

Ref. No. AAVAS/SEC/2021-22/1056

Date: February 03, 2022

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: Investor Presentation on the Unaudited Financial Results for the quarter and nine months ended December 31, 2021

In terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed herewith a copy of Investor Presentation of the Company on the Unaudited Financial Results for the quarter and nine months ended December 31, 2021.

This Investor Presentation may also be accessed on the website of the Company at [www.aavas.in](http://www.aavas.in)

This is for your information and record.

Thanking You,

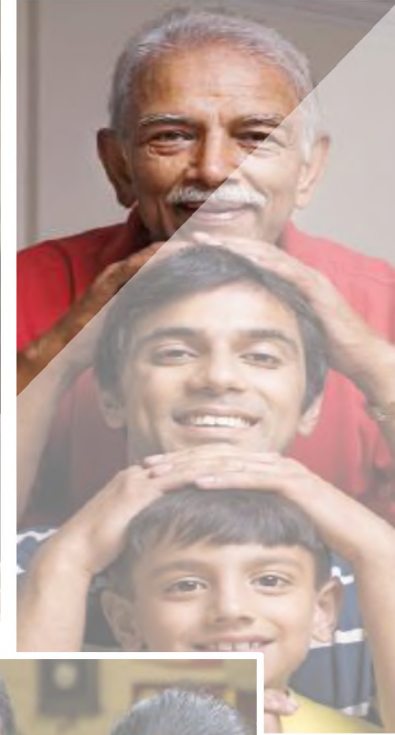
For Aavas Financiers Limited

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



Enclosed: a/a





# AAVAS FINANCIERS LIMITED

Investor Presentation – 9M FY22

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This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.

# Our Background



Commenced operations in 2011  
from Jaipur, Rajasthan



Regulated by Reserve Bank of India ("RBI")  
Supervised by National Housing Bank ("NHB")



Currently being run by professional  
management team backed by  
marquee private equity players  
Kedaara Capital and Partners Group



Recognized by NHB for refinance  
facility



Listed on BSE & NSE in October 2018



Retail network of 298 branches



## Our Pillars of Strength

- ✓ Experienced Board of Directors
- ✓ Professional Management Team
- ✓ In-house Execution Model
- ✓ Technology and Data Analytics
- ✓ Improving Credit Ratings
- ✓ Diversified Shareholding Base

# Experienced Board of Directors



## Sandeep Tandon Chairman & Independent Director

**Qualifications:** Bachelor's in Electrical Engineering from University of Southern California

**Prior Engagements:** Tandon Advance Device, Accelyst Solutions



## Soumya Rajan Independent Director

**Qualifications:** Bachelor's in Mathematics & Economics from St. Stephens College, Master's in Mathematics from Oxford University

**Prior Engagements:** Waterfield Advisors, Standard Chartered Bank, ANZ Grindlays Bank



## Kalpana Iyer Independent Director

**Qualifications:** Chartered Accountant

**Prior Engagements:** Citibank N.A., IncValue Advisors



## Sushil Kumar Agarwal Managing Director & CEO

**Qualifications:** Chartered Accountant, Company Secretary

**Prior Engagements:** Au SFB, ICICI Bank, Kotak Mahindra Primus. 20+ years of experience in the field of retail financial services



## K. R. Kamath Non-executive Nominee Director

**Qualifications:** Bachelor's degree in commerce from University of Mysore, Certified Associate of the Indian Institute of Bankers

**Prior Engagements:** Corporation Bank, Punjab National Bank, Allahabad Bank, Bank of India



## Vivek Vig Non-executive Nominee Director

**Qualifications:** PG Diploma in management from IIM Bangalore

**Prior Engagements:** Destimoney Enterprises, Centurion Bank of Punjab, PNB Housing Finance, Citibank N.A., India.



## Manas Tandon Promoter Nominee Director

**Qualifications:** Bachelor's degree in technology (electrical engineering) from IIT Kanpur, MBA from Wharton School, University of Pennsylvania

**Prior Engagements:** Matrix India Asset Advisors, TPG Capital India, Cisco



## Nishant Sharma Promoter Nominee Director

**Qualifications:** Master of Technology in Bio-Chemical Engineering and Bio -Technology from IIT Delhi, MBA from Harvard University

**Prior Engagements:** General Atlantic, Mckinsey & Company, Bill & Melinda Gates Foundation



## Kartikeya Dhruv Kaji Promoter Nominee Director

**Qualifications:** Bachelor's degree Economics from the Dartmouth College, New Hampshire, MBA from Wharton School, University of Pennsylvania

**Prior Engagements:** Perella Weinberg Partners and Merrill Lynch, Temasek

# Professional Management Team



## Sushil Kumar Agarwal - Managing Director & CEO

- 20+ years of experience in retail financial services
- Prior associated with Kotak Mahindra Prime, ICICI Bank & Au Small Finance Bank (Business Head – SME & Mortgages)



## Ghanshyam Rawat - Chief Financial Officer

- Experience in financial services & allied sectors
- Prior associated with Indorama Synthetics, Accenture, First Blue Home Finance, Deutsche Postbank Home Finance



## S Ram Naresh - Chief Business Officer

- Experience in mortgages and FMCG distribution
- Prior associated with Nestle, GE Money, ICICI Bank, Bajaj Finance



## Ashutosh Atre - Chief Risk Officer

- Experience in credit management
- Prior associated with Equitas, ICICI Bank, Cholamandalam



## Jijy Oommen - Chief Technology Officer

- Prior associated with Kinara Capital, Wonderla Holidays, Manappuram Finance, Bajaj Capital



## Ripudaman Bandral - Chief Credit Officer

- Prior associated with Indiabulls, ICICI Bank, HDFC Ltd



## Rajeev Sinha - Senior VP, Operations

- Prior associated with Indiabulls, CoinTribe



## Surendra Sihag - Senior VP, Collections & Customer Service

- Prior associated with Bajaj Finance, Cholamandalam



## Sharad Pathak - Company Secretary & Compliance Officer

- Associated with Aavas Financiers since May 2012



## Rajaram Balasubramaniam - Senior VP, Data Science

- Prior associated with Citibank, Standard Chartered Bank

## Green Planet

- Installing solar power projects of 240KW across 2 community locations
- Initiated reforestation drives & planted ~ 12,0000 trees
- Switching off major systems in head office & branches by 7pm

## Responsible Lending

- Partnered with IFC to promote Green “Individual” Homes
- Lending governed by E&S policy which provides “exclusion list of prohibited activities”
- Provided onsite training & safety gear to construction workers

## Nurturing Workplace

- Hired hearing-impaired people to promote inclusivity in workforce
- Round the year engagement with employees through recreational & motivational activities
- Weekly live learning sessions through in-office training studio

## Empowered Community

- Promoting independence & entrepreneurship in women from remote vulnerable communities under Gram Siddhi program
- Created sports complexes for holistic development of youth

## Secure Customer

- Collaborated with Sardar Patel University to promote awareness of cybersecurity
- Ensuring privacy and security of customer data & timely redressal of customer grievances

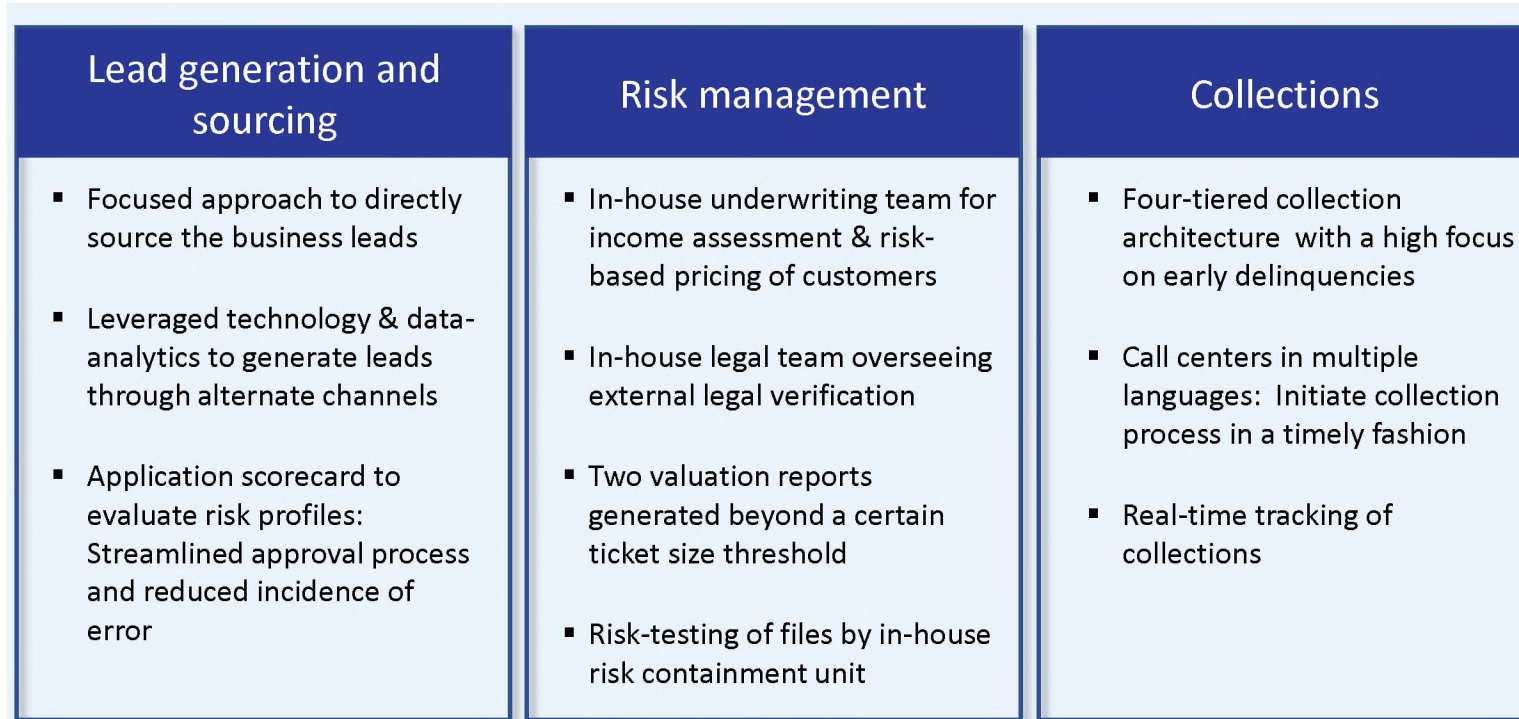
## Robust Governance

- Diversified board with industry relevant core competencies
- Adherence to all regulatory compliances & board approved policies in true spirit ensuring transparent & ethical conduct

ESG related reports & an independent review of ESG initiatives available on website: <https://www.aavas.in/esg-reporting>



