



# CORPORATE GOVERNANCE

— 2023-24 —

## Annexure-2

# CORPORATE GOVERNANCE REPORT

**“Building Trust, Fostering integrity: Our Commitment to Exemplary Corporate Governance”**

## COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the fulcrum of organizational sustainability and growth, as it encompasses the tenets of best practices pertaining to business activities, stakeholder’s management, especially the shareholders of the Company, environment, reporting, board effectiveness, data governance, green initiatives and so on and so forth.

Corporate Governance is the broad term used to describe the processes, customs, policies, laws, and institutions that direct organizations and corporations in the way they act, administer and control their operations. The phrase “Corporate Governance” describes the framework of rules, relationships, systems and processes within and by which authority is exercised and controlled within corporations. It encompasses the mechanisms by which companies, and those in control, are held to account.

Corporate Governance means a set of systems, procedures, policies, practices, standards put in place by a corporate to ensure that relationship with various stakeholders including the Board of Directors and shareholders is maintained in transparent and honest manner.

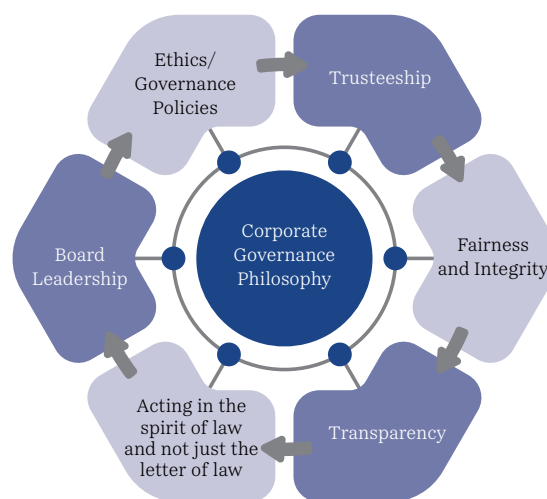
Aavas Financiers Limited (referred to as **“Aavas”** or **“Company”**) believes in and follows the best and most sound governance practices with the highest integrity, transparency and accountability. Your Company is committed to achieving the highest standards of Corporate Governance right from its establishment by staying true to its core values of Customer first, transparency, fairness in action, accountability, integrity and equity in all its engagements. The Company continuously works towards managing, monitoring and overseeing various corporate systems in such a manner that the Company’s reliability and reputation are not put at stake. Your Company’s Corporate Governance framework ensures that it makes timely and appropriate disclosures and shares factual and accurate information with its stakeholders to make an informed decision. The Company places great emphasis on values such as the empowerment and integrity surrounding our plants, transparency in decision-making

process, fair & ethical dealings with all and accountability to all the stakeholders.

The Company is in compliance with Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (hereinafter “RBI Master Directions”) (including erstwhile regulations), the Companies Act, 2013 (hereinafter “the Act”), Securities and Exchange Board of India (‘SEBI’) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter “SEBI (LODR) Regulations”) and all other applicable rules and regulations.

Effective Corporate Governance can incorporate many different practices, including:

- Recruiting and building a competent board
- Aligning strategies with goals
- Exercising accountability
- Having a high level of ethics and integrity
- Defining roles and responsibilities
- Managing risk effectively

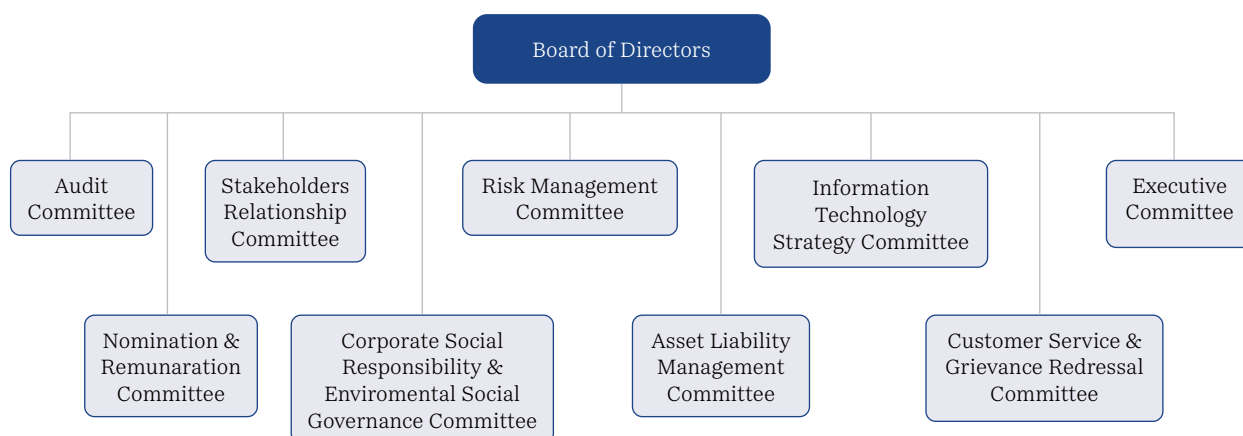


## GOVERNANCE STRUCTURE AND DEFINED ROLES AND RESPONSIBILITIES

The Corporate Governance structure outlines the framework within which decisions are made and responsibilities are assigned. It typically lays out the rules and processes for decision-making as well as the allocation of rights and responsibilities among the various members of the organization, including the board, its committees, managers, auditors, shareholders and other stakeholders. Clear delineation of roles and responsibilities fosters accountability, streamlines operations and ensures effective communication and decision-making within an organization.

At Aavas, Corporate Governance encompasses the structure, practices and processes adopted in every sphere of the Company's operations to provide long term value to its stakeholders through ethical behaviour in doing business. Your Company transforms these core values into business policies and practices with the aim of sustainable growth for all its stakeholders. For us, Corporate Governance is a reflection of principles entrenched in our values. Your Company believes that adopting and adhering to the best standards of Corporate Governance encourages the Company to build a trustworthy, moral as well as ethical environment in the Company. The Company duly acknowledges its fiduciary role and responsibility towards all of its stakeholders including shareholders that strives hard to meet their expectations.

### GOVERNANCE STRUCTURE



## ETHICS/GOVERNANCE POLICIES

Being a responsible organization, your Company effectively discharges its obligations towards its stakeholders and controls the people associated with it through established standards and codes of conduct. These policies provide guidelines for behavior and decision-making, ensuring that actions align with ethical principles and legal requirements.

Regular review and reinforcement of these policies are crucial for maintaining a strong ethical foundation and fostering trust among stakeholders.

The Company's Corporate Governance is reinforced through the Code of Conduct for the Board Members and Senior Management, the Code of Conduct for Prevention of Insider Trading in the Company's Securities, the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) which strengthens the

Corporate Governance Philosophy. The Company has in place Vigil Mechanism/ Whistle Blower Policy, Internal Guidelines on Corporate Governance, Prevention of Sexual Harassment (POSH) Policy and Policy on Know Your Customer ("KYC") Norms, Anti Money Laundering ("AML") Measures and Human Rights Policy.

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

Pursuant to Regulation 34(2)(f) of SEBI (LODR) Regulations, the top 1000 listed entities based on market capitalization, shall attach a Business Responsibility and Sustainability Report (BRSR) with the Annual report describing the initiatives taken by the listed entity from an environmental, social and governance perspective.

Pursuant to the SEBI Circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023 related to BRSR

Core-Framework for assurance, the top 150 listed entities (by market capitalization) from Financial Year 2023-24 shall make disclosures as per the updated BRSR format, as part of their Annual Reports.

However, being a top 500 listed entity and adhering to good Corporate Governance the Company has voluntarily submitted BRSR Core for the Financial Year 2023-24, in addition to publishing Annual BRSR as per the latest Regulation.

