

Ref. No. AAVAS/SEC/2020-21/36

Date: May 14, 2020

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, May 14, 2020

Pursuant to applicable provisions of Securities & Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 ("**Listing Regulations**"), this is to inform you that the Board of Directors of the Company at its Meeting held on Thursday, May 14, 2020 has *inter-alia*, considered and approved the following:

1. Audited Financial (Standalone and Consolidated) Results of the Company for the quarter and year ended on March 31, 2020 and took note of the Audit Report thereon, submitted by Statutory Auditors, S.R. BATLIBOI & ASSOCIATES LLP, Chartered Accountants (enclosed);
2. To offer, issue and allot in one or more tranches, Non-convertible Debentures (NCDs) including but not limited to subordinate debentures, bonds, and/or other debt securities for an amount not exceeding Rs. 3500 Crore (Rupees Three Thousand five hundred crore only) through private placement, in terms of Section 42 read with Section 71 of the Companies Act read with relevant rules made thereunder and the Listing Regulations, subject to the approval of the Shareholders in the General Meeting;
3. Equity Stock Option Plan for Employees 2020 ("ESOP 2020") of Aavas Financiers Limited, to create, grant, offer, issue and allot, options exercisable into not more than 3,00,000 (Three lakh) Equity Shares of Rs. 10/- each of the Company, subject to the approval of shareholders as required under SEBI (Share Employee Benefits) Regulations, 2014 and Section 62 of the Companies Act, 2013 read with rules made thereunder.
4. Mr. Sandeep Tandon-Independent Director of the Company has been reappointed as Chairperson of the Board of Directors with effect from conclusion of 10th Annual General Meeting of the Company to be held in this calendar year till the conclusion of 11th Annual General Meeting of the Company to be held in calendar year 2021.



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@aavas.in, Website: www.aavas.in

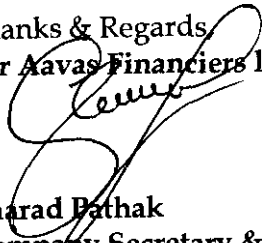
Further, please also find enclosed herewith the following:

- i. Declaration in respect of Audit Report with unmodified opinion with respect to the aforesaid Audited Financial (Standalone and Consolidated) Results for the quarter and year ended March 31, 2020.
- ii. Disclosures pursuant to Regulation 52(4) of the Listing Regulations;
- iii. Statement pursuant to Regulation 52(7) of the Listing Regulations. ✓

Please note that the said Board Meeting commenced at 5:30 p.m. (IST) and concluded at 06:17 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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E-Mail: info@avas.in. **Website:** www.avas.in

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

To
The Board of Directors of
Aavas Financiers Limited,

Report on the audit of the Standalone Financial Results**Opinion**

We have audited the accompanying statement of Standalone quarterly IND AS financial results and year to date standalone financial results of Aavas Financiers Limited (the "Company") for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 9 to the Statement, which describes the extent to which the COVID-19 pandemic will impact the Company's operations and its financial metrics including the expected credit loss on financial assets which are dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty

Partner

Membership No.: 121411

UDIN: 20121411AAAACC8906

Mumbai

May 14, 2020

AAVAS FINANCIERS LIMITED
(CIN: 165922RJ2011PLC034297)

Statement of standalone financial results for the quarter and year ended March 31, 2020

(INR in lakh)

