

Ref. No. AFSL/SECL/2024-25/023

April 30, 2024

The Manager
Listing Department
BSE Limited, P.J. Towers,
Dalal Street, Mumbai – 400 001

Dear Sir/Madam,

Sub: Outcome of the Board Meeting of Avanse Financial Services Limited held on April 30, 2024

Pursuant to the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) read with the SEBI’s Operational Circular for listing obligations and disclosure requirements for Non-Convertible Securities, Securitized Debt instruments and / or Commercial papers, as updated from time to time, we wish to inform that the Board of Directors (“**the Board**”) at their meeting held today i.e. Tuesday, April 30, 2024 has, *inter-alia* considered and approved;

- i. Audited standalone and consolidated financial results of the Company for the quarter and year ended March 31, 2024 in terms of Regulation 52 of the Listing Regulations; and
- ii. Subject to requisite and applicable approvals, including approval by the Shareholders of the Company at a duly convened general meeting;
 - a) Issue of Non-Convertible Debentures (“NCDs”) up to Rs. 5,000 crore through Private Placement and / or through public issue and authorized the Borrowing Committee of the Company to offer, issue and allot such NCDs in one or more tranches / issuances / series; and
 - b) Primary issue of Equity shares of the Company for an amount upto Rs. 1,200 crore through an initial public offering pursuant to the applicable laws.

Further, please find enclosed herewith the following:

- i. The audited standalone and consolidated financial results of the Company for the quarter and financial year ended March 31, 2024 along with the audit reports thereon;
- ii. Disclosure of ratios and prescribed line items pursuant to Regulation 52(4) of the Listing Regulations;
- iii. Declaration pursuant to proviso to Regulation 52(3)(a) of the Listing Regulations confirming receipt of unmodified opinion from the Statutory Auditors in **Annexure A**; and
- iv. Disclosure as to the extent and nature of security created and maintained by the Company, with respect to its secured listed non-convertible debt securities, as a part of notes to the aforesaid standalone financial results pursuant to Regulation 54(2) of the Listing Regulations; and
- v. Disclosures of security cover pursuant to Regulation 54(3) of the Listing Regulations in **Annexure B**.

The said audited financial results have also been uploaded on the website of the Company i.e. www.avanse.com. The financial results will also be published in a newspaper, in the format prescribed by the SEBI within the prescribed time limit.



Avanse Financial Services Ltd.
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ASPIRE WITHOUT BOUNDARIES

The Board Meeting commenced at 6:00 PM and concluded at 11:15 PM.

We request you to take the above on record.

Thanking you.

Yours faithfully,

For Avanse Financial Services Limited

Rajesh Gandhi
Company Secretary
ICSI Membership No.: A-19086

Encl.: as above

S.R. BATLIBOI & CO. LLP

Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel: +91 22 6819 8000

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

To
The Board of Directors of
Avanse Financial Services Limited

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of Avanse Financial Services Limited (the "Company") for the quarter and year ended March 31, 2024 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 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 and year ended March 31, 2024.

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 standalone 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.

Management's and Board of Directors' Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone 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 52 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.

The Board of Directors is 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 standalone 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 standalone 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.

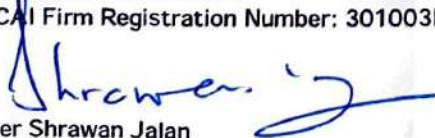
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

Other Matter

The Statement includes the results for the quarter ended March 31, 2024 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2024 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 & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005


per Shrawan Jalan
Partner

Membership No.: 102102
UDIN: 24102102BKBZYG5159
Place: Mumbai
Date: April 30, 2024