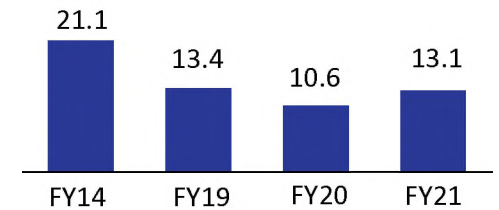
## In-house execution model – Replicated across the states



Superior Business Outcome

### 1. Reduction in average TAT (days)

Turn around time is a key metric for employee incentives



2. Better ability to price risk effectively resulting in yields of ~12.8%

3. High collection efficiency and low GNPA

## Lead Generation



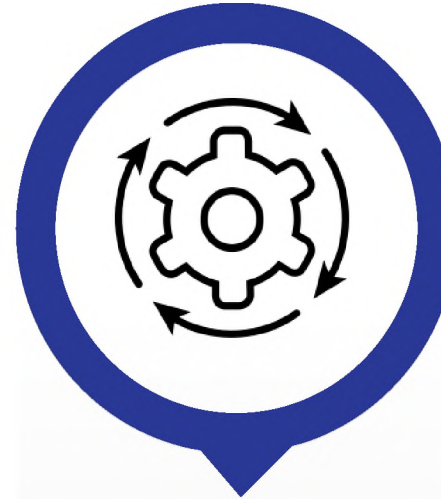
- Majority of the leads are logged in through the sourcing app
- Application scorecard: For Auto-rejection / fast tracking leads
- Mobile app to leverage proponents of housing ecosystem

## Underwriting



- Platform integration with credit bureaus
- Quarterly scrub of credit bureau information
- 60+ profiles to evaluate customers in SENP segment

## Operations



- E-disbursement & E-repayment facility at all the branches
- CRM system for better customer servicing
- Customer Service App catering to 80% of customer requests

## Collections

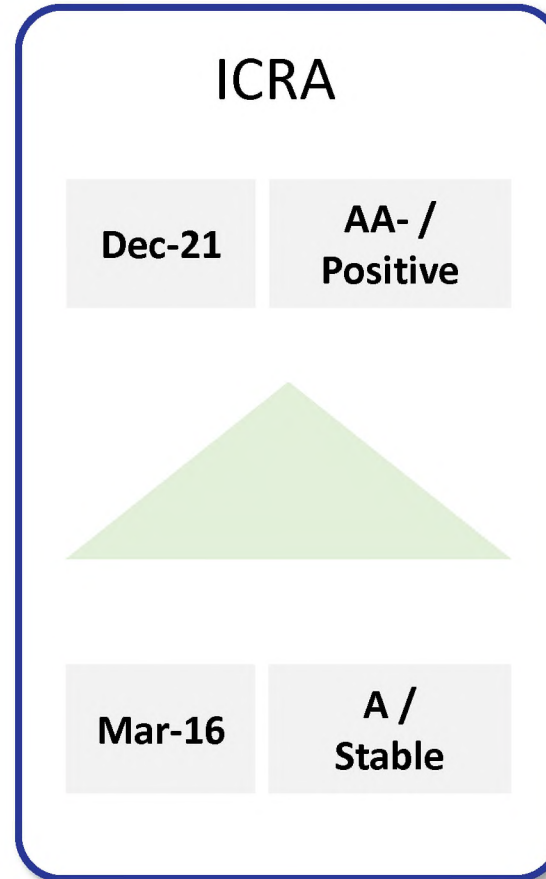
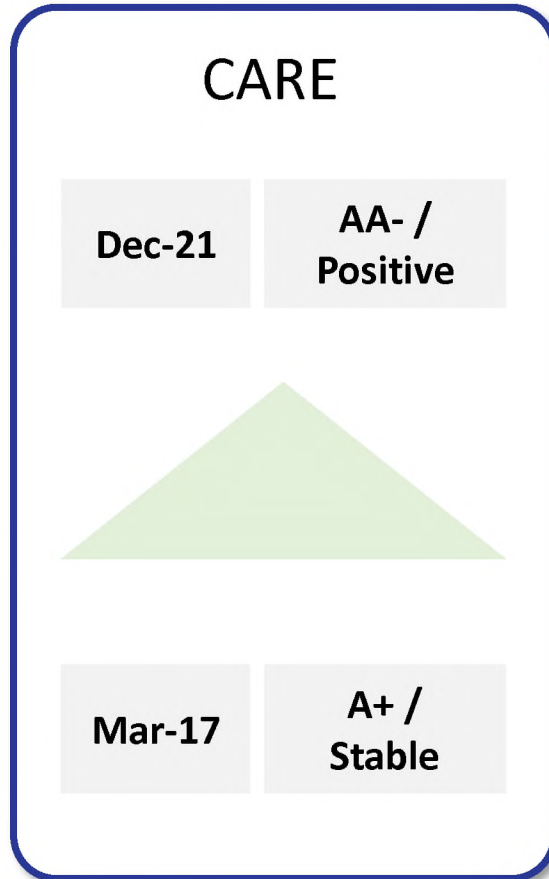


- Route optimization for collection personnel
- Analytics model for bounce prediction and assessment of warning signals
- Geotagging for smart customer allocation

# Improving Credit Ratings

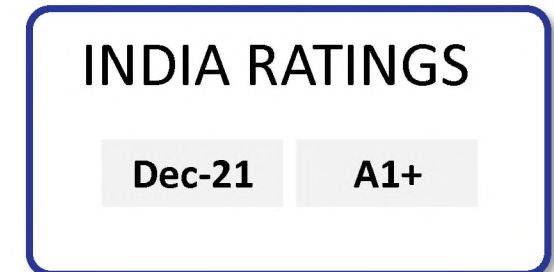
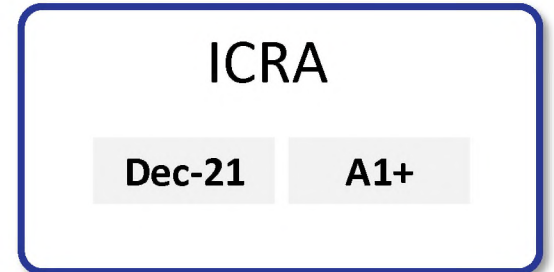
## Long-Term Credit Rating

ICRA Limited revised the Long-Term rating outlook from AA-/Stable to AA-/Positive on 07<sup>th</sup> December 2021



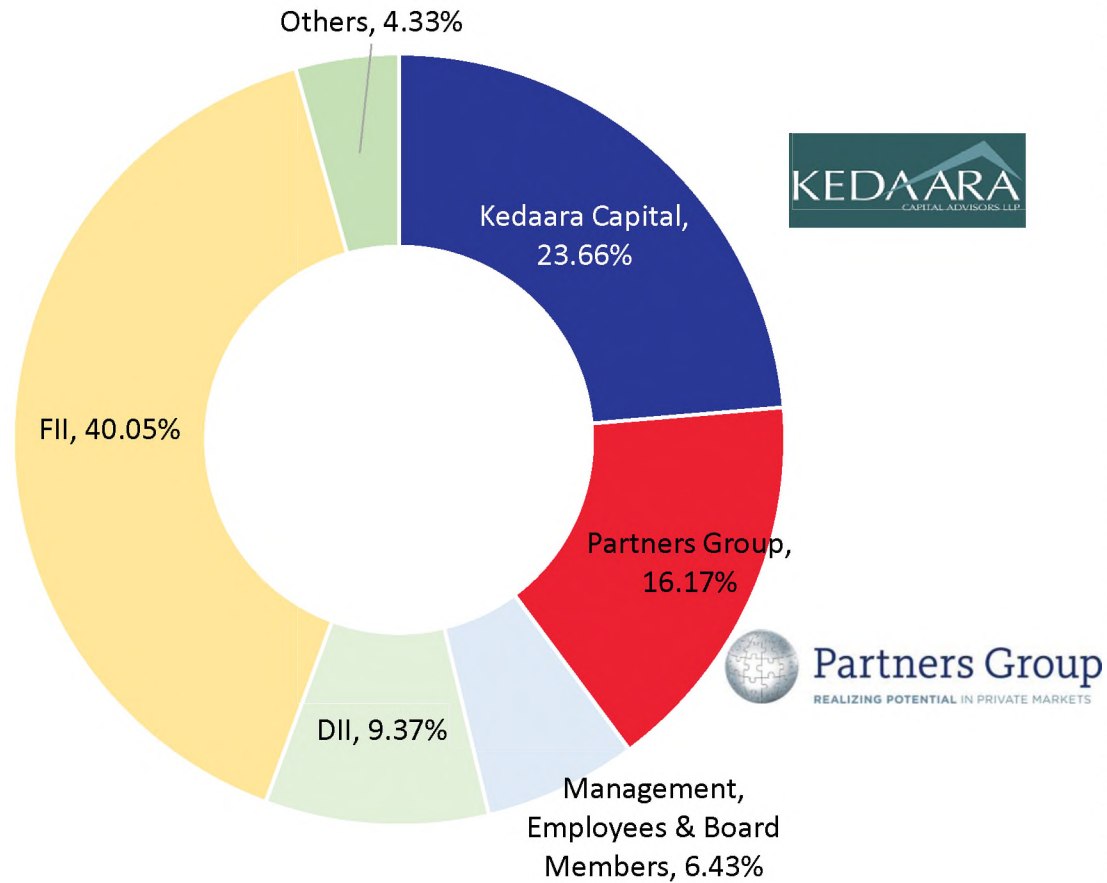
## Short-Term Credit Rating

### Reaffirmed



# Diversified Shareholding Base

Shareholding Pattern as on  
31<sup>st</sup> December 2021



Top Institutional Shareholders as on 31<sup>st</sup> December 2021

Investor Details	% Holding
Capital Group <sup>^</sup>	8.36
GIC <sup>^</sup>	5.90
Wasatch Global Investors <sup>^</sup>	5.49
Nomura Asset Management <sup>^</sup>	3.86
UTI Asset Management <sup>^*</sup>	3.71
Kotak Mahindra Asset Management <sup>^*</sup>	2.94
SBI Life Insurance	1.88
Vanguard Group <sup>^</sup>	1.28
Abu Dhabi Investment Authority <sup>^</sup>	1.19
William Blair <sup>^</sup>	1.19
Buena Vista Fund Management	1.14
C Worldwide Asset Management <sup>^</sup>	1.11
Stewart Investors <sup>^</sup>	1.07
Tata AIA Life Insurance <sup>^</sup>	1.03

