

Ref. No. AAVAS/SEC/2019-20/279

Date: October 31, 2019

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

Dear Sir / Madam

Subject: Submission of Debenture Trustee certificate pursuant to Regulation 52 (5) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 ("SEBI LODR Regulations").

In Reference to letter no. AAVAS/SEC/2019-20/270 dated October 25, 2019 filed by the Company to the stock exchange(s) and pursuant to the requirement of Regulation 52 (5) of SEBI LODR Regulations i.e. *"The listed entity shall, within seven working days from the date of submission of the information required under sub-regulation (4), submit to stock exchange(s), a certificate signed by debenture trustee that it has taken note of the contents"*.

Therefore in compliance to above, we hereby enclose the Certificate from the Debenture Trustees' informing that they have received and noted the information as specified under Regulation 52 (4) of SEBI LODR Regulations for the half year ended September 2019.

We request you to take the same on your record.

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

Regd. & Corp. Office: 201-202, 2nd Floor, Southend Square,

Mansarovar Industrial Area, Jaipur - 302020. Tel: +91 141 661 8888

E-Mail: Info@avaas.in, Website: www.avaas.in

Ref./ITSL/OPR/19-20

October 28, 2019

AAVAS FINANCIERS LIMITED
(Formerly known as "Au HOUSING FINANCE LIMITED")
201-202, 2nd Floor,
South End Square, Mansrovar Industrial Area,
Jaipur – 302020

Subject: Certificate u/r 52(5) of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015, for Debenture issued by AAVAS FINANCIERS LIMITED (Formerly known as "Au HOUSING FINANCE LIMITED")

Dear Sir,

We are acting as Debenture Trustee for the Secured/Unsecured, Redeemable Non-Convertible Debentures issued by AAVAS FINANCIERS LIMITED (Formerly known as "Au HOUSING FINANCE LIMITED"), ("The Company").

In terms of the provisions of Regulation 52(5) of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015, (Regulations), we inform you that we have received the disclosures made by the Company in the letter enclosed hereto, under Regulation 52(4) for the Half Year ended September 2019.

Thanking you.

Yours faithfully,

For IDBI Trusteeship Services Limited



AUTHORISED SIGNATORY

Encl: As above.

CTL/DEB/19-20/Noting Certificate/ 5882

October 25, 2019

To Whomsoever It May Concern,

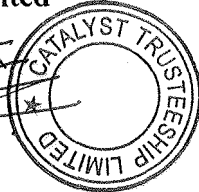
CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Catalyst Trusteeship Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by **Aavas Financiers Limited** (“**the Company**”) for the Half year ended September 30, 2019.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

For Catalyst Trusteeship Limited

M. G. BHANAVATI


Authorised Signatory

Encl: Results submitted by Company



Ref. No. AAVAS/SEC/2019-20/270

Date: October 25, 2019

| | |
|---|---|
| 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 Friday, October 25, 2019

Pursuant to applicable provisions of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), this is to inform you that the Board of Directors of the Company at its Meeting held on Friday, October 25, 2019 at Jaipur has inter-alia, considered and approved the Unaudited Financial (Standalone and Consolidated) Results of the Company for the quarter and half year ended September 30, 2019.

Please find enclosed herewith the following:

1. Limited Review Report submitted by Statutory Auditors of the Company, S.R. BATLIBOI & ASSOCIATES LLP, Chartered Accountants;
2. Unaudited Financial (Standalone and Consolidated) Results of the Company for the quarter and half year ended September 30, 2019;
3. Disclosures pursuant to Regulation 52(4) of the SEBI LODR Regulations;
4. Statement pursuant to Regulation 52(7) of the SEBI LODR Regulations.

The Meeting of the Board of Directors commenced at 02:00 PM (IST) and concluded at 03:00 PM (IST).

Kindly take the same on record.