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	(Audited) (refer note 2)	(Unaudited)	(Audited) (refer note 2)	(Audited)	(Audited)
I Revenue from operations					
Interest income	21,478.75	20,195.88	16,783.57	78,642.51	59,354.82
Fees and commission income	970.82	921.73	773.66	3,327.60	2,602.73
Net gain on derecognition of financial instruments under amortised cost category	891.58	2,633.00	2,489.81	7,658.88	7,828.01
Net gain on fair value changes	94.65	179.29	375.14	600.43	1,211.42
Total revenue from operations	23,435.80	23,929.90	20,422.18	90,229.42	70,996.98
II Other Income	65.33	2.71	95.13	79.99	100.27
III Total income (I+II)	23,501.13	23,932.61	20,517.31	90,309.41	71,097.25
IV Expenses					
Finance costs	9,740.33	9,493.01	7,231.20	35,607.15	25,536.71
Fees and commission expense	9.80	145.82	121.06	490.05	492.20
Impairment on financial instruments	626.60	134.07	340.38	1,533.78	889.77
Employee benefits expense	4,250.26	3,886.62	3,338.75	14,707.45	11,723.54
Depreciation, amortization and impairment	554.92	536.08	281.91	1,956.13	972.34
Other expenses	1,682.16	1,700.05	1,525.98	5,810.18	5,713.47
Total expenses (IV)	16,864.07	15,895.65	12,839.28	60,104.74	45,328.03
V Profit before tax (III-IV)	6,637.06	8,036.96	7,678.03	30,204.67	25,769.22
VI Tax expense:					
(1) Current tax	1,269.15	1,433.71	1,776.74	6,397.21	5,038.29
(2) Deferred tax expense/(credit)	(625.44)	(184.18)	472.36	(1,104.63)	3,139.70
Total tax expense (VI)	643.71	1,249.53	2,249.10	5,292.58	8,177.99
VII Profit for the period (V-VI)	5,993.35	6,787.43	5,428.93	24,912.09	17,591.23
Other comprehensive income					
a) Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit liability	(15.88)	-	10.25	(6.97)	35.07
Income Tax Effect	4.00	-	(3.58)	1.75	(12.25)
b) Items that will be reclassified to profit or loss	-	-	-	-	-
VIII Other comprehensive income, net of income tax	(11.88)	-	6.67	(5.22)	22.82
IX Total comprehensive income for the period (VII+VIII)	5,981.47	6,787.43	5,435.60	24,906.87	17,614.05
X Earnings per equity share (EPS for the quarters are not annualised)					
Basic (Amount in INR)	7.65	8.68	6.95	31.86	23.65
Diluted (Amount in INR)	7.58	8.59	6.88	31.49	23.08
Face value per share (Amount in INR)	10.00	10.00	10.00	10.00	10.00



Sushil K. Jha

AAVAS FINANCIERS LIMITED
(CIN: L65922RJ2011PLC034297)

Statement of standalone financial results for the quarter and year ended March 31, 2020

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.
- 2 The figures for the last quarter are balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures upto the third quarter of the financial year.

Particulars	(INR in Lakh)	
	As at	
	31.03.2020 (Audited)	31.03.2019 (Audited)
ASSETS		
Financial assets		
Cash and cash equivalents	35,022.40	15,966.22
Other bank balance	84,183.13	51,948.61
Derivative financial instruments	-	87.86
Loans	618,079.83	472,449.00
Investments	450.00	450.00
Other financial assets	18,136.68	16,359.12
Sub-total - Financial Assets	755,872.04	557,260.81
Non-financial assets		
Current tax assets (net)	1,438.03	1,707.41
Property, plant and equipment	2,699.83	1,922.97
Capital work-in-progress	30.99	-
Intangible assets under development	39.90	9.08
Other intangible assets	414.84	359.12
Right-of-use assets	2,874.20	-
Other non-financial assets	629.73	434.61
Sub-total - Non-financial Assets	8,127.52	4,433.19
Assets held for sale	1,804.30	988.79
Total Assets	765,803.86	562,682.79
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	1,737.64	949.25
Debt securities	116,846.54	43,705.08
Borrowings (other than Debt Securities)	408,391.40	311,661.71
Subordinated liabilities	9,965.61	9,958.30
Lease liabilities	3,012.91	-
Other financial liabilities	10,694.78	7,163.18
Sub-total - Financial Liabilities	550,648.88	373,437.52
Non-financial liabilities		
Provisions	827.04	443.05
Deferred tax liabilities (net)	3,170.30	4,274.93
Other non-financial liabilities	1,364.27	831.36
Sub-total - Non-financial Liabilities	5,361.61	5,549.34
Equity		
Equity share capital	7,832.27	7,810.79
Other equity	201,961.10	175,885.14
Sub-total - Equity	209,793.37	183,695.93
Total Liabilities and Equity	765,803.86	562,682.79



