

## Annexure-10

# Business Responsibility Report, 2020-21

### INTRODUCTION

The decade-long journey of Aavas Financiers Limited has been a chronicle of success, resilience and sustained value-creation for society. The Company's emphasis on a "customer first" approach is but a reflection of the profound desire to enrich lives and build lasting faith of the community. With an ethics-driven corporate culture and numerous corporate social responsibility endeavors, the Company continues to align its business goals with greater good of the community at large.

Pursuant to the foregoing vision, the Company has prepared this Business Responsibility Report, in alignment with National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG-SEE) released by the Ministry of Corporate Affairs, and also, in accordance with Regulation 34 (2) (f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN) of the Company:** L65922RJ2011PLC034297
- Name of the Company:** Aavas Financiers Limited ("Aavas" or "the Company")
- Registered and Corporate office:** 201-202, 2<sup>nd</sup> Floor, South End Square, Mansarovar Industrial Area, Jaipur - 302 020, Rajasthan, India
- Website:** www.aavas.in
- E-mail ID:** investorrelations@aavas.in
- Financial year reported:** 2020-21
- Sector(s) that the Company is engaged in (industrial activity code-wise):**

NIC code	Description
64910	Housing Finance Activities

- List three key services that the Company provides (as in the Balance Sheet):** The Company's business is providing home loans for the purchase or construction of residential properties and for the extension and repair of existing housing units. In addition to home loans, the Company offers Customers other mortgage loans including loans against property.
- Total number of locations where business activity is undertaken by the Company:**

(a) Number of International Locations (Provide details of major five): Nil

(b) Number of National Locations: 280 branches in 11 states of India

- Markets served by the Company - local/state/national/international:** The Company serves local/state and national level markets with a special focus on rural and semi-urban areas of India.

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

- Paid-up Capital:** ₹78,50,45,510
- Total Income (in lakh):** ₹1,10,533.51
- Total Comprehensive Income (in lakh):** ₹29,032.92
- Total Spending on Corporate Social Responsibility (CSR):** Refer to the Annual Report on CSR Activities annexed to the Directors' Report.
- List of the activities in which expenditure in 4 above has been incurred:** Refer to the Annual Report on CSR Activities annexed to the Directors' Report.

### SECTION C: OTHER DETAILS

- Does the Company have any subsidiary Company/Companies?**

The Company has one wholly owned Subsidiary named as Aavas Finserv Limited ("Aavas Finserv").

- Do the subsidiary Company/Companies participate in the Business Responsibility (BR) initiatives of the parent company?**

No.

- Do any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

No other entities with whom the Company does business with, participates in the BR initiatives of the Company. However, the Company with its long-term strategy on CSR initiatives, had set up "Aavas Foundation" as a Public Charitable Trust settled by the Company for the purpose of carrying its CSR Activities.

## SECTION D: BR INFORMATION

### 1. Details of Director/Directors responsible for BR

Sl. No.	Particulars	Details
1 (a)	Details of Director/Directors responsible for BR	DIN: 03154532 Mr. Sushil Kumar Agarwal Managing Director and CEO 0141-6618839 ceo@aavas.in
	Director Identification Number (DIN)	
	Name	
	Designation	
	Telephone number	
	Email ID	
1 (b)	Details of the BR head	
	DIN (if applicable)	
	Name	
	Designation	
	Telephone number	
	E-mail ID	

### 2. Principle-wise (as per NVGs) BR policy/policies

#### a) Details of compliance (reply in Y/N)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for all the principles	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/international standards?	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified Committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	All the policies are available to the Employees of the Company. Most of the policies are also available on the Company's website: <a href="http://www.aavas.in">www.aavas.in</a>								
7.	Has the Policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a Grievance Redressal Mechanism related to the Policy/Policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out Independent Audit/ evaluation of the working of this Policy by an Internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

\*National standards

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: Not applicable

### 3. Governance related to BR

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The BR performance of the Company is assessed on an annual basis.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes, Report is published annually. The same is available on the website of the Company at URL <https://www.aavas.in/investor-relations/annual-reports>.