This framework guides us to reinforce principles of ESG in all aspects of the Company's business and focus its efforts on responsible products, improving efficiency, people power and environmental consciousness aligned with the expectations stated in the BRSR.

## BOARD OF DIRECTORS

The Board of Directors is responsible for overseeing and advising a Company so that it functions as effectively as possible. The Board ensures that an organization operates lawfully and in the interests of the Company's shareholders and other stakeholders (such as its employees). It operates independently of Company Management and day-to-day operations.

The Board of Directors of the Company plays a crucial role in overseeing how the management serves the short and long-term interests of stakeholders. This belief is reflected in Aavas governance practices, under which the Company strives to maintain an effective, informed and independent Board.

The Board illustrates the interest of the Company's stakeholders, providing direction for management,

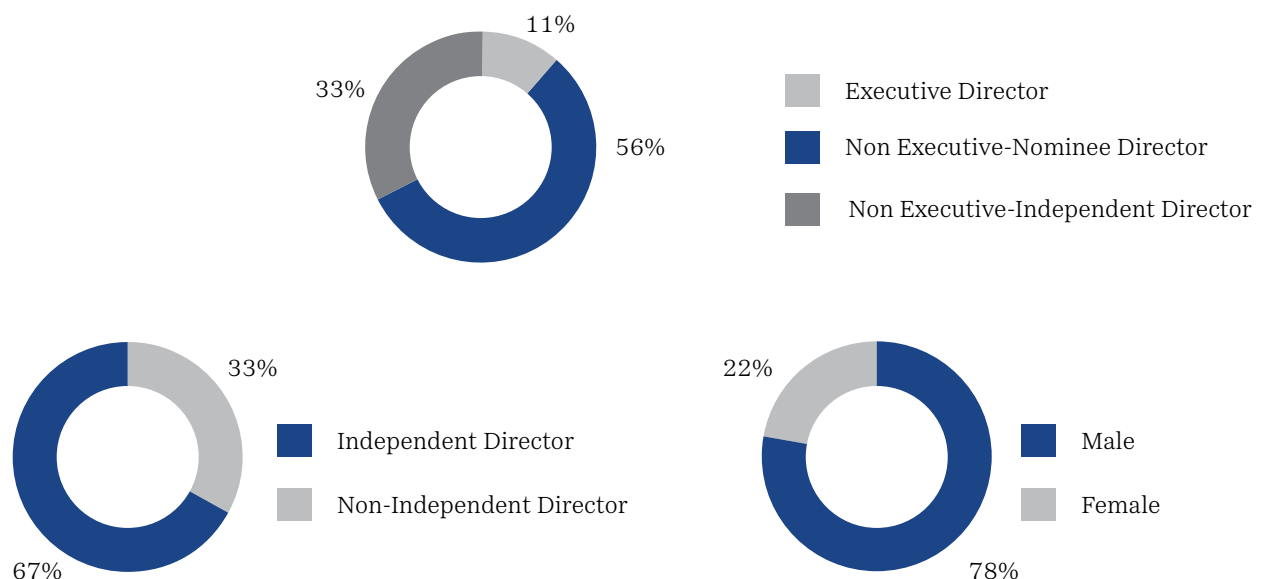
demonstrate ethical leadership, create a culture that drives value creation, make well-informed and high-quality decisions, oversees and directs the Company's overall business and affairs, reviews corporate performance, authorizes and monitors strategic investments, has an oversight on regulatory compliances and corporate governance matters. The Directors attend and actively participate in Board Meetings, General Meetings and Meetings of the Board Committees in which they are Members.

Non-Executive Directors, including Independent Directors, play a critical role in promoting transparency, accountability, and long-term sustainability in corporate governance structures. Their independence and objectivity help safeguard against conflicts of interest and ensure that Company's interests are prioritized above all else.

The Board also monitors the integrity of its business implementation and effectiveness of overall Governance Structure of the Company. The Board's actions and decisions are coordinated with the Company's best interests.

## Size and Composition of Board of Directors

The Company recognizes and embraces the importance of a diverse Board in its success. Your Company's Board is constituted of highly experienced professionals from diverse backgrounds, which consists of values of collaborative spirit, unrelenting dedication, expert thinking and a primary role of trusteeship to protect and enhance stakeholders' value through strategic supervision. The Board can significantly impact the effectiveness and governance of an organization.





The Composition of the Board is in conformity with the provisions of the Act, SEBI (LODR) Regulations and is in accordance with the highest standards of Corporate Governance.

The Company's Board has an optimum combination of Independent and Non-Independent Directors as well as Executive Directors and Non-Executive Directors including Women Independent Director.

The Board as on March 31, 2024 comprises of nine (9) Directors of whom three (3) are Independent Directors (including the Chairperson and two (2) Women Independent

Directors), five (5) are Non- Executive Nominee Directors and one (1) Executive Director i.e. Managing Director and Chief Executive Officer. The Chairperson of the Company is a Non-Executive Independent Director and not related to the Managing Director and Chief Executive Officer of the Company. The Company has furnished to National Housing Bank ("NHB") a quarterly statement on change of Directors and a certificate from the Managing Director and Chief Executive Officer that fit and proper criteria in selection of the Directors has been followed. The Composition of the Board is in conformity with the Regulation 17(1) of the SEBI (LODR) Regulations.

**The Composition of the Board of the Company as on March 31, 2024 is given below:**

Name of Director	Designation and Category	DIN	No. & (%) of Equity shares Held *	Number of other Directorships **	No of Committees***		Qualification/ Experience
					As Member	As Chairperson	
Mr. Sandeep Tandon	Chairperson-Independent Director (Non-Executive)	00054553	-	12	2	1	Bachelor's and Master's in Electrical Engineering (More than 23 Years)
Mr. Sachinderpalsingh Jitendrasingh Bhinder	Managing Director and CEO (Executive)	08697657	-	1	1	-	B.E. Chemical, MBA (Marketing & Finance) by qualifications. (More than 26 years)
Mrs. Kalpana Kaushik Mazumdar	Independent Director (Non-Executive)	01874130	7,608 (0.009%)	3	1	1	C.A. (More than 28 Years)
Mrs. Soumya Rajan	Independent Director (Non-Executive)	03579199	-	10	1	-	PG in Mathematics (More than 26 Years)
Mr. Ramachandra Kasargod Kamath##	Nominee Director (Non-Executive)	01715073	1,13,440 (0.14%)	6	3	2	Honorary Fellow of the Indian Institute of Banking and Finance, B.COM. (More than 33 Years)
Mr. Vivek Vig###	Nominee Director (Non-Executive)	01117418	4,29,257 (0.54%)	7	1	-	PG IIM (Bangalore) (More than 33 Years)
Mr. Nishant Sharma##	Promoter Nominee Director (Non-Executive)	03117012	-	8	-	-	Engineer and MBA (More than 19 Years)

Name of Director	Designation and Category	DIN	No. & (%) of Equity shares Held *	Number of other Directorships **	No of Committees***		Qualification/ Experience
					As Member	As Chairperson	
Mr. Manas Tandon###	Promoter Nominee Director (Non-Executive)	05254602	-	5	-	-	Engineer and MBA (More than 23 Years)
Mr. Kartikeya Dhruv Kaji##	Promoter Nominee Director (Non-Executive)	07641723	-	7	7	1	MBA (More than 10 years)

\*No Convertible instruments were issued to Non-Executive Directors as on March 31, 2024.

\*\*Number of Other Directorships includes Directorships held in the Company itself, Public Limited Companies, Private Limited Companies, Section 8 Companies, but excludes foreign Companies.

