

No.CTL/DEB/18-19/Noting Certificate/1678

October 26, 2018

To Whomsoever It May Concern,

**CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION**

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

We, Catalyst Trusteeship Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by **Aavas Financiers Limited (“the Company”)** for the Half year ended September 30, 2018.

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

**For Catalyst Trusteeship Limited**

  
**Authorised Signatory**



*Encl: Results submitted by Company*



Ref. No. AAVAS/SEC/2018-19/222

Date: October 26, 2018

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

**Subject: Outcome of the Board Meeting- SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.**

We wish to inform you that at the meeting of the Board of Directors held today i.e. October 26, 2018, the board has considered and approved the Unaudited Standalone Financial Results of the company for the quarter and Six month ended on September 30, 2018, in terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Further, please find enclosed herewith the following:

- i. A copy of Unaudited Standalone Financial Results of the company for the quarter and Six month ended on September 30, 2018;
- ii. Limited Review Report for the said period issued by S.R. BATLIBOI & ASSOCIATES LLP, Chartered Accountants, the Statutory Auditors of the Company;
- iii. Disclosures Pursuant to Regulation 52(4) of the Listing Regulations;
- iv. Certificate of the Debenture Trustees pursuant to Regulation 52(5) of the Listing Regulations.
- v. Statement Pursuant to Regulation 52(7) of the Listing Regulations;

Please note that the said Board Meeting commenced at 02:30 pm. (IST) and concluded at 06.00 pm. (IST).

Kindly acknowledge the receipt of the same and for public dissemination.

Thanks & Regards,

For AAVAS FINANCIERS LIMITED

   
SHARAD PATHAK  
COMPANY SECRETARY AND COMPLIANCE OFFICER

**Limited Review Report**

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

1. We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of Aavas Financiers Limited (the 'Company') for the quarter and six months ended September 30, 2018 (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 (the 'Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, ('Ind AS') 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulations, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S.R. Batliboi & Associates LLP**  
ICAI Firm Registration Number: 101049W/E300004  
Chartered Accountants

*Sarvesh Warty.*

**per Sarvesh Warty**  
Partner  
Membership No. 121411  
Mumbai  
October 26, 2018

AAVAS FINANCIERS LIMITED  
(Formerly known as "Au HOUSING FINANCE UNIFIED")  
(CIN: L65922RJ2013PLC034297)

Statement of Standalone unaudited financial results for the Quarter and Half year ended September 30, 2018