## SECTION E: PRINCIPLE WISE PERFORMANCE

### PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the group/ joint ventures/suppliers/contractors/NGOs/others?

The Company conducts its business professionally and with utmost integrity. It has adopted the following policies to ensure ethical, transparent and accountable conduct:

- i. Customer Grievance Policy
- ii. Fair Practice Code
- iii. Code of Conduct for the Board of Directors and the Senior Management Personnel
- iv. Code of Conduct for Employees
- v. Fit and Proper Criteria for Directors
- vi. Prevention of Insider Trading Policy
- vii. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

- viii. Vishakha Policy against Sexual Harassment as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013
- ix. Vigil Mechanism/Whistleblower Policy
- x. Policy on Recording of Investor Communications
- xi. Policy on 'Know Your Customer' and 'Anti-Money Laundering Measures'
- xii. Dividend Distribution Policy

The Vigil Mechanism/Whistle Blower Policy allows various Stakeholders of the Company to make protected disclosures about any unethical or improper activity concerning the Company. The Fair Practices Code applies across all aspects of operations including marketing & customer relationship, loan origination & processing, servicing & collection activities and back-office management. The Code of Conduct is communicated to all Employees through various media and fresh recruits are trained on the same. There was no violation of the Company's Code of Conduct in the Financial Year 2020-21. Further, no case was reported under the Company's Whistle Blower Policy or under the Sexual Harassment Policy during the Financial Year.

2. How many Stakeholder complaints have been received in the past Financial Year and what percentage was satisfactorily resolved by the management?

Sl. No.	Particulars	Complaints received	Complaints resolved	Pending	Complaint Resolution (%)
1.	Customer complaints	255	254	1*	99.6%
2.	Shareholder complaints	Nil	Nil	Nil	N/A
3.	Complaints received under Whistler Blower Policy /Vigil mechanism	Nil	Nil	Nil	N/A
4.	Complaints relating to sexual harassment	Nil	Nil	Nil	N/A
5.	Complaints relating to Discriminatory employment	Nil	Nil	Nil	N/A
6.	Complaints relating to Child/forced/involuntary labour	Nil	Nil	Nil	N/A

\*Repeated Complaint

### PRINCIPLE 2: TO PROVIDE SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

1. List up to three of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities

- I. **Targeting credit-starved customers:** Aavas provides accessible home loans in unserved and underserved markets, in semi-urban and rural areas, where there is little or no access to formal banking credit. Hence, the Company has been a pioneer in bringing low-income and middle-income groups within the umbrella of formal credit. The Company uses a unique and individualized customer appraisal system especially designed for persons who are credit-worthy but may not have sufficient income

proof documents.

- II. **Gender & Inclusion:** The Company insists to have a female member as borrower/co-borrower while appraising any loan application.
- III. **Digitization:** The Company's website has a portal for online application of loans which offers services like branch locator, Home Loan EMI Calculator, details on specific products like construction loan, MSME loan etc. Customers also have the option to apply for loans through Aavas Loan Mobile App.
- IV. **Aavas-IFC Green Housing Program:** As a crucial step towards catalyzing climate resilient infrastructure through private finance, the Company has partnered with International Financial Corporation (IFC), a member of the

World Bank Group, to develop a business case for “Green Housing Finance” in the Indian market. This would be the first of its kind study in South Asia, geared towards incentivizing environment-friendly construction of homes by introduction of specialized lending products into the market.

**2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

The Company extensively monitors energy consumption and waste generation as a part of its sustainability roadmap. The Company has also initiated steps towards obtaining green building certification for its head office. Energy saving IT equipment, power saving lamps and high-end copier machines have been installed in all branches to reduce carbon footprint. Paperwork has been reduced by leveraging technology and promoting Stakeholder communications through electronic means. The Company’s web portal as well as Mobile App facilitates online application of home loans to save time, energy and resources in the disbursal process.