Sanket Rajguru

AAVAS FINANCIERS LIMITED
(CIN: L65922RJ2011PLC034297)

Statement of standalone financial results for the quarter and year ended March 31, 2020

Particulars	(INR in Lakh)	
	Year ended	
	31.03.2020 (Audited)	31.03.2019 (Audited)
Cash flow from operating activities:		
Net profit before tax as per statement of profit and loss	30,204.67	25,769.22
Adjustments for		
Depreciation and amortisation of PPE and right of use assets	1,956.13	972.34
Interest on lease liabilities	249.58	-
Expenses incurred on increase in authorised capital and issue of shares	(2,154.54)	(4,232.09)
Provision for expected credit loss (ECL)	1,026.98	563.25
Provision for employee benefits	281.30	155.11
Derivative mark to market gain	(3.23)	(28.97)
Provision for CSR expenditure	17.28	44.79
Share based payments	647.14	686.02
Operating profit before working capital changes	32,225.31	23,929.67
Changes in working capital		
(Increase)/decrease in loans	(146,461.03)	(139,566.53)
(Increase)/decrease in financial and other assets	(1,572.05)	(4,952.77)
Increase/(decrease) in financial and other liabilities	4,708.25	(808.29)
Total of changes in working capital	(143,324.83)	(144,727.59)
Direct taxes paid	(6,126.03)	(6,809.60)
Net cash flow used in operating activities (A)	(117,225.55)	(127,607.52)
Cash flow from investing activities:		
Inflow (outflow) on account of :		
Investment in fixed deposits	(32,234.53)	(31,301.20)
Purchase of Property, plant and equipment (including capital work-in-progress)/ Intangible assets	(1,954.17)	(1,427.34)
Sale of Property, plant and equipment (including capital work-in-progress)	14.43	9.62
Net cash flow used in investing activities (B)	(34,174.27)	(32,718.92)
Cash flow from financing activities:		
Issue of equity shares (including share premium)	547.42	47,513.36
Share / debenture issue expenses	(908.10)	(1,292.90)
Proceeds from borrowings	236,122.26	146,533.36
Repayment of borrowings	(64,283.88)	(52,909.87)
Repayment of lease liabilities	(1,021.70)	-
Net Cash flow from financing activities (C)	170,456.00	146,443.95
Net increase/(decrease) in cash and cash equivalents (A+B+C)	19,056.18	(19,882.49)
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	35,022.40	15,966.22
Operational Cash Flow from Interest		
Interest Received	75,657.63	55,936.64
Interest Paid	(30,189.46)	(21,524.00)



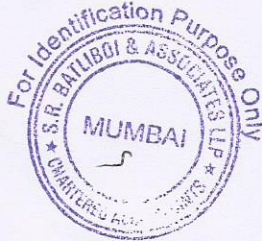
Sushil A. Jeyaram

AAVAS FINANCIERS LIMITED
(CIN: L65922RJ2011PLC034297)

Statement of standalone financial results for the quarter and year ended March 31, 2020

