

Through BSE's online portal for Corporate Compliances & Listing Centre

Ref. No. AFSL/SECL/2025-26/012

April 30, 2025

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

Dear Sir/Madam,

Sub: Outcome of meeting of the Board of Directors of Avanse Financial Services Limited (“the Company”) held on April 29, 2025 and reconvened on April 30, 2025

Pursuant to the applicable provisions of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with the applicable Master Directions, Circulars, Guidelines, as may be issued by the SEBI from time to time, we wish to inform that the Board of Directors of the Company (“the Board”) at their reconvened meeting held today i.e. Wednesday, April 30, 2025 has *inter-alia*, considered and approved;

- i. Audited standalone and consolidated financial statements of the Company for the year ended March 31, 2025 and audited standalone and consolidated financial results of the Company for the quarter and year ended March 31, 2025; and
- ii. Subject to requisite and applicable approvals, including approval by the Shareholders of the Company at a duly convened general meeting of members of the Company, issue of Non-Convertible Debentures (“NCDs”) for an amount up to Rs. 5,000 crore through private placement and / or through public issue and authorized the Committee of Executives of the Company to offer, issue and allot such NCDs in one or more tranches / issuances / series.

Further, please find enclosed herewith the following:

- i. Audited standalone and consolidated financial results of the Company for the quarter and year ended March 31, 2025 along with the auditor's 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**;
- 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;
- v. Disclosures of security cover pursuant to Regulation 54(3) of the Listing Regulations in **Annexure B**; and
- vi. Disclosure of related party transactions under Regulation 62K of the Listing Regulations for the half year ended March 31, 2025 in **Annexure C**.

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.

Further, the Company is proposing to make a public issue of its equity shares and has filed its draft red herring prospectus dated July 31, 2024 with the SEBI and the same is available on the website of the SEBI at www.sebi.gov.in, the Company at www.avanse.com, its book running lead managers at their respective websites at www.kotak.com, www.avendus.com, www.jpmorgan.com, www.nomura.com, www.nuvama.com, and www.sbics.com and also on the websites of the National Stock Exchange of India Limited at www.nseindia.com and the BSE Limited at www.bseindia.com.

The Board Meeting commenced at 1.00 PM (IST) on April 29, 2025, which was reconvened at 5 PM (IST) on April 30, 2025 and concluded at 9.15 PM (IST) on April 30, 2025.

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

Walker Chandiook & Co LLP

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Independent Auditor's Report on Consolidated Annual Financial Results of Avanse Financial Services Limited 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

Opinion

1. We have audited the accompanying consolidated annual financial results ('the Statement') of **Avanse Financial Services Limited** ('the NBFC' or 'the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), for the year ended **31 March 2025**, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. 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 other auditor on separate audited financial statements of the subsidiary as referred to in paragraph 11 below, the Statement:
 - (i) includes the annual financial results of the subsidiary, Avanse Global Finance IFSC Private Limited;
 - (ii) presents financial results in accordance with the requirements of Regulation 52 of the Listing Regulations; and
 - (iii) gives a true and fair view, in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group, for the year ended 31 March 2025.



Avanse Financial Services Limited

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

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Statement* 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results 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.

Responsibilities of Management and Those Charged with Governance for the Statement

4. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual audited financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit and other comprehensive income, and other financial information of the Group in accordance with the Ind AS prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015. 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 the Group, 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 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 financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
5. In preparing the Statement, the respective Board of Directors of the companies included in the Group, are responsible for assessing the ability of the Group, 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.
6. Those respective Board of Directors, are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Statement

7. 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 Standards on Auditing specified under section 143(10) of the Act 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 this Statement.



Avanse Financial Services Limited

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

8. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, 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 Holding 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 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 represents the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entity included in the Statement, of which we are the independent auditors. For the other entity included in the Statement, which have been audited by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Holding Company, 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.
10. 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.



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

Other Matters

11. We did not audit the annual financial statements of one subsidiary included in the Statement, whose financial information reflects total assets of ₹ 2,762.42 lakh as at 31 March 2025, total revenues of ₹ 142.94 lakh, total net loss after tax of ₹ 202.80 lakh, and net cash outflows of ₹ 1,391.99 lakh for the year ended on that date, as considered in the Statement. These annual financial statements have been audited by other auditors whose audit report has been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the audit report of such other auditor.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and the report of the other auditor.

12. The audit of consolidated financial results for the corresponding quarter and year ended 31 March 2024 included in the Statement was carried out and reported by S. R. Batliboi & Co. LLP who have expressed unmodified opinion vide their audit report dated 30 April 2024, whose report has been furnished to us and which has been relied upon by us for the purpose of our audit of the Statement. Our opinion is not modified in respect of this matter.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No:001076N/N500013

Manish Gujral
Partner
Membership No:105117

UDIN:25105117BMOLJU9466

Place: Mumbai
Date: 30 April 2025

Avanse Financial Services Limited

CIN : U67120MH1992PLC068060

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STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2025

(Rs. in Lakhs)

| Sr. No. | Particulars | Year ended | |
|----------|---|--------------------|--------------------|
| | | March 31, 2025 | March 31, 2024 |
| | | Audited | Audited |
| 1 | Revenue from operations | | |
| (a) | Interest income | 2,01,440.32 | 1,44,372.83 |
| (b) | Fee and commission income | 22,708.03 | 18,429.70 |
| (c) | Net gain on fair value changes | 1,466.76 | 1,324.94 |
| (d) | Net gain on derecognition of financial instrument on amortised cost basis | 9,092.07 | 8,568.63 |
| | Total revenue from operations | 2,34,707.18 | 1,72,696.10 |
| | Other income | 468.28 | 184.62 |
| | Total income | 2,35,175.46 | 1,72,880.72 |
| 2 | Expenses | | |
| (a) | Finance costs | 1,21,699.73 | 87,563.79 |
| (b) | Impairment on financial instruments | 6,479.15 | 7,959.29 |
| (c) | Employee benefits expense | 16,999.95 | 14,088.87 |
| (d) | Depreciation and amortisation | 3,590.25 | 2,060.65 |
| (e) | Other expenses | 19,192.36 | 15,279.02 |
| | Total expenses | 1,67,961.44 | 1,26,951.62 |
| 3 | Profit before tax (1-2) | 67,214.02 | 45,929.10 |
| 4 | Tax expense | | |
| (a) | Current tax | 16,218.63 | 9,968.72 |
| (b) | Deferred tax | 783.09 | 1,720.20 |
| | Total tax expenses | 17,001.72 | 11,688.92 |
| 5 | Net profit after tax for the period/year (3-4) | 50,212.30 | 34,240.18 |
| 6 | Other comprehensive income | | |
| | (A) Items that will not be reclassified to profit or loss | | |
| | (i) Remeasurement (loss) / gain on post retirement benefit plans | (88.55) | (18.02) |
| | (ii) Income tax on above | 22.29 | 4.54 |
| | Subtotal (A) | (66.26) | (13.48) |
| | (B) Items that will be reclassified to profit or loss | | |
| | (i) Foreign currency translation reserve | 60.04 | 35.27 |
| | (ii) Change in cash flow hedge reserve | (6,153.17) | (1,326.23) |
| | (iii) Income tax on above | 1,548.63 | 333.78 |
| | Subtotal (B) | (4,544.50) | (957.18) |
| | Total other comprehensive income (A+B) | (4,610.76) | (970.66) |
| 7 | Total comprehensive Income (5+6) | 45,601.54 | 33,269.52 |
| 8 | Earnings per equity share (not annualised for the quarters) | | |
| (a) | Basic EPS (in Rs.) (refer note 11) | 19.94 | 15.40 |
| (b) | Diluted EPS (in Rs.) (refer note 11) | 19.25 | 15.05 |
| (c) | Face value per share (in Rs.) (refer note 11) | 5.00 | 5.00 |