**3. Does the Company have procedures in place for sustainable sourcing (including transportation)?**

Not applicable, since the Company is a housing finance company.

**4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

The Company is one of the few finance companies whose head office is located in a tier-2 city (Jaipur). A majority of the Company’s brochures, calendars, posters are made in Jaipur, with the help of small vendors. Stationaries across all branches of the Company are procured locally. During COVID-19 outbreak, the Company distributed masks among its Employees which were procured from rural women, hence providing them livelihood during the time of Covid.

**5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Since the Company is a housing finance company, the key waste products are primarily paper and e-waste. The Company has put in place an environment-friendly system for management of its e-waste and paper waste.

**PRINCIPLE 3: TO PROMOTE WELL-BEING OF ALL EMPLOYEES**

The Company values and prioritizes health, safety and wellbeing of its Employees in these unprecedented times. As the previous year marked a major shift in work culture, because of “work from home”, the Company made it a point to reach out to all its Employees and maintain fraternity within

the organization to respond to widespread emotional stress and anxiety caused by the pandemic.

**i. Health and Safety:**

The COVID-19 outbreak resulted in lot of fear, insecurity and desperation across the World. During these tough times, the Company prioritized safety and wellbeing of its Employees. In strict adherence to local guidelines, the Company incorporated a culture of social distancing across all its branches and allowed Employees to work from home. The Company also engaged a doctor, who was readily available on-call for Employees seeking medical advice. The Company offered cashless medical facilities and assistance in cases where any Employee or his family member tested positive for Covid, including treatment at home, hospitalization, plasma arrangement, medicines and food. While a lot of work was being done virtually, the Company also made sincere efforts to keep in touch with Employees and inquire about their wellbeing with the help of HR Connect and covid-awareness webinars.

When the pandemic hit its peak in October 2020, the Company put in place a “COVID SUPPORT POLICY” to provide financial support to Employees by facilitating loans for treatment, reimbursements for Pre and Post-Covid testing. The Company also regularly makes it a point to reach out all its Employees through weekly emails and motivates them to maintain a healthy lifestyle. The Company organizes in-office free health check-ups every Thursday.

**ii. Pure life:**

Mutual respect, inclusion and self-fulfillment are cornerstones of Aavas ethos and work culture. The Company ensures a secure environment for all its Employees and has put in place stringent guidelines to prevent sexual harassment at workplace. The Company also encourages Employees to ‘own’ their jobs and enhance work-life balance.

The Company’s Employees across all branches took active part in distributing masks and food packets to frontline workers. Looking at the commendable spirit shown by its Employees during tough times, SEVA was launched as a volunteering program designed to engage the Company’s Employees more frequently in its CSR activities and capitalize their untapped potential to serve the community. CSR presents an excellent opportunity to break away from office routine, boost one’s self-confidence and learn important life skills such as empathy. Our aim is overall personality development of our workforce by giving them a chance to connect with the community and achieve higher goals of self-actualization. We provide certificates, awards and appraisals to Employees actively taking part in CSR activities of the Company.

**iii. Fitness campaign:**

The Company regularly motivates its workforce to stay fit and healthy. In the previous Financial Year, many virtual marathons

and fitness campaigns were organized. International Yoga Day was also celebrated online.

**iv. Human resource activities:**

The Company made efforts to boost Employee morale and optimism through various virtual events and contests around the year including Inhouse Photography Challenge, Online Masala Bhangra, Aavas Kitchen Champion, Aavas Virtual Marathon, Bake a Cake, Bollywood Antakshri, etc.

**v. Employee Stock Options:** The Company implemented Employee stock options to promote Employee ownership and attract, retain and motivate Employees.