Thanks & Regards
For Aavas Financiers limited



Sharad Pathak
Company Secretary & Compliance Officer
(FCS-9587)
Enclosed: a/a

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Aavas Financiers Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Aavas Financiers Limited (the "Company") for the quarter ended September 30, 2019 and year to date from April 01, 2019 to September 30, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Attention is drawn to the fact that the Statement of cash flows for the corresponding period from April 01, 2018 to September 30, 2018, as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company but have not been subjected to review.
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, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. 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 Standards on Auditing 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.
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 the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership No.:121411

UDIN: 19121411AAAAKB8269

Jaipur
October 25, 2019



AAVAS FINANCIERS LIMITED
(CIN: L65922RJ2011PLC034297)

Statement of standalone financial results for the quarter and half year ended September 30, 2019

(Rupees in lakh)

| Particulars | Quarter ended | | | Half year ended | | Year ended |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | 30.09.2019 (Unaudited) | 30.06.2019 (Unaudited) | 30.09.2018 (Unaudited) | 30.09.2019 (Unaudited) | 30.09.2018 (Unaudited) | 31.03.2019 (Audited) |
| I Revenue from operations | | | | | | |
| Interest income | 18,805.55 | 18,162.33 | 13,814.30 | 36,967.88 | 27,044.15 | 59,354.82 |
| Fees and commission income | 748.41 | 686.63 | 521.32 | 1,435.04 | 993.06 | 2,602.73 |
| Net gain on derecognition of financial instruments under amortised cost category | 3,441.57 | 692.72 | 1,481.36 | 4,134.29 | 2,380.44 | 7,828.01 |
| Net gain on fair value changes | 124.32 | 202.18 | 560.80 | 326.50 | 669.01 | 1,211.42 |
| Total revenue from operations | 23,119.85 | 19,743.86 | 16,377.78 | 42,863.71 | 31,086.66 | 70,996.98 |
| II Other Income | 3.92 | 8.03 | 16.75 | 11.95 | 18.47 | 100.27 |
| III Total Income (III+II) | 23,123.77 | 19,751.89 | 16,394.53 | 42,875.66 | 31,105.13 | 71,097.25 |
| IV Expenses | | | | | | |
| Finance costs | 8,334.88 | 8,038.93 | 6,251.17 | 16,373.81 | 12,065.34 | 25,536.71 |
| Fees and commission expense | 217.46 | 116.97 | 110.66 | 334.43 | 184.23 | 492.20 |
| Impairment on financial Instruments | 448.43 | 324.67 | 93.11 | 773.10 | 338.44 | 889.77 |
| Employee benefits expense | 3,381.29 | 3,189.28 | 2,593.66 | 6,570.57 | 5,434.25 | 11,723.54 |
| Depreciation, amortization and impairment | 668.02 | 197.11 | 243.72 | 865.13 | 411.98 | 972.34 |
| Other expenses | 976.71 | 1,451.26 | 1,420.60 | 2,427.97 | 2,718.06 | 5,713.47 |
| Total expenses (IV) | 14,026.79 | 13,318.22 | 10,712.92 | 27,345.01 | 21,152.30 | 45,328.03 |
| V Profit before tax (III-IV) | 9,096.98 | 6,433.67 | 5,681.61 | 15,530.65 | 9,952.83 | 25,769.22 |
| VI Tax expense: | | | | | | |
| (1) Current tax | 1,548.69 | 2,145.66 | 62.03 | 3,694.35 | 1,439.38 | 5,038.29 |
| (2) Deferred tax expense/(credit) | (52.27) | (242.74) | 2,091.14 | (295.01) | 1,978.43 | 3,139.70 |
| Total tax expense (VI) | 1,496.42 | 1,902.92 | 2,153.17 | 3,399.34 | 3,417.81 | 8,177.99 |
| VII Profit for the period (V-VI) | 7,600.56 | 4,530.75 | 3,528.44 | 12,131.31 | 6,535.02 | 17,591.23 |
| Other comprehensive Income | | | | | | |
| a) Items that will not be reclassified to profit or loss | | | | | | |
| Remeasurements of defined benefit liability | 8.91 | - | - | 8.91 | 24.82 | 35.07 |
| Income Tax Effect | (2.24) | - | - | (2.24) | (8.67) | (12.25) |
| VIII Other comprehensive Income, net of Income tax | 6.67 | - | - | 6.67 | 16.15 | 22.82 |
| IX Total comprehensive income for the period (VII+VIII) | 7,607.23 | 4,530.75 | 3,528.44 | 12,137.98 | 6,551.17 | 17,614.05 |
| X Earnings per equity share (EPS for the quarters/half years are not annualised) | | | | | | |
| Basic (Amount in Rs.) | 9.73 | 5.80 | 4.91 | 15.53 | 9.24 | 23.65 |
| Diluted (Amount in Rs.) | 9.62 | 5.73 | 4.81 | 15.35 | 8.99 | 23.08 |
| Face value per share (Amount in Rs.) | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |



Sudhi K. Gaur
AAVAS FINANCIERS LIMITED

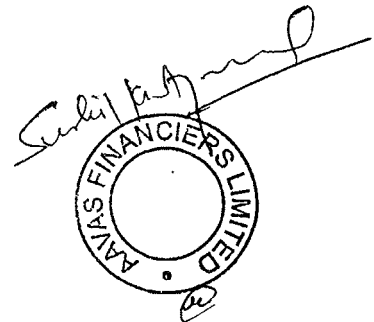
AAVAS FINANCIERS LIMITED
(CIN: L65922RJ2011PLC034297)

Statement of standalone financial results for the quarter and half year ended September 30, 2019

Notes to the financial results :

- 1 The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34- Interim financial reporting, 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.

| Particulars | (Rupees in Lakh) | |
|---|---------------------------|-------------------------|
| | As at | |
| | 30.09.2019 (Unaudited) | 31.03.2019 (Audited) |
| ASSETS | | |
| Financial assets | | |
| Cash and cash equivalents | 23,710.52 | 15,966.22 |
| Other bank balance | 59,443.13 | 51,948.61 |
| Derivative financial Instruments | 89.06 | 87.86 |
| Loans | 531,423.83 | 472,449.00 |
| Investments | 450.00 | 450.00 |
| Other financial assets | 17,252.26 | 16,359.12 |
| Sub-total - Financial Assets | 632,368.80 | 557,260.81 |
| Non-financial assets | | |
| Current tax assets (net) | 1,945.01 | 1,707.41 |
| Property, plant and equipment | 1,942.76 | 1,922.97 |
| Intangible assets under development | 36.44 | 9.08 |
| Other intangible assets | 359.61 | 359.12 |
| Right-of-use assets | 2,696.34 | - |
| Other non-financial assets | 1,201.79 | 434.61 |
| Sub-total - Non-financial Assets | 8,181.95 | 4,433.19 |
| Assets held for sale | 1,174.01 | 988.79 |
| Total Assets | 641,724.76 | 562,682.79 |
| LIABILITIES AND EQUITY | | |
| LIABILITIES | | |
| Financial liabilities | | |
| Payables | | |
| Trade payables | | |
| (i) total outstanding dues of micro enterprises and small enterprises | - | 949.25 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 2,660.11 | - |
| Debt securities | 77,848.16 | 43,705.08 |
| Borrowings (other than Debt Securities) | 334,014.35 | 311,661.71 |
| Subordinated liabilities | 9,961.86 | 9,958.30 |
| Lease liabilities | 2,754.45 | - |
| Other financial liabilities | 12,038.83 | 7,163.18 |
| Sub-total - Financial Liabilities | 439,277.76 | 373,437.52 |
| Non-financial liabilities | | |
| Provisions | 609.08 | 443.05 |
| Deferred tax liabilities (net) | 3,979.91 | 4,274.93 |
| Other non-financial liabilities | 1,654.39 | 831.36 |
| Sub-total - Non-financial Liabilities | 6,243.38 | 5,549.34 |
| Equity | | |
| Equity share capital | 7,816.84 | 7,810.79 |
| Other equity | 188,386.78 | 175,885.14 |
| Sub-total - Equity | 196,203.62 | 183,695.93 |
| Total Liabilities and Equity | 641,724.76 | 562,682.79 |