- 5 The above results for the year ended March 31, 2020 have been audited by the Statutory Auditors of the Company and have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 14, 2020.
- 6 Effective April 01, 2019, the Company has adopted Ind AS 116-Leases and applied it to all lease contracts existing on April 01, 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 year ended March 31, 2020 is decreased by INR 138.71 lakh.
- 7 The Company has allotted 1,41,628 and 73,132 equity shares to eligible employees under Employee stock Option Plan (ESOP) 2016 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. The Company has granted 3,00,000 options under Employee Stock Option Plan (ESOP) 2019 to eligible employees of the Company.
- 8 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 year ended March 31, 2020 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.
- 9 COVID-19 is a global pandemic, which continues to spread across the world and India is not exception and has contributed to a significant decline and volatility in global and Indian financial markets and a unprecedented level of disruption on socio-economic activities. Since March 24, 2020, the Indian government had announced a series of lock-down which was further extended into May 2020. The recent directions from Government allows for calibrated and gradual withdrawal of lockdown and partial resumption of selected economic activities.
Based on the information available till date, the Company has used the principles of prudence in applying judgments, estimates and possible forward looking scenarios to assess and provide for the impact of the pandemic on the Financial Statements specifically while assessing the expected credit loss on financial assets by applying management overlays, approved by its Board of Directors. This has resulted in an additional provision of INR 443.75 lakh against financial assets.
The extent to which the COVID-19 pandemic will impact the Company's operations and financial metrics including the expected credit losses on financial assets will depend on future developments, which are highly uncertain.
In accordance with the RBI guidelines relating to COVID 19 Regulatory Package dated March 27, 2020 and April 17, 2020, the Company is granting a moratorium of three months on the payment of all instalments and/or interest, as applicable, falling due between March 01, 2020 and May 01, 2020 to all eligible borrowers. For all such accounts where the moratorium is granted, the prudential assets classification shall remain stand still during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification under Income Recognition, Asset Classification and Provisioning Norms).
- 10 The Company is a 'large Corporate' as per criteria under SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 and the Company has raised more than 25% of its incremental borrowings, during the financial year 2019-20 by way of issuance of debt securities, as defined under SEBI (Issue and Listing of Debt Securities) Regulations, 2008. Necessary disclosure has been made to the Stock Exchanges in this regard.
- 11 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.
- 12 Figures for the previous year/period have been regrouped and / or reclassified wherever considered necessary.

Place: Jaipur
Date: May 14, 2020



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

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

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

To
The Board of Directors of
Aavas Financiers Limited

Report on the audit of the Consolidated Financial Results**Opinion**

We have audited the accompanying statement of quarterly and year to date consolidated financial results of Aavas Financiers Limited ("Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. includes the results of the following entities
 - a. Aavas Financiers Limited
 - b. Aavas Finserv Limited
- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 11 to the Statement, which describes the extent to which the COVID-19 pandemic will impact the Group's operations and its financial metrics including the expected credit loss on financial assets which are dependent on uncertain future developments. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entity included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty

Partner

Membership No.: 121411

UDIN: 20121411AAAACD6113

Mumbai

May 14, 2020

AAVAS FINANCIERS LIMITED
(CIN: L65922RJ2011PLC034297)
Statement of consolidated financial results for the quarter and year ended March 31, 2020

(INR in lakh)

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	(Audited) (refer note 2)	(Unaudited)	(Unaudited) (refer note 3)	(Audited)	(Audited)
I Revenue from operations					
Interest income	21,485.34	20,202.48	16,791.01	78,667.67	59,374.89
Fees and commission income	970.82	921.73	773.66	3,327.60	2,602.73
Net gain on derecognition of financial instruments under amortised cost category	891.58	2,633.00	2,489.81	7,658.88	7,828.01
Net gain on fair value changes	94.65	179.29	375.14	600.43	1,211.42
Total revenue from operations	23,442.39	23,936.50	20,429.62	90,254.58	71,017.05
II Other Income	65.33	2.71	95.13	79.99	100.27
III Total income (I+II)	23,507.72	23,939.21	20,524.75	90,334.57	71,117.32
IV Expenses					
Finance costs	9,740.33	9,493.01	7,231.20	35,607.15	25,536.71
Fees and commission expense	9.80	145.82	121.06	490.05	492.20
Impairment on financial instruments	626.60	134.07	340.38	1,533.78	889.77
Employee benefits expense	4,283.60	3,896.62	3,338.75	14,740.79	11,723.54
Depreciation, amortization and impairment	555.06	536.08	281.91	1,956.26	972.34
Other expenses	1,682.72	1,700.61	1,527.28	5,812.90	5,717.79
Total expenses (IV)	16,898.11	15,896.21	12,840.58	60,140.93	45,332.35
V Profit before tax (III-IV)	6,609.61	8,043.00	7,684.17	30,193.64	25,784.97
VI Tax expense:					
(1) Current tax	1,265.28	1,435.16	1,778.52	6,397.21	5,042.18
(2) Deferred tax expense/(credit)	(628.54)	(184.18)	472.36	(1,107.73)	3,139.70
Total tax expense (VI)	636.74	1,250.98	2,250.88	5,289.48	8,181.88
VII Profit for the period (V-VI)	5,972.87	6,792.02	5,433.29	24,904.16	17,603.09
Other comprehensive income					
a) Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit liability	(15.88)	-	10.25	(6.97)	35.07
Income Tax Effect	4.00	-	(3.58)	1.75	(12.25)
b) Items that will be reclassified to profit or loss	-	-	-	-	-
VIII Other comprehensive income, net of income tax	(11.88)	-	6.67	(5.22)	22.82
IX Total comprehensive income for the period (VII+VIII)	5,960.99	6,792.02	5,439.96	24,898.94	17,625.91
X Earnings per equity share (EPS for the quarters are not annualised)					
Basic (Amount in INR)	7.63	8.68	6.96	31.85	23.66
Diluted (Amount in INR)	7.55	8.59	6.89	31.48	23.10
Face value per share (Amount in INR)	10.00	10.00	10.00	10.00	10.00