1. Please indicate the total number of Employees: 5679

2. Please indicate the total number of Employees hired on temporary/contractual/casual basis: 1343
3. Please indicate the number of permanent women Employees: 193
4. Please indicate the number of permanent Employees with disabilities: Not Applicable
5. Do you have an Employee association that is recognized by management? No
6. What percentage of your permanent Employees is a member of this recognised Employee association? Not Applicable

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last Financial Year and pending, as on the end of the Financial Year.

Sl. No.	Category	Number of complaints filed during the Financial Year	Number of complaints resolved	Pending
1.	Child /forced/involuntary labour	Nil	Nil	Nil
2.	Sexual harassment	Nil	Nil	Nil
3.	Discriminatory employment	Nil	Nil	Nil

8. What percentage of your under mentioned Employees were given safety and skill upgradation training in the last year?

We have set-up a training studio with the help of which we organize virtual learning sessions called 'Gurukul' for Employees on a weekly basis. POSH Training sessions are also held round the year. In total, 228 trainings were held covering 3790 Employees.

**PRINCIPLE 4: BUSINESS SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE & MARGINALIZED**

1. Has the Company mapped its internal and external stakeholders?

Yes, the Company has mapped its internal and external stakeholders.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders?

Yes

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.

The Company is serving the underserved population in rural and semi-urban parts of India and helping them to convert their dream of owning a home into reality. The Company's businesses focus is on servicing the key needs of people through financial products. CSR initiatives undertaken by the Company are an extension of its socially inclusive business

model. These are taken up pan-India for meeting the expectations of stakeholders through need-based assessments. Various projects were initiated covering preventive health care, quality education to underprivileged and orphans, awareness campaigns and education on national issues, steps to combat the national disaster or crisis like COVID-19, conservation, protection and amelioration of environment, skill development and to improve the quality of life through providing basic safety & security, health & hygienic environment at workplace to the construction workers.

**PRINCIPLE 5: BUSINESS SHOULD RESPECT & PROTECT HUMAN RIGHTS**

1. Does the policy of the Company on human rights cover only the Company or extend to the group/joint ventures/suppliers/contractors/NGOs/others?

Yes, the policy of the Company is applicable to the Company as well as its external Stakeholders. The Company upholds, respects and promotes human rights. The Company complies with and adheres to all human rights laws and guidelines, laid down under the Constitution of India, national laws and policies on child labor, forced labor, gender equality, equal pay for equal work, prevention of sexual harassment at workplace etc.

Respecting the dignity of Customers is firmly anchored in the culture of Aavas. The Company has recently adopted a new Collection Policy based on fair, just and humane dealings with delinquent Customers. The Company has also put in place a grievance redressal mechanism for its Customers. When an Employee or Customer is faced with a sudden upheaval such

as an accident or death of a family member, the Company lends a helping hand in whichever way possible to mitigate the crises. In fact, when the COVID-19 pandemic was at its peak, the Company, under its “COVID SUPPORT POLICY” also resolved to extend, the best possible support to each and every Employee who approached it for help.

The Company’s Employees from its branches all over India actively participated in distributing masks, gloves, sanitizers and food packets to frontline workers, migrant workers and people living in slum areas during the March 2020 lockdown. Significant contributions were made by the Company under its CSR to PM Cares Fund and Rajasthan CM Relief Fund to support the community during COVID-19 crisis.

**2. How many Stakeholders complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

During the Financial Year, the Company had not received any complaint(s) on human right violation. For details of all Stakeholder Complaints, refer to the response on Principle 1.

**PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT**

**1. Does the policy related to Principle 6 cover only the Company or extends to the group/joint ventures/suppliers/contractors/NGOs/others.**

The policy of the Company is applicable to the Company as well as its external stakeholders.