AAVAS FINANCIERS LIMITED
(CIN: L65922RJ2011PLC034297)
Statement of standalone financial results for the quarter and half year ended September 30, 2019

| Particulars | (Rupees in Lakh) | |
|---|---------------------------|---------------------------|
| | Half year ended | |
| | 30.09.2019 (Unaudited) | 30.09.2018 (Unaudited) |
| Cash flow from operating activities: | | |
| Net profit before tax as per statement of profit and loss | 15,530.65 | 9,952.83 |
| Adjustments for: | | |
| Depreciation and amortisation of PPE and right of use assets | 865.13 | 411.98 |
| Interest on lease liabilities | 110.59 | - |
| Net gain on derecognition on assigned loans | (1,588.16) | (771.91) |
| Provision for expected credit loss (ECL) | 542.71 | 199.71 |
| Provision for employee benefits | 107.97 | 40.77 |
| Unrealized profit on MF | - | (18.12) |
| Derivative mark to market gain | (3.24) | (41.46) |
| Provision for CSR expenditure | (46.92) | 37.47 |
| Share based payments | 171.43 | 473.90 |
| Operating profit before working capital changes | 15,690.16 | 10,285.17 |
| Changes in working capital | | |
| Increase in loans | (59,357.28) | (63,795.59) |
| (Increase)/decrease in financial and other assets | 151.47 | (2,042.44) |
| Increase/(decrease) in financial and other liabilities | 6,128.16 | (242.85) |
| Total of changes in working capital | (53,077.65) | (66,080.88) |
| Direct taxes paid | (3,929.52) | (2,856.64) |
| Net cash flow used in operating activities (A) | (41,317.01) | (58,652.35) |
| Cash flow from Investing activities: | | |
| Inflow (outflow) on account of: | | |
| Investment in fixed deposits | (7,494.53) | 11,473.69 |
| Investment in mutual funds | - | (5,000.00) |
| Purchase of Property, plant and equipment (including capital work-in-progress)/ intangible assets | (508.72) | (806.36) |
| Sale of Property, plant and equipment (including capital work-in-progress) | 11.84 | 0.11 |
| Net cash flow (used in)/from Investing activities (B) | (7,991.41) | 5,667.44 |
| Cash flow from financing activities: | | |
| Issue of equity shares (including share premium) | 198.28 | 11,537.35 |
| Share / debenture issue expenses | (395.01) | (114.15) |
| Proceeds from borrowings | 87,035.08 | 41,446.77 |
| Repayment of borrowings | (29,312.61) | (12,605.36) |
| Repayment of lease liabilities | (473.02) | - |
| Net Cash flow from financing activities (C) | 57,052.72 | 40,264.61 |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | 7,744.30 | (12,720.30) |
| Cash and cash equivalents as at the beginning of the year | 15,966.22 | 35,848.71 |
| Cash and cash equivalents at the end of the period | 23,710.52 | 23,128.41 |

- 4 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 25, 2019 and subjected to limited review by the statutory auditors of the Company.
- 5 Effective 1 April 2019, the Company has adopted Ind AS 116-Leases and applied it to all lease contracts existing on 1 April 2019 using the Modified Retrospective Approach. Based on the same and as permitted under the specific transitional provisions in the standard, the Company has not restated the comparative figures. On transition, the adoption of the new standard resulted in recognition of right-of-use asset and a corresponding lease liability of INR 2302.98 lakh. The effect of this adoption to the profit before tax for the half year ended September 30, 2019 is decreased by INR 58.11 lakh.
- 6 The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax for the quarter and half year ended September 30, 2019 and re-measured its Deferred tax assets/liability basis the rate prescribed in the aforesaid section and recognised the effect of change by revising the annual effective income tax rate.
- 7 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.
- 8 Figures for the previous year/period have been regrouped and / or reclassified wherever considered necessary.

