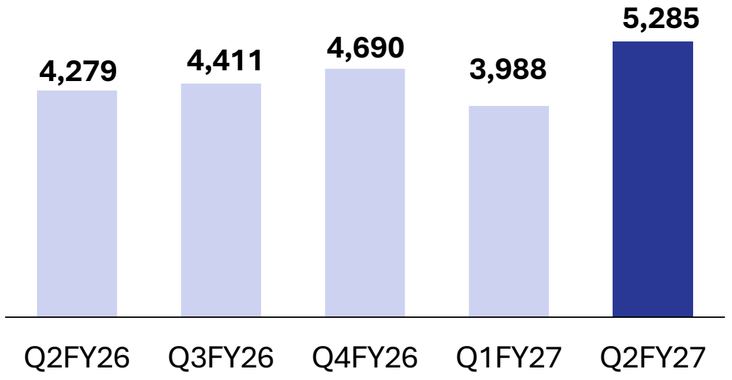
Borrowings (₹ bn)



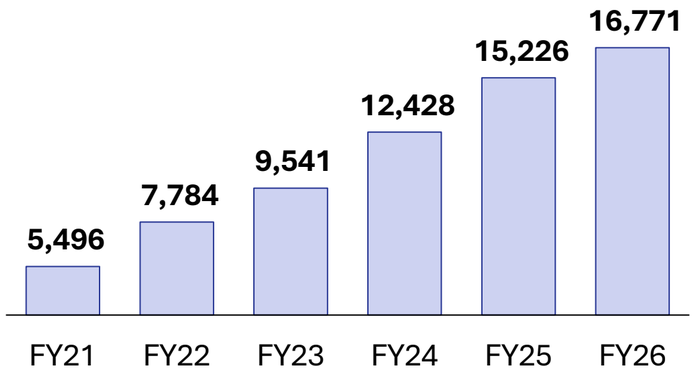
Average tenor of outstanding borrowings is 130 months as of Jun'26.

Net Assignment Volume

(₹ mn)



(₹ mn)



Credit Ratings

Long term	Short term
CARE	**India Rating**
Sep-26 - AA	Sep-26 - A1+
ICRA	**ICRA**
Sep-26 - AA	Sep-26 - A1+

"Creating funding cost leadership"

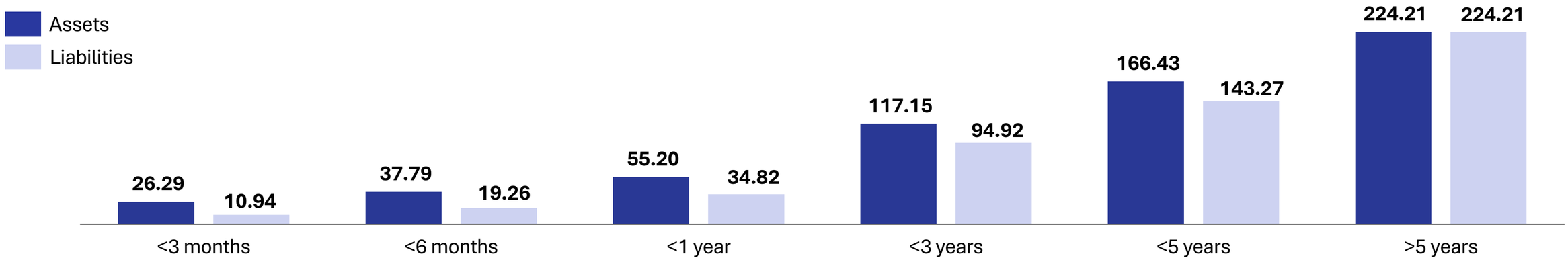
Disciplined ALM & Comfortable Liquidity Position

ALM Position

Surplus Management
As on Sep – 26

(₹ bn)

	<3 months	<6 months	<1 year	<3 years	<5 years	>5 years
Surplus:	15.35	18.53	20.38	22.23	23.17	-



Liquidity Position

Particulars (₹ mn)	As on Sep-26
Cash & Cash Equivalents	**18,550**
Un-availed CC Limits	**1,010**
Documented & Un-availed Sanctions from Banks	3,000
Total Liquidity Position	**22,560**