\*\*\*For the purpose of considering the Committee Memberships and Chairmanships for a Director, the Audit Committee and the Stakeholders' Relationship Committee of Company itself and Public Limited Companies have been considered.

##Mr. Nishant Sharma, Mr. Ramachandra Kasargod Kamath and Mr. Kartikeya Dhruv Kaji are appointed on behalf of Lake District Holdings Limited and Kedaara Capital Alternative Investment Fund - Kedaara Capital AIF.

###Mr. Manas Tandon and Mr. Vivek Vig are appointed on behalf of Partners Group ESCL Limited and Partners Group Private Equity Master Fund LLC.

During the Financial Year 2023-24 the following changes have been occurred in the composition of the Board of Directors:

Name of the Director	Capacity	Nature of Change	Effective Date
Mr. Sushil Kumar Agarwal	Managing Director (Executive)	Resignation	03/05/2023
*Mr. Sachinderpalsingh Jitendrasingh Bhinder	Managing Director and CEO (Executive)	Appointment	03/05/2023

\*CEO w.e.f. Feb 02, 2023 and MD & CEO w.e.f. May 03, 2023.

As required under Schedule V of the (SEBI) LODR Regulations, the Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company.

### Board Diversity

The Board comprises adequate number of members with diverse qualification, knowledge, experience and skills, such that it best serves the governance and strategic needs of the Company. The Directors are persons of eminence in areas of financial services, technology, banking, business transformation and strategy, audit and risk management, finance, law, administration, research and investment banking, etc. and bring with them experience/skills that add value to the performance of the Board. The Directors are selected purely based on merit with no discrimination on race, colour, religion, gender or nationality.

## Core skills/expertise/competencies

A chart or matrix setting out the skills/expertise/competence of the Board is as below:

Matrix setting out the skills/expertise/competence of the Board	1	2	3	4	5	6	7	8	9
Name of the Director	Mr. Sandeep Tandon	Mr. Sachinderpalsingh Jitendrasingh Bhinder	Mrs. Kalpana Kaushik Mazumdar	Mrs. Soumya Rajan	Mr. Ramachandra Kasargod Kamath	Mr. Vivek Vig	Mr. Nishant Sharma	Mr. Manas Tandon	Mr. Kartikeya Dhruv Kajji
Designation	Independent Director and Chairperson	Managing Director and CEO	Independent Director	Independent Director	Non-Executive Nominee Director	Non-Executive Nominee Director	Non-Executive Promoter Nominee Director	Non-Executive Promoter Nominee Director	Non-Executive Promoter Nominee Director
Gender (Male/Female)	Male	Male	Female	Female	Male	Male	Male	Male	Male
Age (In years)	55	51	58	54	68	61	45	47	41
Nationality (Resident/Non Resident)	Resident	Resident	Resident	Resident	Resident	Resident	Resident	Resident	Resident
<b>1 Technical Skills</b>									
Accounting and Finance	-	✓	✓	✓	✓	✓	✓	✓	✓
ALM and Risk Management	-	✓	✓	✓	✓	✓	✓	✓	✓
Legal and Compliance	-	✓	✓	✓	✓	-	-	-	✓
Information Technology and Digital	✓	✓	-	-	✓	✓	✓	✓	✓
Product and Sales Management	✓	✓	✓	-	-	✓	-	-	-
Strategic Development and Execution	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>2 Industry Experience</b>									
Financial Services sector in India and potentially also Overseas	-	✓	✓	✓	✓	✓	✓	✓	✓
Housing Finance sector in India	-	✓	-	-	✓	✓	✓	✓	✓
Governance: Board Role/CEO/Senior Management	✓	✓	✓	✓	✓	✓	✓	✓	✓
Government relations (Policies and Processes)	-	✓	-	-	✓	✓	-	-	-
<b>3 Personal Attributes</b>									
Active Contributor to the Board/Committees	✓	✓	✓	✓	✓	✓	✓	✓	✓
Innovative thinker/Visionary	✓	✓	✓	✓	✓	✓	✓	✓	✓
Philanthropic	-	✓	✓	✓	-	✓	✓	-	-
Mentor	✓	✓	-	-	✓	✓	✓	✓	-

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, relevant experience, expertise, diversity and independence.

Directorship of Directors in other Listed entities as on March 31, 2024 are as follows:

Name of Director	DIN	Name of the Listed entity	Category (Executive or Non-Executive)
Mr. Sandeep Tandon	00054553	Syrma SGS Technology Limited	Executive Director and Chairperson
Mr. Sachinderpalsingh Jitendrasingh Bhinder	08697657	-	-
Mrs. Kalpana Kaushik Mazumdar	01874130	-	-
Mrs. Soumya Rajan	03579199	-	-
Mr. Ramachandra Kasargod Kamath	01715073	Spandana Sphoorty Financial Limited	Non- Executive (Nominee Director)
		Centrum Capital Limited	Non- Executive Director
Mr. Vivek Vig	01117418	-	-
Mr. Nishant Sharma	03117012	-	-
Mr. Manas Tandon	05254602	-	-
Mr. Kartikeya Dhruv Kaji	07641723	Spandana Sphoorty Financial Limited	Non- Executive (Nominee Director)
		Elcid Investments Limited	Non- Executive (Independent Director)

None of Directors hold directorship in more than ten 10 public companies and do not serve as a Director in more than seven (7) listed companies, across all their directorships held, including that in the Company. Further, none of the Directors of the Company is a Member of more than ten (10) Committees or Chairperson of more than five (5) Committees across all the public companies in which he/ she is a Director. None of the Directors are inter-se related to each other.

There are no material significant related party transactions made by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons and their relatives which may have a potential conflict with the interest of the Company at large.

## BOARD MEETINGS

The Board of Directors oversees the overall functioning of the Company and has set strategic objectives to achieve its vision. The Board lays down the Company's policy and oversees its implementation in attaining its objectives.

The Meetings of the Board of Directors and Committees of the Board are pre-scheduled in consultation with the Board members and as a good practice, a tentative annual calendar of the Board and Committee Meetings is circulated to all the Directors well in advance, to enable them to plan their schedule and to facilitate active participation in the Meetings. In the event of any special and urgent business need, the Board's approval is taken by passing resolutions by circulation, in accordance with all the applicable laws,

which are noted and confirmed in the succeeding Board Meeting. Committees of the Board usually meet the day before the Board meeting, or whenever the need arises for transacting business.

The Notice and Agenda of the Board and Committee Meetings are circulated well in advance and in accordance with the applicable laws to enable the Board to discharge its responsibilities effectively and take informed decisions. However, certain exigent proposals are tabled with the unanimous consent of the Board, all information which is in the nature of UPSI, is circulated to the Board and its Committees at a shorter notice before the commencement of the respective Meetings. All statutory and other significant matters, including the minimum information as required to be placed before Board in terms of Schedule II- Part A of SEBI (LODR) Regulations and Secretarial Standards under the Act were placed before the Board.

The participation in the Board and Committee Meetings is also facilitated through video conferencing/ other audio-visual means to encourage effective and active involvement in the Board deliberations by Directors located in other locations.

The Board meets at least once a quarter to inter-alia review the Company's quarterly performance and Financial Results, assess business strategies and their implementation and discuss policy, compliances, and other items on the agenda. The Meetings are conducted in compliance with the regulatory requirements, including those prescribed under the Act.



The Board met 5 (five) times during the Financial Year 2023-24.