<sup>^</sup> holding through various schemes/funds

<sup>\*</sup> includes Mutual Funds & Offshore Funds

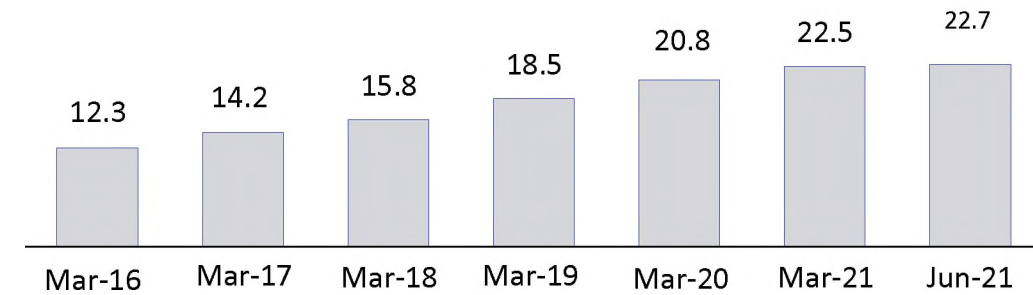
# Size of Opportunity

## Indian Housing Finance

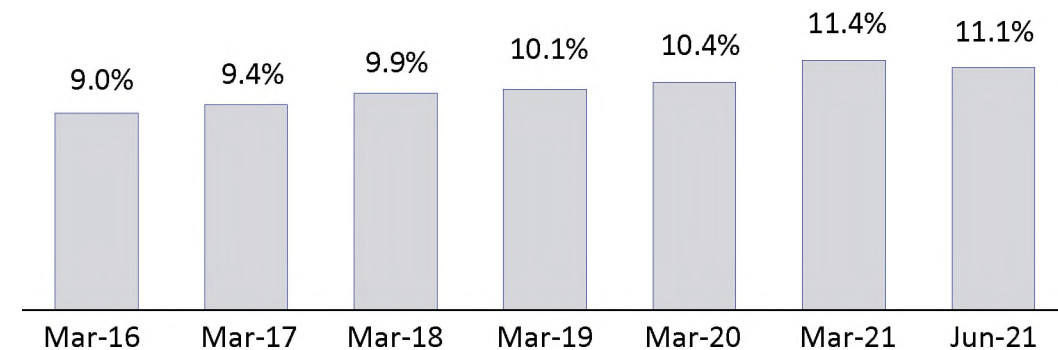
Market Size (as on Jun-21)	₹ 22.7 Trn	
YoY Growth (as on Jun-21)	<b>+10%</b> Banks - 10%, HFCs & NBFCs - 11%	
Market Share (as on Jun-21)	<b>Banks - 68%</b>	<b>HFCs &amp; NBFCs - 32%</b>

Credit Growth Outlook for HFCs FY22 ~ 8-10%	Affordable HFCs YoY Growth (as on Jun-21) <b>11%</b>	Affordable segment expected to grow at faster pace than overall industry
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## Housing Market (₹ Trn)



## Mortgage Penetration (%)



# Measures from Government and Regulator



## Continued Pause in Policy Rate

RBI's MPC voted to maintain status-quo (repo rate @ 4%) even in the December meeting and continued with its accommodative stance for as long as necessary to revive & sustain growth on a durable basis.



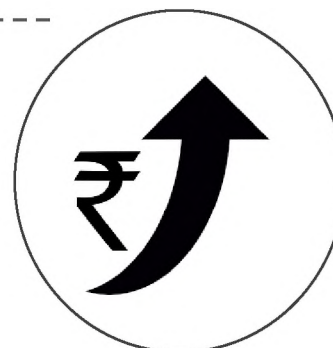
## Resolution Framework 2.0

Lending institutions can restructure borrowers having aggregate exposure up to Rs. 500Mn who were classified as Standard as on 31<sup>st</sup> March 2021 & who didn't avail resolution under Framework 1.0 last year. Restructuring may be invoked up to 30<sup>th</sup> September 2021 & needs to be implemented within 90 days from invocation.



## Harmonization of IRACP norms

In order to ensure uniformity in the implementation of IRACP norms across all lending institutions, RBI has harmonized certain aspects of the prevailing guidelines. Specifically, once an account turns NPA upon running of lender's day-end process, it can be upgraded to "standard" asset category only once the entire arrear of interest & principal is paid by the borrower.



## Extension of date & expansion of coverage under ECLGS

Government has extended the scheme till 31<sup>st</sup> March 2022 or till guarantees for an amount up to Rs. 4.5 Tn are issued, whichever is earlier while permitting the disbursements up to 30<sup>th</sup> June 2022. The scheme has also modified the conditions on borrowing limit caps & cut-off dates to provide additional credit support for new as well as existing beneficiaries.

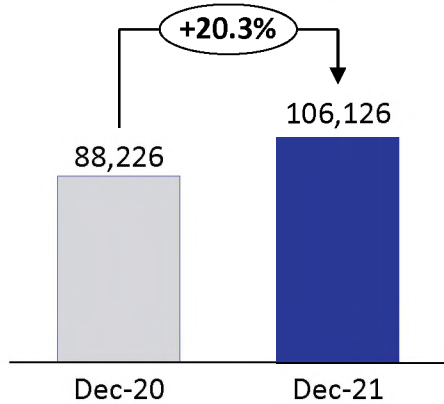


# Financial Performance

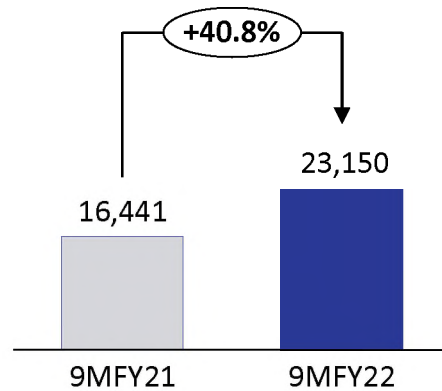
- ✓ Key Business Parameters
- ✓ Geographical Distribution
- ✓ Spreads and Margins
- ✓ Asset Quality
- ✓ Liability Franchise
- ✓ Key Ratios

# Performance Highlights

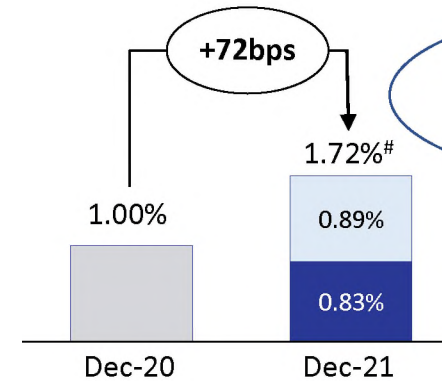
### AUM (₹ Mn)



### Disbursement (₹ Mn)



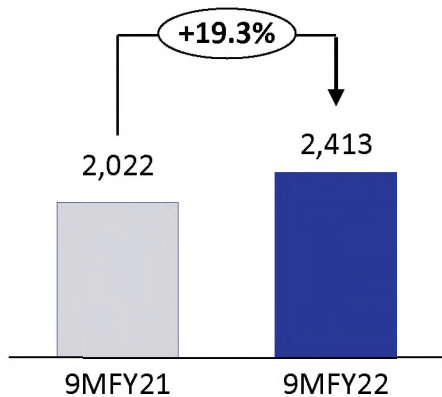
### Gross Stage 3 (%)



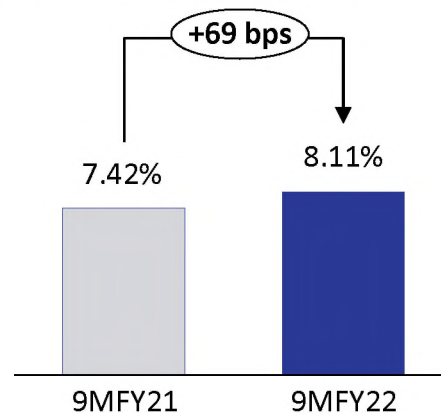
# includes 0.89% with DPD upto 90 but categorized as GNPA on account of RBI notification

Average Amount<sup>^</sup> per Active Loan Account as on Dec-21  
**₹ 0.86 Mn**

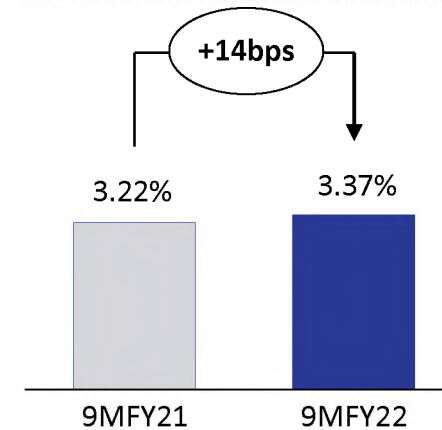
### PAT\* (₹ Mn)



### NIM (%)



### ROA (%)

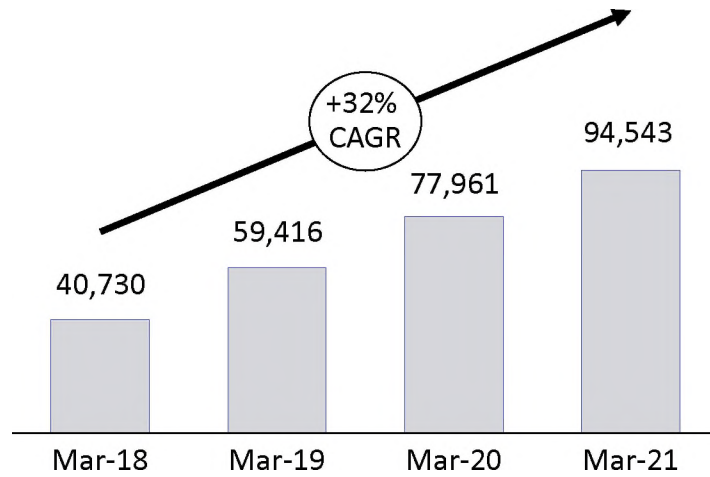


Average Amount<sup>^</sup> per Disbursed Loan Account in 9MFY22  
**₹ 0.98 Mn**

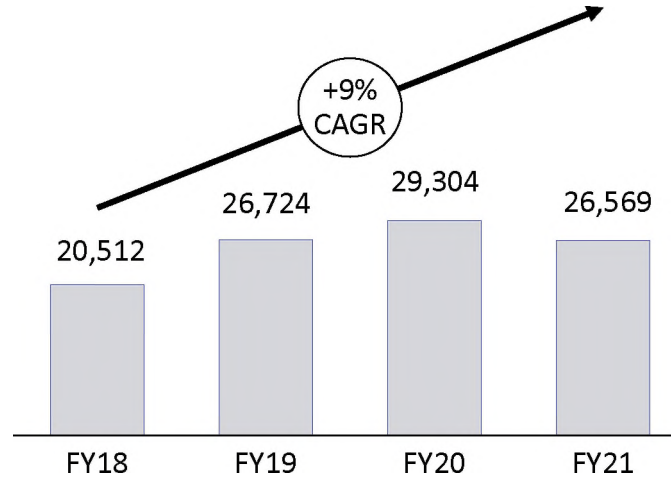


# Healthy Business Growth

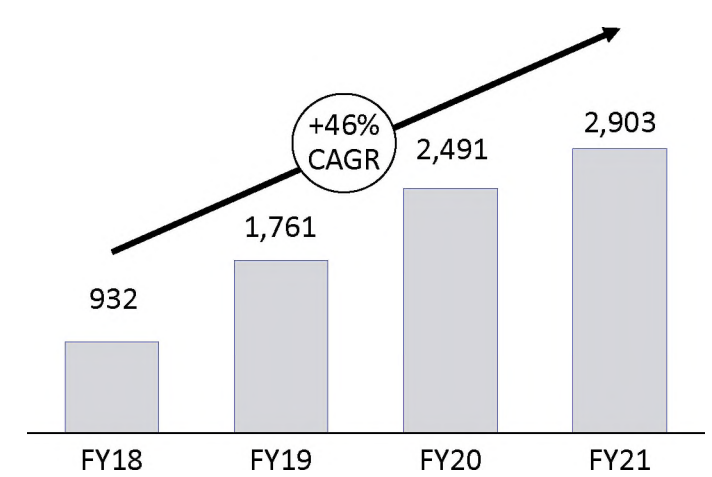
AUM (₹ Mn)