High-Quality Liquidity of ₹ 19,560 Mn

Particulars (₹ mn)	Q3FY27	Q4FY27	Q1FY28	Q2FY28
Opening Liquidity	22,560	25,011	26,860	29,491
Add: Principal Collections & Surplus from Operations	9,973	9,992	9,865	9,960
Less: Debt Repayments	7,522	8,142	7,234	7,991
Closing Liquidity	**25,011**	**26,860**	**29,491**	**31,460**

₹ 31,460 Mn of Surplus Funds* available for business

"Greater Resilience across liquidity cycles"

* without including any incremental sanctions

Financial Performance

Profit and Loss Statement

Balance Sheet

ECL Provisioning

5 Year Financials & ROE Tree

ESG

Glossary

Profit & Loss Statement

Particulars (₹ mn)	Q2 FY27	Q2 FY26	Y-o-Y	Q1 FY26	Q-o-Q	H1FY27	H1FY26	Y-o-Y
Interest Income on Loans (incl. Processing Fee)	6,501.9	5,772.9	12.6%	6,335.1	2.6%	12,837.0	11,371.3	12.9%
Interest Income on Fixed Deposits	291.2	309.3		298.7		589.9	632.1	
Upfronting Income on Fresh Assigned Loans	704.8	701.1		595.2		1,300.0	1,176.0	
Reversal Income on Earlier Assigned Loans	(493.9)	(445.9)		(469.1)		(963.0)	(877.8)	
Non-Interest Income	363.7	337.2	7.9%	331.0	9.9%	694.8	652.2	6.5%
Interest Expense (incl. Finance Charges)	(3,059.6)	(2,784.7)	9.9%	(2,952.1)	3.6%	(6,011.7)	(5,520.7)	8.9%
Net Total Income (NIM)	**4,308.1**	**3,889.8**	**10.8%**	**4,138.9**	**4.1%**	**8,447.0**	**7,433.2**	**13.6%**
Operating Expenses	1,817.7	1,698.0	7.1%	1,809.9	0.4%	3,627.6	3,337.4	8.7%
Pre-provisioning Operating Profit (PPoP)	**2,490.4**	**2,191.9**	**13.6%**	**2,329.0**	**6.9%**	**4,819.4**	**4,095.8**	**17.7%**
Credit Costs	134.4	79.6	68.8%	128.0	5.0%	262.3	192.2	36.5%
Profit Before Tax	2,356.0	2,112.3	11.5%	2,201.0	7.0%	4,557.0	3,903.6	16.7%
Provision for Taxation	540.8	472.9	14.3%	488.4	10.7%	1,029.2	871.9	18.0%
Profit After Tax	**1,815.2**	**1,639.3**	**10.7%**	**1,712.7**	**6.0%**	**3,527.9**	**3,031.7**	**16.4%**
Total Comprehensive Income	1,808.5	1,643.6	10.0%	1,712.7	5.6%	3,521.2	3,035.9	16.0%
EPS – in ₹ (Diluted) – *non annualized*	**22.8**	**20.6**	**10.9%**	**21.5**	**6.0%**	**44.3**	**38.0**	**16.6%**

Balance Sheet

Particulars (₹ Mn)	30-Sep-26	31-Mar-26
Sources of Funds		
Share Capital	793	793
Reserves & Surplus	53,192	49,716
Borrowings	1,64,854	1,56,856
Deferred Tax Liability (Net)	1,040	1,004
Other Liabilities & Provisions	3,533	3,757
Total	**2,23,412**	**2,12,125**
Application of Funds		
Loan Assets	1,93,207	1,83,727
Investments	3,444	2,708
Fixed Assets	927	921
Liquid Assets	19,003	18,433
Other Assets	6,831	6,335
Total	**2,23,412**	**2,12,125**

