

June 18, 2022

To,

IDBI Trusteeship Services Limited

Asian Building, Ground Floor, 17, R Kamani Marg,
Ballard Estate, Mumbai – 400001

Kind Attn.: Mr. Deepak Kumar (Chief Manager)

Subject: Intimation for upgrade in long-term credit rating from ICRA Limited

Dear Sir/Madam,

This is with reference to the clause 1.2.8 (b) of the Debenture Trust Deed executed between Aavas Financiers Limited and IDBI Trusteeship Services Limited dated December 30, 2020.

We would like to inform you that our long-term credit rating from ICRA Limited is upgraded to **AA with Stable Outlook** from existing long-term credit rating of **AA- with Positive Outlook**. Accordingly, Spread Rate will be stepped down by 0.25% for every notch of rating upgrade, from the prevailing Spread Rate which is 2.63% per annum. Now, effective Spread Rate is 2.38% and effective Coupon Rate is 6.38% per annum.

Further, such decreased Spread Rate (resultantly revised Coupon Rate) shall be applicable immediately from the date of rating upgrade by Rating Agency i.e. June 17, 2022.

Enclosed: Intimation of Credit Rating Upgradation to NSE and BSE

For **Aavas Financiers Limited**



Authorised Signatory



AAVAS FINANCIERS LIMITED

(Formerly known as "Au HOUSING FINANCE LIMITED")

An ISO 9001: 2015 Certified Company | CIN NO.: L65922RJ2011PLC034297

Regd. & Corp. Office: 201-202, 2nd Floor, Southend Square,
Mansarovar Industrial Area, Jaipur-302020

Tel: +91 141 661 8888 | E-Mail: info@aavas.in, Website: www.aavas.in



Ref. No. AAVAS/SEC/2022-23/314

Date: June 18, 2022

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

Sub: Intimation of Credit Rating Upgradation

Pursuant to Regulation 30(6) read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are glad to inform you that based on rating assessment undertaken by **ICRA Limited**, the Company's credit rating has been upgraded to '[ICRA] AA' from '[ICRA] AA-' while reaffirming the existing ratings. Outlook on the rating is Stable.

Please find below the details of the same:-

Credit Rating Agency	Instrument	Rating Action	Rating ; Outlook
ICRA Limited	Credit Rating for Rs. 1,240 crore Bank Borrowing programme	Upgraded; Rating upgraded from '[ICRA] AA-' to '[ICRA] AA'	[ICRA] AA; Stable [pronounced as ICRA double A]
	Credit Rating for Rs. 380 crore Non- Convertible Debentures Programme	Upgraded; Rating upgraded from '[ICRA] AA-' to '[ICRA] AA'	[ICRA] AA; Stable [pronounced as ICRA double A]
	Credit Rating for Rs. 50 crore Commercial Paper Programme	Reaffirmed	[ICRA] A1+ (pronounced as ICRA A one plus)

The rating rationale letter of ICRA Limited is attached herewith.

We request you to take the same on your record.

Thanking You,

For Aavas Financiers Limited

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

Mr. Ghanshyam Rawat
Chief Financial Officer
Aavas Financiers Limited
201-202, Southend Square SP-1, 2nd Floor
Mansarovar Industrial Area
Jaipur 302020

Dear Sir,

Re: Surveillance of ICRA-assigned Credit Rating for Rs. 1,240 crore bank borrowing programme of Aavas Financiers Limited (instrument details in Annexure)

Please refer the Rating Agreement between ICRA Limited ("ICRA") and your company, whereby, ICRA is required to review the ratings assigned to your company on an annual basis or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration, has upgraded the long-term rating for the captioned Line of Credit (LOC) to [ICRA]AA (pronounced ICRA double A) from [ICRA]AA- (pronounced ICRA double A minus). Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. Within this category, rating modifiers {"+" (plus) or "- (minus)} can be used with the rating symbols. The modifier reflects the comparative standing within the category. Outlook on the rating is **Stable**.

