

Ref. No. AAVAS/SEC/2018-19/267

Date: December 20, 2018

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,

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: Our Letter Ref No: AAVAS/SEC/2018-19/266 dated December 20, 2018.

In connection to the captioned reference informing that the company had issued and allotted Senior Unsecured Rupee Denominated Bonds ("RDB's")-Masala Bond due 2025 of Rs. 200,00,00,000 (Rupees Two Hundred Crores) to CDC Group PLC.

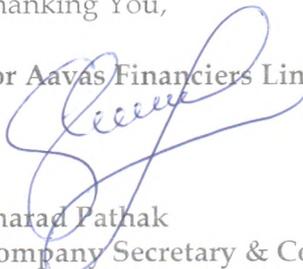
Please find enclosed herewith the press Release issued by the company in this regard.

The press release may also be accessed on the website of the company at www.aavas.in

You are requested to take the same on your record and kindly bring the same in notice of all concerned.

Thanking You,

For Aavas Financiers Limited


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



Enclosed: a/a



PRESS RELEASE

Aavas Financiers raises INR 200 crores from CDC Group through issuance of Rupee Denominated Masala Bonds

Jaipur, 20th December 2018: Aavas Financiers Limited (“Aavas”), one of India’s leading affordable housing finance companies, has received investment from CDC Group Plc (“CDC”), the United Kingdom’s Development Finance Institution, to successfully raise INR 200 crores by issuance of Rupee Denominated Masala Bonds. This is Aavas’s maiden Masala Bond issue and can be listed on London Stock Exchange or any other international stock exchanges in future.

Aavas is a retail focused affordable housing finance company, primarily serving low and middle-income self-employed customers to fulfill their home financing requirements. These customers, who make up a large proportion of India’s population, have limited or no access to formal banking credit due to lack of credit score or proven credit history. For the Half Year ended 30th September 2018, Aavas’ loan book stood at INR 4,759 crores with Gross NPAs at 0.57%, capital adequacy ratio of 58.8% and a healthy ROA of 3.06%. Aavas has extended nearly 75,000+ loans to its customers till September 2018 and has 186 branches spread across 108 districts, 817 tehsils in eight states as of 30th September 2018.

Mr. Sushil Kumar Agarwal, Whole Time Director & Chief Executive Officer, Aavas Financiers, said “It gives me immense pleasure to share that the Company was able to successfully raise this long-term source of funds, in this current challenging environment. CDC’s investment in Aavas’s Masala Bonds will further support the extension of affordable housing loans to low and middle income customers in underserved rural and semi-urban areas of India. We would like to thank all our investors for their trust and belief in the Company’s robust business model and we will continue to maintain our growth trajectory despite the industry currently facing headwinds.”

Mr. Ghanshyam Rawat, Chief Financial Officer, Aavas Financiers, said “CDC’s investment in Aavas will help us to grow our Affordable housing finance loan book. This successful placement of our maiden Rupee Masala Bonds issuance will enable Aavas to benchmark a long-term debt instrument in international markets and help us to mobilise additional funds through this route in the future. This investment is a testament of our business model and financial position in today’s tight liquidity and challenging environment”.

Mr. Srinu Nagarajan, CDC’s Managing Director and Head of Asia, said “CDC’s commitment to Aavas will enable it to grow its affordable housing finance business that will help India’s low and middle income families to build their homes and improve overall economic prosperity in our markets. CDC’s long-term investment commitment to Aavas especially in the current liquidity situation demonstrates our commitment as a Development Finance Institution with long-term patient capital. CDC has been investing in India for over 30 years and we look forward to a productive long-term relationship with Aavas.”



PRESS RELEASE

About CDC

CDC Group plc is the UK's development finance institution. Wholly owned by the UK Government, it invests in Africa and Asia with the aim of supporting economic development to create jobs. CDC Group plc has invested in India since 1987. CDC is an impact investor and provides capital in all its forms, including equity, debt, mezzanine and guarantees, to meet businesses' needs and achieve development impact. CDC has net assets of over £5bn. Find out more at www.cdcgroup.com

About Aavas

Aavas Financiers Limited (erstwhile Au Housing Finance Limited) was incorporated as a subsidiary of Au Financiers (India) Limited (now Au Small Finance Bank ("AuSFB")) in February 2011 for providing housing finance in rural and semi-urban areas. AuSFB divested its majority stake in Aavas to private equity investors – Kedaara Capital and Partners Group – in June 2016 to fulfill the Reserve Bank of India's criteria for conversion to a small finance bank. In October 2018, Aavas completed its IPO listing on the National Stock Exchange of India Limited and BSE Limited. For more information, visit www.aavas.in.

Aavas primarily provides affordable home loans to customers in the semi-urban and rural areas, targeting self-employed and salaried customers in the informal segment, who otherwise have limited access to formal lending channels. The company's product offering consists of home loans for purchase or construction or residential properties, and for the extension and repair of existing housing units. The Company has a fully in-house sourcing model leading to superior business outcomes. The company operates in eight states (Rajasthan, Maharashtra, Madhya Pradesh, Gujarat, Chhattisgarh, Haryana, Delhi and Uttar Pradesh) and has a long-term credit rating A+ (Positive) by ICRA and CARE.

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.

Investor Relations

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