**2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

The Company understands that business should responsibly utilize natural and man-made resources in a responsible manner, protecting environmental sustainability by reducing waste. The financial services business of the Company does not require an intensive consumption of environmental resources. However, the Company is taking necessary steps for energy conservation and environment protection. Environment protection has been a key part of the Company’s long-term CSR initiatives.

The Company aims for green building certification for its head office, in furtherance of which it has already conducted a Building Sustainability Assessment Audit. The Company has also partnered with IFC for a Green Housing Program to revolutionize housing finance in the South Asian market by introduction of green lending products. The program aims to reduce the adverse impacts of construction activities on the environment. The program also seeks to promote sustainable future with responsible consumption of water and electricity.

**3. Does the Company identify and assess potential environmental risks?**

Yes, the Company assesses the potential environmental risks. It has recently conducted a Building Sustainability Assessment Audit to estimate the extent to which the Company’s head-office is functioning in an environment-friendly way.

**4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

Not Applicable.

**5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.**

The Company has taken various initiatives, including:

**i. Environment-friendly way of life:**

- Employees are motivated to remain fit and healthy by using stairs instead of elevators in office
- Employees are also motivated to take nutritious diet and avoid harmful practices such as smoking
- Employees are encouraged to participate in tree plantation drives
- Reduced paperwork in branches and the registered office by promoting digitization
- Paperless Board and Committee Meetings

**ii. Optimal Energy Efficiency:**

- Switching off major systems at 7 p.m. to moderate electricity consumption
- LED lights are installed throughout the building
- High-end copier machines installed in all branches to reduce carbon footprint
- Master AC system has been installed whereby no AC in the office can operate on a temperature below 24 degrees Celsius

**iii. Waste Management & Pest Control:**

- Non-chemical approaches to control pests
- Water efficient plumbing fixtures, dual-flush systems in toilets
- Organic waste converter for wet waste
- Disposing e-waste in an environmental friendly way

**6. Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Not applicable.

**7. Number of show cause/ legal notices received from CPCB/SPCB which is pending (i.e. not resolved to satisfaction) as on end of financial year.**

The Company has not received any notice from CPCB / SPCB.

**PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER**

1. Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with:

The Company is a member of the following associations:

PHD Chamber of Commerce and Industry (PHD Chamber)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: governance and administration, economic reforms, inclusive development policies, energy security, water, food security, sustainable business principles, among others)

The Company's leadership, through various national and international forums, puts forth a number of suggestions and ideas in respect of housing finance, touching upon issues that are particularly relevant to the developing world such as financial inclusion of women, green construction, sustainable housing etc. The Company's CEO, Mr. Sushil Kumar Agarwal, was one of the panelists in "Pakistan Housing Finance" webinar organized by International Finance Corporation (IFC), a member of the World Bank Group, on June 23, 2020 to facilitate knowledge sharing in Islamic Mortgage Finance and Affordable Housing. Mr. Agarwal was also one of the panelists in "Housing Finance for Women in India" webinar, organized by IFC ahead of International Women's Day in March 2021.

**PRINCIPLE 8: BUSINESS SHOULD SUPPORT INCLUSIVE GROWTH & EQUITABLE DEVELOPMENT**

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Aavas is engaged in the business of providing affordable housing loans primarily in the un-served, unreached and under-served markets. The Company has a vision for enriching lives by enabling people to achieve their dream of owning a home, encapsulated in its commitment of 'SAPNE AAPKE, SAATH HAMAARA'.

Aavas CSR Policy encompasses the Company's philosophy of enhancing quality of life for different segments of the community, especially the deprived and lesser privileged ones. In the previous Financial Year, the CSR arm of the Company, i.e. Aavas Foundation, focused on four major themes:

I. **Education & Holistic Development:** Aavas Foundation facilitated whatsapp based virtual learning for children living in villages of Rajasthan, bringing schools to the doorsteps of about 1,00,000 remote households during COVID-19 outbreak. Keeping in mind all-round growth of children,

the Foundation also developed "Aavas Khel Stadium" in Phagi, a tehsil which harbors over 70 government schools devoid of resources and infrastructure. "Cheer" program of the Foundation is geared towards happiness, education and skill development for children who are HIV positive. The Foundation also organized road safety awareness campaigns to distribute helmets and educate the youth about traffic rules.