All the Meetings were held in a manner that not more than 120 days elapsed between two consecutive Meetings. The required quorum was present at all the above Meetings. The details of the Directors along with their attendance at Board Meetings (during the Financial Year 2023-24) and Annual General Meeting (“AGM”) held on Wednesday, July 19, 2023 are given below:

Name of Director	Designation & Category	No. of Meetings entitled to attend	No. of Meetings Present					% of attendance	Attendance at the last AGM held on July 19, 2023
			May 03, 2023	August 03, 2023	September 28, 2023	October 26, 2023	February 01, 2024		
Mr. Sandeep Tandon	Chairperson Independent Director Non-Executive	5	✓	✓	✓	✓	✓	100%	Yes
Mr. Sachinderpalsingh Jitendrasingh Bhinder	Managing Director and CEO (Executive Director)	5	✓	✓	✓	✓	✓	100%	Yes
Mrs. Kalpana Kaushik Mazumdar	Independent Director Non-Executive	5	✓	✓	✓	✓	✓	100%	Yes
Mrs. Soumya Rajan	Independent Director Non-Executive	5	✓	✓	✓	✓	✓	100%	Yes
Mr. Ramachandra Kasargod Kamath	Nominee Director Non-Executive	5	✓	✓	✓	✓	✓	100%	Yes
Mr. Vivek Vig	Nominee Director Non-Executive	5	✓	✓	✓	✗	✓	80%	Yes
Mr. Nishant Sharma	Promoter Nominee Director Non-Executive	5	✓	✓	✓	✓	✓	100%	Yes
Mr. Manas Tandon	Promoter Nominee Director Non-Executive	5	✓	✓	✓	✓	✓	100%	Yes
Mr. Kartikeya Dhruv Kaji	Promoter Nominee Director Non-Executive	5	✓	✓	✓	✓	✓	100%	Yes

## INDEPENDENT DIRECTORS

Independent Directors are known to bring an objective view in Board deliberations. They also ensure that there is no dominance of one individual or special interests group or the stifling of healthy debate. They act as the guardians of the interest of all shareholders and stakeholders, especially in the areas of potential conflict of interest.

Independent Directors play a vital role in fostering trust, integrity and accountability within the organizations. They act as a guide, counsellor, mentor and advisor to the Company. Their wide knowledge of both, their field of expertise and Board Room practices help foster varied, unbiased, independent judgement wider perspectives. The Company benefits immensely from their inputs in achieving its strategic direction.

All the Committees, which require Independent Directors in the composition, have Independent Directors as specified in terms of the SEBI (LODR) Regulations, the Act and the RBI Master Directions. These Committees function within the defined terms of reference in accordance with the Act, the SEBI (LODR) Regulations, RBI Master Directions and as approved by the Board, from time to time.

The Independent Directors have confirmed that they satisfy the criteria prescribed for an Independent Director as stipulated in Regulation 16(1)(b) & 25 of the SEBI (LODR) Regulations and have submitted the declaration of independence stating that they meet the criteria as provided under Section 149(6) of the Act as amended from time to time. All Independent Directors of the Company have been appointed as per the provisions of the Act and SEBI (LODR) Regulations. They have also confirmed compliance with Section 150 of the Act and Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 relating to the inclusion of their name in the databank of Independent Directors maintained by Indian Institute of Corporate Affairs (IICA).

The terms and conditions of appointment of Independent Directors are available on the Company's website at <https://www.aavas.in/img/pdf/Terms-and-Conditions-of-appointment-of-Independent-Directors.pdf>. In the opinion of the Board, the Independent Directors fulfil the conditions as specified in Schedule V of the SEBI LODR Regulations and are independent of the management. None of the Independent Directors resigned during the Financial Year 2023-24.

### Fit & Proper Criteria

The Company has formulated and adopted a Policy on Fit & Proper Criteria for the Directors as per the provisions of the RBI Master Directions. The Fit & Proper Criteria refer to requirements for evaluating Directors. All the

Directors of the Company have confirmed that they satisfy the fit and proper criteria of Directors at the time for their appointment/re-appointment and on a continuing basis as prescribed under the RBI Master Directions.

### Familiarization Programmes for the Independent Directors

As per Regulation 25(7) of SEBI (LODR) Regulations, the familiarization programme aims to provide Independent Directors with the Housing industry scenario, the Socio-economic environment in which the Company operates, the business model and the operational and financial performance of the Company, to update the Independent Directors on a continuous basis on significant developments in the Industry or regulatory changes affecting the Company, so as to enable them to take well informed decisions in a timely manner.

The Company shall familiarise the Independent Directors through various programmes including updating the Independent directors on the roles, responsibilities rights and duties under the Act and other relevant legislations.

The Familiarization Programme for the new and continuing Independent Directors of the Company ensures valuable participation and inputs, which help in bringing forth the best practices into the organization and taking informed decision(s) at the Board Level.

Further, at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/ her role, function, duties and responsibilities and various terms and conditions of their engagement.

During the year under review, the Company had provided suitable training to Independent Directors, familiarizing them with their roles, rights, duties and responsibilities, the nature of Industry in which the Company operates and business model of the Company. Pursuant to Regulation 46 of the SEBI (LODR) Regulations, details of such programmes imparted to Independent Directors are available on the Company's website and can be accessed at <https://www.aavas.in/img/pdf/details-of-familiarization-programme-imparted-to-independent-directors.pdf>.

### Selection and Appointment of Directors

The Company ensure that the Board consists of Members with the range of skills and capabilities to meet its primary responsibility for promoting the interest of the Company in a way, which ensures that the interests of shareholders and stakeholders are promoted and protected. The selection and appointment of Directors of the Company is carried out in accordance with provisions of the Act and relevant rules made thereunder, Directions and Guidelines issued by the RBI and NHB, SEBI (LODR) Regulations and as per the Nomination and Remuneration Policy of the Company.

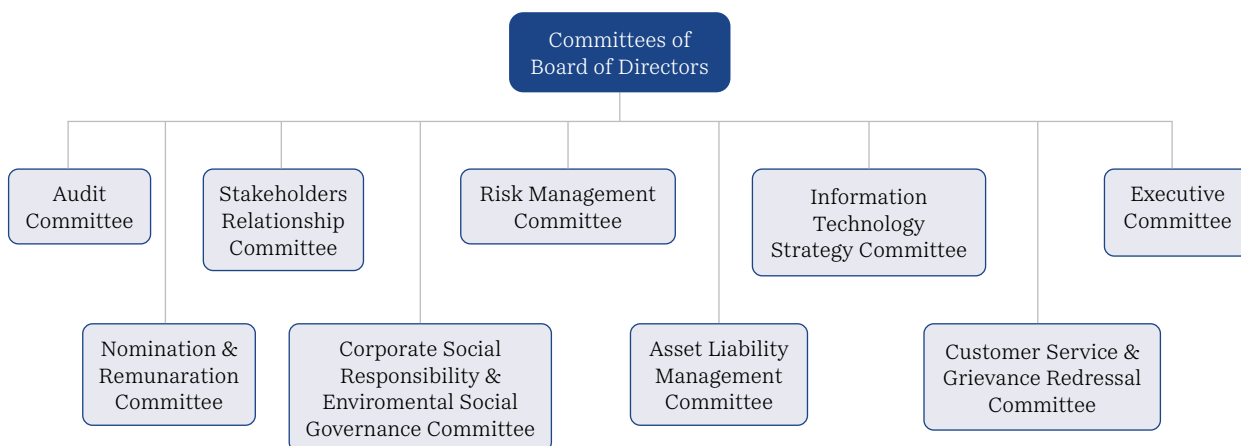
## COMMITTEES OF THE BOARD OF DIRECTORS

The Committees are usually formed, as a means of improving Board effectiveness and efficiency, in areas where more focused, specialized and technical discussions are required. These Committees prepare the groundwork for decision-making and report at the subsequent board meeting. Committees enable better management of full Board's time, allow in- depth scrutiny, and focused attention.