Notes :

1. Consolidated Statement of Assets and Liabilities as at March 31, 2025

| (Rs. in Lakhs) | | | |
|----------------|--|-------------------------|-------------------------|
| Sr. No. | Particulars | As at March 31, 2025 | As at March 31, 2024 |
| | | Audited | Audited |
| | ASSETS | | |
| (1) | Financial assets | | |
| (a) | Cash and cash equivalents | 1,18,524.14 | 1,30,075.99 |
| (b) | Bank balance other than (a) above | 8,518.10 | 22,960.74 |
| (c) | Derivative financial instruments | 1,727.69 | 33.21 |
| (d) | Trade receivables | 2,175.31 | 919.38 |
| (e) | Loans | 17,26,288.14 | 12,39,682.05 |
| (f) | Investments | 24,373.52 | 24,314.56 |
| (g) | Other financial assets | 1,982.19 | 1,450.10 |
| | | 18,83,589.09 | 14,19,436.03 |
| (2) | Non-financial assets | | |
| (a) | Current tax assets (net) | 415.64 | 1,906.01 |
| (b) | Deferred tax assets (net) | 1,735.52 | 947.69 |
| (c) | Property, plant and equipment | 4,260.35 | 2,331.40 |
| (d) | Capital work-in-progress | - | 886.70 |
| (e) | Right of use assets | 3,890.93 | 4,401.59 |
| (f) | Intangible assets under development | 126.48 | 1,128.94 |
| (g) | Other intangible assets | 2,352.77 | 1,351.78 |
| (h) | Other non-financial assets | 4,565.27 | 1,993.35 |
| | | 17,346.96 | 14,947.46 |
| | Total assets | 19,00,936.05 | 14,34,383.49 |
| | LIABILITIES AND EQUITY | | |
| | LIABILITIES | | |
| (1) | Financial liabilities | | |
| (a) | Derivative financial instruments | 4,656.33 | 1,163.90 |
| (b) | Trade payables | | |
| (i) | total outstanding dues of micro and small enterprises | 1.15 | 8.50 |
| (ii) | total outstanding dues of creditors other than micro and small enterprises | 8,606.92 | 7,502.18 |
| (c) | Debt securities | 3,71,959.70 | 3,05,343.64 |
| (d) | Borrowings (other than debt securities) | 10,70,341.87 | 7,03,133.72 |
| (e) | Subordinated liabilities | 5,056.51 | 5,047.52 |
| (f) | Other financial liabilities | 24,296.39 | 42,501.75 |
| | Total financial liabilities | 14,84,918.87 | 10,64,701.21 |
| (2) | Non-financial liabilities | | |
| (a) | Current tax liabilities (net) | - | - |
| (b) | Provisions | 698.76 | 302.47 |
| (c) | Other non-financial liabilities | 1,118.34 | 1,708.38 |
| | Total non-financial liabilities | 1,817.10 | 2,010.85 |
| (3) | EQUITY | | |
| (a) | Equity share capital | 12,591.16 | 12,591.16 |
| (b) | Other equity | 4,01,608.92 | 3,55,080.27 |
| | Total equity | 4,14,200.08 | 3,67,671.43 |
| | Total liabilities and equity | 19,00,936.05 | 14,34,383.49 |



