

Press release

Mumbai, India; 1 July 2025

### **Partners Group sells final stake in Aavas Financiers**

- **The sale marks a full exit for Partners Group and a strong return for its clients**
- **Partners Group acquired a significant stake in Aavas in 2016 and then listed the Company on the stock exchanges in India two years later**
- **During its holding period, Partners Group implemented several transformational value creation initiatives**

Partners Group, one of the largest firms in the global private markets industry, acting on behalf of its clients, has sold its final stake in Aavas Financiers (“Aavas” or “the Company”), a market leader in affordable housing finance in India, to CVC Capital Partners. The sale marks a full exit for Partners Group and a strong return for its clients.

Partners Group acquired a significant stake in Aavas in 2016 with the aim to create the first private equity-controlled housing finance company in India. Following two years of strong growth, Partners Group listed Aavas on BSE and the National Stock Exchange of India in 2018. Since the listing, Partners Group has been gradually selling down its shareholding.

Founded in 2011, Aavas primarily focuses on unbanked and informal income segments of home buyers in India, with an average of around USD 11,000 per loan account. Aavas provides home loans, home construction loans, loans against properties, home improvement loans, and business loans to low- and middle-income salaried and self-employed customers in underserved and underreached markets in India. The Company operates from 397 branches across 14 states and union territories.

During its holding period, Partners Group steered strategy and implemented several transformational value creation initiatives at Aavas, while also guiding the Company through multiple macro headwinds such as demonetization, a liquidity crisis, and the impact of the COVID-19 pandemic. Key value creation initiatives included strengthening the management team, adding new products, digitalizing operations to lower processing times, improving customer experiences, and accelerating branch openings.

Since 2016<sup>1</sup>, Aavas has seen its assets under management increase over 12x to more than INR 204 billion, cementing its position as a market leader in affordable housing finance in

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<sup>1</sup> Refers to period from FY March 2016 to FY March 2025

India. Additionally, the Company's net income has risen around 18x to INR 5.7 billion and asset quality has improved over 165 bps to 3.4%<sup>2</sup> of loans past due.

Sandeep Tandon, Chairperson, Aavas, says: "The journey with Aavas represents a textbook example of transformational value creation in the Indian financial services sector. Despite navigating multiple challenges, Partners Group ownership has helped position Aavas as a market leader in affordable housing finance. This successful exit not only delivers attractive returns but also demonstrates the ability of Partners Group-backed firms to build sustainable businesses that create meaningful impact to stakeholders."

Sachinder Bhinder, Chief Executive Officer, Aavas, adds: "We would like to express our gratitude to Partners Group for their invaluable support and guidance over the years. We will continue our journey of institutionalizing the organization and are well-placed to capture the large growth opportunity in the affordable housing and Medium Small & Micro Enterprise financing segments. The transaction is testament to the differentiated and high-quality business we continue to build at Aavas."

Manas Tandon, Partner, Head Private Equity Goods & Products, Partners Group, says: "Aavas has demonstrated industry-leading asset quality combined with strong growth in the large affordable housing finance market in India. We are proud to have built an institution with a long-term mindset, which is creating a real impact on the ground by helping customers achieve their aspirations. It has been a pleasure working with Aavas on its journey so far and we wish the team all the very best for the years ahead."

Partners Group has USD 78 billion in private equity assets under management globally. The final stake sale in Aavas represents Partners Group's second exit in India over the last year, following the listing and subsequent stake sale of Vishal Mega Mart, a leading retailer in the country, on BSE and the National Stock Exchange of India. Partners Group has invested USD 2.3 billion in India since inception.

### **About Partners Group**

Partners Group is one of the largest firms in the global private markets industry, with around 1,800 professionals and over USD 150 billion in overall assets under management globally. The firm has investment programs and custom mandates spanning private equity, private credit, infrastructure, real estate, and royalties. With its heritage in Switzerland and primary presence in the Americas in Colorado, Partners Group is built differently from the rest of the industry. The firm leverages its differentiated culture and operationally oriented approach to identify attractive investment themes and to transform businesses and assets into market leaders. For more information, please visit [www.partnersgroup.com](http://www.partnersgroup.com) or follow us on [LinkedIn](https://www.linkedin.com/company/partners-group/).

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<sup>2</sup> Refers to % of loans that are 1+ days past due

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