Place: Jaipur
Date: October 25, 2019



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

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

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Aavas Financiers Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Aavas Financiers Limited (the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") for the quarter ended September 30, 2019 and year to date from April 01, 2019 to September 30, 2019 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended September 30, 2018 and the consolidated figures for the net cash inflows for the corresponding period from April 01, 2018 to September 30, 2018, as reported in these unaudited consolidated financial results have been approved by the Holding Company's Board of Directors, but have not been subjected to review.
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, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. 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 Standards on Auditing 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 Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:
 - i. Aavas Financiers Limited
 - ii. Aavas Finserv Limited
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty
Partner
Membership No.: 121411

UDIN: 19121411AAAAC6653

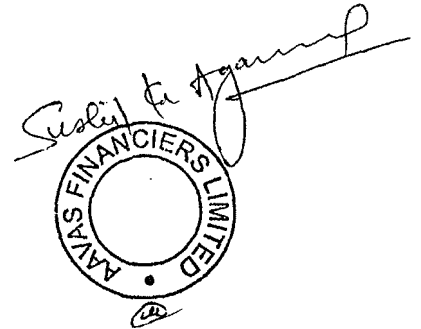
Jaipur
October 25, 2019



AAVAS FINANCIERS LIMITED
(CIN: L65922RJ2011PLC034297)

Statement of consolidated financial results for the quarter and half year ended September 30, 2019

| Particulars | (Rupees in lakh) | | | | | |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | Quarter ended | | | Half year ended | | |
| | 30.09.2019 (Unaudited) | 30.06.2019 (Unaudited) | 30.09.2018 (Unaudited) | 30.09.2019 (Unaudited) | 30.09.2018 (Unaudited) | 31.03.2019 (Audited) |
| I Revenue from operations | | | | | | |
| Interest Income | 18,809.84 | 18,170.01 | 13,819.01 | 36,979.85 | 27,050.57 | 59,374.89 |
| Fees and commission income | 748.41 | 686.63 | 521.32 | 1,435.04 | 993.06 | 2,602.73 |
| Net gain on derecognition of financial instruments under amortised cost category | 3,441.57 | 692.72 | 1,481.36 | 4,134.29 | 2,380.44 | 7,828.01 |
| Net gain on fair value changes | 124.32 | 202.18 | 560.80 | 326.50 | 669.01 | 1,211.42 |
| Total revenue from operations | 23,124.14 | 19,751.54 | 16,382.49 | 42,875.68 | 31,093.08 | 71,017.05 |
| II Other income | 3.92 | 8.03 | 16.75 | 11.95 | 18.47 | 100.27 |
| III Total income (I+II) | 23,128.06 | 19,759.57 | 16,399.24 | 42,887.63 | 31,111.55 | 71,117.32 |
| IV Expenses | | | | | | |
| Finance costs | 8,334.88 | 8,038.93 | 6,251.17 | 16,373.81 | 12,065.34 | 25,536.71 |
| Fees and commission expense | 217.46 | 116.97 | 110.66 | 334.43 | 184.23 | 492.20 |
| Impairment on financial instruments | 448.43 | 324.67 | 93.11 | 773.10 | 338.44 | 889.77 |
| Employee benefits expense | 3,381.29 | 3,189.28 | 2,593.66 | 6,570.57 | 5,434.25 | 11,723.54 |
| Depreciation, amortisation and impairment | 668.02 | 197.11 | 243.72 | 865.13 | 411.98 | 972.34 |
| Other expenses | 976.99 | 1,452.59 | 1,420.85 | 2,429.58 | 2,718.56 | 5,717.79 |
| Total expenses (IV) | 14,027.07 | 13,319.55 | 10,713.17 | 27,346.62 | 21,152.80 | 45,332.35 |
| V Profit before tax (III-IV) | 9,100.99 | 6,440.02 | 5,686.07 | 15,541.01 | 9,958.75 | 25,784.97 |
| VI Tax expense: | | | | | | |
| (1) Current tax | 1,549.57 | 2,147.21 | 63.10 | 3,696.78 | 1,440.73 | 5,042.18 |
| (2) Deferred tax expense/(credit) | (52.27) | (242.74) | 2,091.14 | (295.01) | 1,978.43 | 3,139.70 |
| Total tax expense (VI) | 1,497.30 | 1,904.47 | 2,154.24 | 3,401.77 | 3,419.16 | 8,181.88 |
| VII Profit for the period (V-VI) | 7,603.69 | 4,535.55 | 3,531.83 | 12,139.24 | 6,539.59 | 17,603.09 |
| Other comprehensive income | | | | | | |
| a) Items that will not be reclassified to profit or loss | | | | | | |
| Remeasurements of defined benefit liability | 8.91 | - | - | 8.91 | 24.82 | 35.07 |
| Income Tax Effect | (2.24) | - | - | (2.24) | (8.67) | (12.25) |
| VIII Other comprehensive income, net of Income tax | 6.67 | - | - | 6.67 | 16.15 | 22.82 |
| IX Total comprehensive income for the period (VII+VIII) | 7,610.36 | 4,535.55 | 3,531.83 | 12,145.91 | 6,555.74 | 17,625.91 |
| X Earnings per equity share (EPS for the quarters/half years are not annualised) | | | | | | |
| Basic (Amount in Rs.) | 9.73 | 5.81 | 4.91 | 15.54 | 9.24 | 23.66 |
| Diluted (Amount in Rs.) | 9.62 | 5.74 | 4.81 | 15.36 | 9.00 | 23.10 |
| Face value per share (Amount in Rs.) | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |

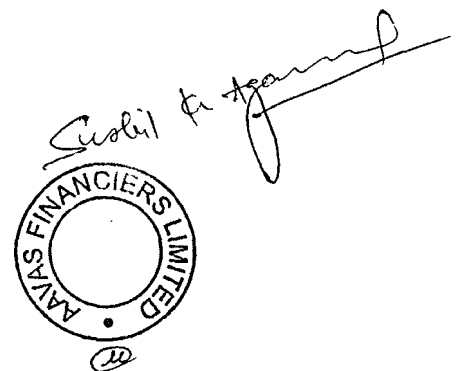


AAVAS FINANCIERS LIMITED
(CIN: L65922RJ2011PLC034297)
Statement of consolidated financial results for the quarter and half year ended September 30, 2019

Notes to the financial results :

- 1 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 the other relevant provisions of the Act.

| Particulars | (Rupees in Lakh) | |
|---|---------------------------|-------------------------|
| | As at | |
| | 30.09.2019 (Unaudited) | 31.03.2019 (Audited) |
| ASSETS | | |
| Financial assets | | |
| Cash and cash equivalents | 23,761.10 | 15,966.22 |
| Other bank balance | 59,873.13 | 52,415.38 |
| Derivative financial instruments | 89.06 | 87.86 |
| Loans | 531,423.83 | 472,449.00 |
| Other financial assets | 17,236.15 | 16,348.54 |
| Sub-total - Financial Assets | 632,383.27 | 557,267.40 |
| Non-financial assets | | |
| Current tax assets (net) | 1,945.70 | 1,707.73 |
| Property, plant and equipment | 1,942.76 | 1,922.97 |
| Intangible assets under development | 36.44 | 9.08 |
| Other intangible assets | 359.61 | 359.12 |
| Right-of-use assets | 2,696.34 | - |
| Other non-financial assets | 1,202.19 | 434.92 |
| Sub-total - Non-financial Assets | 8,183.04 | 4,433.82 |
| Assets held for sale | 1,174.01 | 988.79 |
| Total Assets | 643,740.32 | 562,690.01 |
| LIABILITIES AND EQUITY | | |
| LIABILITIES | | |
| Financial liabilities | | |
| Payables | | |
| Trade payables | | |
| (i) total outstanding dues of micro enterprises and small enterprises | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 2,661.65 | 950.24 |
| Debt securities | 77,848.16 | 43,705.08 |
| Borrowings (other than Debt Securities) | 334,014.35 | 311,661.72 |
| Subordinated liabilities | 9,961.86 | 9,958.30 |
| Lease liabilities | 2,754.45 | - |
| Other financial liabilities | 12,038.83 | 7,163.18 |
| Sub-total - Financial Liabilities | 439,279.30 | 373,438.52 |
| Non-financial liabilities | | |
| Provisions | 609.08 | 443.05 |
| Deferred tax liabilities (net) | 3,979.91 | 4,274.93 |
| Other non-financial liabilities | 1,654.39 | 831.50 |
| Sub-total - Non-financial Liabilities | 6,243.38 | 5,549.48 |
| Equity | | |
| Equity share capital | 7,816.84 | 7,810.79 |
| Other equity | 188,400.80 | 175,891.22 |
| Sub-total - Equity | 196,217.64 | 183,702.01 |
| Total Liabilities and Equity | 643,740.32 | 562,690.01 |