ECL Provisions

Particulars (₹ mn)	Stage 1	Stage 2	Stage 3	Total
For the period ended Sep'26				
Gross Loan Principal Outstanding	1,89,773	2,788	2,170	**1,94,731**
% of Portfolio	97.45%	1.43%	1.11%	**100%**
ECL Provision Amt.	411	286	827	**1,524**
ECL Provision %	**0.22%**	**10.27%**	**38.11%**	**0.78%**
For the period ended Mar'26				
Gross Loan Principal Outstanding	1,80,717	2,369	1,938	**1,85,023**
% of Portfolio	97.67%	1.28%	1.05%	**100%**
ECL Provision Amt.	364	235	697	**1,296**
ECL Provision %	**0.20%**	**9.94%**	**35.95%**	**0.70%**
For the period ended Sep'25				
Gross Loan Principal Outstanding	1,63,191	2,571	2,081	**1,67,843**
% of Portfolio	97.23%	1.53%	1.24%	**100%**
ECL Provision Amt.	304	245	663	**1,142**
ECL Provision %	**0.19%**	**9.55%**	**31.86%**	**0.72%**

Historical Financial Snapshot

Particulars (₹ bn)	FY21	FY22	FY23	FY24	FY25	FY26	CAGR (5 Years)
AUM	**94.5**	**113.5**	**141.7**	**173.1**	**204.2**	**234.5**	**20%**
Disbursement	**26.6**	**36.0**	**50.2**	**55.8**	**61.2**	**67.8**	**21%**
Total Assets	89.6	110.2	134.1	165.2	186.2	212.1	19%
Borrowings	63.5	79.7	98.4	123.4	139.2	156.9	20%
Net Worth	**24.0**	**28.1**	**32.7**	**37.7**	**43.6**	**50.5**	**16%**
No of Branches (#)	280	314	346	367	397	435	9%

Particulars (₹ mn)	FY21	FY22	FY23	FY24	FY25	FY26	CAGR (5 Years)
Interest income	10,440	12,091	14,992	18,715	21,787	24,610	19%
Less: Interest Expense (incl. Finance Charges)	(4,644)	(4,832)	(5,982)	(8,359)	(10,158)	(11,051)	19%
Net Interest Income (NII)	**5,796**	**7,259**	**9,010**	**10,357**	**11,629**	**13,559**	**19%**
Add: Fees and Other income	426	528	701	1,061	1,333	1,377	26%
Add: Net Gain on de-recognition of assets	187	437	408	427	464	861	-
Net Total Income (NIM)	**6,409**	**8,223**	**10,120**	**11,844**	**13,426**	**15,797**	**20%**
Less :Operating Expenses	(2,504)	(3,449)	(4,506)	(5,355)	(5,829)	(7,055)	23%
Pre-provision operating profit (PPOP)	**3,905**	**4,775**	**5,614**	**6,489**	**7,597**	**8,742**	**17%**
Less: Credit Costs	(371)	(226)	(124)	(245)	(271)	(337)	2%
Profit Before Tax	**3,533**	**4,549**	**5,490**	**6,244**	**7,326**	**8,404**	**19%**
Less: Provision for Taxation	(638)	(981)	(1,189)	(1,338)	(1,585)	(1,856)	
Profit After Tax	**2,895**	**3,568**	**4,301**	**4,907**	**5,741**	**6,549**	**18%**

ROE Tree - Trend

Particulars	FY21	FY22	FY23	FY24	FY25	FY26
Interest Income	11.64%	11.46%	11.53%	11.56%	11.62%	11.75%
Less: Interest Expense (incl. Finance Charges)	(5.59%)	(4.84%)	(4.90%)	(5.59%)	(5.78%)	(5.55%)
Net Interest Income (NII)	**6.05%**	**6.62%**	**6.63%**	**5.98%**	**5.84%**	**6.21%**
Add: Fees, Commission and Other income	1.44%	1.17%	1.32%	1.65%	1.54%	1.29%
Add: Gain on de-recognition of assets	0.23%	0.44%	0.33%	0.29%	0.26%	0.43%
Net Total Income (NIM)	**7.71%**	**8.23%**	**8.28%**	**7.91%**	**7.64%**	**7.93%**
Less :Operating Expenses	(3.01%)	(3.45%)	(3.69%)	(3.58%)	(3.32%)	(3.54%)
Pre-provision operating profit (PPOP)	**4.70%**	**4.78%**	**4.60%**	**4.34%**	**4.32%**	**4.39%**
Less: Credit Costs	(0.45%)	(0.23%)	(0.10%)	(0.16%)	(0.15%)	(0.17%)
Profit Before Tax	**4.25%**	**4.55%**	**4.49%**	**4.17%**	**4.17%**	**4.22%**
Less: Provision for Taxation	(0.77%)	(0.98%)	(0.97%)	(0.89%)	(0.90%)	(0.93%)
Profit After Tax	**3.49%**	**3.58%**	**3.51%**	**3.28%**	**3.27%**	**3.29%**
Leverage (Avg Total Assets to Avg Net Worth) (x)	3.69	3.83	4.02	4.25	4.32	4.23
ROE	**12.91%**	**13.72%**	**14.09%**	**13.94%**	**14.12%**	**13.93%**

