

## Spark Capital advises Aavas Financiers on its ~INR 1,640 Cr IPO

Spark Capital Advisors (India) Pvt. Ltd. ("Spark"), acting as one of the **Global Co-ordinators and Book Running Lead Managers**, is pleased to announce the successful closure of an ~INR 1,640 Cr Initial Public Offering ("IPO") for Aavas Financiers Limited ("Aavas" or the "Company"), which got listed today.

Aavas is a North and West India focused affordable housing finance company, which has demonstrated one of the fastest growth rates in the sector (75+% CAGR during FY14-FY18) with pristine asset quality (GNPA: ~0.5% as of June 30, 2018) and consistent profitability (RoTA > 2.5% during each of the last four fiscal years).

### Key transaction highlights:

- The issue consisted of a primary offering of INR 400 Cr and an offer for sale of ~INR 1,240 Cr by existing shareholders. The issue included an anchor component of ~INR 520 Cr, raised from marquee domestic and foreign institutional investors including ADIA, Halbis, Nomura, Wasatch, Reliance MF, SBI MF, Birla MF, DSP MF, ICICI Prudential MF, IDFC MF and PremjilInvest among others.
- The anchor book saw a great demand and comprised of 14 FIIs and 18 domestic investors.
- The issue was successfully completed in an extremely challenging and volatile market with the QIB book subscribed 2.8x times.

### Spark's role in the issue:

- Offered end to end support to the management throughout the process in articulating the unique investment proposition across marketing documents and regulatory filings.
- Spark's counsel to the Company throughout the process enabled the Company to position the differentiated aspects of the business to public market funds and investors.
- Spark was instrumental in soliciting interest from long-only investors including ICICI Prudential MF, PremjilInvest, IDFC MF, Think Investments and Helios Capital, which augurs well for the shareholding base of the Company.

With this transaction, Spark has successfully consummated **4 transactions in the Equity Capital Market space (aggregating to ~ USD 500 Mn) and 5 transactions in the financial services space (aggregating to ~ USD 550 Mn) during the last twelve months**. This transaction underscores Spark's commitment to bring fully integrated and holistic financial solutions dedicated to mid-market corporates across the country.

### About Aavas Financiers Limited:

Aavas Financiers Limited is one of the fastest growing affordable housing finance companies in India. The Company operates through 166 branches across 95 districts in 8 states with a strong presence in Rajasthan, Gujarat, Maharashtra and Madhya Pradesh. The Company predominantly focuses on the self-employed customer category who have traditionally been underserved. The Company had gross loan assets of ~INR 4,400 Cr as of June 30, 2018. More information on Aavas Financiers Limited can be found at [www.aavas.in](http://www.aavas.in)

### About Spark Capital:

Spark Capital is among India's leading mid-market investment banks, providing a full suite of services encompassing Investment Banking, Institutional Equities, Wealth Management and Structured Finance & Debt Syndication. Spark's Investment Banking business has successfully consummated a total transaction value of **~USD 2.2 Bn across 33 transactions in financial services**. Spark Capital's Institutional Equities division covers over 200 stocks under research and enjoys empanelment with over 200 institutional clients across FIIs, DIIs and Family offices. The Institutional Equities division was **ranked 5<sup>th</sup> in Institutional Investor's annual All India Ranking**. Spark has offices in Bengaluru, Mumbai and Chennai. Further information is available at [www.sparkcapital.in](http://www.sparkcapital.in)

Best Regards,  
Team Spark

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