Avanse Financial Services Limited
CIN : U67120MH1992PLC068060

Regd office : Times Square Building, E Wing, 4th Floor, Opp. Mithal Industrial Estate, Gamdevi, Andheri-Kurla Road, Marol, Andheri (East), Mumbai 400 059, Maharashtra
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STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		Audited	Reviewed	Audited	Audited	Audited
1	Revenue from operations					
(a)	Interest income	40,565.69	38,685.98	27,580.42	1,44,293.04	89,308.08
(b)	Fee and commission income	4,254.36	4,008.52	2,108.52	18,429.66	6,693.74
(c)	Net gain on fair value changes	231.03	467.04	137.55	1,324.94	660.32
(d)	Net gain on derecognition of financial instrument on amortised cost basis	3,959.66	1,502.68	862.43	8,568.63	2,297.41
	Total revenue from operations	49,010.74	44,664.22	30,688.92	1,72,616.27	98,959.55
	Other income	114.19	43.84	24.95	210.34	63.21
	Total income	49,124.93	44,708.06	30,713.87	1,72,826.61	99,022.76
2	Expenses					
(a)	Finance costs	24,902.29	24,043.98	16,170.46	87,563.79	53,984.27
(b)	Impairment on financial instruments	2,696.99	1,240.81	1,499.85	7,959.22	4,658.91
(c)	Employee benefits expense	4,653.44	3,134.56	2,898.27	14,046.71	9,482.16
(d)	Depreciation and amortisation	755.27	464.83	369.56	2,048.18	1,330.08
(e)	Other expenses	3,832.77	3,668.53	2,966.31	15,246.20	8,433.49
	Total expenses	36,840.76	32,552.71	23,904.45	1,26,864.10	77,888.91
3	Profit before tax (1-2)	12,284.17	12,155.35	6,809.42	45,962.51	21,133.85
4	Tax expense					
(a)	Current tax	1,127.32	3,257.59	1,824.70	9,973.66	5,727.94
(b)	Deferred tax	2,058.92	(121.93)	(117.26)	1,731.88	(367.53)
	Total tax expenses	3,186.24	3,135.66	1,707.44	11,705.54	5,360.41
5	Net profit after tax for the period/year (3-4)	9,097.93	9,019.69	5,101.98	34,256.97	15,773.44
6	Other comprehensive income					
(A)	Items that will not be reclassified to profit or loss					
(i)	Remeasurement (loss) / gain on post retirement benefit plans	31.89	(14.15)	(20.15)	(18.02)	23.77
(ii)	Income tax on above	(8.03)	3.56	5.07	4.54	(5.98)
	Subtotal (A)	23.86	(10.59)	(15.08)	(13.48)	17.79
(B)	Items that will be reclassified to profit or loss					
(i)	Change in cash flow hedge reserve	202.71	(1,507.87)	(168.99)	(1,326.23)	284.12
(ii)	Income tax on above	(51.02)	379.50	42.53	333.78	(71.51)
	Subtotal (B)	151.69	(1,128.37)	(126.46)	(992.45)	212.61
	Total other comprehensive income (A+B)	175.55	(1,138.96)	(141.54)	(1,005.93)	230.40
7	Total comprehensive Income (5+6)	9,273.48	7,880.73	4,960.44	33,251.04	16,003.84
8	Earnings per equity share (not annualised for the quarters)					
(a)	Basic EPS (in Rs.) (refer note12)	4.20	4.04	2.51	15.41	9.03
(b)	Diluted EPS (in Rs.) (refer note12)	4.09	3.95	2.45	15.05	8.85
(c)	Face value per share (in Rs.) (refer note12)	5.00	5.00	5.00	5.00	5.00
9	Disclosures under Regulation 52(4)					
1.	Debt Equity ratio	2.76	3.79	3.17	2.76	3.17
2.	Outstanding redeemable preference shares (quantity and value)	-	-	-	-	-
3.	Capital redemption reserve	-	-	-	-	-
4.	Debenture redemption reserve	-	-	-	-	-
5.	Net worth*	3,64,451.76	2,54,808.82	2,11,625.73	3,64,451.76	2,11,625.73
6.	Total debt to total assets (%)	70.66%	76.83%	69.92%	70.66%	73.29%
7.	Net profit margin (%)**	18.56%	20.19%	16.62%	19.85%	15.94%
8.	Sector specific equivalent ratios					
(a)	Gross Stage 3 (%)	0.43%	0.59%	0.56%	0.43%	0.56%
(b)	Net Stage 3 (%)	0.13%	0.15%	0.17%	0.13%	0.17%

* Networth is equal to paid up equity share capital plus other equity less deferred tax assets less intangible assets

** Net profit margin is net profit after tax divided by revenue from operations

Note: Debt service coverage ratio, Interest service coverage ratio, Current ratio, Long term debt to working capital ratio, Bad debts to account receivable ratio, Current liability ratio, Debtors turnover, Inventory turnover and Operating margin (%) are not applicable.

The Company is not required to create debenture redemption reserve in terms of the Companies (Share Capital and Debenture) Rules, 2014 read with the Companies (Share Capital and Debenture) Amendments Rules, 2019.



Notes :

1. Standalone Statement of Assets and Liabilities as on March 31, 2024

(Rs. in Lakhs)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
		Audited	Audited
	ASSETS		
(1)	Financial assets		
(a)	Cash and cash equivalents	1,27,579.33	78,706.59
(b)	Bank balance other than (b) above	22,960.74	34,281.88
(c)	Derivative financial instruments	33.21	1,472.06
(d)	Trade receivables	919.38	832.98
(e)	Loans	12,39,664.91	8,37,122.42
(f)	Investments	26,988.35	6,442.69
(g)	Other financial assets	1,560.55	5,976.52
		14,19,706.47	9,64,835.14
(2)	Non-financial assets		
(a)	Current tax assets (net)	1,873.87	1,952.84
(b)	Deferred tax assets (net)	936.01	2,250.23
(c)	Property, plant and equipment	2,330.10	1,308.99
(d)	Capital work-in-progress	886.70	-
(e)	Right of use assets	4,401.59	348.58
(f)	Intangible assets under development	1,128.94	464.12
(g)	Other intangible assets	1,138.70	634.48
(h)	Other non-financial assets	1,964.85	1,203.11
		14,660.76	8,162.35
	Total assets	14,34,367.23	9,72,997.49
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	Financial liabilities		
(a)	Derivative financial instruments	1,163.90	-
(b)	Trade payables		
(i)	total outstanding dues of micro and small enterprises	8.50	77.71
(ii)	total outstanding dues of creditors other than micro and small enterprises	7,502.17	5,396.02
(c)	Debt securities	3,05,343.64	2,82,387.50
(d)	Borrowings (other than debt securities)	7,03,133.72	4,30,917.78
(e)	Subordinated liabilities	5,047.52	7,707.35
(f)	Other financial liabilities	42,501.75	30,538.23
	Total financial liabilities	10,64,701.20	7,57,024.59
(2)	Non-financial liabilities		
(a)	Current tax liabilities (net)	-	-
(b)	Provisions	302.47	136.69
(c)	Other non-financial liabilities	1,708.16	861.65
	Total non-financial liabilities	2,010.63	998.34
(3)	EQUITY		
(a)	Equity share capital	12,591.16	10,663.80
(b)	Other equity	3,55,064.24	2,04,310.76
	Total equity	3,67,655.40	2,14,974.56
	Total liabilities and equity	14,34,367.23	9,72,997.49