The Board has established sub-committees comprising of Directors and Senior Management Personnel (wherever required) as its Members to emphasis on specific areas and

make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is instructed by its charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees were placed before the Board for information or approval.

The Board has accepted all the decisions and recommendations of the Committees during the Financial Year 2023-24. The composition and functioning of these Board Committees is in compliance with the applicable provisions of the Act, SEBI (LODR) Regulations and the Master Directions issued by RBI.



Details of the Committees of the Board as on March 31, 2024, and other related information are as follows:

Name of Director/ Member	Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility & Environmental Social Governance Committee	Risk Management Committee	Asset Liability Management Committee	Information Technology Strategy Committee	Customer Service & Grievance Redressal Committee	Executive Committee
Mr. Sandeep Tandon	M	M	C	-	-	-	C	-	-
*Mr. Sachinderpalsingh Jitendrasingh Bhinder	-	-	M	M	-	C	M	C	M
Mrs. Kalpana Kaushik Mazumdar	C	-	-	M	-	-	-	-	-
Mrs. Soumya Rajan	M	C	-	-	M	-	-	-	-
Mr. Ramachandra Kasargod Kamath	M	-	-	-	M	-	-	-	-
Mr. Vivek Vig	-	-	M	M	-	M	-	-	-
Mr. Nishant Sharma	-	M	-	-	-	M	-	-	C
Mr. Manas Tandon	-	-	-	-	C	-	-	-	M
Mr. Kartikeya Dhruv Kaji	-	-	M	C	-	-	M	-	-
Mr. Ghanshyam Rawat	-	-	-	-	-	M	-	M	M
Mr. Ashutosh Atre	-	-	-	-	-	M	-	-	M
Mr. Rajeev Sinha	-	-	-	-	-	-	-	M	-
Mr. Surendra Kumar Sihag	-	-	-	-	-	-	-	M	-
Mr. Ripudaman Bandal	-	-	-	-	-	M	-	-	-
<b>Total</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>5</b>

C: Chairperson M: Member

\*Appointed as a Member of Stakeholders Relationship Committee, Corporate Social Responsibility & Environmental Social Governance Committee, IT Strategy Committee w.e.f August 03, 2023, May 03, 2023 and May 31, 2023 respectively and also as Chairperson of Customer Service & Grievance Redressal Committee w.e.f. May 31, 2023.

## AUDIT COMMITTEE



The Audit Committee of the Company has been constituted in line with provisions of Section 177 of the Act, as well as Regulation 18(3) read with Part C of Schedule II of SEBI (LODR) Regulations, RBI Master Directions, and is chaired by an Independent Director.

At present, the Committee consists of 4 Directors as its Members, out of them 2/3<sup>rd</sup> are Independent Directors and all of them being Non-Executive Directors. All the Members of the Committee are financially literate and majority of the Members including the Chairperson possess accounting or related financial management expertise. The Company Secretary act as the Secretary to the Audit Committee.

The Board have accepted and implemented the recommendations of the Audit Committee, whenever provided by it.

The composition of the Committee and the details of attendance of the Members at the Meetings held during the Financial Year under review are as under:

Name of the Members	Category	Designation	No. of Meetings Attended				
			May 03, 2023	August 03, 2023	September 28, 2023	October 26, 2023	February 01, 2024
Mrs. Kalpana Kaushik Mazumdar	Independent Director (Non- Executive)	Member & Chairperson	✓	✓	✓	✓	✓
Mr. Sandeep Tandon	Independent Director (Non- Executive)	Member	✓	✓	✓	✓	✓
Mrs. Soumya Rajan	Independent Director (Non- Executive)	Member	✓	✓	✓	✓	✓
Mr. Ramachandra Kasargod Kamath	Nominee Director (Non- Executive)	Member	✓	✓	✓	✓	✓

### The functions of the Audit Committee

The Board has formed and approved a charter for the Audit Committee setting out the roles, responsibilities and functioning of the Committee. In adherence to the provisions of the Act, SEBI (LODR) Regulations and all other applicable regulatory requirements, the terms of reference of the Audit Committee are covered by its charter. Its functioning inter-alia broadly includes the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any Employee;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

### The terms of reference of the Audit Committee inter-alia includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:



- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Act;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the Financial Statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to Financial Statements;
  - f. Disclosure of any related party transactions; and
  - g. Modified opinion(s) in the draft Audit Report.
5. Reviewing with the management, the Quarterly Financial Statements before submission to the Board for approval;
  6. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the Monitoring Agency monitoring the utilization of proceeds of public issue or rights issue or preferential issue or qualified institution placement, and making appropriate recommendations to the Board to take up steps in this matter;
  7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  8. Approval of any subsequent modification of transactions of the Company with related parties;
  9. Scrutiny of inter-Corporate loans and investments;
  10. Valuation of undertakings or assets of the Company, wherever it is necessary;
  11. Evaluation of Internal Financial Controls and Risk Management Systems;
  12. Reviewing with the management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems;
  13. Reviewing the adequacy of Internal Audit function, if any, including the structure of the Internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audits;
  14. Discussion with Internal Auditors of any significant findings and follow up thereon;
  15. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board;
  16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. Looking into the reasons for substantial defaults in the payment to Depositors, Debenture Holders, Shareholders (in case of non-payment of declared dividends) and creditors;
  18. Reviewing the functioning of the Whistle Blower Mechanism;
  19. Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
  20. Overseeing the vigil mechanism established by our Company and the Chairperson of Audit Committee shall directly hear grievances of victimization of Employees and Directors, who use vigil mechanism to report genuine concerns;
  21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board of the Company or specified / provided under the Act or by the SEBI (LODR) Regulations or by any other regulatory authority;

22. Reviewing the utilization of loans and/ or advances from/investment by the holding Company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
23. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the Company and its shareholders;
24. To review management discussion and analysis of financial condition and results of operations;
25. To review management letters/letters of internal control weaknesses issued by the statutory auditors;
26. To review Internal Audit reports relating to internal control weaknesses;
27. To review the appointment, removal and terms of remuneration of the Chief Internal Auditor;
28. Statement of deviations in terms of the SEBI LODR Regulations:
- Quarterly statement of deviation(s) including report of Monitoring Agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32 (1) of the SEBI (LODR) Regulations; and
  - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI (LODR) Regulations.
29. Any other power as may be given under SEBI (LODR) Regulations, the Act, or other applicable regulations.

## NOMINATION AND REMUNERATION COMMITTEE (NRC)



The Nomination and Remuneration Committee of the Company has been constituted in line with the provisions of Section 178 of the Act, as well as Regulation 19 read with Part D of Schedule II of SEBI (LODR) Regulations, RBI Master Directions and is chaired by an Independent Director.

At present, the Committee consists of 3 Directors as its Members, all of them being Non-Executive Directors and 2/3<sup>rd</sup> being Independent Directors. The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

The Committee has focused on review of initiatives related to talent acquisition and management, succession planning, employee engagement and employee compensation.

The Board has accepted and implemented the recommendations of the Nomination and Remuneration Committee, whenever provided by it.

The Board has formed and approved a charter for the Nomination and Remuneration Committee setting out the roles, responsibilities and functioning of the Committee.