The aforesaid rating will be due for surveillance anytime before June 16, 2023.

The rating(s) as stated above is specific to the terms and conditions of the LOC as indicated to us by you. In case there is any change in the terms and conditions, or the size of the rated LOC, the same must be brought to our notice immediately. Any such change would warrant a rating review, following which there could be a change in the rating(s) assigned. Notwithstanding the foregoing, any change in the overall limit of the LOC from that specified in the first paragraph of this letter would constitute an enhancement that would not be covered by or under the said Rating Agreement.

ICRA reserves the right to review and/or, revise the above rating(s) at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating(s) assigned to you.

You are requested to furnish a monthly 'No Default Statement (NDS)' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme [interest and principal obligations for fund based as well as obligations under LOC/BG for non-fund based facility]. This is in accordance with requirements prescribed in circular dated June 30, 2017 on '**Monitoring and Review of Ratings by Credit Rating Agencies (CRAs)**' issued by the Securities and Exchange Board of India.

You are also requested to inform us forthwith of any default or delay in the payment of interest and/or principal against the rated debt programme, or any other debt instruments and/or borrowings of your company. Further, you are requested to keep us informed of any other developments that could have a direct or indirect impact on the debt servicing capability of your company, with such developments including, but not limited to, any proposal for re-schedulement or postponement of repayment against any dues and/or debts of your company with any lender(s) and/or investor(s).

We thank you for your kind co-operation extended during the course of the rating exercise. Please let us know if you need any clarification. We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,
Yours sincerely,
for ICRA Limited

**KARTHIK
SRINIVASAN**

Digitally signed by KARTHIK
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Karthik Srinivasan
Senior Vice President
karthiks@icraindia.com



ANNEXURE: Instrument details

Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale)

	Amount (Rs. crore)	Rating	Assigned on
Term Loans			
HDFC Bank	8.40	[ICRA]AA(Stable)	June 17, 2022
IDBI Bank	19.82	[ICRA]AA(Stable)	June 17, 2022
Indian Bank	37.83	[ICRA]AA(Stable)	June 17, 2022
Kotak Mahindra Bank	3.00	[ICRA]AA(Stable)	June 17, 2022
Kotak Mahindra Bank	20.00	[ICRA]AA(Stable)	June 17, 2022
BANK of BARODA	1.14	[ICRA]AA(Stable)	June 17, 2022
Punjab National Bank	8.23	[ICRA]AA(Stable)	June 17, 2022
Punjab National Bank	7.24	[ICRA]AA(Stable)	June 17, 2022
Punjab National Bank	22.57	[ICRA]AA(Stable)	June 17, 2022
Punjab National Bank	51.35	[ICRA]AA(Stable)	June 17, 2022
State Bank of India	19.28	[ICRA]AA(Stable)	June 17, 2022
UCO Bank	17.72	[ICRA]AA(Stable)	June 17, 2022
Union Bank of India	0.33	[ICRA]AA(Stable)	June 17, 2022
Union Bank of India	54.02	[ICRA]AA(Stable)	June 17, 2022
Unallocated	759.06	[ICRA]AA(Stable)	June 17, 2022
Cash Credit			
HDFC Bank	10.00	[ICRA]AA(Stable)	June 17, 2022
HDFC Bank	30.00	[ICRA]AA(Stable)	June 17, 2022
IndusInd Bank	5.00	[ICRA]AA(Stable)	June 17, 2022
Kotak Mahindra Bank	4.00	[ICRA]AA(Stable)	June 17, 2022
ICICI Bank	10.00	[ICRA]AA(Stable)	June 17, 2022
Unallocated	151.00	[ICRA]AA(Stable)	June 17, 2022
Total	1,240.00		