2. Consolidated Statement of Cash Flow for the year ended March 31, 2025

| | | (Rs. in Lakhs) | |
|----------|--|--------------------------------------|--------------------------------------|
| | Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| | | Audited | Audited |
| A | Cash flow from operating activities | | |
| | Profit before tax | 67,214.02 | 45,929.10 |
| | Adjustment for: | | |
| | Interest income on loans* | (1,96,443.55) | (1,38,643.32) |
| | Depreciation and amortisation expenses | 3,590.25 | 2,060.65 |
| | Net gain on fair value changes | (1,466.76) | (1,324.94) |
| | Interest expense on borrowings | 1,21,011.19 | 86,953.08 |
| | Interest on fixed deposits | (3,194.97) | (4,509.31) |
| | Interest Income from Treasury bills | (1,801.80) | (1,220.20) |
| | Impairment of financial instruments | 4,547.59 | 3,321.18 |
| | Bad-debts written off | 1,931.56 | 4,638.11 |
| | Employee share based payment expenses | 931.64 | 747.90 |
| | Finance cost on lease liability | 371.08 | 80.88 |
| | (Profit) / Loss on sale of property, plant and equipments | (3.17) | (0.17) |
| | Cash flows used in operation before working capital changes and adjustment for interest received and paid | (3,312.92) | (1,967.05) |
| | Operational cash flows from interest | | |
| | Interest received on loans* | 67,936.88 | 57,110.61 |
| | Interest paid on borrowings | (1,22,679.86) | (80,244.17) |
| | Working capital changes | | |
| | Adjustment for: | | |
| | (Increase) in loans* | (3,64,578.55) | (3,28,761.71) |
| | (Increase) in other non-financial assets | (2,571.92) | (754.68) |
| | (Increase) / Decrease in financial assets | (532.09) | 4,488.44 |
| | (Increase) in trade receivables | (1,255.92) | (86.40) |
| | Increase / (Decrease) in financial liabilities | (17,906.62) | 7,524.08 |
| | Increase in trade payables | 1,097.39 | 2,036.94 |
| | Increase / (Decrease) in non financial liabilities | (590.03) | 846.73 |
| | Increase in Provisions | 307.74 | 147.76 |
| | Cash (used in) operations | (4,44,085.90) | (3,39,659.46) |
| | Direct taxes paid (net) | (14,728.26) | (9,842.56) |
| | Net cash (used in) operating activities | (4,58,814.16) | (3,49,502.02) |
| B | Cash flow from investing activities | | |
| | Investments in mutual fund units at fair value through profit or loss | (16,33,228.46) | (9,57,952.10) |
| | Sale of mutual fund units at fair value through profit or loss | 16,34,695.22 | 9,59,277.05 |
| | Investments in treasury bills at amortised cost | (1,29,257.16) | (1,42,152.66) |
| | Redemption of treasury bills | 1,31,000.00 | 1,25,500.00 |
| | Interest received on fixed deposits | 3,252.31 | 4,517.71 |
| | Purchase of property, plant & equipment and intangible assets | (3,596.19) | (4,818.43) |
| | Sale of property, plant & equipment and intangible assets | 65.39 | 5.72 |
| | Fixed deposit not considered as cash and cash equivalents (net) | 14,385.30 | 11,321.15 |
| | Net cash (used in) / generated from investment activities | 17,316.41 | (4,301.58) |
| C | Cash flow from financing activities | | |
| | Proceeds from issue of equity share (including securities premium, net-off of share issue expenses) | (4.53) | 1,18,917.78 |
| | Debt securities & subordinated liabilities issued | 2,34,272.68 | 1,18,000.00 |
| | Debt securities & subordinated liabilities repaid | (1,65,121.48) | (1,07,000.00) |
| | Borrowings (other than debt securities) taken | 5,64,070.00 | 4,18,498.79 |
| | Borrowings (other than debt securities) repaid | (2,01,965.65) | (1,44,256.02) |
| | Proceeds from short-term borrowings (net) | (108.94) | 1,628.72 |
| | Principal payment of lease liability | (885.14) | (536.39) |
| | Interest paid on lease liability | (371.08) | (80.88) |
| | Net cash generated from financing activities | 4,29,885.86 | 4,05,172.00 |
| | Effect of exchange fluctuation on translation reserve | | |
| | Net Increase in cash and cash equivalents | 60.04 | - |
| | Cash and cash equivalents at the beginning of the period | (11,551.85) | 51,368.40 |
| | Cash and cash equivalents at the end of the period | 1,30,075.99 | 78,707.59 |
| | Cash and cash equivalents at the end of the period comprises of: | | |
| | Cash in hand | 2.28 | 2.38 |
| | Balance with banks | | |
| | - In Current accounts | 75,019.47 | 34,629.95 |
| | - In fixed deposit with original maturity of less than 3 months | 43,490.76 | 95,438.43 |
| | Cheques on hand | 11.63 | 5.23 |
| | Total | 1,18,524.14 | 1,30,075.99 |

*Considering the nature of business wherein interest is capitalised within the respective loan, interest income has been adjusted with profit before tax and increase / (decrease) in loans and disclosed separately to the extent collected.



Notes:

- 3 The above consolidated financial results for the year ended March 31, 2025 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on April 30, 2025. These results are audited by the Statutory Auditors of the Company and they have issued unmodified report thereon. The financial results for the year ended March 31, 2024 were subjected to audit by the previous statutory auditors.
- 4 The consolidated financial results of the Company and its subsidiary together referred to 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 Standards ('Ind AS'), prescribed under section 133 of the Companies Act 2013 ('the Act'), and other recognised 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/2022/0000000103 dated July 29, 2022.
- 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 segments.
- 6 The secured, listed, non convertible debentures of the Group are secured by way of first pari passu charge on loan receivables of the Group with an asset cover to the extent of 100% and above as required under Debenture Trust Deed as on March 31, 2025.
- 7 The Company has filed a Draft Red Herring Prospectus (DRHP) dated June 20, 2024 with the Securities and Exchange Board of India (SEBI), BSE Limited and National Stock Exchange of India Limited in connection with its Initial Public Offering (IPO) of equity shares of face value of Rs 5 each comprising of a fresh issue of Equity Shares aggregating up to Rs 1,000 crore and an offer for sale of Equity Shares aggregating up to Rs 2,500 crore by existing shareholders, subject to receipt of regulatory approvals, market conditions and other considerations. Pursuant to letter dated July 25, 2024 from SEBI, the Company has re-filed the DRHP dated July 31, 2024 with SEBI, BSE Limited and National Stock Exchange of India Limited. Further, the Company received observations on the DRHP from SEBI vide their letter dated October 23, 2024.
- 8 Disclosure in compliance with Regulation 52(4) of the SEBI (Listing Obligation and Disclosure requirements) Regulation, 2015 for the year ended March 31, 2025 is attached in Annexure A.
- 9 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.
- 10 The Company has adopted "Avanse Financial Services Limited Employee Stock Option Plan, 2024" pursuant to the resolution passed by the Board of Directors on May 14, 2024 and a special resolution passed by the Shareholders of the Company at their Extra Ordinary General Meeting held on June 20, 2024.
- 11 The Nomination, Remuneration and Compensation Committee of Directors of the Company, had approved the grant of 31,62,378 stock options during the year ended March 31, 2025 to eligible employees.



Notes:

- 12 Information as required by Reserve Bank of India Circular on Resolution Framework for COVID-19 related stress dated August 6, 2020 and Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses dated May 5, 2021.

As at March 31, 2025

Format B

(Rs. in Lakhs)

| Type of Borrower | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half year end September 30, 2024(A) | Of (A), aggregate debt that slipped into NPA during the half-year ended March 31, 2025 | Of (A), aggregate debt that were written off during the half-year ended March 31, 2025 | Of (A) amount paid by the borrowers during the half-year ended March 31, 2025 | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end the half-year ended March 31, 2025 |
|--------------------|--|--|--|---|---|
| Personal Loans | 3,025.90 | 36.55 | 8.04 | 539.70 | 2,441.61 |
| Corporate Persons* | 3,265.95 | 12.03 | - | 293.53 | 2,960.39 |
| -of which MSMEs | - | - | - | - | - |
| Others | - | - | - | - | - |
| Total | 6,291.85 | 48.58 | 8.04 | 833.23 | 5,402.00 |

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

- 13 Figures for the previous year/periods have been regrouped and/or reclassified wherever considered necessary in conformity with the current period's classification / grouping. The impact, if any, are not material to financial results.