The composition of the Committee and details of participation of the Members at the Meetings of the Committee during the year under review are as under:

Name of the Members	Category	Designation	No. of Meetings Attended			
			May 03, 2023	August 02, 2023	September 28, 2023	February 01, 2024
Mrs. Soumya Rajan	Independent Director (Non-Executive)	Member & Chairperson	✓	✓	✓	✓
Mr. Sandeep Tandon	Independent Director (Non-Executive)	Member	✓	✓	✓	✓
Mr. Nishant Sharma	Promoter Nominee Director (Non- Executive)	Member	✓	✓	✓	✓

**The terms of reference of the Nomination and Remuneration Committee inter-alia includes the following:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, KMP and other Employees;
2. For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - A. use the services of an external agencies, if required;
  - B. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - C. consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of Independent Directors and the Board Of Directors;
4. Devising a policy on diversity of Board Of Directors;
5. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board for their appointment and removal;
6. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
7. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management;
8. Performing such functions as are required to be performed by the Compensation Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, including the following:
  - (a) Administering the ESOP plans;
  - (b) Determining the eligibility of Employees to participate under the ESOP plans;
  - (c) Granting options to eligible Employees and determining the date of grant;
  - (d) Determining the number of options to be granted to an Employee;
- (e) Determining the exercise price under the ESOP plans; and
- (f) Construing and interpreting the ESOP plans and any agreements defining the rights and obligations of the Company and eligible Employees under the ESOP plans, and prescribing, amending and/ or rescinding rules and regulations relating to the administration of the ESOP plans.
9. Framing suitable policies and systems to ensure that there is no violation by any Employee of any applicable law in India or overseas, including:
  - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, (SEBI PIT Regulations);
  - (b) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2023; and
  - (c) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended by the Nomination and Remuneration Committee.

**Performance Evaluation of Directors**

Performance Evaluation of the Board as a whole, as well as that of its Committees of the Board, Individual Directors and Chairperson (including MD, CEO, Independent Directors, and Non-Independent Directors) has been carried out in accordance with the relevant provisions of the Act read with relevant rules made thereunder and SEBI (LODR) Regulations and in compliance of guidance note issued by SEBI under Circular no. SEBI/HO/ CFD/ CMD/ CIR/P/2017/004 dated January 05, 2017.

As per Regulation 17(10) of SEBI (LODR) Regulations, 2015 mandates that entire board of directors shall do the performance evaluation of Independent Directors, provided that in the evaluation process, the Directors who are subject to evaluation shall not participate.

The evaluation of the performance of the Board is based on the approved criteria such as the Board composition and structure, strategic planning, role of the chairperson, independence from the entity, independent views and judgement, knowledge and participation, Non-Executive Directors and other Senior Management, assessment of the timeliness and quality of the flow of information by the Company to the Board and adherence to compliance and other regulatory issues.

The manner in which formal annual evaluation of the Board, its Committees and individual Directors are conducted includes:

- The Independent Directors, at their separate Meeting review the performance of Non-Independent Directors, the Board as a whole and Chairperson;
- In light of the criteria prescribed for the evaluation, the Board analyses its own performance, that of its Committees and each Director during the year and suggests changes or improvements, if required; and
- The performance evaluation of Independent Directors of the Company is carried out by the Board of the Company excluding the Director being evaluated.

To ease the evaluation process and to make it more efficient and productive, Company uses Board Evaluation platform “GOVEVA Board Evaluation”, which is a web based module. The Directors can evaluate related group and provide ranking accordingly at one place in matrix-based form upon which automated report is generated which maintains complete confidentiality and anonymity.

The Board has expressed its satisfaction with the evaluation process.

### Policy on Nomination & Remuneration for Directors, Key Managerial Personnel and Senior Management Personnel

The success of any organization in achieving good performance and governance depends on its ability to attract quality individuals on the board. The Company has in place a remuneration policy which is guided by the

principles and objectives as enumerated in section 178 of the Act, regulation 19 read with Part D of Schedule II of the Listing Regulations and the Scale Based Regulations issued by Reserve Bank of India.

The policy inter-alia, lays down the approach to diversity of the Board, the criteria for identifying the persons who are qualified to be appointed as Directors and such persons who may be appointed as Senior Management Personnel of the Company and also lays down the criteria for determining the remuneration of the Directors, KMP and the process of their evaluation.

The remuneration paid to the Directors is in line with the Remuneration Policy of the Company. The Remuneration Policy can be accessed on the website of the Company at [https://www.aavas.in/img/pdf/Policy\\_on\\_Nomination\\_and\\_Remuneration.pdf](https://www.aavas.in/img/pdf/Policy_on_Nomination_and_Remuneration.pdf).

### Remuneration to Directors

#### i. Non-Executive Directors:

Equivalent Consolidated Remuneration is paid to Non-Executive Directors as profit linked commission on quarterly basis for attending the Committee and Board Meetings instead of paying sitting fees separately. The amount payable to the Non-Executive Directors is approved by the Board on the recommendation of NRC Committee and is within the overall limits as approved by the Shareholders of the Company from time to time.

Details of the Remuneration paid to each Non- Executive Director during the Financial Year 2023-24 is set out in the below table:

(₹ in lakh)

Name of the Directors	Remuneration			
	Salary and other compensation	Stock Options	Commission	Sitting fees
Mr. Sandeep Tandon	-	-	24.00	-
Mrs. Kalpana Kaushik Mazumdar	-	-	24.00	-
Mrs. Soumya Rajan	-	-	24.00	-
Mr. Ramachandra Kasargod Kamath	-	-	24.00	-
Mr. Vivek Vig	-	-	24.00	-
Mr. Nishant Sharma*	-	-	-	-
Mr. Manas Tandon*	-	-	-	-
Mr. Kartikeya Dhruv Kaji*	-	-	-	-

\*Mr. Nishant Sharma, Mr. Manas Tandon and Mr. Kartikeya Dhruv Kaji Promoter Nominee Directors have not received any remuneration from the Company.

- **All pecuniary relationship or transactions of the Non-Executive Directors with the Company**  
None of the Non-Executive Directors have any pecuniary relationship or transaction with the Company apart from receiving remuneration in the form of profit linked commission. During the Financial Year 2023-24, the Company did not advance any loans to any of its Directors.
- **Details of service contracts, notice period and severance fees**  
Service contracts, notice period and severance fees are not applicable to Non-Executive and/or Independent Director.
- **Criteria of making payments to Non-Executive Directors:**  
The criteria for making payment to Non-Executive Directors including Independent Directors are prescribed in the Nomination and Remuneration Policy which is available on the website of the Company at <https://www.aavas.in/codes-and-policies>.

## ii. Executive Director:

### ■ Details of fixed components and performance linked incentives along with the Performance Criteria:

Mr. Sachinderpalsingh Jitendrasingh Bhinder is the Managing Director and Chief Executive Officer of the Company. His remuneration package comprises of salary, performance linked bonus and other benefits as approved by the Shareholders of the Company. The remuneration paid to him is governed by Employment Agreement executed between him and the Company.

Details of the remuneration paid to Mr. Bhinder during the Financial Year 2023-24 is as below: (₹ in lakh)

Particulars	Amount
Fixed Salary	180.4
Variable Pay/performance linked bonus	90.91
Stock Options	4,220 options granted under PSOP-2023 on December 12, 2023 to be vested and exercised as per the terms of PSOP-2023.
Others	Other benefits as per the terms of agreement and as approved by the Shareholders of the Company.

### ■ Details of service contracts, notice period, severance fees:

Service contract, notice period and severance fees are as per the Employment Agreement executed between him and the Company. The Current tenure of the Managing Director is valid until May 02, 2028 and tenure in the capacity of CEO is valid until Feb 01, 2028.

## STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)



The Stakeholders Relationship Committee in terms of the provisions of Section 178 of the Act, as well as Regulation 20 read with Part D of the Schedule II of SEBI (LODR) Regulations, and is chaired by an Independent Director.

At present, the Committee consists of 4 Directors as its Members with one of them being an Independent Director. The Company Secretary of the Company acts as the Secretary to the Committee.

