

AAVAS FINANCIERS LIMITED



CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

**[Pursuant to SEBI (Prohibition of Insider Trading) Regulations,
2015]**

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

Aavas Financiers Limited (the Company) follows the highest standards of transparency and fair disclosure, and ensures that all material updates / information are shared with the stakeholders – including investors, market analysts, media and other third parties – in a timely, orderly, consistent and credible manner.

As per practice, all material updates, including Unpublished Price Sensitive Information (UPSI), which are intended to be made public or require public disclosure under any law, are submitted to the stock exchanges, uploaded on the company's web-site, and if deemed necessary, informed to media by way of press release / media statement. Such material updates / UPSI are also intimated through email to those who register their email id, on the Company's web-site, the Investor Relations Section.

In compliance with Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors formally adopts this Code of Conduct.

Under this Code, the Company will ensure the following Principles, in disclosing UPSI:

- ✓ Prompt public disclosure of all UPSI (intended to be made public, or are required to be made public as per law) that may impact price discovery, as soon as credible and concrete information comes into being so that such information is generally available.
- ✓ Uniform and universal dissemination of UPSI, to avoid selective disclosure.
- ✓ Prompt dissemination of UPSI that gets disclosed selectively, whether inadvertently or otherwise, in the manner stated above. Rumors and media speculation (including quotes by unnamed persons) will not be considered as selective disclosure.
- ✓ Appropriate and fair response to queries on news reports and requests for verification of market rumors, by regulatory authorities.
- ✓ No UPSI will be shared with Analysts, Institutional Investors, and Research Personnel.
- ✓ Prompt dissemination of transcriptions or recordings of proceedings of earnings calls, or similar events hosted by the Company, on its website.
- ✓ Handling of all UPSI on need-to-know basis.

Policy for determination of "Legitimate Purposes"

The sharing of UPSI shall be deemed to be for "Legitimate Purpose" if it satisfied the following criteria:

- i. The 'Legitimate Purpose' shall include sharing of UPSI in the ordinary course of business by an insider with partners, collaborators, lenders, customers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the SEBI (Prohibition of Insider Trading) Regulations, 2018 or of any other regulations that may be in force for the time being. Legitimate purposes would mean actions including but not limited to sharing of UPSI in any mode, as a part of business operations and in the normal course of business.
- ii. Legitimate purposes shall be determined by the Compliance officer of the Company in consultation with the Chief Financial Officer and Whole Time Director, which shall be in the best interest of the Company.

- iii. Insiders shall share the UPSI with the external agencies / intermediaries / fiduciaries only in the interest of the Company and/or in compliance with the requirements of the law.
- iv. Sharing of information may be deemed as insider trading even while it is in pursuit of compliances required or business interests of the Company in appropriate circumstances. The person who has the UPSI should ideally recuse himself from assigned task of the sharing the UPSI with third parties in such doubtful cases to avoid any adverse inferences in this regard.
- v. The agreements entered into involve sharing of UPSI should have a "Confidentiality clause" or else a separate Non-Disclosure Agreement shall be executed with parties to safeguard the disclosure of UPSI.

The Company will maintain a functional and updated website containing complete details, including information about its businesses, products and services, financial information, quarterly and annual results, annual reports, management and ownership structure, investor presentations, press releases, stock exchanges submissions, shareholders communications, contact details, etc., for universal disclosure of UPSI.

The Head - Investor Relations of the Company will act as the 'Chief Investor Relations Officer', as per the Code. The Chief Investor Relations Officer will be responsible for dissemination of information and disclosure of UPSI, through the Company Secretary, in compliance with applicable corporate and securities laws.

The Code will be published on the website of the Company.

The Code can be modified at any time by the Board of Directors of the Company

-- // --

Date of approval by the Board: **June 08, 2018**

Date of last review by the Board: **May 05, 2022**

Version: **0.5**