AVANSE FINANCIAL SERVICES LIMITED

2. STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

(Rs. in Lakhs)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A	Cash flow from operating activities		
	Profit before tax	45,962.51	21,133.86
	Adjustment for:		
	Interest income on loans	(1,38,642.99)	(86,417.47)
	Depreciation and amortisation expenses	2,048.18	1,330.08
	Net gain on fair value changes	(1,324.94)	(660.32)
	Interest expense on borrowings	86,953.08	48,264.70
	Interest on fixed deposits	(4,429.85)	(3,536.04)
	Interest Income from Treasury bills	(1,220.20)	(223.61)
	Impairment of financial instruments	3,321.10	1,838.08
	Bad debts written off	4,638.11	2,820.83
	Employee share based payment expenses	747.90	490.24
	Finance cost in lease liability	80.88	57.20
	(Profit) / Loss on sale of property, plant and equipments	(0.17)	(10.41)
	Operating loss before working capital changes	(1,866.39)	(14,912.86)
	Operational cash flows from interest		
	Interest received on loans	56,991.08	53,411.79
	Interest paid on borrowings	(80,244.17)	(41,846.94)
	Working capital changes		
	Adjustment for:		
	(Increase) / Decrease in loans	(3,28,849.79)	(3,37,401.50)
	(Increase) / Decrease in other non-financial assets	(761.74)	291.84
	Decrease / (Increase) in financial assets	4,415.97	(5,637.08)
	(Increase) / Decrease in trade receivables	(86.40)	(563.79)
	Increase / (Decrease) in financial liabilities	7,748.57	(17,526.31)
	Increase / (Decrease) in trade payables	2,036.94	2,057.17
	Increase / (Decrease) in non financial liabilities	846.51	301.40
	Increase / (Decrease) in Provisions	147.76	85.84
	Cash (used in) operations	(3,39,621.66)	(3,61,740.44)
	Direct taxes paid (net)	(9,815.36)	(7,642.33)
	Net cash (used in) operating activities	(3,49,437.02)	(3,69,382.77)
B	Cash flow from investing activities		
	Investments in mutual fund units at FVTPL	(9,57,952.10)	(4,13,485.53)
	Sale of mutual fund units at FVTPL	9,59,277.05	4,14,145.85
	Investments in Treasury Bills at amortised cost	(1,42,152.66)	(13,744.57)
	Redemption of Treasury Bills	1,25,500.00	8,800.00
	Investments in Subsidiary	(2,672.79)	(1.00)
	Interest received on fixed deposits	4,438.24	3,536.04
	Purchase of property, plant & equipment and intangible assets	(4,591.58)	(1,976.81)
	Sale of property, plant & equipment	5.72	73.55
	Fixed deposit not considered as cash and cash equivalents (net)	11,312.75	(31,587.30)
	Net cash (used in) / generated from investment activities	(6,835.37)	(34,239.77)
C	Cash flow from financing activities		
	Proceeds from issue of equity share (including securities premium) (Net)	1,18,917.78	97,514.05
	Debt securities & subordinated liabilities issued	1,18,000.00	2,27,600.00
	Debt securities & subordinated liabilities repaid	(1,07,000.00)	(65,500.00)
	Borrowings (other than debt securities) taken	4,18,498.79	2,16,903.89
	Borrowings (other than debt securities) repaid	(1,44,282.88)	(54,881.13)
	Proceeds from short-term borrowings (net)	1,628.72	(2,000.00)
	Payment towards lease liability	(617.27)	(356.27)
	Net cash generated from financing activities	4,05,145.14	4,19,280.54
	Net Increase in Cash and cash equivalents	48,872.74	15,658.01
	Cash and cash equivalents at the beginning of the year	78,706.59	63,048.58
	Cash and cash equivalents at the end of the year	1,27,579.33	78,706.59
	Cash and cash equivalents at the end of the year comprises of:		
	Cash in hand	2.38	1.01
	Balance with banks		
	- In Current accounts	34,060.10	12,387.80
	- In fixed deposit with original maturity of less than 3 months	93,511.61	66,317.78
	Notes on hand	5.23	-
	Total	1,27,579.33	78,706.59



Notes:

(Rs. in Lakhs)

- 3 The Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI) registered with the Reserve Bank of India (RBI) classified as an Investment and Credit Company (NBFC-ICC).
- 4 The above standalone financial results for the quarter and year ended 31 March 2024 have been audited by the Statutory Auditors of the Company, have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company on April 30, 2024 at their respective meetings.
- 5 The standalone financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended. Accordingly, these standalone financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act 2013 ('the Act'), and other recognized accounting practices generally accepted in India, in compliance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to circular SEBI/HO/DDHS/DDHS_Div/P/CIR/2022/000000103 dated 29 July 2022. The standalone financial statements used to prepare the standalone financial results, are based on the notified Schedule III Division III of the Act, as amended from time to time, for Non-Banking Financial Companies that are required to comply with Ind AS.
- 6 The Company is primarily engaged in the business of financing and accordingly, there are no separate reportable segments as per Ind AS 108 dealing with operating segment.
- 7 The secured, listed, non convertible debentures of the Company are secured by way of first pari passu charge on loan receivables of the Company with an asset cover to the extent of minimum security coverage required under Debenture Trust Deed of 1.02 times of the principal outstanding and interest accrued thereon as on March 31, 2024.
- 8 Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021.