AAVAS FINANCIERS LIMITED
(CIN: L65922RJ2013PLC094297)
Statement of consolidated financial results for the quarter and half year ended September 30, 2019

| Particulars | (Rupees in Lakh) | |
|---|---------------------------|---------------------------|
| | Half year ended | |
| | 30.09.2019 (Unaudited) | 30.09.2018 (Unaudited) |
| Cash flow from operating activities: | | |
| Net profit before tax as per statement of profit and loss | 15,541.01 | 9,588.75 |
| Adjustments for | | |
| Depreciation and amortisation of PPE and right of use assets | 865.13 | 411.98 |
| Interest on lease liabilities | 110.59 | - |
| Net gain on derecognition on assigned loans | (1,588.16) | (773.91) |
| Provision for expected credit loss (ECL) | 542.71 | 199.71 |
| Provision for employee benefits | 107.97 | 40.77 |
| Unrealized profit on MF | - | (18.12) |
| Derivative mark to market gain | (3.24) | (41.46) |
| Provision for CSR expenditure | (46.92) | 37.47 |
| Share based payments | 171.43 | 473.90 |
| Operating profit before working capital changes | 15,700.52 | 10,291.09 |
| Changes in working capital | | |
| Increase in loans | (59,357.28) | (63,795.59) |
| (Increase)/decrease in financial and other assets | 153.23 | (2,044.92) |
| Increase/(decrease) in financial and other liabilities | 6,131.46 | (242.35) |
| Total of changes in working capital | (53,072.59) | (66,082.86) |
| Direct taxes paid | (8,931.12) | (2,856.64) |
| Net cash flow used in operating activities (A) | (41,903.19) | (58,648.41) |
| Cash flow from investing activities: | | |
| Inflow (outflow) on account of: | | |
| Investment in fixed deposits | (7,494.53) | 11,473.69 |
| Investment in mutual funds | - | (5,000.00) |
| Purchase of Property, plant and equipment (including capital work-in-progress)/ intangible assets | (508.72) | (806.36) |
| Sale of Property, plant and equipment (including capital work-in-progress) | 12.84 | 0.11 |
| Net cash flow (used in)/from investing activities (B) | (7,991.41) | 5,667.44 |
| Cash flow from financing activities: | | |
| Issue of equity shares (including share premium) | 198.28 | 11,537.35 |
| Share / debenture issue expenses | (395.01) | (114.15) |
| Proceeds from borrowings | 87,035.07 | 41,446.77 |
| Repayment of borrowings | (29,312.61) | (12,605.36) |
| Repayment of lease liabilities | (473.02) | - |
| Net Cash flow from financing activities (C) | 57,052.71 | 40,264.61 |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | 7,758.11 | (12,716.36) |
| Cash and cash equivalents as at the beginning of the year | 16,002.99 | 36,298.71 |
| Cash and cash equivalents at the end of the period | 23,761.10 | 23,582.35 |

4 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 |

- 5 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 25, 2019 and subjected to limited review by the statutory auditors of the Company.
- 6 Effective 1 April 2019, the Company has adopted Ind AS 116-Leases and applied it to all lease contracts existing on 1 April 2019 using the Modified Retrospective Approach. Based on the same and as permitted under the specific transitional provisions in the standard, the Company has not restated the comparative figures. On transition, the adoption of the new standard resulted in recognition of right-of-use asset and a corresponding lease liability of INR 2302.98 lakh. The effect of this adoption to the profit before tax for the half year ended September 30, 2019 is decreased by INR 58.11 lakh.
- 7 The group has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the group has recognised provision for Income Tax for the quarter and half year ended September 30, 2019 and re-measured its Deferred tax assets/liability basis the rate prescribed in the aforesaid section and recognised the effect of change by revising the annual effective income tax rate.
- 8 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.
- 9 Figures for the previous year/period have been regrouped and / or reclassified wherever considered necessary.