ICRA

ICRA Limited

Ref No: ICRA/Aavas Financiers Limited/17062022/2

Date: June 17, 2022

Mr. Ghanshyam Rawat
Chief Financial Officer
Aavas Financiers Limited
201-202, Southend Square SP-1, 2nd Floor
Mansarovar Industrial Area
Jaipur 302020

Dear Sir,

Re: ICRA Credit Rating for Rs 380 Crore NCD Programme of Aavas Financiers Limited (instrument details in Annexure)

In terms of the Rating Agreement executed between your company and ICRA Limited (ICRA), ICRA is required to review the rating, on an annual basis, or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest development in your company, has upgraded the rating on your non-convertible debenture (NCD) programme to **[ICRA]AA** (pronounced as ICRA double A) from **[ICRA]AA-** (pronounced as ICRA double A minus). Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. Within this category, rating modifiers {"+" (plus) or "-" (minus)} can be used with the rating symbols. The modifier reflects the comparative standing within the category. Outlook on the rating is **Stable**.

In any of your publicity material or other document wherever you are using our above rating, it should be stated as **[ICRA]AA(Stable)**.

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to review and/ or, revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you. The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the instruments issued by you.

You are requested to furnish a monthly 'No Default Statement (NDS)' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme. This is in line with requirements as prescribed in circular dated June 30, 2017 on 'Monitoring and Review of Ratings by Credit Rating Agencies (CRAs)' issued by the Securities and Exchange Board of India.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Please let us know if you need any clarification. We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited

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Karthik Srinivasan
Senior Vice President
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RATING • RESEARCH • INFORMATION

Mr. Ghanshyam Rawat
Chief Financial Officer
Aavas Financiers Limited
201-202, Southend Square SP-1, 2nd Floor
Mansarovar Industrial Area
Jaipur 302020

Dear Sir,

Re: Surveillance of ICRA rating for Rs. 50 Crore Commercial Paper Programme of Aavas Financiers Limited

Please refer the Rating Agreement between ICRA Limited ("ICRA") and your company, whereby, ICRA is required to review the ratings assigned to your company on an annual basis or as and when circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest developments in your company, has reaffirmed the rating assigned earlier to the Rs 50 crore CP programme at **[ICRA]A1+ (pronounced as ICRA A one plus)**. Instruments with [ICRA]A1 rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk. Within this category rating modifier {"+" (plus)} can be used with the rating symbols. The modifier reflects the comparative standing within the category.

In any of your publicity material or other document wherever you are using the above rating, it should be stated as **[ICRA]A1+**. Additionally, we wish to highlight the following with respect to the rating:

(a) If the instrument rated, as above, is not issued by you within a period of 3 months from the date of this letter, the rating would need to be revalidated before issuance.

(b) Subject to Clause (c) below, once the instrument is issued, the rating is valid throughout the life of the captioned programme (which shall have a maximum maturity of twelve months from the date of the issuance of the instrument).

(c) Notwithstanding anything containing in clause (b) above, ICRA reserves the right to review and/or, revise the above rating at any time on the basis of new information or unavailability of information or such circumstances, which ICRA believes, may have an impact on the aforesaid rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the Commercial Paper issued by you. **The above rating of "[ICRA] A1+" is assigned to your Commercial Paper size of Rs 50 crore and the maximum amount raised through Commercial Paper at any point in time, including any amount already outstanding, should not exceed Rs 100 crore.** In case, you propose to enhance the size of the Commercial Paper, the same would be required to be rated afresh. ICRA does not assume any responsibility on its part, for any liability, that may arise consequent to your not complying with any eligibility criteria, applicable from time to time, for issuance of Commercial Paper.

You are requested to furnish a monthly 'No Default Statement (NDS)' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme. This is in line with requirements as prescribed in circular dated June 30, 2017 on '**Monitoring and Review of Ratings by Credit Rating Agencies (CRAs)**' issued by the Securities and Exchange Board of India.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us. We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited

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Karthik Srinivasan
Senior Vice President
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