(a) Details of transfer through assignment (including co-lending) in respect of loans not in default during the year ended March 31, 2024

Particulars	Transferred
Count or Loan accounts	2,977
Amount of Loan transferred through assignment / co-lending (Rs in Lakh)	76,417.51
Aggregate consideration received (Rs in Lakh)	76,417.51
Retention of beneficial economic interest (MRR)	18.58%
Weighted Average Maturity (Residual Maturity) (in months)	110
Weighted Average Holding Period (in months)	18
Coverage of tangible security	100.00%
Rating-wise distribution of rated loans	Unrated

*The tangible security cover is only on the secured pool assigned.

(b) Details of loans not in default acquired through assignment during

Particulars	Acquired
Count or Loan accounts	2,440
Amount of Loan account (Rs in Lakh)	13,693.82
Weighted Average Maturity (Residual Maturity) (in months)	108
Weighted Average Holding Period (in months)	1
Coverage of tangible security*	100.00%
Rating-wise distribution of rated loans	Unrated

*The tangible security cover is only on the secured pool assigned. Unsecured pool excluded while calculating tangible security cover.

(c) The Company has not acquired or sold any stressed loans during the year ended March 31, 2024.

- 9 The Company had faced a malware incident from October 16, 2023 to October 18, 2023. Upon identifying the incident, the Company engaged an expert firm for incident response management and to further investigate the incident. The Company with the help of such expert took necessary steps towards recovery and remediation of its systems. There are no non-compliance or material impact on financial results on account of the incident.
- 10 During the year ended March 31, 2024, the Nomination, Remuneration and Compensation Committee of Directors of the Company, had approved the grant of 5,89,109 stock options representing 5,89,109 equity shares of Rs 10 each of the Company to eligible employees.
- 11 On 22 June 2023, the Board of Directors of the Company had approved issue of 4,73,233 equity shares of face value of Rs. 10 each at applicable grant prices to the eligible employees under Employee Stock Option Scheme.
- 12 The Company had entered into Share Subscription Agreement (SSA) with Kedaara Capital Growth Fund III LLP ("Kedaara") on December 28, 2022 for preferential allotment of equity shares and as per the SSA the first tranche of allotment of shares was completed on January 19, 2023 and second tranche of allotment of shares was completed on May 24, 2023.
- 13 The Company had entered into Share Subscription Agreement (SSA) with Alpha Investment Company LLC dated March 06, 2024 and Subscription Letter (SA) with Avendus Future Leaders Fund II dated March 06, 2024 for preferential allotment of equity shares and the allotment of shares was completed on March 22, 2024.
- 14 Subsequent to March 31, 2024, the Board of Directors of the Company in its meeting held on April 4, 2024 and shareholders in the Extraordinary General Meeting held on April 26, 2024 approved the sub-division of equity shares from Rs. 10 per share to Rs. 5 per share. Accordingly, the earnings per share for the earlier periods have been recalculated based on revised number of shares.
- 15 The Parliament has approved the Code on Social Security, 2020 ('Code') which may impact the contribution by the Company towards provident fund and gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed. The Company will complete its evaluation and will give appropriate impact, if any, in the financial results following the Code becoming effective and the related rules being framed and notified. The Company has taken professional opinion in this regard and will ensure that it makes adequate provisions to remain compliant with all requirements.

For Avanse Financial Services Limited



Amit Ganda
Managing Director & CEO
DIN - 09494847

Place : Mumbai
Date : April 30, 2024



Note 16:
Information as required by Reserve Bank of India Circular on Resolution Framework for COVID-19 related Stress dated 6 August 2020 and Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses dated 5 May 2021 as at March 31, 2023 is given below:

Details of resolution plan implemented under the Resolution Framework for COVID-19 related Stress as per RBI circular dated 6 August 2020 are given below.

As at 31 March 2024

Format B

(Rs in Lakhs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at end of the previous half-year 30 September 2023 (A)	Of (A) aggregate debt the slipped into NPA during the half-year ended 31 March 2024	Of (A) amount written off during the half year ended 31 March 2024	Of (A) amount paid by the borrowers during the half year ended 31 March 2024	Exposure to accounts classified as Standard consequent to implementation of resolution plan - position as at the end of this half year ended 31 March 2024
Personal loans	3,842.29	92.79	3.45	381.29	3,364.76
Corporate persons*	7,670.87	918.40	93.66	1,614.86	5,043.94
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	11,513.16	1,011.19	97.11	1,996.15	8,408.71

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

15. The figures for the previous period/year have been regrouped / reclassified wherever necessary to conform to the current period's/year's presentation. The figures for the quarter ended March 31, 2024 and March 31, 2023 are the balancing figures between audited figures in respect of the year ended March 31, 2024 and March 31, 2023 and the reviewed figures for the nine months ended December 31, 2023 and December 30, 2022 respectively.