II. **Employability & Entrepreneurship:** The Foundation launched "Gram Siddhi", a program aimed at making rural women self-reliant through skill training. In the previous Financial Year, the Foundation provided skill training to 50 rural women from 50 villages of Rajasthan. All of those 50 women opened up their own silai schools upon returning to their villages and they now earn ₹2000-5000 a month with the help of silai. Each woman trained by the Foundation would train 20 more women within a period of one year.

III. **Welfare of Construction Workers:** Being into provisioning Housing Finance, the Foundation feels responsible for well-being of Construction Workers. Project Vishwakarma by the Foundation is a project dedicated to work towards safety, security and well-being of construction workers and their families by providing on-site training for safety, educating about preventive measures at the construction sites and providing free safety gears. During the Financial Year, the Foundation distributed 500+ safety kits to construction workers at 19+ construction sites.

IV. **Secure & Sustainable Environment:** Aiming to improve the air quality and reduce carbon emissions, the Foundation develops self-sustaining forest gardens, under various programs like Aavas Jhalana Reforestation, Aavas Van, RTO Jagatpura etc. In the previous Financial Year, a total of 6300 trees were planted and 1800 tree guards were provided to Jaipur Development Authority. Drip irrigation facilities were also installed at plantation sites.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation?

The Company is directly involved in implementing CSR projects. The Company engages external NGOs and organisations for the areas in which it lacks expertise but the projects are supervised by in-house teams. The Company has set up Aavas Foundation, a public charitable trust, for implementing such programmes/projects.

3. Have you done any impact assessment of your initiative?

Yes, at periodic intervals, CSR Committee and the Board of Directors are apprised with the progress and updates of the CSR initiatives undertaken as per the guidelines of Schedule VII of the Companies Act, 2013.

4. What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

Refer Annexure-8 of the Directors' Report where community development projects are part of CSR Expenditure.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The Company's CSR programs are developed by experienced professionals in consultation with the NGOs. The CSR Committee conducts review of the performance of CSR programs in the Committee Meeting.

**PRINCIPLE 9: BUSINESS SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN AN ENVIRONMENT FRIENDLY MANNER**

1. What percentage of Customer complaints/Consumer cases are pending as on the end of Financial Year.

During the Financial Year under review, the Company received 255 Complaints, out of which 254 of Complaints have been resolved. The percentage of Customer complaints pending as on March 31, 2021 is 0.39%.

2. Does the Company display product information on the product label, over and above what is mandated as per local

laws? Yes/No/N.A./Remarks (additional information)

The Company provides Housing Finance, so this does not apply. However, the Company provides transparent information on products through its website with detailed information on products, features, service charges and fees. The Customers also get product information from Notice Board displayed at the branches.

3. Is there any case filed by any Stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

No

4. Did your Company carry out any customer engagement activities?

The Company conducts handholding connects through welcome calling process for newly onboarded Customers. Apart from this, outbound calls by other Stakeholders in the Customer value chain are done multiple times throughout the year, more so from humanitarian perspective in the pandemic and we extend any support that we can in these trying times. Customer Mobile App has been introduced as a digital medium to connect on fingertips and share feedback. All these efforts helped us further strengthen our speed and quality of Customer response.

For and on behalf of the Board of Directors  
**AAVAS FINANCIERS LIMITED**

**Sushil Kumar Agarwal**  
*Managing Director & CEO*  
(DIN: 03154532)

Date: April 29, 2021  
Place: Jaipur

**Manas Tandon**  
*Promoter Nominee Director*  
(DIN: 05254602)

Date: April 29, 2021  
Place: Mumbai