Disbursements (₹ Mn)



PAT\* (₹ Mn)



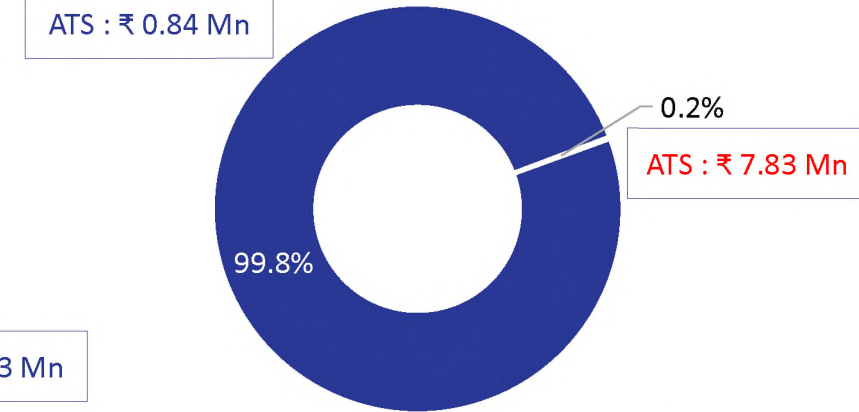
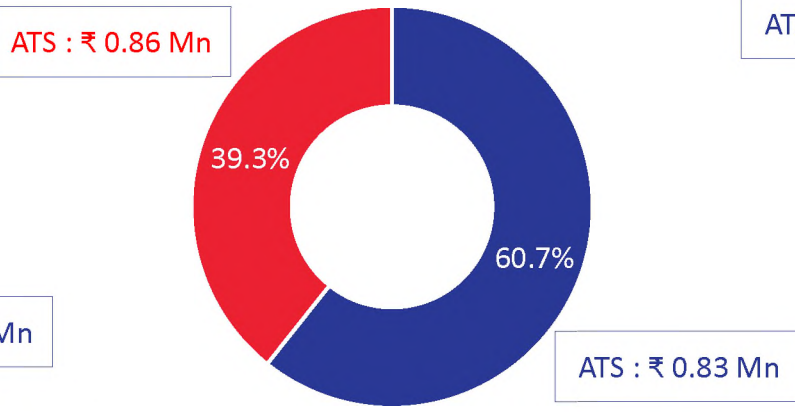
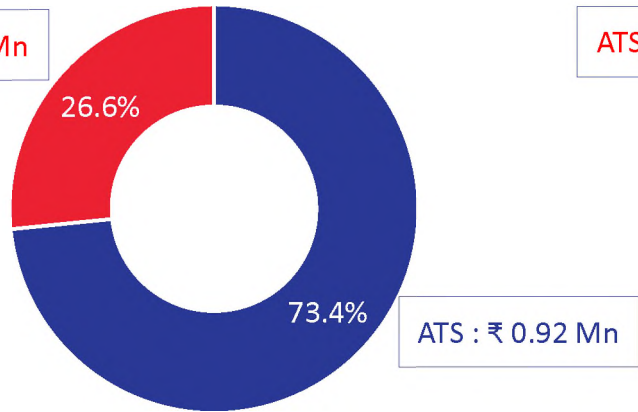
# AUM Break-up

## Product Category

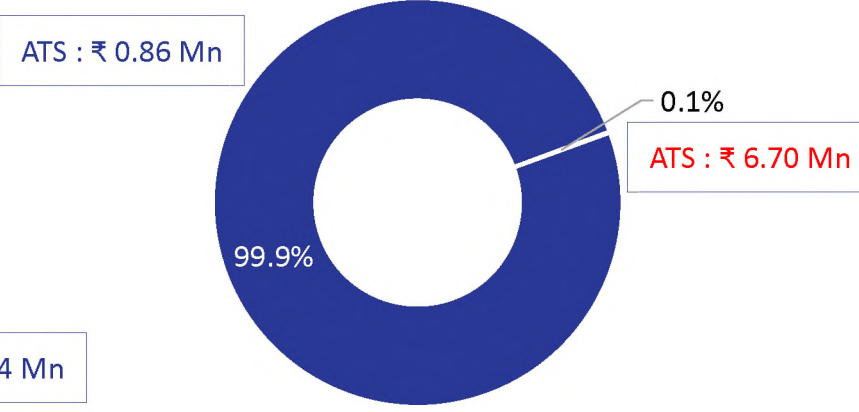
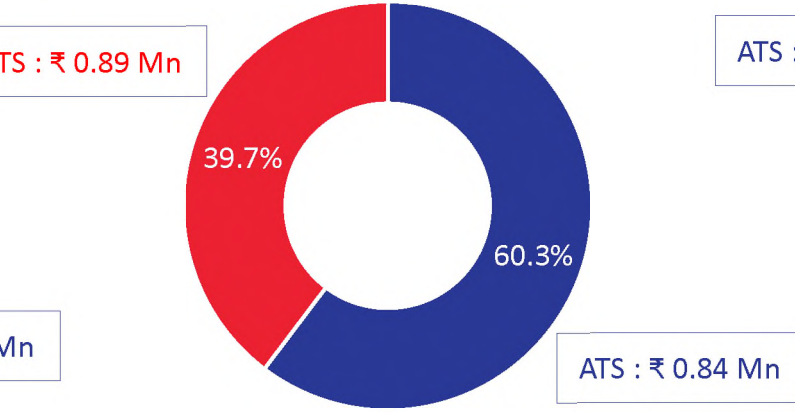
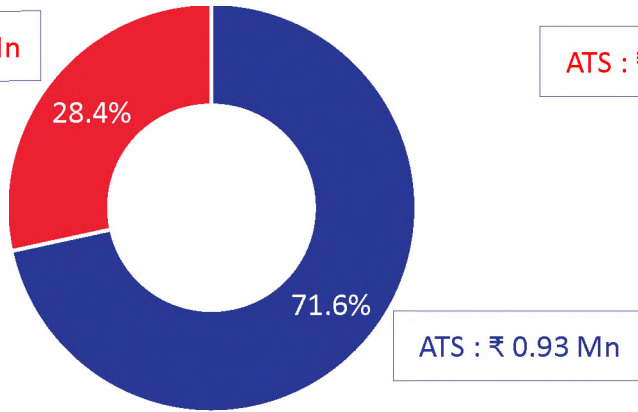
## Occupation Category

## Customer Category

31-Dec-20



31-Dec-21



■ Home Loan ■ Other Mortgage Loan

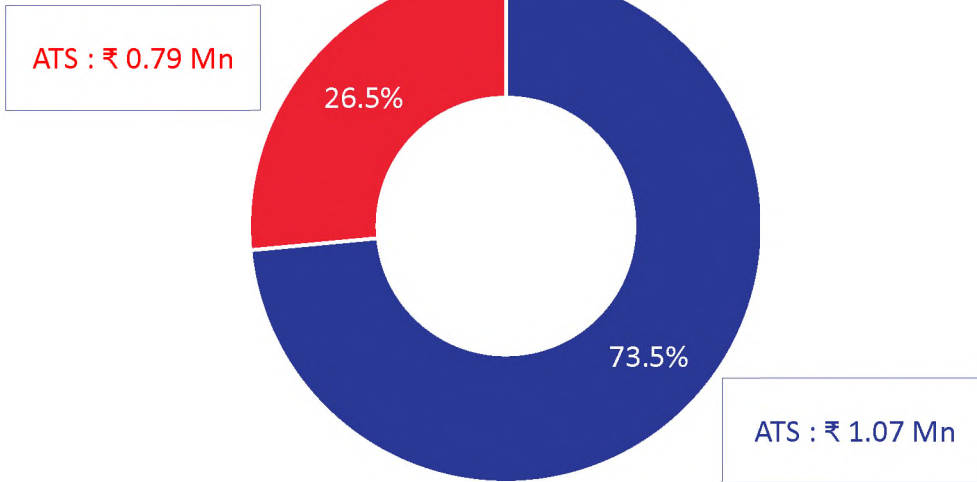
■ Self-Employed ■ Salaried

■ Retail ■ Corporate

ATS : Average Amount (at the time of Sanction) per Active Loan Account

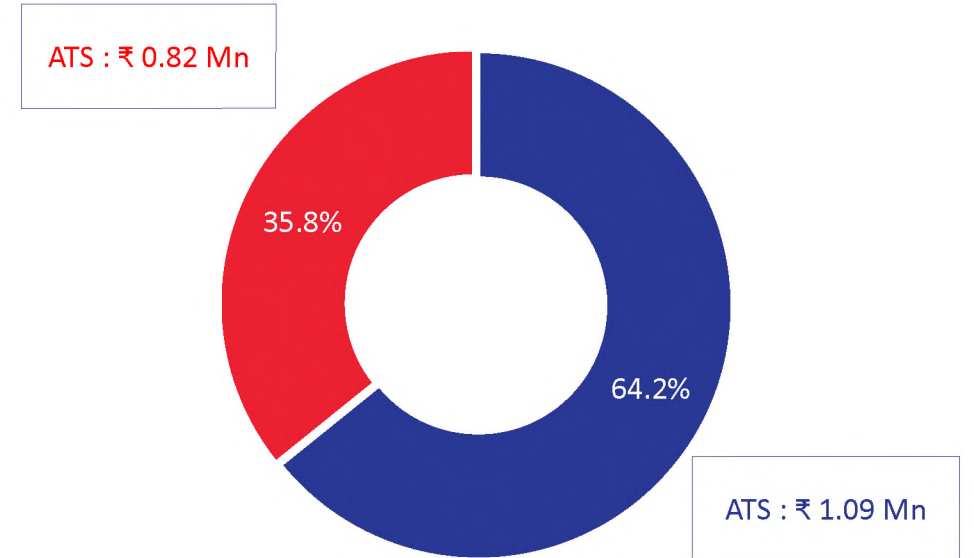
# Disbursement Break-up – Product Category

9M FY21



Disbursement include 8.4% of mortgaged-backed MSME Loans classified under Other Mortgage Loans