Calculations are based on Avg. Total Asset

Environmental, Social & Governance

Extra Mile of Corporate Governance

- 2 Women Directors of the Board.
- 3 out of 9 Independent Directors on the board.
- Different role of Chairperson and CEO.
- 10 No Independent Director has 10+ years of association.
- Executive Remuneration is bound by Malus and Claw Back Clause.
- Board Evaluation through digital mode.

Pillars for Sustainable Future

Green Planet

Nurturing Workplace

Empowered Community

Robust Governance

Robust Corporate Governance

The Board of Directors helps improve corporate credibility and governance standards and manage risk and independent oversight in the Company.

The company has also implemented the following policies to promote ethical, transparent, and accountable behavior:

- Code of practices and procedures for fair disclosure of unpublished price sensitive information (Link)
- Code of conduct for the Board of Directors and Senior Management personnel (Link)
- Internal Guidelines on Corporate Governance (Link)
- Vigil mechanism/whistle-blower policy (Link)
- Anti-Bribery Corruption Policy (Link)
- Know Your Customer and Anti-Money Laundering Measures (Link)
- Fair Practice Code(Link)
- ESG Policy (Link)

Ratings

Rating Agencies	Rating – Sep'26
Niche99	76.92 (Leader)
CFC Finlease Private Limited	82 (Excellent)
CRISIL	68 (Strong)
ESG Risk Assessment	69 (Strong)
Morningstar (Sustainalytics)*	23.9 (Medium Risk)
NSE Sustainability	71 (Aspiring)
S&P Global ESG Score	35
SES ESG Research	77.7 (Medium)
Carbon Disclosure Project (CDP)	Disclosure Level

**Note: A lower ESG risk rating indicates better performance.*

Annexure - Glossary

Ratios	Formula Used
NIM (%)	Net Total Income / Average Total Assets
Opex to Asset (%)	Operating cost / Average Total Assets
Cost to Income (%) (C/I)	Operating cost / Net Total Income (NIM)
Opex to AUM (%)	Operating cost / Average AUM

Ratios	Formula Used
A/E (x)	Average Total Asset / Average Equity
ROCI (%)	PAT / Capital Invested
ROA (%)	PAT / Average Total Assets
ROE (%)	PAT / Average Net Worth

Terminology	Definition
ALM	Asset Liability Management
ATS	Average Ticket Size
AUM	Asset Under Management
BVPS	Book Value Per Share
CAGR	Compounded Annual Growth Rate
CoB	Contractual Borrowing Cost
CRAR	Capital to Risk Asset Ratio
DPD	Days Past Due
DSA	Direct Selling Agents
DTL	Default Tax Liability
ECL	Expected Credit Loss
EIR	Effective Interest Rate
EPS	Earning Per Share
ESG	Environmental, Social and Governance
EWS	Economically Weaker Sections
GNPA	Gross Non Performing Assets
HIG	High Income Group

Terminology	Definition
HL	Housing Loan
LAP	Loan Against Property
LIG	Low Income Group
LTV	Loan to Value
MSME	Micro, Small & Medium Enterprises
NCDs	Non-Convertible Debentures
NHB	National Housing Bank
NHL	Non-housing Loan
NIM	Net Income Margin
NNPA	Net Non Performing Assets
PAT	Profit After Tax
RCU	Risk Containment Unit
RoA	Return on Asset
RoE	Return on Equity
RoI	Return on Investment
TAT	Turnaround Time
Yield	Contractual Yield

Thank you

Click here for Factsheet

SAPNE AAPKE, SAATH HAMAARA

Aavas Financiers Limited

CIN: L65922RJ2011PLC034297

Mr. Rakesh Shinde – Head of Investor Relations

rakesh.shinde@aavas.in /

investorrelations@aavas.in

Visit us -