For and on behalf of the Board of Directors of
Avanse Financial Services Limited

Amit Gainda

Amit Gainda
Managing Director & CEO
DIN - 09494847

Place : Mumbai
Date : April 30, 2025



Avanse Financial Services Limited

CIN : U67120MH1992PLC068060

Regd office : Times Square Building, E Wing, 4th Floor, Opp. Mittal Industrial Estate, Gamdevi, Andheri-Kurla Road,
Marol, Andheri (East), Mumbai 400 059, Maharashtra

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Annexure A**Disclosure in compliance with Regulation 52(4) of the SEBI (Listing Obligation and Disclosure Requirements)
Regulation, 2015 for the year ended March 31, 2025**

| Sr. No. | Particulars | Year ended | |
|------------|---|----------------|----------------|
| | | March 31, 2025 | March 31, 2024 |
| 1 | Debt-Equity ratio | 3.49 | 2.76 |
| 2 | Outstanding redeemable preference shares (quantity and value) | - | - |
| 3 | Capital redemption reserve | - | - |
| 4 | Debenture redemption reserve (Refer Note 1) | - | - |
| 5 | Net worth (Refer Note 2) | 4,07,851.80 | 3,64,243.02 |
| 6 | Total debt to total assets (%) | 76.14% | 70.66% |
| 7 | Net profit margin (%) (Refer Note 3) | 21.39% | 19.83% |
| 8 | Sector specific equivalent ratios | | |
| | (a) Gross Stage 3 (%) | 0.26% | 0.43% |
| | (b) Net Stage 3 (%) | 0.04% | 0.13% |
| | (c) Capital Risk Adequacy Ratio (%) | 22.44% | 27.52% |
| | (d) Liquidity Coverage Ratio (%) | 230.17% | 374.49% |

Notes:

1. The Group 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.
2. Net worth is equal to paid up equity share capital plus other equity less deferred tax assets less intangible assets.
3. Net profit margin is net profit after tax divided by revenue from operations.
4. 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.



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Independent Auditor's Report on Standalone Annual Financial Results of Avanse Financial Services Limited 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

Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of **Avanse Financial Services Limited** ('the NBFC') for the year ended **31 March 2025**, attached herewith, being submitted by the NBFC pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) presents financial results in accordance with the requirements of Regulation 52 of the Listing Regulations, and
 - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the NBFC for the year ended 31 March 2025.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the NBFC in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results 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.



Avanse Financial Services Limited
Independent Auditor's Report on Standalone Annual Financial Results of Avanse Financial Services Limited pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Responsibilities of Management and Those Charged with Governance for the Statement

4. This Statement, which is the responsibility of the management and has been approved by the NBFC's Board of Directors, has been prepared on the basis of the standalone annual financial statements. The NBFC's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information of the NBFC in accordance with the Ind AS prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 and RBI Guidelines 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 NBFC 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 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.
5. In preparing the Statement, the Board of Directors is responsible for assessing the NBFC'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 NBFC or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors is also responsible for overseeing the NBFC's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. 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 Standards on Auditing, specified under section 143(10) of the Act, 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 this Statement.
8. As part of an audit in accordance with the Standards on Auditing, specified under section 143(10) of the Act, 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 NBFC has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;



Page 2 of 3

Chartered Accountants

Offices in Ahmedabad, Bengaluru, Chandigarh, Chennai, Dehradun, Goa, Gurugram, Hyderabad, Indore, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandok & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41, Connaught Circus, Outer Circle, New Delhi, 110001, India

Avanse Financial Services Limited

Independent Auditor's Report on Standalone Annual Financial Results of Avanse Financial Services Limited pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

- 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 NBFC'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 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 NBFC to cease to continue as a going concern; and
 - 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.
9. 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.
10. 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 Matters

11. The Statement includes the financial results for the quarter ended 31 March 2025, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.
12. The audit of standalone financial results for the corresponding quarter and year ended 31 March 2024 included in the Statement was carried out and reported by S. R. Batliboi & Co. LLP who has expressed unmodified opinion vide their audit report dated 30 April 2024, whose reports has been furnished to us, and which has been relied upon by us for the purpose of our audit of the Statement. Our opinion is not modified in respect of this matter.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No:001076N/N500013

Manish Gujral

Partner

Membership No:105117

UDIN:25105117BMOLJT2986

Place: Mumbai

Date: 30 April 2025

Avanse Financial Services Limited

CIN : U67120MH1992PLC068060

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T: 022 6859 9999 F: 022 6859 9900 Website : www.avanse.com Email : investorrelations@avanse.com

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2025

(Rs. in Lakhs)