9M FY22



Disbursement include 12.7% of mortgage-backed MSME Loans classified under Other Mortgage Loans

■ Home Loan ■ Other Mortgage Loan

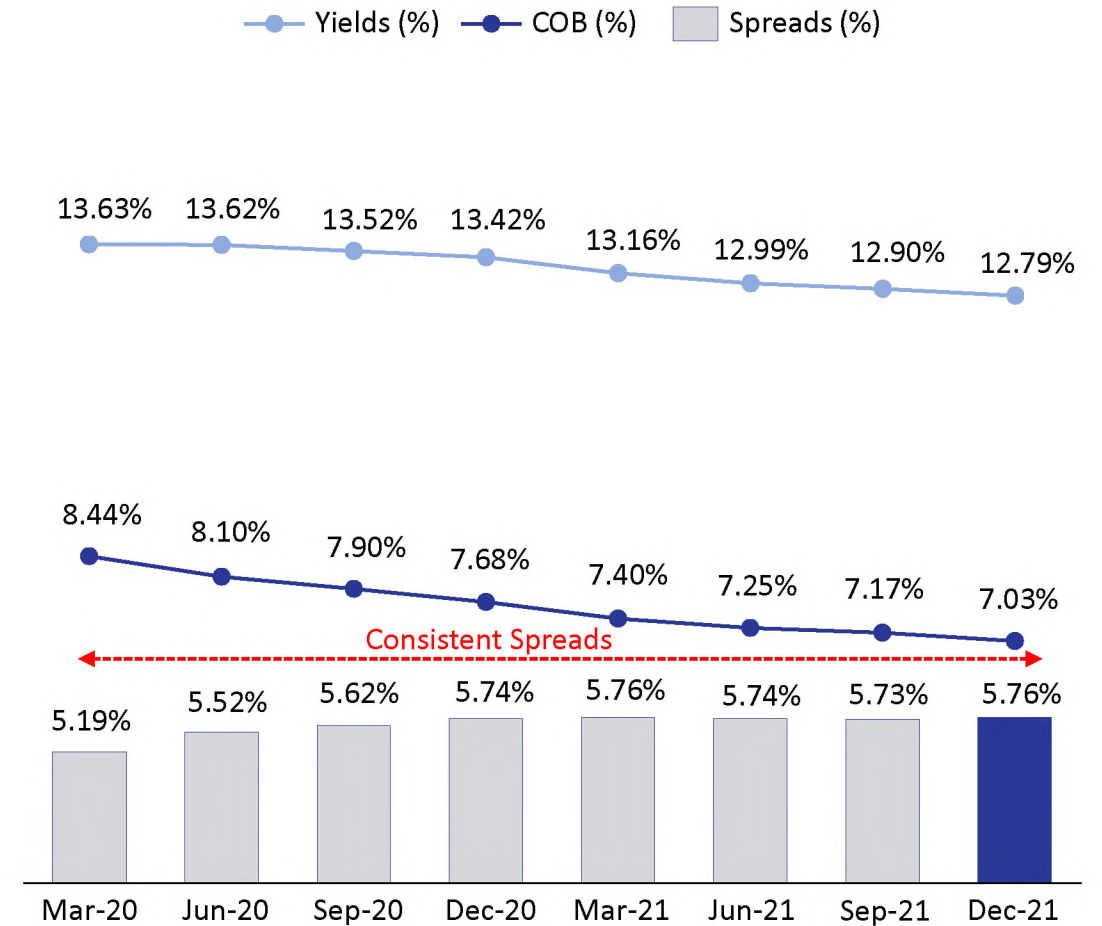
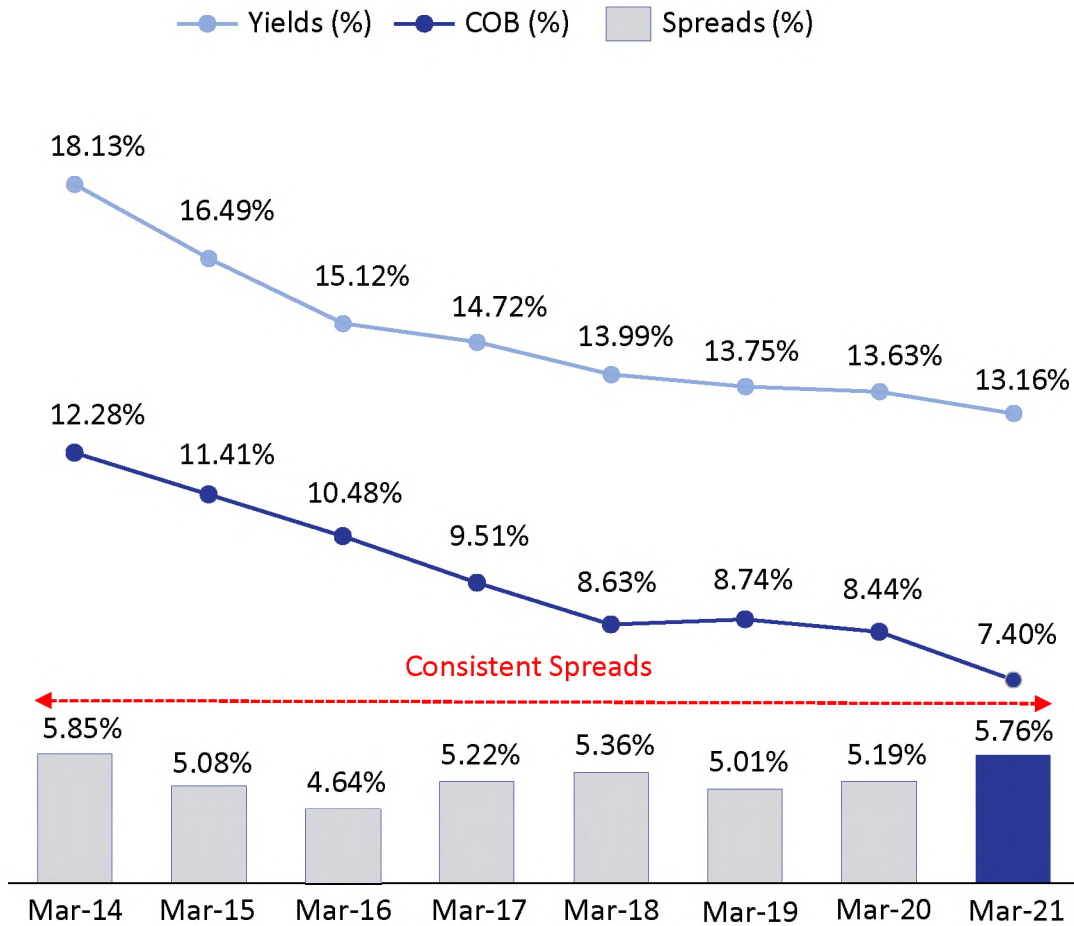
ATS : Average Amount (at the time of Sanction) per Disbursed Loan Account

# Geographical Distribution

State	Branches	Operations Commenced in
Rajasthan	96	2012
Maharashtra	44	2012
Gujarat	40	2012
Madhya Pradesh	40	2013
Delhi	6 <sup>^</sup>	2013
Haryana & Punjab	16	2017
Chhattisgarh	7	2017
Uttar Pradesh	21	2018
Uttarakhand	9	2018
Himachal Pradesh	4	2020
Orissa	4	2021
Karnataka	11	2021
<b>Total</b>	<b>298</b>	