The Committee specifically look into various aspects of interest of shareholders, debenture holders and other security holders and resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, issue of new/duplicate share certificate(s), non-receipt of declared dividend and non- receipt of annual report and other related matters.

Mr. Sandeep Tandon is the Chairperson of the Committee. The Company Secretary of the Company acts as a secretary to the Committee.

The composition of the Committee and details of participation of the Members at the Meetings of the Committee during the year are as under:

Name of the Members	Category	Designation	No. of Meetings Attended			
			May 03, 2023	August 02, 2023	October 26, 2023	February 01, 2024
Mr. Sandeep Tandon	Independent Director	Member & Chairperson	✓	✓	✓	✓
Mr. Sachinderpalsingh Jitendrasingh Bhinder#	Managing Director and CEO	Member	-	-	✓	✓
Mr. Vivek Vig	Non- Executive Nominee Director	Member	✓	✓	x**	✓
Mr. Kartikeya Dhruv Kaji	Non- Executive Promoter Nominee Director	Member	✓	x*	✓	✓
Mr. Sushil Kumar Agarwal##	Managing Director	Member	-	NA	NA	NA

#appointed as a Member of the Committee w.e.f. August 03, 2023.

\*leave of absence was granted from Meeting dated August 02, 2023.

\*\*leave of absence was granted from Meeting dated October 26, 2023.

## leave of absence was granted for Meeting dated May 03, 2023 and ceased to be Member of the Committee w.e.f. May 03, 2023.



**The terms of reference of the Stakeholders Relationship Committee inter-alia includes the following:**

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed

dividends and ensuring timely receipt of dividend warrants/Annual Reports/statutory notices by the shareholders of the Company.

**Details of Investor Complaints**

All the shares and debentures of the Company are in dematerialized form. Link Intime India Private Limited has been appointed and acting as the Registrar and Share Transfer Agent of the Company for carrying out shares and debentures transfer and other ancillary work related thereto. Link Intime India Private Limited has appropriate systems to ensure that requisite service is provided to investors of the Company in accordance with the applicable corporate and securities laws and within the adopted service standards.

During the period under review, details of complaints are given below:-

Sr. No.	Nature of Complaints	Number of Complaints received during the period	Number of Complaints disposed off during the period	Number of Complaints remained unresolved	Number of complaints not solved to the satisfaction of the shareholders
1	Non-Receipt of Dividend/Interest/	-	-	-	-
2	Non-Receipt of Annual Report	-	-	-	-
3	Non-receipt of Refund/Credit of Shares-IPO	-	-	-	-
4	SEBI-SCORES	-	-	-	-
5	Requirement of statutory documents, records and Statutory Registers	-	-	-	-
<b>Total</b>		-	-	-	-

**CORPORATE SOCIAL RESPONSIBILITY (CSR) AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) COMMITTEE**



The CSR & ESG Committee of the Company has been constituted in terms of the provisions of Section 135 of the Act, and is chaired by a Non-Executive Director.

At present, the Committee comprises of 4 Directors as its Members including one of them being Independent Director. The Company Secretary of the Company acts as the Secretary to the Committee.

Further in recognition of the global trends and the increasing importance of Environmental, Social, and Governance (ESG) factors, Board in its Meeting held on October 26, 2023, reconstituted CSR Committee as the CSR & ESG Committee.

The composition of the Committee and details of participation of the Members at the Meetings of the Committee during the year are as under:

Name of the Members	Category	Designation	No. of Meetings Attended		
			May 03, 2023	October 26, 2023	February 01, 2024
Mr. Kartikeya Dhruv Kaji	Promoter Nominee Director (Non-Executive)	Member & Chairperson	✓	✓	✓
Mrs. Kalpana Kaushik Mazumdar	Independent Director (Non-Executive)	Member	✓	✓	✓
Mr. Vivek Vig	Nominee Director (Non- Executive)	Member	✓	✕*	✓
Mr. Sachinderpalsingh Jitendrasingh Bhinder #	Managing Director and CEO	Member	-	✓	✓
Mr. Sushil Kumar Agarwal##	Managing Director	Member	-	NA	NA

\* leave of absence was granted from Meeting dated October 26, 2023.

#appointed as a Member of the Committee w.e.f. May 03, 2023.

## leave of absence was granted for Meeting dated May 03, 2023 and ceased to be Member of the Committee w.e.f. May 03, 2023.

**The terms of reference of the CSR & ESG inter-alia includes the following**

- To formulate and recommend to the Board, CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;
- To recommend the amount of expenditure to be incurred on the CSR activities to be undertaken;
- To monitor the CSR Policy of the Company from time to time;
- Formulate and recommend to the Board, annual action plan of CSR Activities of the Company;
- Approve the projects; recommend the amount to be spent, set project selection guidelines and monitor implementation to ensure that spending is undertaken in accordance with this Policy;
- Monitoring Progress: To measure and monitor the impact of the ESG Policy on a half-yearly basis through the half-yearly ESG Report and also, on an Annual basis through the (BRSR) as well as the Sustainability Report, which will be published annually;
- ESG Risk Monitoring: To identify, assess and manage environment related risks & opportunities and their associated impacts across its operations and value chains using the principles of materiality, and ensuring that such practices are integrated in business strategies with allocation of appropriate resources;
- ESG Roadmap & Targets: To set the ESG roadmap of the Company with short-term and long-term ESG targets for continuing improvement, and to evaluate the performance against targets through a set of key metrics for operations and value chains and report the progress to stakeholders; and
- Review & Amendment: To review the ESG Policy of the Company annually or as and when required and to also amend or modify this Policy in whole or in part as and when significant changes occur, to reflect the national & global best practices, latest policy/regulatory directions/ guidelines issued by the Government of India (GOI), RBI, NHB, SEBI and any other statutory/ regulatory authority as applicable for the Company.

## RISK MANAGEMENT COMMITTEE (RMC)



The Risk Management Committee of the Company has been constituted in terms of the provisions of Regulation 21 read with Part D of the Schedule II of SEBI (LODR) Regulations, and other applicable guidelines and is chaired

by a Non-Executive Director to identify the risks that can create an impact on the Company and to take appropriate measures to mitigate such risks for assisting the Board to establish a risk culture and risk governance framework in the organization.

The Board of Directors shall define the role and responsibility of the Committee and may delegate monitoring and reviewing of the risk management plan to the committee and such other functions as it may deem fit.

At present, Committee consists of 3 Directors as its Members including one Independent Director. The Company Secretary of the Company acts as the Secretary to the Committee.

The composition of the Committee and details of participation of the Members at the Meetings of the Committee during the year are as under:

Name of the Members	Category	Designation	No. of Meetings Attended			
			May 03, 2023	August 02, 2023	October 26, 2023	February 01, 2024
Mr. Manas Tandon	Promoter Nominee Director (Non- Executive)	Member & Chairperson	✓	✓	✓	✓
Mr. Ramachandra Kasargod Kamath	Nominee Director (Non- Executive)	Member	✓	✓	✓	✓
Mrs. Soumya Rajan	Independent Director (Non- Executive)	Member	✓	✓	✓	✓

### The terms of reference of the Risk Management Committee inter-alia include the following:

- To formulate a detailed Risk Management Policy which shall include:
  - Framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the Board Of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- Reporting results of risk and credit monitoring to the Board;
- Reviewing and approving various credit proposals in terms of credit and risk management policies approved by the Board;
- Establishing policies, practices and other control mechanism to manage risks; and
- Reviewing and monitoring the effectiveness and application of credit risk management policies, related standards and procedures and to control the environment with respect to credit decisions.