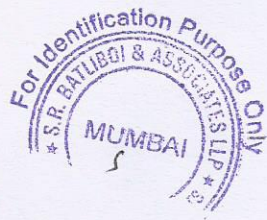
Sudip K. Jaiswal

AAVAS FINANCIERS LIMITED
(CIN: 165922RJ2011PLC034297)
Statement of consolidated financial results for the quarter and year ended March 31, 2020

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.
- 2 The figures for the last quarter are balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures upto the third quarter of the financial year.
- 3 The financial results for the quarter ended March 31, 2019 is neither reviewed nor audited by statutory auditors.

Particulars	(INR in Lakh)	
	As at	
	31.03.2020 (Audited)	31.03.2019 (Audited)
ASSETS		
Financial assets		
Cash and cash equivalents	35,059.39	16,002.99
Other bank balance	84,613.13	52,378.61
Derivative financial instruments	-	87.86
Loans	618,079.83	472,449.00
Other financial assets	18,111.12	16,348.94
Sub-total - Financial Assets	755,863.47	557,267.40
Non-financial assets		
Current tax assets (net)	1,443.24	1,707.73
Property, plant and equipment	2,700.97	1,922.97
Capital work-in-progress	30.99	-
Intangible assets under development	39.90	9.08
Other intangible assets	414.84	359.12
Right-of-use assets	2,874.20	-
Other non-financial assets	630.46	434.92
Sub-total - Non-financial Assets	8,134.60	4,433.82
Assets held for sale		
	1,804.30	988.79
Total Assets	765,802.37	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	1,738.64	950.24
Debt securities	116,846.54	43,705.08
Borrowings (other than Debt Securities)	408,391.40	311,661.72
Subordinated liabilities	9,965.61	9,958.30
Lease liabilities	3,012.91	-
Other financial liabilities	10,694.78	7,163.18
Sub-total - Financial Liabilities	550,649.88	373,438.52
Non-financial liabilities		
Provisions		
Deferred tax liabilities (net)	827.04	443.05
Other non-financial liabilities	3,167.20	4,274.93
	1,366.73	831.50
Sub-total - Non-financial Liabilities	5,360.97	5,549.48
Equity		
Equity share capital		
Equity share capital	7,832.27	7,810.79
Other equity	201,959.25	175,891.22
Sub-total - Equity	209,791.52	183,702.01
Total Liabilities and Equity	765,802.37	562,690.01



Sudip K. Jhamro

AAVAS FINANCIERS LIMITED
(CIN: L65922RJ2011PLC034297)

Statement of consolidated financial results for the quarter and year ended March 31, 2020