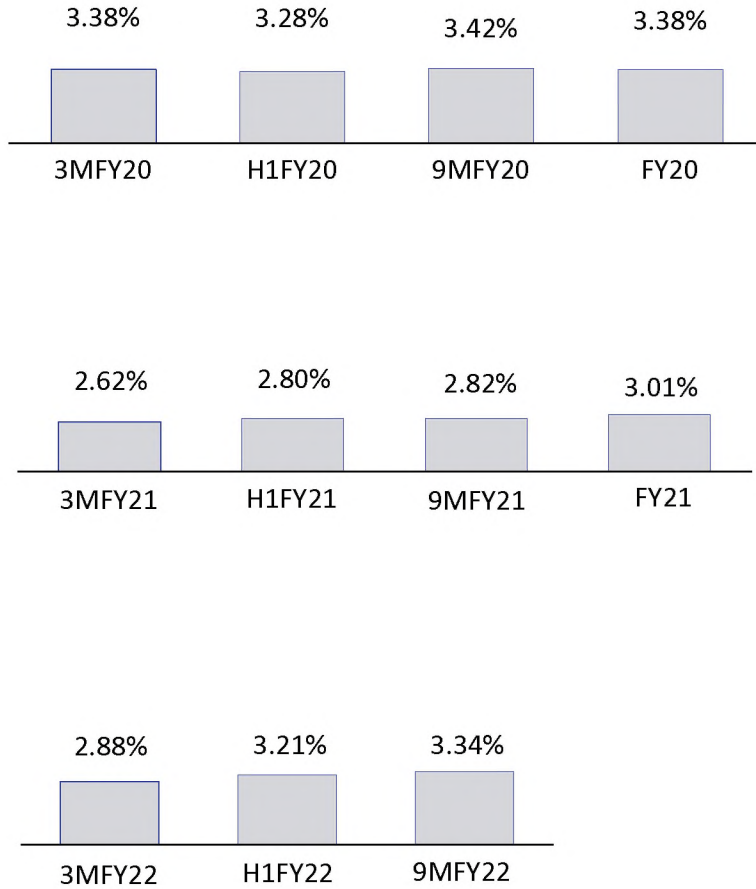
# Consistent Spreads

## Yields, Cost of Borrowings and Spreads (%)

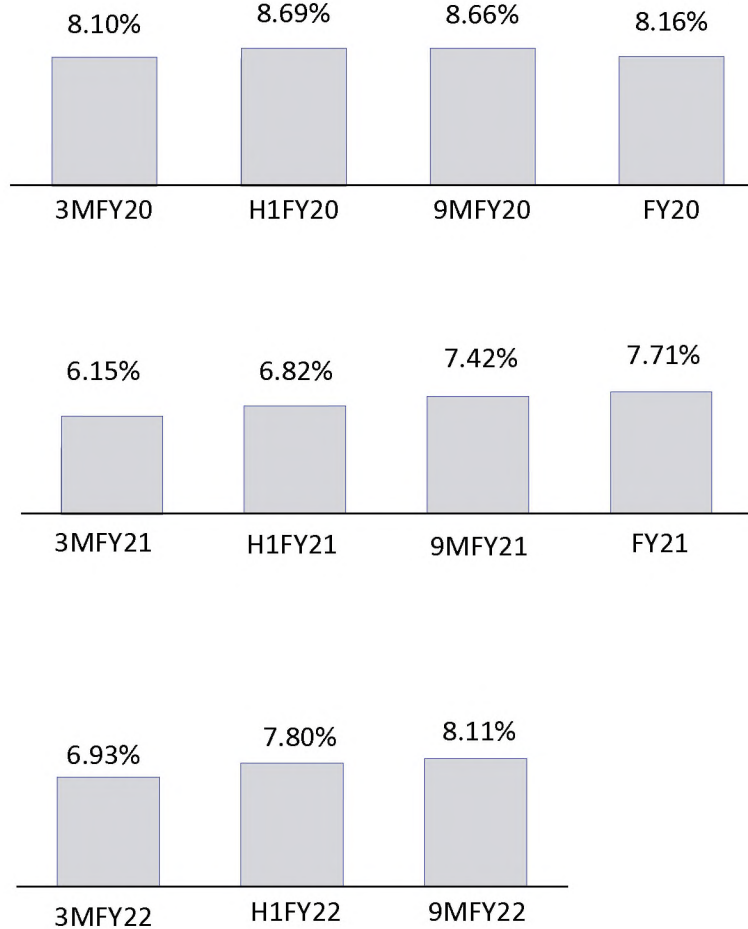


# Margin and Cost Efficiency

## OpEx (%)



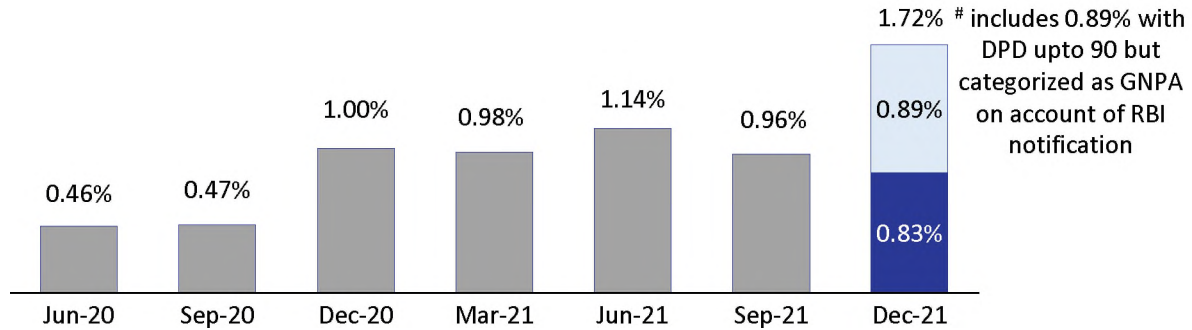
## NIM (%)



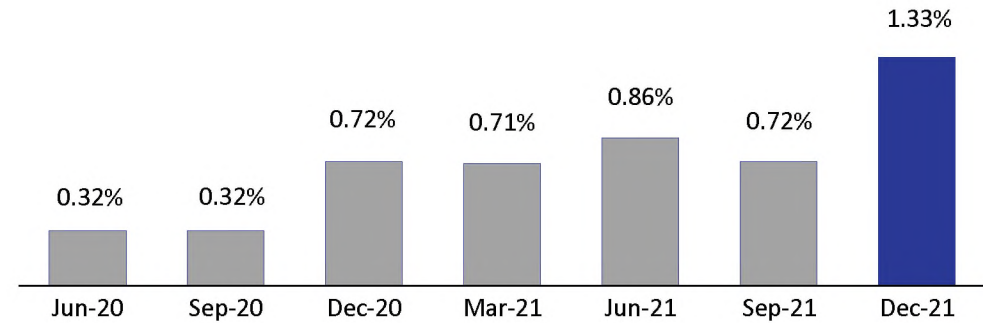
## ROA (%)



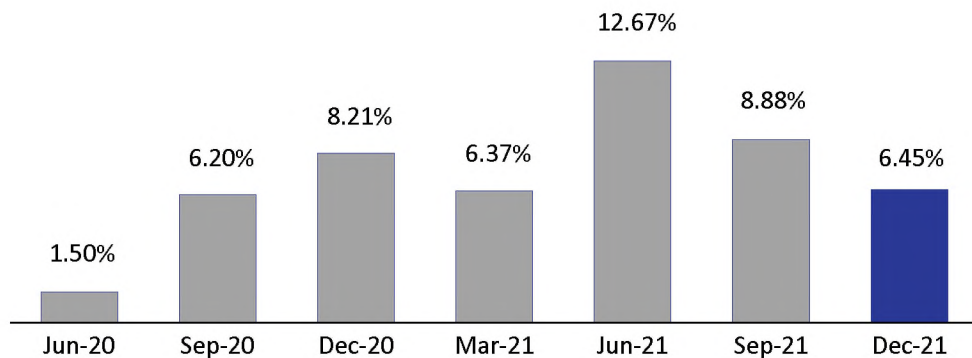
### Gross Stage 3 (%)



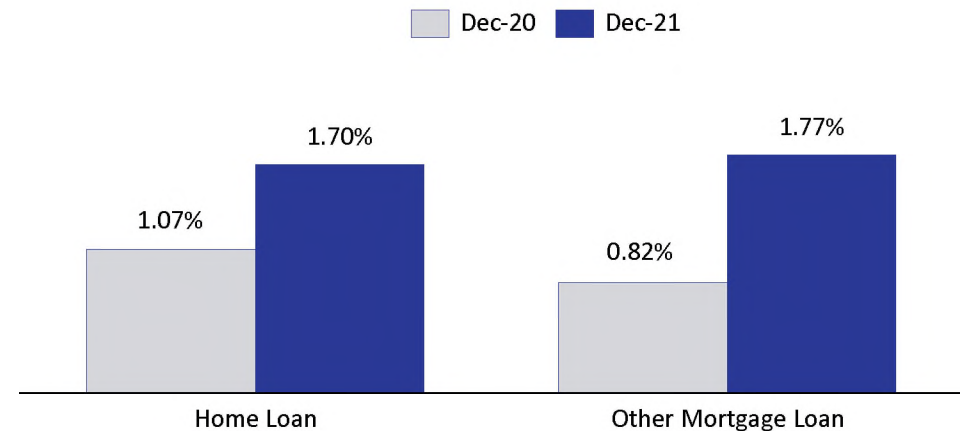
### Net Stage 3 (%)



### 1+DPD (%)



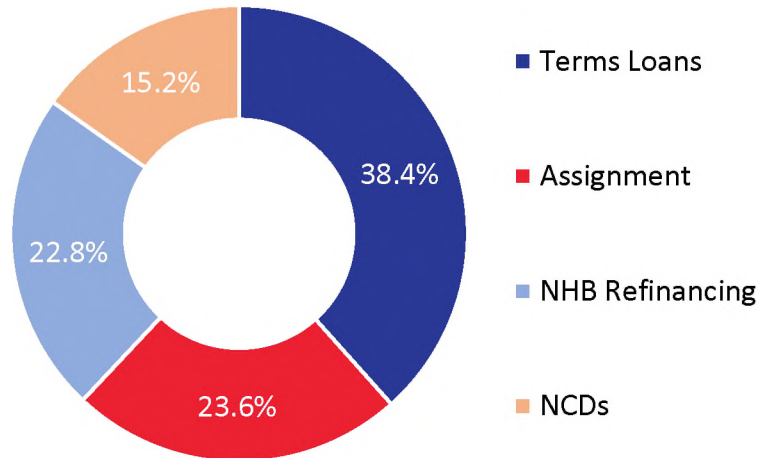
### Segment-wise Gross Stage 3 (%)