For Avanse Financial Services Limited



Amit Ganda
 Managing Director & CEO
 DIN - 09494847

Place : Mumbai
 Date : April 30, 2024



S.R. BATLIBOI & Co. LLP

Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel: +91 22 6819 8000

Independent Auditor's Report on the Annual Consolidated Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Avanse Financial Services Limited

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying statement of consolidated financial results of Avanse Financial Services Limited ("Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") for the year ended March 31, 2024 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 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 and based on the consideration of the report of the other auditor on separate audited financial statements of the subsidiary, the Statement:

i. includes the result of the following entity:

Name of the Entity	Relationship
Avanse Financial Services Limited	Holding Company
Avanse Global Finance IFSC Private Limited	Subsidiary

ii. is 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 year ended March 31, 2024.

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 and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Management's and Board of Directors' 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 52 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 their respective companies 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, 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 their respective companies 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 their respective companies.

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 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 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 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 entities 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

S.R. BATLIBOI & Co. LLP

Chartered Accountants

Avanse Financial Services Limited

Page 3 of 3

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.

Other Matter

The accompanying Statement includes the audited financial statements and other financial information, in respect of one subsidiary, whose financial statements include total assets of Rs.2,795.03 lakhs as at March 31, 2024, total revenues of Rs.79.83 lakhs, total net loss after tax of Rs.33.41 lakhs, total comprehensive loss of Rs.25 lakhs, for the year ended on that date respectively, and net cash inflows of Rs.2,495.68 lakhs for the year ended March 31, 2024, as considered in the Statement which have been audited by their respective independent auditors.

The independent auditor's report on the financial statements of the subsidiary have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the reports of such auditor and the procedures performed by us as stated in paragraph above.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership No.: 102102

UDIN: 24102102BKBZYH7784

Place: Mumbai

Date: April 30, 2024

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2024

(Rs. in Lakhs)

Sr. No.	Particulars	Year ended	
		March 31, 2024	March 31, 2023
		Audited	Audited
1	Revenue from operations		
(a)	Interest income	1,44,372.83	88,687.90
(b)	Fee and commission income	18,429.70	7,313.93
(c)	Net gain on fair value changes	1,324.94	660.32
(d)	Net gain on derecognition of financial instrument on amortised cost basis	8,568.63	2,297.41
	Total revenue from operations	1,72,696.10	98,959.56
	Other income	184.62	63.21
	Total income	1,72,880.72	99,022.77
2	Expenses		
(a)	Finance costs	87,563.79	53,984.27
(b)	Impairment on financial instruments	7,959.29	4,658.91
(c)	Employee benefits expense	14,088.87	10,458.59
(d)	Depreciation and amortisation	2,060.65	1,330.08
(e)	Other expenses	15,279.02	7,459.53
	Total expenses	1,26,951.62	77,891.37
3	Profit before tax (1-2)	45,929.10	21,131.40
4	Tax expense		
(a)	Current tax	9,968.72	5,727.94
(b)	Deferred tax	1,720.20	(367.53)
	Total tax expenses	11,688.92	5,360.41
5	Net profit after tax for the year (3-4)	34,240.18	15,770.99
6	Other comprehensive income		
	(A) Items that will not be reclassified to profit or loss		
	(i) Remeasurement (loss) / gain on post retirement benefit plans	(18.02)	23.77
	(ii) Income tax on above	4.54	(5.98)
	Subtotal (A)	(13.48)	17.79
	(B) Items that will be reclassified to profit or loss		
	(i) Foreign Currency Translation Reserve	35.27	-
	(ii) Fair value (loss) / gain on derivative financial instrument	(1,326.23)	284.12
	(ii) Income tax on above	333.78	(71.51)
	Subtotal (B)	(957.18)	212.61
	Total other comprehensive income (A+B)	(970.66)	230.40
7	Total comprehensive Income (5+6)	33,269.52	16,001.39
8	Earnings per equity share		
(a)	Basic EPS (in Rs.) (refer note 8)	15.40	9.03
(b)	Diluted EPS (in Rs.) (refer note 8)	15.05	8.85
(c)	Face value per share (in Rs.) (refer note 8)	5.00	5.00
9	Disclosures under Regulation 52(4)		
1.	Debt Equity ratio	2.76	3.17
2.	Outstanding redeemable preference shares (quantity and value)	-	-
3.	Capital redemption reserve	-	-
4.	Debenture redemption reserve	-	-
5.	Net worth*	3,64,243.02	2,11,623.29
6.	Total debt to total assets (%)	70.66%	69.92%
7.	Net profit margin (%)**	19.83%	15.94%
8.	Sector specific equivalent ratios		
(a)	Gross Stage 3 (%)	0.43%	0.56%
(b)	Net Stage 3 (%)	0.13%	0.17%

* Networth is equal to paid up equity share capital plus other equity less deferred tax assets less intangible assets

** Net profit margin is net profit after tax divided by revenue from operations

Note: Debt service coverage ratio, Interest service coverage ratio, Current ratio, Long term debt to working capital ratio, Bad debts to account receivable ratio, Current liability ratio, Debtors turnover, Inventory turnover and Operating margin (%) are not applicable.

The Company is not required to create debenture redemption reserve in terms of the Companies (Share Capital and Debenture) Rules, 2014 read with the Companies (Share Capital and Debenture) Amendments Rules, 2019.