5 Consolidated Cash flow statement	(INR in Lakh)	
	Year ended	
	31.03.2020	31.03.2019
Particulars	(Audited)	(Audited)
Cash flow from operating activities:		
Net profit before tax as per statement of profit and loss	30,193.64	25,784.97
Adjustments for		
Depreciation and amortisation of PPE and right of use assets	1,956.27	972.34
Interest on lease liabilities	249.58	-
Net gain on derecognition on assigned loans	(2,154.54)	(4,232.09)
Provision for expected credit loss (ECL)	1,026.98	563.25
Provision for employee benefits	281.30	155.11
Derivative mark to market gain	(3.23)	(28.97)
Provision for CSR expenditure	17.28	44.79
Share based payments	647.14	686.02
Operating profit before working capital changes	32,214.42	23,945.42
Changes in working capital		
(Increase)/decrease in loans	(146,461.03)	(139,566.53)
(Increase)/decrease in financial and other assets	(1,569.30)	(4,349.93)
Increase/(decrease) in financial and other liabilities	4,722.78	(808.16)
Total of changes in working capital	(143,307.55)	(144,724.62)
Direct taxes paid	(6,130.92)	(6,811.54)
Net cash flow used in operating activities (A)	(117,224.05)	(127,590.74)
Cash flow from investing activities:		
Inflow (outflow) on account of :		
Investment in fixed deposits	(32,234.53)	(31,281.20)
Purchase of Property, plant and equipment (including capital work-in-progress)/ intangible assets	(1,955.45)	(1,427.34)
Sale of Property, plant and equipment (including capital work-in-progress)	14.43	9.62
Net cash flow used in investing activities (B)	(34,175.55)	(32,698.92)
Cash flow from financing activities:		
Issue of equity shares (including share premium)	547.42	47,513.35
Share / debenture issue expenses	(908.10)	(1,292.90)
Proceeds from borrowings	236,122.26	146,533.36
Repayment of borrowings	(64,283.88)	(52,309.87)
Repayment of lease liabilities	(1,021.70)	-
Net Cash flow from financing activities (C)	170,456.00	140,443.94
Net increase/(decrease) in cash and cash equivalents (A+B+C)	19,056.40	(19,845.72)
Cash and cash equivalents as at the beginning of the year	16,002.99	35,848.71
Cash and cash equivalents at the end of the period	35,059.39	16,002.99
Operational Cash Flow from Interest		
Interest Received	75,657.63	55,936.64
Interest Paid	(30,189.46)	(21,524.00)



Sushil K. Jangir

AAVAS FINANCIERS LIMITED
(CIN: L65922RJ2011PLC034297)

Statement of consolidated financial results for the quarter and year ended March 31, 2020

6 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

- 7 The above results for the year ended March 31, 2020 have been audited by the Statutory Auditors of the Company and have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 14, 2020.
- 8 Effective April 01, 2019, the Company has adopted Ind AS 116-Leases and applied it to all lease contracts existing on April 01, 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 year ended March 31, 2020 is decreased by INR 138.71 lakh.
- 9 The Company has allotted 1,41,628 and 73,132 equity shares to eligible employees under Employee stock Option Plan (ESOP) 2016 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. The Company has granted 3,00,000 options under Employee Stock Option Plan (ESOP) 2019 to eligible employees of the Company.
- 10 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 year ended March 31, 2020 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.
- 11 COVID-19 is a global pandemic, which continues to spread across the world and India is not exception and has contributed to a significant decline and volatility in global and Indian financial markets and a unprecedented level of disruption on socio-economic activities. Since March 24, 2020, the Indian government had announced a series of lock-down which was further extended into May 2020. The recent directions from Government allows for calibrated and gradual withdrawal of lockdown and partial resumption of selected economic activities. Based on the information available till date, the Company has used the principles of prudence in applying judgments, estimates and possible forward looking scenarios to assess and provide for the impact of the pandemic on the Financial Statements specifically while assessing the expected credit loss on financial assets by applying management overlays, approved by its Board of Directors. This has resulted in an additional provision of INR 443.75 lakh against financial assets. The extent to which the COVID-19 pandemic will impact the Company's operations and financial metrics including the expected credit losses on financial assets will depend on future developments, which are highly uncertain. In accordance with the RBI guidelines relating to COVID 19 Regulatory Package dated March 27, 2020 and April 17, 2020, the Company is granting a moratorium of three months on the payment of all instalments and/or interest, as applicable, falling due between March 01, 2020 and May 01, 2020 to all eligible borrowers. For all such accounts where the moratorium is granted, the prudential assets classification shall remain stand still during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification under Income Recognition, Asset Classification and Provisioning Norms).
- 12 The Company is a 'large Corporate' as per criteria under SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 and the Company has raised more than 25% of its incremental borrowings, during the financial year 2019-20 by way of issuance of debt securities, as defined under SEBI (Issue and Listing of Debt Securities) Regulations, 2008. Necessary disclosure has been made to the Stock Exchanges in this regard.
- 13 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.
- 14 Figures for the previous year/period have been regrouped and / or reclassified wherever considered necessary.