Particulars	Quarter ended			Half year ended	
	30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>I Revenue from operations</b>					
Interest income	13,814.30	13,229.85	9,401.73	27,044.15	17,894.37
Fees and commission income	521.32	471.74	431.14	993.06	742.96
Net gain on derecognition of financial instruments under amortised cost category	1,481.36	899.08	2,447.55	2,380.44	2,447.55
Other operating income	544.80	82.74	523.31	627.54	996.33
<b>Total revenue from operations</b>	<b>16,361.78</b>	<b>14,683.41</b>	<b>12,803.73</b>	<b>31,045.19</b>	<b>22,081.21</b>
<b>II Other income</b>	<b>32.75</b>	<b>27.19</b>	<b>1.26</b>	<b>59.94</b>	<b>1.31</b>
<b>III Total income (I+II)</b>	<b>16,394.53</b>	<b>14,710.60</b>	<b>12,804.99</b>	<b>31,105.13</b>	<b>22,082.52</b>
<b>IV Expenses:</b>					
Finance Costs	6,217.86	5,814.17	4,796.33	12,032.03	9,015.61
Fees and commission expense	115.25	48.33	112.53	163.58	227.31
Impairment on financial instruments	93.11	245.33	(115.71)	338.44	198.95
Employee Benefits Expense	2,593.66	2,840.59	2,204.01	5,434.25	4,051.49
Depreciation, amortization and impairment	243.72	168.26	114.44	411.98	199.90
Other expenses	1,449.32	1,322.70	943.71	2,772.02	1,631.89
<b>Total expenses (IV)</b>	<b>10,712.92</b>	<b>10,439.38</b>	<b>8,005.31</b>	<b>21,152.30</b>	<b>15,325.15</b>
<b>V Profit before tax (III-IV)</b>	<b>5,681.61</b>	<b>4,271.22</b>	<b>4,799.68</b>	<b>9,952.83</b>	<b>6,757.37</b>
<b>VI Tax Expense:</b>					
(1) Current Tax	62.03	1,377.35	973.60	1,439.38	1,864.66
(2) Deferred Tax expense/(credit)	2,091.14	(112.71)	539.10	1,978.43	167.62
<b>Total Tax expense (VI)</b>	<b>2,153.17</b>	<b>1,264.64</b>	<b>1,512.70</b>	<b>3,417.81</b>	<b>2,032.28</b>
<b>VII Profit (or the period) (V-VI)</b>	<b>3,528.44</b>	<b>3,006.58</b>	<b>3,286.98</b>	<b>6,535.02</b>	<b>4,725.09</b>
<b>Other Comprehensive Income</b>					
a) Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit liability	-	24.82	2.71	24.82	5.41
Income Tax Effect	-	(8.67)	(0.94)	(8.67)	(1.87)
<b>VIII Other Comprehensive Income, net of income tax</b>	<b>-</b>	<b>16.15</b>	<b>1.77</b>	<b>16.15</b>	<b>3.54</b>
<b>IX Total Comprehensive Income for the period (VII+VIII)</b>	<b>3,528.44</b>	<b>3,022.73</b>	<b>3,288.66</b>	<b>6,551.17</b>	<b>4,728.63</b>
<b>X Earnings per equity share (not annualised)</b>					
Basic (Amount in Rs.)	4.91	4.32	5.64	9.24	8.11
Diluted (Amount in Rs.)	4.81	4.20	5.64	8.99	8.11
Face value per share (Amount in Rs.)	10.00	10.00	10.00	10.00	10.00

**Notes to the Financial Results:**

- AAVAS FINANCIERS LIMITED (the 'Company') has adopted Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 from April 01, 2018 and the effective date of such transition is April 01, 2017. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by National Housing Bank ("NHB") (collectively referred to as 'the Previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at April 01, 2017 and the corresponding figures presented in these results have been restated/reclassified.  
  
There is a possibility that these financial results for the current and previous periods may require adjustments due to changes in financial reporting requirements arising from new standards, modification to the existing standards, guidelines issued by Ministry of Corporate Affairs and NHB or changes in the use of one or more optional assumptions from full retrospective application of certain Ind AS permitted under Ind AS 101.
- As required by paragraph 32 of Ind AS 101, net profit reconciliation between the figures under Previous GAAP and Ind AS is as under:-

Particulars	(Rupees in Lakhs)	
	Quarter ended	Half Year ended
	30.09.2017	30.09.2017
	(Unaudited)	(Unaudited)
<b>Net profit after tax as per Previous GAAP</b>	<b>2,265.73</b>	<b>4,108.05</b>
<b>Adjustments increasing/decreasing net worth as reported under Previous GAAP:</b>		
Adoption of effective interest rate (EIR) for amortisation of Income and expenses - financial assets at amortised cost / net interest on credit impaired loans	(254.62)	(185.21)
Adoption of effective interest rate (EIR) for amortisation of expenses - financial liabilities at amortised cost	84.68	39.66
Incremental gain from excess interest spread on assignment transactions	2,048.25	1,606.14
Expected Credit Loss (ECL)	(16.77)	59.60
Fair Valuation of Employee Stock Options	(476.25)	(951.66)
Other Adjustments	9.52	(35.14)
Deferred Tax impact of above Ind AS Adjustments and reversal of Deferred Tax liability on special reserve u/s 29C of NHB Act, 1987	(373.85)	81.65
<b>Net Profit after tax under Ind AS</b>	<b>3,288.69</b>	<b>4,725.09</b>
<b>Other comprehensive Income/loss (net of tax)</b>	<b>1.77</b>	<b>3.54</b>
<b>Total comprehensive Income/loss (net of tax)</b>	<b>3,288.66</b>	<b>4,728.63</b>