Notes :

1. Consolidated Statement of Assets and Liabilities as on March 31, 2024

(Rs. in Lakhs)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
		Audited	Audited
	ASSETS		
(1)	Financial assets		
(a)	Cash and cash equivalents	1,30,075.99	78,707.59
(b)	Bank balance other than (b) above	22,960.74	34,281.88
(c)	Derivative financial instruments	33.21	1,472.06
(d)	Loans	12,39,682.05	8,37,346.91
(e)	Investments	24,314.56	6,441.69
(f)	Trade receivables	919.38	832.98
(g)	Other financial assets	1,450.10	5,938.53
		14,19,436.03	9,65,021.64
(2)	Non-financial assets		
(a)	Current tax assets (net)	1,906.01	1,952.84
(b)	Deferred tax assets (net)	947.69	2,250.23
(c)	Property, plant and equipment	2,331.40	1,308.99
(d)	Capital work-in-progress	886.70	-
(e)	Other intangible assets	1,351.78	634.48
(f)	Intangible assets under development	1,128.94	464.12
(g)	Right of use assets	4,401.59	348.58
(h)	Other non-financial assets	1,993.35	1,238.65
		14,947.46	8,197.88
	Total assets	14,34,383.49	9,73,219.53
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	Financial liabilities		
(a)	Derivative financial instruments	1,163.90	-
(b)	Trade payables		
(i)	total outstanding dues of micro and small enterprises	8.50	77.72
(ii)	total outstanding dues of creditors other than micro and small enterprises	7,502.18	5,396.02
(c)	Debt securities	3,05,343.64	2,82,387.50
(d)	Borrowings (other than debt securities)	7,03,133.72	4,30,917.78
(e)	Subordinated liabilities	5,047.52	7,707.35
(f)	Other financial liabilities	42,501.75	30,762.72
	Total financial liabilities	10,64,701.21	7,57,249.07
(2)	Non-financial liabilities		
(a)	Current tax liabilities (net)	-	-
(b)	Provisions	302.47	136.69
(c)	Other non-financial liabilities	1,708.38	861.65
	Total non-financial liabilities	2,010.85	998.34
(3)	EQUITY		
(a)	Equity share capital	12,591.16	10,663.80
(b)	Other equity	3,55,080.27	2,04,308.30
	Total equity	3,67,671.43	2,14,972.10
	Total liabilities and equity	14,34,383.49	9,73,219.53



AVANSE FINANCIAL SERVICES LIMITED

2. CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

(Rs. in Lakhs)

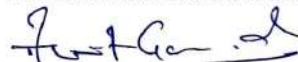
Particulars		For the year ended March 31, 2024	For the year ended March 31, 2024
A	Cash flow from operating activities		
	Profit before tax	45,929.10	21,131.40
	Adjustment for:		
	Interest income on loans	(1,38,643.32)	(86,417.47)
	Depreciation and amortisation expenses	2,060.65	1,330.08
	Net gain on fair value changes	(1,324.94)	(660.32)
	Interest expense on borrowings	86,953.08	48,264.70
	Interest on fixed deposits	(4,509.31)	1,838.08
	Interest Income from Treasury bills	(1,220.20)	(223.61)
	Impairment of financial instruments	3,321.18	(3,536.04)
	Bad debts written off	4,638.11	2,820.84
	Employee share based payment expenses	747.90	490.24
	Finance cost in lease liability	80.88	57.20
	(Profit) / Loss on sale of property, plant and equipments	(0.17)	(10.41)
	Operating loss before working capital changes	(1,967.05)	(14,915.31)
	Operational cash flows from interest		
	Interest received on loans	57,110.61	53,411.79
	Interest paid on borrowings	(80,244.17)	(41,846.94)
	Working capital changes		
	Adjustment for:		
	(Increase) / Decrease in loans	(3,28,761.71)	(3,37,401.50)
	(Increase) / Decrease in other non-financial assets	(754.68)	256.31
	(Increase) / Decrease in financial assets	4,488.44	(5,599.09)
	(Increase) / Decrease in trade receivables	(86.40)	(563.79)
	(Decrease) / Increase in financial liabilities	7,524.08	(17,526.31)
	(Decrease) / Increase in trade payables	2,036.94	2,057.17
	(Decrease) / Increase in non financial liabilities	846.73	301.40
	(Decrease) / Increase in Provisions	147.76	85.84
	Cash (used in) operations	(3,39,659.46)	(3,61,740.43)
	Direct taxes paid (net)	(9,842.56)	(7,642.33)
	Net cash (used in) operating activities	(3,49,502.02)	(3,69,382.76)
B	Cash flow from investing activities		
	Investments in mutual fund units at FVTPL	(9,57,952.10)	(4,13,485.53)
	Sale of mutual fund units at FVTPL	9,59,277.05	4,14,145.85
	Investments in Treasury Bills at amortised cost	(1,42,152.66)	(13,744.57)
	Redemption of Treasury Bills	1,25,500.00	8,800.00
	Interest received on fixed deposits	4,517.71	3,536.04
	Purchase of property, plant & equipment and intangible assets	(4,818.43)	(1,976.82)
	Sale of property, plant & equipment	5.72	73.55
	Fixed deposit not considered as cash and cash equivalents (net)	11,321.15	(31,587.30)
	Net cash (used in) / generated from investment activities	(4,301.58)	(34,238.78)
C	Cash flow from financing activities		
	Proceeds from issue of equity share (including securities premium) (net)	1,18,917.78	97,514.05
	Debt securities & subordinated liabilities issued	1,18,000.00	2,27,600.00
	Debt securities & subordinated liabilities repaid	(1,07,000.00)	(65,500.00)
	Borrowings (other than debt securities) taken	4,18,498.79	2,16,903.89
	Borrowings (other than debt securities) repaid	(1,44,256.02)	(54,881.13)
	Proceeds from short-term borrowings (net)	1,628.72	(2,000.00)
	Payment towards lease liability	(617.27)	(356.27)
	Net cash generated from financing activities	4,05,172.00	4,19,280.54
	Net Increase in Cash and cash equivalents	51,368.40	15,659.01
	Cash and cash equivalents at the beginning of the year	78,707.59	63,048.59
	Cash and cash equivalents at the end of the year	1,30,075.99	78,707.59
	Cash and cash equivalents at the end of the year comprises of:		
	Cash in hand	2.38	1.01
	Balance with banks		
	- In Current accounts	34,629.95	12,388.80
	- In fixed deposit with original maturity of less than 3 months	95,438.43	66,317.78
	Others on hand	5.23	-
	Total	1,30,075.99	78,707.59