Place: Jaipur
Date: May 14, 2020



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

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

Date: May 14, 2020

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

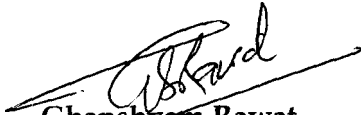
Subject: Declaration Pursuant to Regulation 33(3)(d) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to requirement of regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, Statutory Auditors of the Company has submitted the Audit Report with unmodified opinion on Annual Audited Financial Results of the Company (Standalone & Consolidated) for the financial year ended on March 31, 2020.

We request you to take the above on your records.

Thanks & Regards,

For Aavas Financiers Limited


Ghanshyam Rawat
Chief Financial Officer



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@aavas.in, Website: www.aavas.in



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 March 31, 2020

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

There is no change in ratings, the Credit Ratings of the Company as on March 31, 2020 are as follows:-

Nature of Debt Instrument	Rating Agency	Term	Credit Ratings	Credit Ratings
			(September 30, 2019)	(March 31, 2020)
Non-Convertible Debentures	CARE	Long Term	AA- / Stable	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+	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: 2.57 Times

(d) Details of previous 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	Interest/ Principle due dates		Interest/ Principle payment dates		Payment Status on due date
	Interest	Principal	Interest	Principal	
INE216P07159	17.10.2019	-	17.10.2019	-	Paid
INE216P07134	18.11.2019	-	18.11.2019	-	Paid
INE216P07126	20.12.2019	-	20.12.2019	-	Paid
INE216P08017	22.12.2019	-	23.12.2019*	-	Paid
INE216P07100	20.03.2020	20.03.2020	20.03.2020	20.03.2020	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.



(e) Details of Next due dates falling during the half year ended on September 30, 2020 for payment of interest/Repayment of principle of Non-Convertible Debt securities:

ISIN	Next due dates from April 01, 2020 to September 30, 2020	
	Interest	Principal
INE216P07159	17.04.2020	-
INE216P07134	18.05.2020	-

(f) Debt service coverage ratio:- 0.73 Times

(g) Interest service coverage ratio:- 1.90 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: the Net Worth of the Company as on March 31, 2020 is Rs. 209,793.37 lakh.

(j) Net Profit after Tax: the Net Profit after tax for the year ended on March 31, 2020 is Rs. 24,912.09 lakh.

(k) Earnings per Share: the basic and diluted EPS for the year ended on March 31, 2020 is Rs. 31.86 and 31.49 respectively.

Thanks & Regards

For Aavas Financiers Limited

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



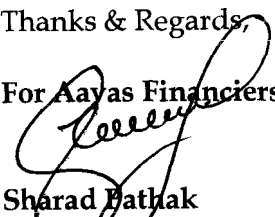
Statement under Regulation 52(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby confirm that the proceeds raised from the issue of Non-Convertible Debentures (NCDs) have been utilized for the purpose as mentioned in the offer Document/ Disclosure Document and there have been no material deviations in the utilization of such proceeds as on March 31, 2020.

We request you to take the same on records.

Thanks & Regards,

For Aavas Financiers Limited


Sharad Pathak
Company Secretary and 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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