

Ref. No. AAVAS/SEC/2024-25/926

Date: January 30, 2025

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

Sub: Investor Release on the Financial and Operational Performance of the Company for Quarter and Nine Months Ended December 31, 2024.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Investor Release on the Financial and Operational performance of the Company for the Quarter and Nine Months ended December 31, 2024.

The Investor Release may also be accessed on the website of the company at <https://www.aavas.in/investor-relations/investor-intimation>.

This is for your information and record.

Date and time of occurrence of event/information: January 30, 2025 and Board Meeting concluded at 03:44 P.M.

Thanking You,

FOR AAVAS FINANCIERS LIMITED

**SACHINDERPALSINGH JITENDRASINGH BHINDER
MANAGING DIRECTOR & CEO
DIN: 08697657**

Enclosed: a/a

Aavas Financiers Limited

9M FY25 Results

- **AUM of Rs. 192 bn; Growth of 20% YoY**
- **PAT at Rs. 4.20 bn; Growth of 21% YoY**
- **Gross Stage 3 at 1.14%; 1+ DPD at 3.85%**
- **ROA at 3.26% and ROE at 14.06%**
- **Positive ALM & Strong Capital Base**

Investor Release: 30th Jan 2025, Mumbai

Aavas Financiers Limited has declared Un-audited Financial Results for the quarter and Nine months ended 31st December 2024.

Key Performance Metrics for 9MFY25:

Particulars (Rs. Mn)	9MFY25	9MFY24	Y-o-Y
Assets under Management (AuM)	192,380	1,60,795	20%
Disbursements	40,992	36,891	11%
Net Interest Margin (Rs.)	9,725	8,604	13%
Net Profit	4,204	3,481	21%
Gross Stage 3 (Overall)	1.14%	1.09%	Increased by 5 bps
Opex to Total Assets (%)	3.21%	3.63%	Improvement of 42 bps
ROA (%)	3.26%	3.22%	Improvement of 4 bps
ROE (%)	14.06%	13.45%	Improvement of 61 bps
Active Loan Accounts (No.)	2,36,726	2,06,618	15%

Performance Highlights:

- Assets under Management (AuM) of the company grew by 20% Y-o-Y and stood at Rs. 192.4 bn.
- Disbursements during Q3FY25 grew by 17% YoY and 23% QoQ to Rs 15.94 bn whereas in 9MFY25 disbursement grew by 11% YoY to Rs. 40.99 bn.
- Our Net profit for Q3 FY25 grew by 26% YoY to Rs 1.46 bn whereas for 9MFY25 Net Profit grew by 21% YoY to Rs 4.20 bn, led by robust growth in Net Income coupled with sharp improvement in operating leverage.
- Opex to Assets ratio saw significant improvement of 42 bps YoY in 9MFY25 at 3.21% as a result of our cost optimisation strategy. For Q3FY25 the Opex to Asset ratio stood at 3.27% and improved by 23 bps over Q3FY24.
- Our Spreads expanded by 5 bps sequentially to 4.94% in Q3FY25 and our NIMs expanded more than 10 bps YoY during the quarter to 7.75%.
- Our asset quality continues to be pristine, with 1+ DPD of less than 4% at 3.85% as of December 2024. In Q3FY25, Gross Stage 3 was at 1.14% and Net Stage 3 was at 0.81%. Credit cost during the quarter was 14 bps for Q3FY25 and 15 bps for 9MFY25.
- In terms of the borrowing mix, 50.3% of our borrowings are from Term Loans, 24.8% is from Assignment & Co-lending, 15.9% from NHB Refinancing; 9.0% is from debt capital market (of which 82.2% is from development finance institutions like IFC, CDC & ADB).
- Net Worth grew by 16% YoY to Rs. 41.97 bn as on 31st December 2024.
- ROA improved by 4 bps YoY to 3.26% and ROE jumped by 61 bps YoY to 14.06% in 9MFY25.
- The total number of branches stands at 373 as on 31st December 2024.

Commenting on the performance, Mr. Sachinder Bhinder, Managing Director & Chief Executive Officer, said:

“Dear All,

The strong demand environment in the affordable housing segment reinforces our mission to empower more individuals and families to achieve their dream of homeownership, further driving our growth and success. At Aavas, our staunch commitment is to serve the unserved, underserved, and underbanked customers across Tier 2 to Tier 5 markets by developing bespoke financial solutions tailored to their unique needs. Our emphasis on achieving risk-adjusted returns underscores our dedication to fostering housing affordability and creating sustainable value in these communities.

The technological transformation completed in the previous quarter has already begun to deliver remarkable results. The Login to Sanction TAT has been reduced to just 7 days in December 2024, down from the peak of 13 days. Additionally, significant cost and time savings have been realized which will enhance productivity and efficiency across the organization.

During the during quarter our branch network has now expanded to 373 branches across 14 states. Remaining focused on our strategy to deepen and reinforce our presence in contiguous manner, we will be expanding our branch network in the coming months across core markets.

Aavas has well diversified liability franchised with prudent cash management. Aavas is well-capitalized, boasting a Capital to Risk (Weighted) Assets Ratio (CRAR) of 45.6% as of December 2024.

Our granular underwriting practices and collection efforts, backed by cutting-edge technology, have a yielded positive outcome with the 1+ days past due, contained at 3.85% as of December 2024 an improvement of 12 bps QoQ and 10 bps YoY. The portfolio’s maintains strong overall health, demonstrated by a Gross Stage 3 at a mere 1.14%.

The launch of the PMAY 2.0 scheme, including the interest subsidy scheme for urban housing, will be pivotal in improving loan accessibility for economically weaker sections and low-income groups, empowering countless individuals to realize their dreams of homeownership. This bold initiative reflects the Government’s steady commitment to ensuring that every Indian has access to safe and affordable housing, driving inclusive growth and prosperity for all. It aligns with Aavas’s mission and vision, enhancing our dedication to delivering innovative housing solutions for underserved communities.

Our unwavering commitment to Governance, Asset Quality, Profitability, and Growth remains paramount. By harnessing advanced technology and delivering exceptional customer experiences, we are confident in a bright future. Our strategic initiatives are poised to drive sustainable growth and maximize shareholder value.”

About Aavas Financiers Limited

Aavas Financiers Limited, incorporated in 2011 in Jaipur is a retail, affordable housing finance company, primarily serving low- and middle-income self-employed customers in semi-urban and rural areas in India. A majority of our customers have limited access to formal banking credit. The Company’s product offering consists of home loans for the purchase or construction of residential properties, and for the extension and repair of existing housing units, Loan against property and MSME loans. The Company has in-house execution model leading to superior business outcomes.

Safe Harbor Statement

This document may contain forward-looking statements about the Company, which are based on the beliefs, opinions and expectations of the Company's management as the date of this press release and the companies do not assume any obligation to update their forward looking statements if those beliefs, opinions, expectations, or other circumstances should change, These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. Consequently, readers should not place any undue reliance on such forward-looking statements.

For more Information, please contact:

Aavas Financiers Limited

CIN: L65922RJ2011PLC034297

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Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285