*Surendra K. J.*



AAVAS FINANCIERS LIMITED  
(Formerly known as "AU HOUSING FINANCE LIMITED")  
(CIN: 165922RJ2011PLC034297)  
Statement of Standalone unaudited financial results for the Quarter and Half year ended September 30, 2018

Particulars	(Rupees in Lakhs)	
	As at	
	30.09.2018	
	(Unaudited)	
<b>ASSETS</b>		
Financial assets		
Cash and cash equivalents	23,128.41	
Other bank balance	9,173.71	
Derivative financial instruments	255.71	
Loans	396,933.26	
Investments	5,468.12	
Other financial assets	11,730.33	
Non-financial assets		
Current tax assets (net)	1,356.93	
Property, plant and equipment	1,846.23	
Intangible assets under development	14.55	
Other intangible assets	379.38	
Other non-financial assets	2,960.30	
<b>TOTAL ASSETS</b>	<b>453,286.93</b>	
<b>LIABILITIES AND EQUITY</b>		
LIABILITIES		
Financial liabilities		
Payables	781.63	
Debt Securities	40,886.10	
Borrowings (other than Debt Securities)	253,677.46	
Subordinated liabilities	10,710.10	
Other financial liabilities	5,949.33	
Non-financial liabilities		
Provisions		
Deferred tax liabilities (net)	441.10	
Other non-financial liabilities	3,113.66	
Equity		
Equity Share capital	7,372.30	
Other Equity	130,046.64	
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>453,286.93</b>	

- 4 The Company has availed the exemption provided by Securities and Exchange Board of India (SEBI) vide circular No. CIR/CFD/FAI/62/2016 in respect of disclosure requirements pertaining to disclosure of financial results and Statement of Assets and Liabilities for the year ended and as at March 31, 2018. Accordingly, the financial results and Statement of Assets and Liabilities for the year ended and as at March 31, 2018 are not disclosed.
- 5 The Company has received proceeds of Rs. 36,000 lakhs by way of fresh issue in the Initial Public Offer ("IPO") of equity shares on October 04, 2018 through issue and allotment of 43,84,897 equity shares of Rs 10 each at a premium of Rs 811 per equity share.
- 6 The Company during the half year ended September 30, 2018 has allotted 29,72,113 equity shares of Rs 10 each, fully paid up on exercise of stock options by eligible employees under various Employees Stock Options Plan(s).
- 7 The Company is engaged primarily in the business of housing finance and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segments.
- 8 The Company has opted to publish Unaudited Standalone Financial Results, pursuant to option made available as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The standalone financial results are available on the website of the Company i.e. [www.aavas.in](http://www.aavas.in) and on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)).
- 9 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 26, 2018 and subjected to limited review by the statutory auditors of the Company.
- 10 Figures for the previous period have been regrouped and / or reclassified wherever considered necessary.

Place: Mumbai  
Date: October 26, 2018



For and on behalf of the Board of Directors  
AAVAS FINANCIERS LIMITED  
(Formerly known as "AU HOUSING FINANCE LIMITED")

*Sushil Kumar Agarwal*  
Sushil Kumar Agarwal  
(Whole Time Director and CEO)



**Disclosures in accordance with Regulation 52 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Half year ended on September 30, 2018**

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

Rating Agency	Term	Credit Ratings (March 31, 2018)	Credit Ratings (September 30, 2018)
ICRA	Long Term	ICRA A+/Stable	ICRA A+/Positive*
	Short Term	ICRA A1+	ICRA A1+
India Ratings	Long Term	IND A+ / (Stable)	IND A+ / (Stable)
CARE	Long Term	CARE A+ /Positive	CARE A+ /Positive
	Short Term	CARE A1+	CARE A1+
CRISIL	Long Term	CRISIL A / (Stable)	CRISIL A / (Stable)

Note:-

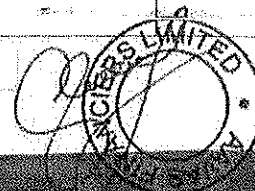
\*During the Period under Review ICRA has upgraded Company's Long term rating to "ICRA A+/Positive" from "ICRA A+/Stable".