# Robust Liability Management

## Diversified Funding Mix

As on Dec-21



**29 Lenders**  
Diversified Mix

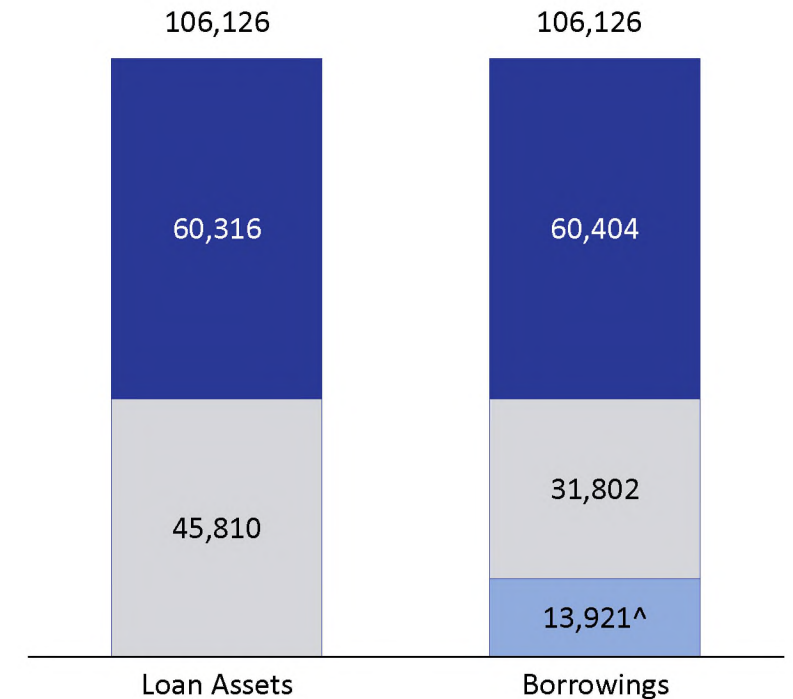
**No exposure**  
to Commercial Papers

**Incremental 9M FY22 borrowings**  
₹ 26,790 Mn for 92 months at 5.91%

## Loan Assets & Borrowings (₹ Mn)

As on Dec-21

■ Floating ■ Fixed ■ Equity



## Payment Schedule of Debt Capital Market Exposure

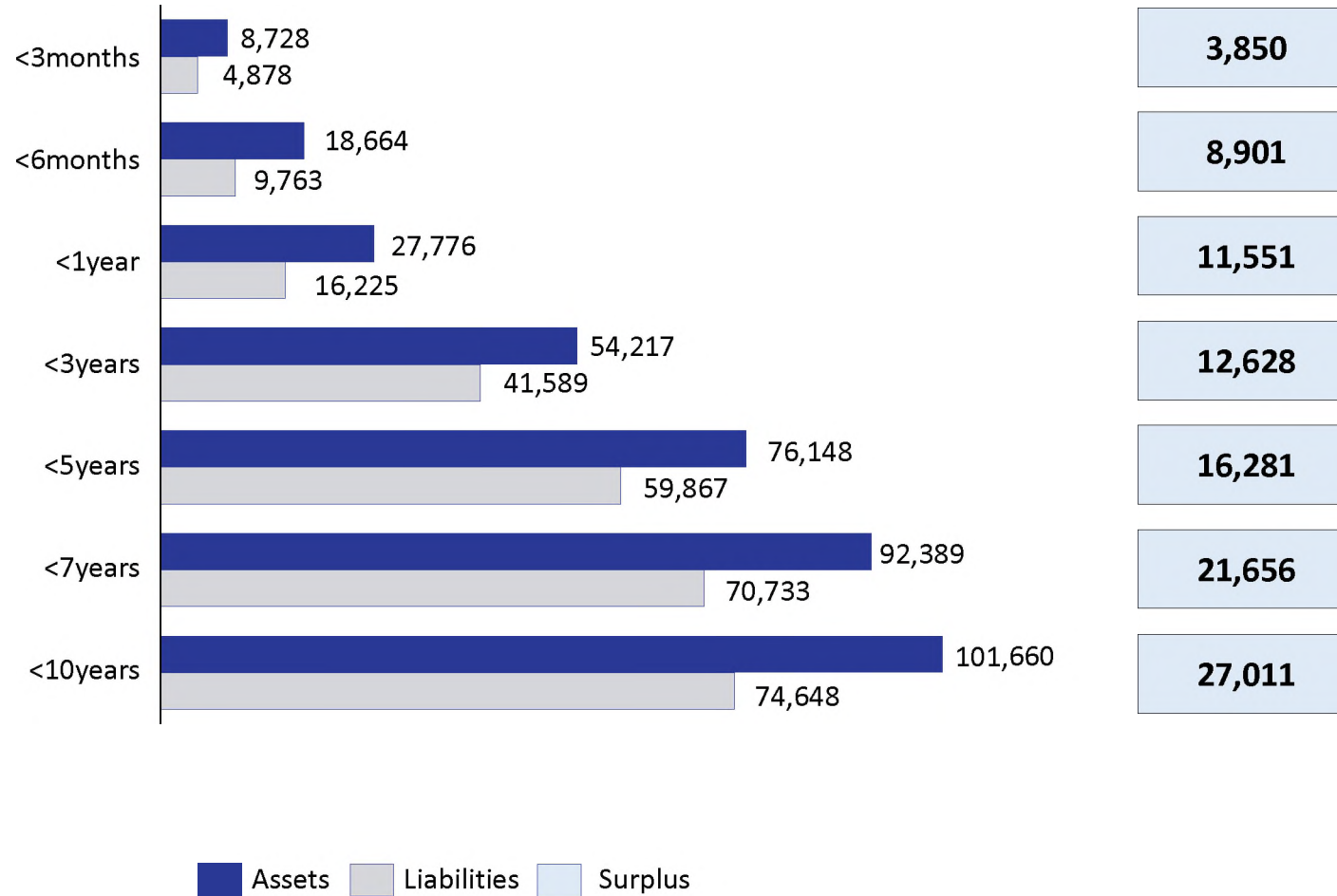
NCD Investor	Exposure (₹ Mn)	Payment Schedule (₹ Mn)							
	31-Dec-21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	
IFC	4,750	-	1,300	-	3,450	-	-	-	
ADB	4,444	341.8	683.7	683.7	683.7	683.7	683.7	683.7	
Domestic Bank	1,550	50	200	950	200	150	-	-	
CDC	2,000	-	500	500	500	500	-	-	
Mutual Fund	1,240	-	-	250	-	-	990	-	
<b>Total (Mn)</b>	<b>13,984</b>	<b>391.8</b>	<b>2,683.7</b>	<b>2,383.7</b>	<b>4,833.7</b>	<b>1,333.7</b>	<b>1,673.7</b>	<b>683.7</b>	

<sup>^</sup> gap between Loan Assets & Borrowings filled by a portion of Equity

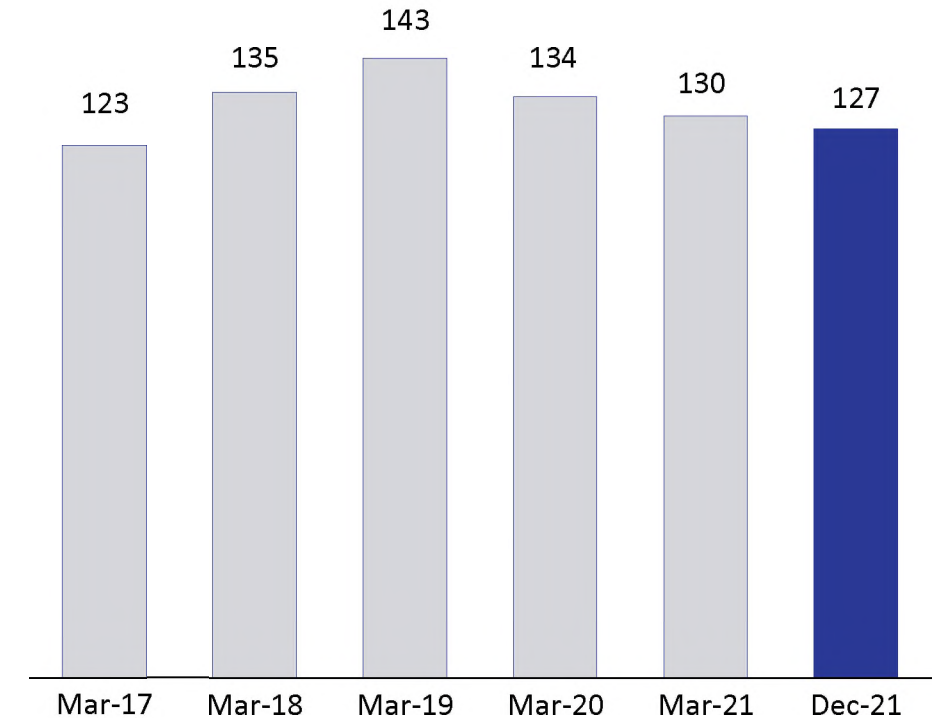


## Surplus Management\* (₹ Mn)

As on Dec-21



## Average tenor of outstanding borrowing (months)



\* Data as per Ind-AS

# Comfortable Liquidity Position

Particulars (₹ Mn)	As on Dec-21
Cash & Cash Equivalents	13,220
Un-availed CC Limits	1,140
Documented & Un-availed Sanctions from NHB	7,500
Documented & Un-availed Sanctions from other Banks	3,570
<b>Total Liquidity Position</b>	<b>25,430</b>

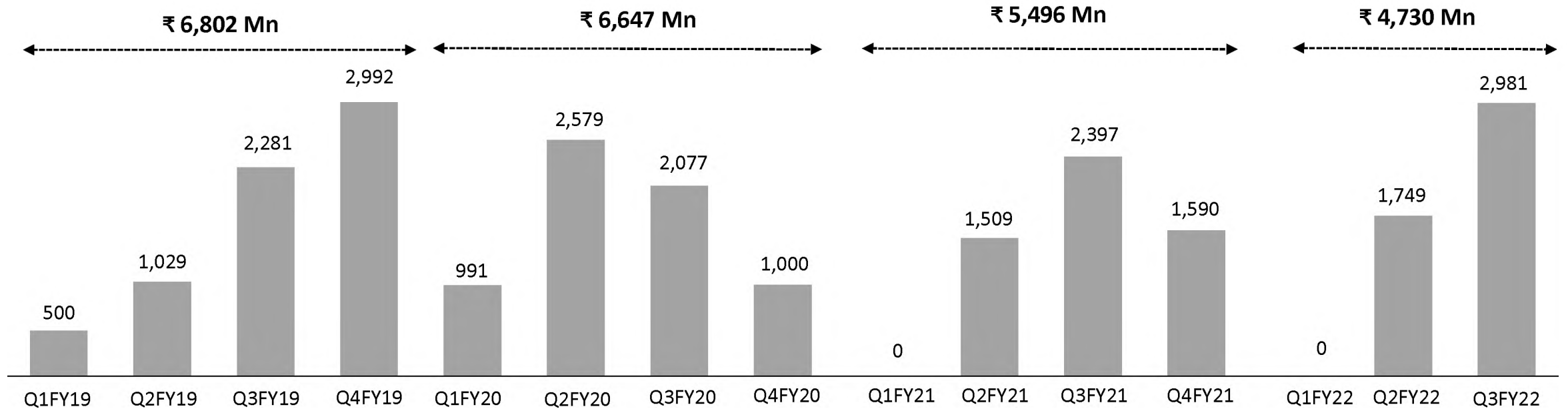
**High Quality  
Liquidity of  
₹ 21,860 Mn**

Particulars (₹ Mn )	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23
<b>Opening Liquidity</b>	<b>25,430</b>	<b>26,707</b>	<b>25,975</b>	<b>27,742</b>
Add: Principal Collections & Surplus from Operations	4,287	4,046	4,398	4,329
Less: Debt Repayments	3,010	4,778	2,631	3,734
<b>Closing Liquidity</b>	<b>26,707</b>	<b>25,975</b>	<b>27,742</b>	<b>28,337</b>

**₹ 28,337 Mn of Surplus Funds\* available for business**

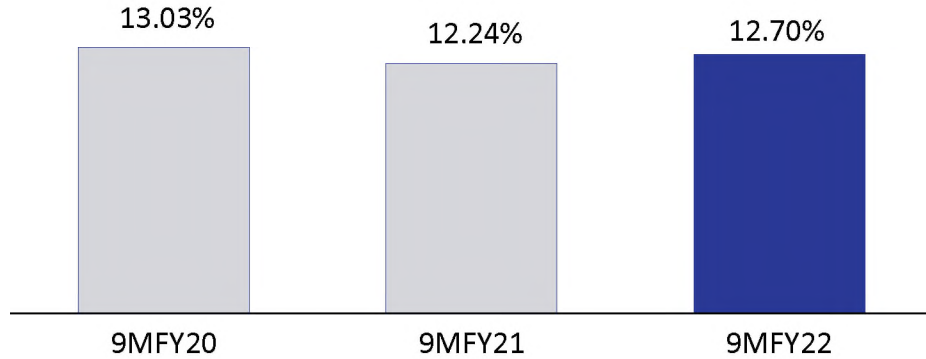
\* without including any incremental sanctions

# Net Securitization Volume

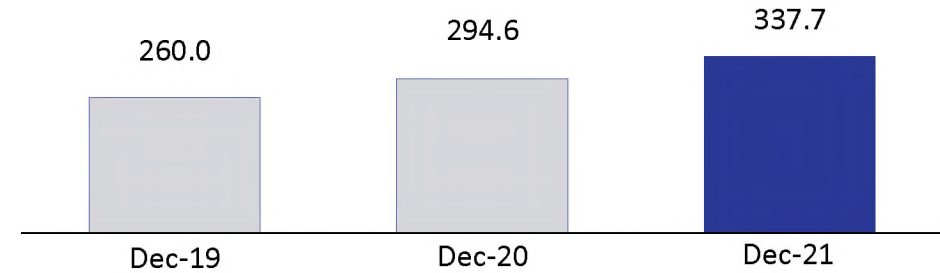


# Key Financial Ratios

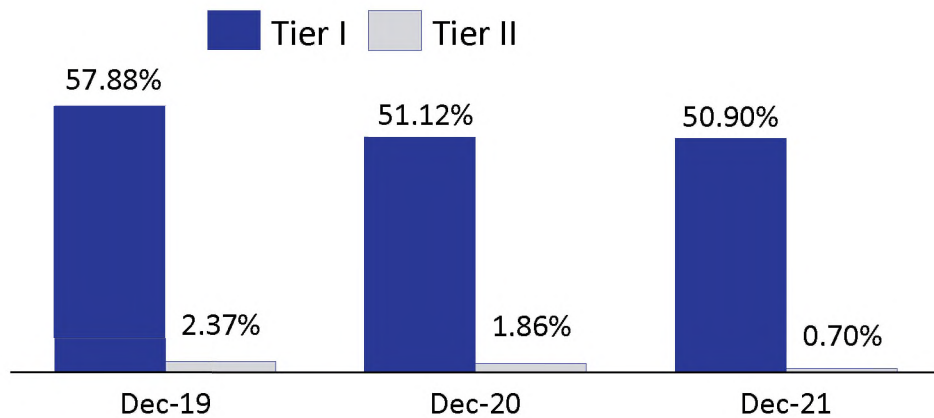
## ROE (%)