| Sr. No. | Particulars | Quarter ended | | | Year ended | |
|----------|---|-------------------|-------------------|------------------|--------------------|--------------------|
| | | March 31, 2025 | December 31, 2024 | March 31, 2024 | March 31, 2025 | March 31, 2024 |
| | | Audited | Unaudited | Audited | Audited | Audited |
| 1 | Revenue from operations | | | | | |
| (a) | Interest income | 56,529.90 | 53,789.16 | 40,565.69 | 2,01,300.23 | 1,44,293.04 |
| (b) | Fee and commission income | 4,113.59 | 5,521.79 | 4,254.36 | 22,705.16 | 18,429.66 |
| (c) | Net gain on fair value changes | 610.16 | 276.18 | 231.03 | 1,466.76 | 1,324.94 |
| (d) | Net gain on derecognition of financial instrument on amortised cost basis | 3,630.23 | 2,903.66 | 3,959.66 | 9,092.07 | 8,568.63 |
| | Total revenue from operations | 64,883.88 | 62,490.79 | 49,010.74 | 2,34,564.22 | 1,72,616.27 |
| | Other income | 178.99 | 86.03 | 114.19 | 515.51 | 210.34 |
| | Total income | 65,062.87 | 62,576.82 | 49,124.93 | 2,35,079.73 | 1,72,826.61 |
| 2 | Expenses | | | | | |
| (a) | Finance costs | 34,480.12 | 33,347.53 | 24,902.29 | 1,21,699.73 | 87,563.79 |
| (b) | Impairment on financial instruments | 2,666.37 | 1,943.57 | 2,696.99 | 6,469.22 | 7,959.22 |
| (c) | Employee benefits expense | 4,851.30 | 4,344.07 | 4,653.44 | 16,919.56 | 14,046.71 |
| (d) | Depreciation and amortisation | 998.92 | 878.06 | 755.27 | 3,473.28 | 2,048.18 |
| (e) | Other expenses | 4,179.83 | 4,904.91 | 3,832.77 | 19,028.02 | 15,246.20 |
| | Total expenses | 47,176.54 | 45,418.14 | 36,840.76 | 1,67,589.81 | 1,26,864.10 |
| 3 | Profit before tax (1-2) | 17,886.33 | 17,158.68 | 12,284.17 | 67,489.92 | 45,962.51 |
| 4 | Tax expense | | | | | |
| (a) | Current tax | 4,532.52 | 3,987.36 | 1,127.32 | 16,218.63 | 9,973.66 |
| (b) | Deferred tax | (39.33) | 362.28 | 2,058.92 | 848.61 | 1,731.88 |
| | Total tax expenses | 4,493.19 | 4,349.64 | 3,186.24 | 17,067.24 | 11,705.54 |
| 5 | Net profit after tax for the period/year (3-4) | 13,393.14 | 12,809.04 | 9,097.93 | 50,422.68 | 34,256.97 |
| 6 | Other comprehensive income | | | | | |
| | (A) Items that will not be reclassified to profit or loss | | | | | |
| | (i) Remeasurement (loss) / gain on post retirement benefit plans | 9.22 | (0.64) | 31.89 | (88.55) | (18.02) |
| | (ii) Income tax on above | (2.32) | 0.16 | (8.03) | 22.29 | 4.54 |
| | Subtotal (A) | 6.90 | (0.48) | 23.86 | (66.26) | (13.48) |
| | (B) Items that will be reclassified to profit or loss | | | | | |
| | (i) Change in cash flow hedge reserve | (6,988.38) | 2,062.37 | 202.71 | (6,153.17) | (1,326.23) |
| | (ii) Income tax on above | 1,758.84 | (519.06) | (51.02) | 1,548.63 | 333.78 |
| | Subtotal (B) | (5,229.54) | 1,543.31 | 151.69 | (4,604.54) | (992.45) |
| | Total other comprehensive income (A+B) | (5,222.64) | 1,542.83 | 175.55 | (4,670.80) | (1,005.93) |
| 7 | Total comprehensive Income (5+6) | 8,170.50 | 14,351.87 | 9,273.48 | 45,751.88 | 33,251.04 |
| 8 | Earnings per equity share (not annualised for the quarters) | | | | | |
| (a) | Basic EPS (in Rs.) (refer note 11) | 5.32 | 5.09 | 4.20 | 20.02 | 15.41 |
| (b) | Diluted EPS (in Rs.) (refer note 11) | 5.13 | 4.93 | 4.09 | 19.33 | 15.05 |
| (c) | Face value per share (in Rs.) (refer note 11) | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |



Notes :

1. Standalone Statement of Assets and Liabilities as at March 31, 2025

| (Rs. in Lakhs) | | | |
|----------------|--|-------------------------|-------------------------|
| Sr. No. | Particulars | As at March 31, 2025 | As at March 31, 2024 |
| | | Audited | Audited |
| | ASSETS | | |
| (1) | Financial assets | | |
| (a) | Cash and cash equivalents | 1,17,419.50 | 1,27,579.33 |
| (b) | Bank balance other than (a) above | 8,518.10 | 22,960.74 |
| (c) | Derivative financial instruments | 1,727.69 | 33.21 |
| (d) | Trade receivables | 2,174.36 | 919.38 |
| (e) | Loans | 17,24,952.03 | 12,39,664.91 |
| (f) | Investments | 27,047.31 | 26,988.35 |
| (g) | Other financial assets | 2,149.45 | 1,560.55 |
| | | 18,83,988.44 | 14,19,706.47 |
| (2) | Non-financial assets | | |
| (a) | Current tax assets (net) | 400.68 | 1,873.87 |
| (b) | Deferred tax assets (net) | 1,658.32 | 936.01 |
| (c) | Property, plant and equipment | 4,257.23 | 2,330.10 |
| (d) | Capital work-in-progress | - | 886.70 |
| (e) | Right of use assets | 3,890.93 | 4,401.59 |
| (f) | Intangible assets under development | 126.48 | 1,128.94 |
| (g) | Other intangible assets | 2,154.47 | 1,138.70 |
| (h) | Other non-financial assets | 4,541.00 | 1,964.85 |
| | | 17,029.11 | 14,660.76 |
| | Total assets | 19,01,017.55 | 14,34,367.23 |
| | LIABILITIES AND EQUITY | | |
| | LIABILITIES | | |
| (1) | Financial liabilities | | |
| (a) | Derivative financial instruments | 4,656.33 | 1,163.90 |
| (b) | Trade payables | | |
| (i) | total outstanding dues of micro and small enterprises | 1.15 | 8.50 |
| (ii) | total outstanding dues of creditors other than micro and small enterprises | 8,582.11 | 7,502.17 |
| (c) | Debt securities | 3,71,959.70 | 3,05,343.64 |
| (d) | Borrowings (other than debt securities) | 10,70,341.87 | 7,03,133.72 |
| (e) | Subordinated liabilities | 5,056.51 | 5,047.52 |
| (f) | Other financial liabilities | 24,285.57 | 42,501.75 |
| | Total financial liabilities | 14,84,883.24 | 10,64,701.20 |
| (2) | Non-financial liabilities | | |
| (a) | Current tax liabilities (net) | - | - |
| (b) | Provisions | 696.26 | 302.47 |
| (c) | Other non-financial liabilities | 1,103.66 | 1,708.16 |
| | Total non-financial liabilities | 1,799.92 | 2,010.63 |
| (3) | EQUITY | | |
| (a) | Equity share capital | 12,591.16 | 12,591.16 |
| (b) | Other equity | 4,01,743.23 | 3,55,064.24 |
| | Total equity | 4,14,334.39 | 3,67,655.40 |
| | Total liabilities and equity | 19,01,017.55 | 14,34,367.23 |