Notes:

- 3 The consolidated financial results of the Company and its subsidiary together referred as "The Group" have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended. Accordingly, these consolidated financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act 2013 (the Act), and other recognized accounting practices generally accepted in India, in compliance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) pursuant to circular SEBI/HO/DDHS/DDHS_Div/P/CIR/2022/000000103 dated 29 July 2022. The consolidated financial statements used to prepare the consolidated financial results, are based on the notified Schedule III Division III of the Act, as amended from time to time, for Non-Banking Financial Companies that are required to comply with Ind AS.
- 4 The above consolidated financial results for the year ended 31 March 2024 have been audited by the Statutory Auditors of the Company, have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company on April 30, 2024 at their respective meetings.
- 5 The Group is primarily engaged in the business of financing and accordingly, there are no separate reportable segments as per Ind AS 108 dealing with operating segment.
- 6 During the year ended March 31, 2024, the Nomination, Remuneration and Compensation Committee of Directors of the Company, had approved the grant of 5,89,109 stock options representing 5,89,109 equity shares of Rs 10 each of the Company to eligible employees.
- 7 On 22 June 2023, the Board of Directors of the Company had approved issue of 4,73,233 equity shares of face value of Rs. 10 each at applicable grant rates to the eligible employees under Employee Stock Option Scheme.
- 8 Subsequent to March 31, 2024, the Board of Directors of the Company in its meeting held on April 4, 2024 and shareholders in the Extraordinary General Meeting held on April 26, 2024 approved the sub-division of equity shares from Rs. 10 per share to Rs. 5 per share. Accordingly, the earnings per share for the earlier periods have been recalculated based on revised number of shares.
- 9 The Company had entered into Share Subscription Agreement (SSA) with Kedaara Capital Growth Fund III LLP ("Kedaara") on December 28, 2022 for preferential allotment of equity shares and as per the SSA the first tranche of allotment of shares was completed on January 19, 2023 and second tranche of allotment of shares was completed on May 24, 2023.
- 10 The Company had entered into Share Subscription Agreement (SSA) with Alpha Investment Company LLC dated March 06 2024 and Share Subscription Letter with Avendus Future Leaders Fund II dated March 06, 2024 for preferential allotment of equity shares and the allotment of shares was completed on March 22, 2024.
- 11 The Company had faced a malware incident from October 16, 2023 to October 18, 2023. Upon identifying the incident, the Company engaged an expert firm for incident response management and to further investigate the incident. The Company with the help of such expert took necessary steps towards recovery and remediation of its systems. There are no non-compliance or material impact on financial results on account of the incident.
- 12 The Parliament has approved the Code on Social Security, 2020 ('Code') which may impact the contribution by the Company towards provident fund and gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed. The Company will complete its evaluation and will give appropriate impact, if any, in the financial results following the Code becoming effective and the related rules being framed and notified. The Company has taken professional opinion in this regard and will ensure that it makes adequate provisions to remain compliant with all requirements.

For Avanse Financial Services Limited



Amit Ganda
Managing Director & CEO
DIN - 09494847

Place : Mumbai
Date : April 30, 2024



Note 13 :

Information as required by Reserve Bank of India Circular on Resolution Framework for COVID-19 related Stress dated 6 August 2020 and Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses dated 5 May 2021 as at March 31, 2023 is given below:

Details of resolution plan implemented under the Resolution Framework for COVID-19 related Stress as per RBI circular dated 6 August 2020 are given below.

As at 31 March 2023
Format B

(Rs in Lakhs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at end of the previous half-year 30 September 2022 (A)	Of (A) aggregate debt the slipped into NPA during the half-year ended 31 March 2023	Of (A) amount written off during the half year ended 31 March 2023	Of (A) amount paid by the borrowers during the half year ended 31 March 2023	Exposure to accounts classified as Standard consequent to implementation of resolution plan - position as at the end of this half year ended 31 March 2023
Personal loans	4,527.17	56.63	46.50	581.76	3,842.29
Corporate persons*	9,514.70	371.35	106.87	1,365.60	7,670.87
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	14,041.87	427.98	153.37	1,947.36	11,513.16

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016



Annexure A to the Outcome of the Board meeting

To,
BSE Limited
Dept, of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400001

Dear Sir/Madam,

Sub: Declaration under Regulation 52(3)(a) of the Listing Regulations

Pursuant to Regulation 52(3)(a) of Listing Regulations, as amended from time to time, it is hereby declared that the Statutory Auditors of the Company i.e. M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, have submitted their audit reports with unmodified opinion on annual audited financial results of the Company (Standalone and Consolidated) for the financial year ended March 31, 2024.