**(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:** 02.35 Times

**(d) Details of previous due dates falling during the half year ended on September 30, 2018 for payment of interest/Repayment of principle of Non-Convertible Debt securities:**

Security Description	ISIN	Previous Due dates April 01, 2018 to September 30, 2018		Payment Status
		Interest	Principal	
8.43% Secured Non-Convertible Debentures	INE216P07134	18.05.2018	-	Paid on due date
10.70% Secured Non-Convertible Debentures	INE216P07076	-	20.06.2018	
10.70% Secured Non-Convertible Debentures	INE216P07084	16.07.2018	-	
10.70% Secured Non-Convertible Debentures	INE216P07092	31.07.2018	-	



**(e) Details of Next due dates falling during the half year ended on March 31, 2019 for payment of interest/Repayment of principle of Non-Convertible Debt securities:**

Security Description	ISIN	Next due dates from October 01, 2018 to March 31, 2019	
		Interest	Principal
09.00% Secured Non-Convertible Debentures	INE216P07142	10.10.2018	-
08.90% Secured Non-Convertible Debentures	INE216P07159	17.10.2018	-
8.43% Secured Non-Convertible Debentures	INE216P07134	19.11.2018	-
09.30% Secured Non-Convertible Debentures	INE216P07126*	20.12.2018	-
09.74% Unsecured Non-Convertible Debentures	INE216P08017	22.12.2018	-
10.70% Secured Non-Convertible Debentures	INE216P07084	-	27.12.2018
10.70% Secured Non-Convertible Debentures	INE216P07092	-	31.12.2018
10.30% Secured Non-Convertible Debentures	INE216P07100	20.03.2019	-

**Note:**

\*INE216P07126- coupon rate has changed from 9.00% P.a. (SBI 1 year MCLR i.e. 7.95% + 1.05%) to 9.30% P.a. (SBI 1 Year MCLR i.e. 8.25% + 1.05%) as a result of change in SBI 1 year MCLR (Floating rate reference rate) from 7.95% as on December 13, 2017 (Last Reset Reference Date) to 8.25% as on June 13, 2018 (Current reset Reference Date). Hence coupon will be 9.30% effective from 20th June 2018 to 19th December 2018.

**(f) Debt service coverage ratio:- 0.71 Times**

**(g) Interest service coverage ratio:- 01.86 Times**

**(h) Debenture Redemption Reserve:-** HFC's Registered with the NHB are not required to Create DRR 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 September 30, 2018 is Rs. 137,418.94 Lacs.

**(j) Net Profit after Tax:** the Net Profit after tax for the half year ended on September 30, 2018 is Rs. 6,551.17 Lacs.

**(k) Earnings per Share:** the basic and diluted EPS for the half year ended on September 30, 2018 is Rs. 09.24 and 08.99 respectively.

Thanks & Regards

FOR AAVAS FINANCIERS LIMITED

SHARAD PATHAK  
COMPANY SECRETARY AND COMPLIANCE OFFICER



**Statement under Regulation 52(7) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.**

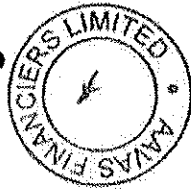
We wish to inform that the proceeds raised from the issue of Non-Convertible Debentures (NCDs) during the half year ended September 30, 2018 have been utilized for the purpose as mentioned in the offer Document / Disclosure Document and there are no material deviations in the utilization of such proceeds.

We request you to take the above information on your records.

Thanks & Regards

FOR AAVAS FINANCIERS LIMITED

  
SHARAD PATHAK  
COMPANY SECRETARY AND COMPLIANCE OFFICER



**AAVAS FINANCIERS LIMITED**

(Formerly known as "AA HOUSING FINANCE LIMITED")

An ISO 9001:2015 Certified Company

CIN NO.: L65922RJ2011PLC034297

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