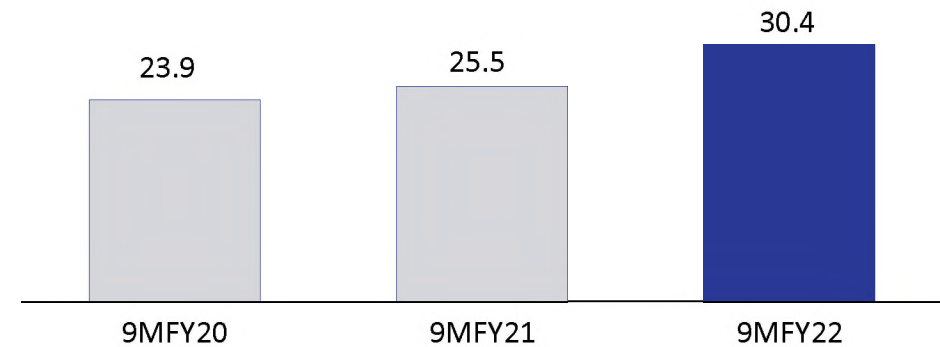
## Book Value Per Share (₹)



## Capital Adequacy Ratio (%)



## Earning Per Share\* (₹)



Data of Capital Adequacy Ratio is as per IGAAP for Dec-19 & Dec-20 and as per Ind-AS for Dec-21  
Data of ROE, Book Value Per Share & Earning Per Share is as per Ind AS

\* Diluted EPS



## Annexures

- ✓ Quarterly and Nine Monthly Profit & Loss Statement
- ✓ Balance Sheet
- ✓ PAT Reconciliation
- ✓ ECL Provisioning
- ✓ Networth Reconciliation

# Quarterly Profit & Loss Statement

Particulars (₹ Mn )	Q3 FY22	Q3 FY21	Y-o-Y	Q2 FY22	Q-o-Q
Interest Income on Loans (incl. Processing Fee)	2,858.3	2,539.2	<b>12.6%</b>	2,826.6	<b>1.1%</b>
Interest Income on Fixed Deposits	180.0	197.3		144.4	
Reversal Income on Earlier Assigned Loans	(208.6)	(159.1)		(183.9)	
Upfronting Income on Fresh Assigned Loans	452.1	405.3		330.9	
Non-Interest Income	146.9	117.7		136.6	
Interest Expense (incl. Finance Charges)	(1,266.8)	(1,190.9)	<b>6.4%</b>	(1,175.9)	<b>7.7%</b>
<b>NIM</b>	<b>2,161.8</b>	<b>1,909.5</b>	<b>13.2%</b>	<b>2,078.7</b>	<b>4.0%</b>
Operating Expenses	893.7	642.8		848.0	
Credit Costs	112.9	161.6		47.5	
<b>Profit Before Tax</b>	<b>1,155.2</b>	<b>1,105.1</b>	<b>4.5%</b>	<b>1,183.3</b>	<b>-2.4%</b>
Provision for Taxation	264.1	248.9		262.0	
<b>Profit After Tax</b>	<b>891.1</b>	<b>856.2</b>	<b>4.1%</b>	<b>921.2</b>	<b>-3.3%</b>
Total Comprehensive Income	891.1	856.2	4.1%	923.4	-3.5%
<b>EPS (Diluted)</b>	<b>11.2</b>	<b>10.8</b>		<b>11.6</b>	

# Nine Monthly Profit & Loss Statement

Particulars (₹ Mn )	9M FY22	9M FY21	Y-o-Y
Interest Income on Loans (incl. Processing Fee)	8,353.0	7,181.9	<b>16.3%</b>
Interest Income on Fixed Deposits	466.5	589.1	
Reversal Income on Earlier Assigned Loans	(572.3)	(476.9)	
Upfronting Income on Fresh Assigned Loans	783.0	589.7	
Non-Interest Income	373.0	256.6	
Interest Expense (incl. Finance Charges)	(3,590.4)	(3,482.6)	<b>3.1%</b>
<b>NIM</b>	<b>5,812.7</b>	<b>4,657.8</b>	<b>24.8%</b>
Operating Expenses	2,394.6	1,772.6	
Credit Costs	330.6	301.8	
<b>Profit Before Tax</b>	<b>3,087.7</b>	<b>2,583.5</b>	<b>19.5%</b>
Provision for Taxation	676.5	564.6	
<b>Profit After Tax</b>	<b>2,411.2</b>	<b>2,018.9</b>	<b>19.4%</b>
Total Comprehensive Income	2,413.4	2,022.5	19.3%
<b>EPS (Diluted)</b>	<b>30.4</b>	<b>25.5</b>	

# Balance Sheet

Particulars (₹ Mn )	31-Dec-21	31-Mar-21
<b>Sources of Funds</b>		
Share Capital	789.3	785.0
Reserves & Surplus	25,866.1	23,229.0
Borrowings	72,291.1	63,454.2
Deferred Tax Liability (Net)	282.1	285.2
Other Liabilities & Provisions	2,366.2	1,847.0
<b>Total</b>	<b>101,594.8</b>	<b>89,600.5</b>
<b>Application of Funds</b>		
Loan Assets	84,774.7	75,232.9
Investments	676.4 *	45.0
Fixed Assets	290.6	289.3
Liquid Assets	12,867.3	11,209.6
Other Assets	2,985.9	2,823.7
<b>Total</b>	<b>101,594.8</b>	<b>89,600.5</b>



# PAT Reconciliation

Particulars (₹ Mn )	9M FY22	9M FY21	Y-o-Y	Q3 FY22	Q3 FY21	Y-o-Y
<b>Net Profit as per IGAAP</b>	<b>2,334.4</b>	<b>1,998.5</b>	<b>16.8%</b>	<b>786.5</b>	<b>728.1</b>	<b>8.0%</b>
<b><u>Add / (Less) : Adjustments as per IndAS on account of:</u></b>						
Adoption of effective interest rate (EIR) for amortisation of Income and expenses - financial assets at amortised cost / net interest on credit impaired loans	(11.5)	(25.5)		7.6	(6.5)	
Fair valuation of employee stock options (ESOP)	(127.6)	(69.1)		(61.1)	(20.2)	
Adoption of effective interest rate (EIR) for amortisation of expenses - financial liabilities at amortised cost	(24.7)	(10.6)		(13.2)	(0.3)	
Net gain from excess interest spread on assignment transactions	210.7	112.8		243.4	246.2	
Expected Credit Loss (ECL) provision	(88.9)	(94.8)		(78.6)	(86.2)	
Other Adjustments	(16.1)	(13.8)		(8.1)	(7.0)	
Deferred Tax impact on above adjustments and reversal of DTL on special reserve	134.8	121.2		14.5	2.1	
<b>Net Profit Before Other Comprehensive Income as per IndAS</b>	<b>2,411.2</b>	<b>2,018.9</b>	<b>19.4%</b>	<b>891.1</b>	<b>856.2</b>	<b>4.1%</b>
Other Comprehensive Income after Tax	2.2	3.6		-	-	
<b>Total Comprehensive Income as per IndAS</b>	<b>2,413.4</b>	<b>2,022.5</b>	<b>19.3%</b>	<b>891.1</b>	<b>856.2</b>	<b>4.1%</b>

# ECL Provisions

Particulars (₹ Mn)	31-Dec-21	30-Sep-21	31-Dec-20
Gross Stage 1	80,721.0	76,921.2	66,795.4
% portfolio in Stage 1	94.34%	92.93%	95.18%
ECL Provision Stage 1	203.7	203.7	172.7
<b>ECL Provision % Stage 1</b>	<b>0.25%</b>	<b>0.26%</b>	<b>0.26%</b>
Gross Stage 2	3,374.0	5,059.2	2,680.0
% portfolio in Stage 2	3.94%	6.11%	3.82%
ECL Provision Stage 2	245.5	290.3	109.4
<b>ECL Provision % Stage 2</b>	<b>7.27%</b>	<b>5.74%</b>	<b>4.08%</b>
Gross Stage 3 a (DPD <= 90) *	762.5	-	-
% portfolio in Stage 3 a	0.89%	-	-
ECL Provision Stage 3 a	166.8	-	-
Gross Stage 3 b (DPD > 90)	710.7	795.1	704.6
% portfolio in Stage 3 b	0.83%	0.96%	1.00%
ECL Provision Stage 3 b	177.5	206.6	200.8
<b>ECL Provision % Stage 3</b>	<b>23.37%</b>	<b>25.98%</b>	<b>28.49%</b>
Gross Stage 1, 2 & 3	85,568.1	82,775.5	70,180.0
ECL Provision Stage 1, 2 & 3	793.4	700.5	482.9
<b>Total ECL Provision %</b>	<b>0.93%</b>	<b>0.85%</b>	<b>0.69%</b>

*During the financial year, resolution plan has been implemented for certain borrower accounts as per RBI's Resolution Framework 2.0 dated 05-May-21. As a matter of prudence, outstanding amount of such accounts of ₹ 1,501.9 Mn has been classified as Stage 2 and a provision of ₹ 204.4 Mn has been created on such accounts as of 31-Dec-21 as per the guidelines.*

*The total provision for COVID-19 impact (including that for Resolution Framework 2.0) stands at ₹ 305.8 Mn as of 31-Dec-21.*

# Networth Reconciliation

Particulars (₹ Mn )	31-Dec-21
<b>Net worth as per previous GAAP</b>	<b>24,904.0</b>
Adjustments increasing/(decreasing) net worth as reported under previous GAAP:	
Adoption of EIR for amortisation of Income and expenses - financial assets at amortised cost / net interest on credit impaired loans	(420.3)
Adoption of EIR for amortisation of expenses - financial liabilities at amortised cost	101.7
Net gain from excess interest spread on assignment transactions	2,032.5
Expected Credit Loss (ECL)	(146.0)
Other Adjustments	(60.5)
Deferred Tax impact on above adjustments and reversal of DTL on special reserve	243.9
<b>Net worth as per Ind AS</b>	<b>26,655.4</b>



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**Thank You !**