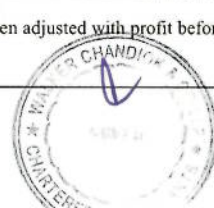


2. Standalone Statement of Cash Flow for the year ended March 31, 2025

(Rs. in Lakhs)

| | Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|----------|--|--------------------------------------|--------------------------------------|
| A | Cash flow from operating activities | | |
| | Profit before tax | 67,489.92 | 45,962.51 |
| | Adjustment for: | | |
| | Interest income on loans* | (1,96,370.24) | (1,38,642.99) |
| | Depreciation and amortisation expenses | 3,473.28 | 2,048.18 |
| | Net gain on fair value changes | (1,466.76) | (1,324.94) |
| | Interest expense on borrowings | 1,21,011.19 | 86,953.08 |
| | Interest on fixed deposits | (3,128.19) | (4,429.85) |
| | Interest Income from treasury bills | (1,801.80) | (1,220.20) |
| | Impairment of financial instruments | 4,585.36 | 3,321.10 |
| | Bad-debts written off | 1,883.86 | 4,638.11 |
| | Employee share based payment expenses | 931.64 | 747.90 |
| | Finance cost on lease liability | 371.08 | 80.88 |
| | (Profit) / Loss on sale of property, plant and equipments | (3.17) | (0.17) |
| | Cash flows used in operation before working capital changes and adjustment for interest received and paid | (3,023.83) | (1,866.39) |
| | Operational cash flows from interest | | |
| | Interest received on loans* | 67,998.98 | 56,991.08 |
| | Interest paid on borrowings | (1,22,679.85) | (80,244.17) |
| | Working capital changes | | |
| | Adjustment for: | | |
| | (Increase) in loans* | (3,63,385.08) | (3,28,849.79) |
| | (Increase) in other non-financial assets | (2,576.15) | (761.74) |
| | (Increase) / Decrease in financial assets | (588.90) | 4,415.97 |
| | (Increase) in trade receivables | (1,254.98) | (86.40) |
| | Increase / (Decrease) in financial liabilities | (17,917.43) | 7,748.57 |
| | Increase in trade payables | 1,072.59 | 2,036.94 |
| | Increase / (Decrease) in non financial liabilities | (604.50) | 846.51 |
| | Increase in Provisions | 305.24 | 147.76 |
| | Cash (used in) operations | (4,42,653.91) | (3,39,621.66) |
| | Direct taxes paid (net) | (14,745.44) | (9,815.36) |
| | Net cash (used in) operating activities | (4,57,399.35) | (3,49,437.02) |
| B | Cash flow from investing activities | | |
| | Investments in mutual fund units at fair value through profit or loss | (16,33,228.46) | (9,57,952.10) |
| | Sale of mutual fund units at fair value through profit or loss | 16,34,695.22 | 9,59,277.05 |
| | Investments in treasury bills at amortised cost | (1,29,257.16) | (1,42,152.66) |
| | Redemption of treasury bills | 1,31,000.00 | 1,25,500.00 |
| | Investments in wholly owned subsidiary | - | (2,672.79) |
| | Interest received on fixed deposits | 3,185.53 | 4,438.24 |
| | Purchase of property, plant & equipment and intangible assets | (3,492.02) | (4,591.58) |
| | Sale of property, plant & equipment and intangible assets | 65.25 | 5.72 |
| | Fixed deposit not considered as cash and cash equivalents (net) | 14,385.30 | 11,312.75 |
| | Net cash (used in) / generated from investment activities | 17,353.66 | (6,835.37) |
| C | Cash flow from financing activities | | |
| | Proceeds from issue of equity share (including securities premium, net-off of share issue expenses) | (4.53) | 1,18,917.78 |
| | Debt securities & subordinated liabilities issued | 2,34,272.68 | 1,18,000.00 |
| | Debt securities & subordinated liabilities repaid | (1,65,121.48) | (1,07,000.00) |
| | Borrowings (other than debt securities) taken | 5,64,070.00 | 4,18,498.79 |
| | Borrowings (other than debt securities) repaid | (2,01,965.65) | (1,44,282.88) |
| | Proceeds from short-term borrowings (net) | (108.94) | 1,628.72 |
| | Principal payment of lease liability | (885.14) | (536.39) |
| | Interest paid on lease liability | (371.08) | (80.88) |
| | Net cash generated from financing activities | 4,29,885.86 | 4,05,145.14 |
| | Net increase/ (decrease) in cash and cash equivalents | (10,159.83) | 48,872.74 |
| | Cash and cash equivalents at the beginning of the period | 1,27,579.33 | 78,706.59 |
| | Cash and cash equivalents at the end of the period | 1,17,419.50 | 1,27,579.33 |
| | Cash and cash equivalents at the end of the period comprises of: | | |
| | Cash in hand | 2.28 | 2.38 |
| | Balance with banks | - | - |
| | - In Current accounts | 74,867.85 | 34,060.10 |
| | - In fixed deposit with original maturity of less than 3 months | 42,537.74 | 93,511.61 |
| | Cheques on hand | 11.63 | 5.24 |
| | Total | 1,17,419.50 | 1,27,579.33 |

*Considering the nature of business wherein interest is capitalised within the respective loan, interest income has been adjusted with profit before tax and increase/(decrease) in loans and disclosed separately to the extent collected.



Notes:

- 3 The Company is a Non-Deposit taking Non-Banking Financial Company registered with the Reserve Bank of India ('RBI'), classified as a NBFC - Middle Layer as per the Master Direction - Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023.
- 4 The above standalone financial results for the quarter and year ended March 31, 2025 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on April 30, 2025. These results are audited by the Statutory Auditors of the Company and they have issued unmodified report thereon. The financial results for the quarter ended March 31, 2024 and year ended March 31, 2024 were subjected to audit by the previous statutory auditors.
- 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/2022/0000000103 dated July 29, 2022.
- 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 segments.
- 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 100% and above as required under Debenture Trust Deed as on March 31, 2025.
- 8 The Company has filed a Draft Red Herring Prospectus (DRHP) dated June 20, 2024 with the Securities and Exchange Board of India (SEBI), BSE Limited and National Stock Exchange of India Limited in connection with its Initial Public Offering (IPO) of equity shares of face value of Rs 5 each comprising of a fresh issue of Equity Shares aggregating up to Rs 1,000 crore and an offer for sale of Equity Shares aggregating up to Rs 2,500 crore by existing shareholders, subject to receipt of regulatory approvals, market conditions and other considerations. Pursuant to letter dated July 25, 2024 from SEBI, the Company has re-filed the DRHP dated July 31, 2024 with SEBI, BSE Limited and National Stock Exchange of India Limited. Further, the Company received observations on the DRHP from SEBI vide their letter dated October 23, 2024.