Kindly take the above on record.

For Avanse Financial Services Limited

Rajesh Gandhi
Company Secretary
ICSI Membership No.: A-19086

Avanse Financial Services Ltd.
Registered & Corporate Office:
4th Floor, E-Wing, Times Square,
Andheri - Kurla Rd, Gamdevi, Marol,
Andheri East, Mumbai – 400059
Maharashtra

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ASPIRE WITHOUT BOUNDARIES

Annexure B to the Outcome of the Board meeting

To,
BSE Limited
Dept, of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400001

Dear Sir/Madam,

Sub: Security Cover Declaration under Regulation 54 of Listing Regulations

Pursuant to the above-referred regulations read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022 (“SEBI Circular”), it is hereby declared that all the secured NCDs issued by the Company are secured by way of first ranking pari-passu charge by way of hypothecation over present and future receivables of the Company to the extent of at least 100% of outstanding secured NCDs or higher security cover as per the terms of Offer Document / Information Memorandum for the quarter ended March 31, 2024.

Details of Security Cover for the period ended March 31, 2024 is enclosed herewith in the format prescribed under the aforementioned SEBI Circular.

You are requested to take the same on your records.

Thanking You,
For Avanse Financial Services Limited

Rajesh Gandhi
Company Secretary
ICSI Membership No.: A-19086

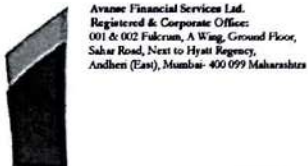
Statement:

Table 1 - Statement of security cover

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as security	Elimination on (account in negative)	(Total C to H)	Related to only those items covered by this Certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (Includes debt for which this is issued & other debt with pari-passu charge)	Other assets on which there is pari-passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)	Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value=(K+L+N)	
		Book Value	Book Value	Yes/No	Book Value	Book Value								
Assets														
Property, Plant and Equipment	Freehold Land	-	-	Yes	7.50	-	2,322.60	-	2,330.10	-	7.50	-	-	7.50
Capital Work-in-Progress		-	-	-	-	-	886.70	-	886.70	-	-	-	-	-
Right of use Assets		-	-	-	-	-	4,401.59	-	4,401.59	-	-	-	-	-
Goodwill		-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	1,138.70	-	1,138.70	-	-	-	-	-
Intangible Assets under development		-	-	-	-	-	1,128.94	-	1,128.94	-	-	-	-	-
Investments		-	-	-	-	-	26,988.35	-	26,988.35	-	-	-	-	-
Loans	Receivables	-	-	Yes	10,74,213.35	-	1,65,451.56	-	12,39,664.91	-	-	-	10,74,213.35	10,74,213.35
Inventories		-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Receivables		-	-	-	-	-	919.38	-	919.38	-	-	-	-	-
Cash and Cash Equivalents		-	-	-	-	-	1,27,579.33	-	1,27,579.33	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents		-	2,629.64	-	-	-	20,331.10	-	22,960.74	-	2,629.64	-	-	2,629.64
Others		-	2,629.64	-	-	-	6,368.51	-	6,368.51	-	-	-	-	-
Total		-	2,629.64	-	10,74,220.85	-	3,57,516.76	-	14,84,367.25	-	2,637.14	-	10,74,213.35	10,76,850.49
LIABILITIES														
Debt securities to which this certificate pertains		-	-	Yes	3,06,771.00	-	-	-	3,06,771.00	-	-	-	-	-
Other debt sharing pari-passu charge with above debt		-	-	Yes	6,92,289.41	-	-	-	6,92,289.41	-	-	-	-	-
Other debt		-	-	-	-	-	-	-	-	-	-	-	-	-
Subordinated debt		-	-	-	-	-	5,047.52	-	5,047.52	-	-	-	-	-
Borrowings		-	16,387.68	-	-	-	-	-	16,387.68	-	-	-	-	-
Bank		-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Securities		-	-	-	-	-	-	-	-	-	-	-	-	-
Others		-	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables		-	-	-	-	-	7,510.67	-	7,510.67	-	-	-	-	-
Lease Liabilities		-	-	-	-	-	4,461.50	-	4,461.50	-	-	-	-	-
Provisions		-	-	-	-	-	302.47	-	302.47	-	-	-	-	-
Others		-	-	-	-	-	33,941.58	-	33,941.58	-	-	-	-	-
Total		-	16,387.68	-	9,99,060.42	-	51,263.74	-	10,66,711.83	-	-	-	-	-
Covered on Book value					1.08									
Covered on Market value														
		Exclusive Security Cover Ratio				Pari-Passu Security Cover Ratio	1.08							

Notes:

- The Security Cover ratio on listed secured debt securities is 1.02 and 1.06 including term loan.
- IND-AS adjustment for effective interest rate on listed debt securities are excluded from assets cover computation being an accounting adjustment and accordingly the asset cover is computed on a gross basis.
- Loans amount represents loan as per financial results for the year ended March 31, 2024 (net off provision).
- The amount has been extracted from the financial results for the year ended March 31, 2024.
- Security cover is calculated only on debt for which this certificate is being issue.
- Assets considered for pari-passu charge and exclusive charge is calculated based on asset cover requirement as per respective placement memorandum/term sheets for securities.



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