Place: Jaipur
Date: October 25, 2019



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

Sushil Kumar Agarwal
(Managing Director and CEO)



SAPNE AAPKE, SAATH HAMAARA

Disclosures in accordance with Regulation 52 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended on September 30, 2019

(a) Credit Rating and changes in Credit Rating (if any):

The Company being rated by leading rating agencies of India, the Credit Ratings of the Company as on September 30, 2019 are as follows:-

| Nature of Debt Instrument | Rating Agency | Term | Credit Ratings | Credit Ratings |
|----------------------------|---------------|------------|------------------|----------------------|
| | | | (March 31, 2019) | (September 30, 2019) |
| Non-Convertible Debentures | CARE | Long Term | - | AA- / Stable |
| | ICRA | Long Term | A+/Positive | A+/Positive |
| Bank Loans | CARE | Long Term | AA- / Stable | AA- / Stable |
| | ICRA | Long Term | A+/Positive | A+/Positive |
| Subordinated Debt | CARE | Long Term | AA- / Stable | AA- / Stable |
| Commercial Paper | CARE | Short Term | A1+ | A1+ |
| | ICRA | Short Term | A1+ | A1+ |
| | India Ratings | Short Term | - | A1+ |

(b) Asset Cover available: all secured Non-Convertible Debentures issued by the Company are secured by way of exclusive hypothecation of specified receivables and against specified immovable property of the company to the extent of at least 100% of outstanding secured Non-Convertible Debentures.

(c) Debt Equity Ratio: 2.17 Times

(d) Details of previous due dates falling during the half year ended on September 30, 2019 for payment of interest/Repayment of principle of Non-Convertible Debt Securities:

| ISIN | Interest/ Principle due dates | | Interest/ Principle payment dates | | Payment Status on due date |
|--------------|-------------------------------|-----------|-----------------------------------|-----------|----------------------------|
| | Interest | Principal | Interest | Principal | |
| INE216P07159 | 17.04.2019 | - | 17.04.2019 | - | Paid |
| INE216P07134 | 18.05.2019 | - | 20.05.2019* | - | Paid |

*Due Date being a Saturday/Sunday/public holiday, hence in accordance with the Information Memorandum / Offer Document payment was made on the succeeding business day.



AAVAS FINANCIERS LIMITED

(Formerly known as "Au HOUSING FINANCE LIMITED")

An ISO 9001:2015 Certified Company

CIN NO.: L65922RJ2011PLC034297

Regd. & Corp. Office: 201-202, 2nd Floor, Southend Square,

Mansarovar Industrial Area, Jaipur - 302020 | Tel: +91 141 661 8888

E-Mail: info@avas.in, Website: www.avas.in

(e) Details of Next due dates falling during the half year ended on March 31, 2020 for payment of interest/Repayment of principle of Non-Convertible Debt securities:

| ISIN | Next due dates from October 01, 2019 to March 31, 2020 | |
|--------------|--|------------|
| | Interest | Principal |
| INE216P07159 | 17.10.2019 | - |
| INE216P07134 | 18.11.2019 | - |
| INE216P07126 | 20.12.2019 | - |
| INE216P08017 | 22.12.2019 | - |
| INE216P07100 | 20.03.2020 | 20.03.2020 |

(f) Debt service coverage ratio: 0.82 Times

(g) Interest service coverage ratio: 2.00 Times

(h) Debenture Redemption Reserve: HFC's Registered with the NHB are not required to Create Debenture Redemption Reserve in case of Privately Placed Debentures and Company has not issued any Preference Shares.

(i) Net Worth: Net Worth of the Company as on September 30, 2019 is Rs. 196,203.62 lakh.

(j) Net Profit after Tax: Net Profit after tax for the half year ended September 30, 2019 is Rs.12,131.31 lakh.

(k) Earnings per Share: basic and diluted EPS for the half year ended September 30, 2019 is Rs.15.53 and Rs.15.35 respectively.

Thanks & Regards

For Aavas Financiers Limited

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