- 9 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 / co-lending in respect of loans not in default during the quarter and year ended March 31, 2025

| Particulars | Quarter ended March 31, 2025 | Year ended March 31, 2025 |
|---|---------------------------------|------------------------------|
| Count of loan accounts | 868 | 3,308 |
| Amount of loan transferred through assignment/ co-lending (Rs in Lakhs) | 38,304.07 | 1,16,694.11 |
| Aggregate consideration received (Rs in Lakhs) | 38,304.07 | 1,16,694.11 |
| Retention of beneficial economic interest (MRR) | 15.52% | 14.18% |
| Weighted Average Maturity (Residual Maturity) (in months) | 96 | 96 |
| Weighted Average Holding Period (in months) | 29 | 29 |
| Coverage of tangible security* | 100.00% | 100.00% |
| Rating-wise distribution of rated loans | Unrated | Unrated |

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

(b) Details of loans not in default acquired through assignment during the quarter and year ended March 31, 2025

| Particulars | Quarter ended March 31, 2025 | Year ended March 31, 2025 |
|---|---------------------------------|------------------------------|
| Count of loan accounts | - | 5,721 |
| Amount of loan accounts (Rs in Lakhs) | - | 11,299.60 |
| Weighted Average Maturity (Residual Maturity) (in months) | - | 105.00 |
| Weighted Average Holding Period (in months) | - | 0.74 |
| 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 quarter and year ended March 31, 2025

- 10 Disclosure in compliance with Regulation 52(4) of the SEBI (Listing Obligation and Disclosure requirements) Regulation, 2015 for the quarter and year ended March 31, 2025 is attached in Annexure A.
- 11 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.
- 12 The Company has adopted "Avanse Financial Services Limited Employee Stock Option Plan, 2024" pursuant to the resolution passed by the Board of Directors on May 14, 2024 and a special resolution passed by the Shareholders of the Company at their Extra Ordinary General Meeting held on June 20, 2024.
- 13 The Nomination, Remuneration and Compensation Committee of Directors of the Company, had approved the grant of Nil stock options during the quarter ended March 31, 2025 and 31,62,378 stock options during the year ended March 31, 2025 to eligible employees.



Notes:

- 14 Information as required by Reserve Bank of India Circular on Resolution Framework for COVID-19 related stress dated August 6, 2020 and Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses dated May 5, 2021.

As at March 31, 2025

Format B

(Rs. in Lakhs)

| Type of Borrower | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half year end September 30, 2024(A) | Of (A), aggregate debt that slipped into NPA during the half-year ended March 31, 2025 | Of (A), aggregate debt that were written off during the half-year ended March 31, 2025 | Of (A) amount paid by the borrowers during the half-year ended March 31, 2025 | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end the half-year ended March 31, 2025 |
|--------------------|--|--|--|---|---|
| Personal Loans | 3,025.90 | 36.55 | 8.04 | 539.70 | 2,441.61 |
| Corporate Persons* | 3,265.95 | 12.03 | - | 293.53 | 2,960.39 |
| -of which MSMEs | - | - | - | - | - |
| Others | - | - | - | - | - |
| Total | 6,291.85 | 48.58 | 8.04 | 833.23 | 5,402.00 |

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

- 15 Figures for the previous year/periods have been regrouped and/or reclassified wherever considered necessary in conformity with the current period's classification / grouping. The impact, if any, are not material to financial results. The figures for the quarter ended March 31, 2025 and March 31, 2024 are the balancing figures between audited figures in respect of the year ended March 31, 2025 and March 31, 2024 and the reviewed figures for the nine months ended December 31, 2024 and December 31, 2023 respectively.

For and on behalf of the Board of Directors of
Avanse Financial Services Limited



Amit Ganda
Managing Director & CEO
DIN - 09494847

Place : Mumbai
Date : April 30, 2025



Avanse Financial Services Limited

CIN : U67120MH1992PLC068060

Regd office : Times Square Building, E Wing, 4th Floor, Opp. Mittal Industrial Estate, Gamdevi, Andheri-Kurla Road, Marol, Andheri (East), Mumbai 400 059, Maharashtra

T: 022 6859 9999 F: 022 6859 9900 Website : www.avanse.com Email : investorrelations@avanse.com

Annexure A**Disclosure in compliance with Regulation 52(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 for the quarter and year ended March 31, 2025**

| Sr. No. | Particulars | Quarter ended | | | Year ended | |
|---------|---|----------------|-------------------|----------------|----------------|----------------|
| | | March 31, 2025 | December 31, 2024 | March 31, 2024 | March 31, 2025 | March 31, 2024 |
| 1 | Debt-Equity ratio | 3.49 | 3.52 | 2.76 | 3.49 | 2.76 |
| 2 | Outstanding redeemable preference shares (quantity and value) | - | - | - | - | - |
| 3 | Capital redemption reserve | - | - | - | - | - |
| 4 | Debenture redemption reserve (Refer Note 1) | - | - | - | - | - |
| 5 | Net worth (Refer Note 2) | 4,08,261.61 | 4,01,795.70 | 3,64,451.76 | 4,08,261.61 | 3,64,451.76 |
| 6 | Total debt to total assets (%) | 76.14% | 76.53% | 70.66% | 76.14% | 70.66% |
| 7 | Net profit margin (%) (Refer Note 3) | 20.64% | 20.50% | 18.56% | 21.50% | 19.85% |
| 8 | Sector specific equivalent ratios | | | | | |
| | (a) Gross Stage 3 (%) | 0.26% | 0.29% | 0.43% | 0.26% | 0.43% |
| | (b) Net Stage 3 (%) | 0.04% | 0.06% | 0.13% | 0.04% | 0.13% |
| | (c) Capital Risk Adequacy Ratio (%) | 22.44% | 22.48% | 27.52% | 22.44% | 27.52% |
| | (d) Liquidity Coverage Ratio (%) | 224.88% | 274.10% | 359.98% | 230.17% | 374.49% |

Notes:

1. 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.

2. Net worth is equal to paid up equity share capital plus other equity less deferred tax assets less intangible assets.

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

4. 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.



Annexure A to the Outcome of the Board meeting

April 30, 2025

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

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. Walker Chandiok & Co LLP, Chartered Accountants, have submitted their reports with unmodified opinion on annual audited financial results of the Company (Standalone and Consolidated) for the financial year ended March 31, 2025.

Kindly take the above on record.

For Avanse Financial Services Limited

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

Annexure B to the Outcome of the Board meeting

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

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**”), as may be amended from time to time, 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, 2025.

Details of Security Cover for the period ended March 31, 2025 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 of security cover as on March 31, 2025

| 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 | 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) | Assets not offered as security | Elimination on (account in negative) | (Total C to H) | Market Value for Assets charged on exclusive basis | Carrying Book value for assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable) | Market Value for pari passu 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+M+N) |
| Assets | | Book Value | Yes/No | Book Value | Book Value | Book Value | | | | | | | | |
| Property, Plant and Equipment | - | - | Yes | - | 7.50 | - | 4,249.73 | - | - | 4,257.23 | - | - | - | 7.50 |
| Capital Work-in-Progress | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Right of use Assets | - | - | - | - | - | - | 3,890.93 | - | - | 3,890.93 | - | - | - | - |
| Goodwill | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Intangible Assets | - | - | - | - | - | - | 2,154.47 | - | - | 2,154.47 | - | - | - | - |
| Investments | - | - | - | - | - | - | 136.48 | - | - | 136.48 | - | - | - | - |
| Loans | - | - | - | - | - | - | 27,047.31 | - | - | 27,047.31 | - | - | - | - |
| Inventories | - | - | Yes | - | 1,548,374.64 | - | 176,577.29 | - | - | 1,724,952.03 | - | - | - | 1,548,374.64 |
| Trade Receivables | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Cash and Cash Equivalents | - | - | - | - | - | - | 2,174.36 | - | - | 2,174.36 | - | - | - | - |
| Bank Balances other than Cash and Cash Equivalents | - | - | - | - | - | - | 117,419.50 | - | - | 117,419.50 | - | - | - | - |
| Others | - | - | 2,251.70 | - | - | - | 6,266.40 | - | - | 8,518.10 | - | - | - | 2,251.70 |
| Total | - | - | 2,251.70 | - | 1,548,382.14 | - | 350,383.71 | - | - | 10,477.14 | - | - | - | - |
| LIABILITIES | | | | | | | | | | | | | | |
| Debt securities to which this certificate pertains | - | - | Yes | - | 358,594.65 | - | - | - | - | 358,594.65 | - | - | - | - |
| Other debt sharing pari-passu charge with above debt | - | - | Yes | - | 1,068,829.70 | - | - | - | - | 1,068,829.70 | - | - | - | - |
| Other debt | - | - | - | - | - | - | 14,242.19 | - | - | 14,242.19 | - | - | - | - |
| Subordinated debt | - | - | - | - | - | - | 5,078.76 | - | - | 5,078.76 | - | - | - | - |
| Borrowings | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Bank | - | - | 6,850.98 | - | - | - | - | - | - | 6,850.98 | - | - | - | - |
| Debt Securities | - | - | - | - | - | - | 1,519.78 | - | - | 1,519.78 | - | - | - | - |
| Others | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Trade payables | - | - | - | - | - | - | 8,583.26 | - | - | 8,583.26 | - | - | - | - |
| Lease Liabilities | - | - | - | - | - | - | 4,162.76 | - | - | 4,162.76 | - | - | - | - |
| Provisions | - | - | - | - | - | - | 696.26 | - | - | 696.26 | - | - | - | - |
| Others | - | - | - | - | - | - | 18,114.82 | - | - | 18,114.82 | - | - | - | - |
| Total | - | - | 6,850.98 | - | 1,427,424.35 | - | 32,407.83 | - | - | 1,465,683.18 | - | - | - | - |
| Covered on Book value | | | | | 1.08 | | | | | | | | | |
| Covered on Market value | | | | | 1.08 | | | | | | | | | |
| | | Exclusive Security Cover Ratio | | | Pari-Passu Security Cover Ratio | | | | | | | | | |
| | | | | | 1.08 | | | | | | | | | |

Notes:

- The Security Cover ratio pertains to only listed secured debt securities.
- 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, 2025 (net off provision).
- The amount has been extracted from the financial results for the year ended March 31, 2025.
- 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/terms sheets for securities.



Avanse Financial Services Ltd.
Registered & Corporate Office:
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www.avanse.com

ASPIRE WITHOUT BOUNDARIES

CIN : U67120MH1992PLC068060 - Formerly known as Avanse Financial Services Pvt. Ltd. & Abhinavudhu Holdings Private Limited



Annexure C to the Outcome of the Board meeting

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

Dear Sir / Madam,

Sub: Disclosure on Related Party Transactions under Regulation 62K of the Listing Regulations

Pursuant to the above-referred regulation, details of the Related Party Transaction for the half year ended March 31, 2025 is enclosed herewith in the format prescribed by the SEBI as **Annexure C1**.

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

Annexure C1

| S. No. | Details of the party (listed entity /subsidiary) entering into the transaction | Details of the counterparty | | | Type of RPT | Value of RPT as approved by audit committee (Rs. in Lacs) | Value of transaction during reporting period (Rs. in Lacs) | In case monies are due to either party as a result of the transaction | |
|--------|--|--|------------|-------------------------|---|---|--|---|-----------------|
| | | Name & PAN | Name | PAN | Relationship of counterparty with listed entity or its subsidiary | | | Opening balance | Closing balance |
| 1 | Avanse Financial Services Limited AAACA4267A | Mr. Neeraj Swaroop | ABJPS9765Q | Independent Director | Sitting fees & Commission | 17.59 | 17.59 | 0 | 0 |
| 2 | | Mr. Ravi Venkatraman | ABKPV6883B | Independent Director | Sitting fees & Commission | 11.88 | 11.88 | 0 | 0 |
| 3 | | Ms. Vijayalakshmi Iyer | AAHPI7741P | Independent Director | Sitting fees & Commission | 11.66 | 11.66 | 0 | 0 |
| 4 | | Ms. Savita Mahajan | AAQPM7001H | Independent Director | Sitting fees & Commission | 12.17 | 12.17 | 0 | 0 |
| 5 | | Mr. Rakesh Bhatt | AAUPB0287C | Independent Director | Sitting fees & Commission | 1.20 | 1.20 | 0 | 0 |
| 6 | | Mr. Amit Gaiinda | AAVPG4836F | Managing Director & CEO | Remuneration | 188.27 | 188.27 | 0 | 0 |
| 7 | | Mr. Vikrant Gandhi | AAPPG9090F | Chief Financial Officer | Remuneration | 82.75 | 82.75 | 0 | 0 |
| 8 | | Mr. Rajesh Gandhi | AFRPG7972H | Company Secretary | Remuneration | 15.55 | 15.55 | 0 | 0 |
| 9 | | Avanse Global Finance IFSC Private Limited | | Wholly owned subsidiary | Common support cost & reimbursements | 100.00 | 39.67 | 0 | 0 |

Note: No financial indebtedness has been incurred to make or give loans, inter-corporate deposits, advances or investments. Further, the remuneration to independent directors is captured on an accrual basis.



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