The Committee coordinate its activities with other Committees, in instances where there is any overlap with activities of such Committees, as per the framework laid down by the Board of Directors.

### ASSET LIABILITY MANAGEMENT COMMITTEE (ALCO)



The Asset Liability Management Committee of the Company has been constituted in terms of guidelines issued by the National Housing Board vide circular NHB(ND)/HFC(DRS-REG)/ALM/1407/2002 dated June 28, 2002.

At present, the Committee consists of 6 Members and the Committee is chaired by the Managing Director & CEO of the Company. The Company Secretary of the Company acts as the Secretary to the Asset Liability Management Committee.

The Committee is responsible for overseeing the management of assets and liabilities to ensure that the Company is earning adequate returns and keeping a watch on the asset liability gaps, if any. ALCO lays down policies and quantitative limits relating to assets and liabilities, based on an assessment of the various risks involved in managing them.

The composition of the Committee and details of participation of the Members at the Meetings of the Committee during the year are as under:

Name of the Members	Category	Designation	No. of Meetings Attended				
			May 03, 2023	August 02, 2023	October 26, 2023	February 01, 2024	February 13, 2024
Mr. Sachinderpalsingh Jitendrasingh Bhinder#	Managing Director and CEO	Member & Chairperson	-	✓	✓	✓	✓
Mr. Nishant Sharma	Promoter Nominee Director (Non- Executive)	Member	✓	✓	✓	✓	x*
Mr. Vivek Vig	Nominee Director (Non-Executive)	Member	✓	✓	x**	✓	x**
Mr. Ghanshyam Rawat	President and Chief Financial Officer	Member	✓	✓	✓	✓	✓
Mr. Ashutosh Atre	President and Chief Risk Officer	Member	✓	✓	✓	✓	✓
Mr. Ripudaman Bandal	Chief Credit Officer	Member	✓	✓	✓	✓	✓
Mr. Sushil Kumar Agarwal##	Managing Director	Member	-	NA	NA	NA	NA

#appointed as Chairperson of the Committee w.e.f. May 03, 2023.

\*leave of absence was granted from Meeting dated February 13, 2024.

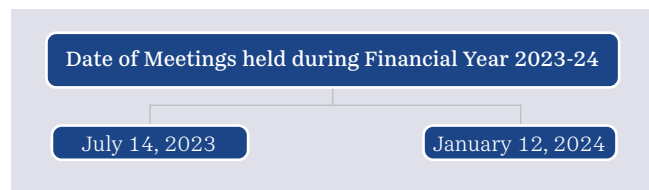
\*\*leave of absence was granted from Meetings dated October 26, 2023 and February 13, 2024.

## leave of absence was granted for Meeting dated May 03, 2023 and ceased to be Member of the Committee w.e.f. May 03, 2023.

#### The scope of the ALCO inter-alia includes the following:

1. Liquidity risk management,
2. Management of market risks,
3. Trading risk management,
4. Funding and capital resource planning to review the effectiveness of the Asset Liability Management control and
5. Profit planning and growth projection.

## INFORMATION TECHNOLOGY (IT) STRATEGY COMMITTEE



The constitution of IT Strategy Committee of the Company is as per the RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 07, 2023. The Committee consists of 3 Members and the Committee is chaired by the Independent Director of the Company. The Company Secretary of the Company acts as the Secretary to the IT Strategy Committee.

The composition of the Committee and details of participation of the Members at the Meetings of the Committee during the year are as under:

Name of the Members	Category	Designation	No. of Meetings Attended	
			July 14, 2023	January 12, 2024
Mr. Sandeep Tandon	Independent Director (Non-Executive)	Member & Chairperson	✓	✓
Mr. Sachinderpalsingh Jitendrasingh Bhinder #	Managing Director and CEO	Member	✓	✓
Ms. Jijy Oommen*	Chief Technology Officer	Member	✓	✓
Mr. Kartikeya Kaji**	Promoter Nominee Director (Non- Executive)	Member	NA	NA

#appointed as a Member of the Committee w.e.f. May 31, 2023.

\*ceased to be Member of the Committee w.e.f. Feb 01, 2024.

\*\* appointed as Member of the Committee w.e.f. Feb 01, 2024.

### The terms of reference of the Information Technology Strategy Committee inter-alia include the following:

- Providing input to other Board Committees and Senior Management;
- Carrying out review and amending the IT strategies in line with the corporate strategies, Board Policy reviews, cyber security arrangements and any other matter related to IT Governance;
- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- Ensuring proper balance of IT investments for sustaining HFC's growth and becoming aware about exposure towards IT risks and controls;
- Ensure to put an effective IT strategic planning process;
- Guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of accomplishment of business objectives;
- Satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, and has adequate skilled resources, well defined objectives and unambiguous responsibilities;
- Processes for assessing and managing IT and cybersecurity risks;
- Budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the IT maturity, digital depth, threat environment and industry standards; and
- Review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the RE.



## EXECUTIVE COMMITTEE

The Board has constituted the Executive Committee of Board of Directors. It serves as a central decision-making and oversight body responsible for shaping the organization's strategic direction, policies, and operations.

The purpose of the Committee is to advise the Board of Directors in matters related to loan, borrowings, investment

and approve the financing options available to Company to meet its fund requirements within the limits specified by the Board of Directors and Shareholders of the Company. Besides this, the Committee also reviews the conduct of business and operations to consider new products and parameters and suggests business reorientation.

The composition of the Committee is as follows:

Name of the Members	Category	Designation
Mr. Nishant Sharma	Promoter Nominee Director	Chairperson
Mr. Manas Tandon	Promoter Nominee Director	Member
Mr. Sachinderpalsingh Jitendrasingh Bhinder	Managing Director and CEO	Member
Mr. Ghanshyam Rawat	President and Chief Financial Officer	Member
Mr. Ashutosh Atre	President and Chief Risk Officer	Member

The Company Secretary of the Company acts as Secretary to the Committee.

During the period under review, total 44 Executive Committee Meetings were held on dated May 02, 2023, May 26, 2023, May 30, 2023, May 31, 2023, June 16, 2023, June 26, 2023, June 28, 2023, July 15, 2023, July 28, 2023, July 28, 2023, August 07, 2023, August 16, 2023, August 22, 2023, August 28, 2023, August 29, 2023, September 04, 2023, September 15, 2023, September 26, 2023, September 28, 2023, October 13, 2023, October 17, 2023, October 21, 2023, October 27, 2023, October 31, 2023, November 02, 2023, November 07, 2023, November 25, 2023, November 27, 2023, December 04 2023, December 15, 2023, December 20, 2023, December 22, 2023, December 27, 2023, December 29, 2023, January 03, 2024, January 24, 2024, January 29, 2024, February 22, 2024, February 23, 2024, March 15, 2024, March 19, 2024, March 20, 2024, March 22, 2024 and March 29, 2024.

## CUSTOMER SERVICE & GRIEVANCE REDRESSAL (CS & GR) COMMITTEE



The CS&GR Committee of the Company has been constituted mainly for protecting the interest of customers of the Company. It ensures constant evaluation of the feedback on quality of Customer Services & Redressal provided to the customers, considering unresolved complaints/ grievance referred to it by Functional Heads.

The Committee consists of 4 Members. The Company Secretary of the Company acts as the Secretary to the CS&GR Committee.

The Composition of the Committee and details of participation of the Members at the Meetings of the Committee during the year are as under:

Name of the Members	Category	Designation	No. of Meetings Attended			
			July 03, 2023	August 24, 2023	October 30, 2023	January 12, 2024
Mr. Sachinderpalsingh Jitendrasingh Bhinder#	Managing Director and CEO	Chairperson	*	✓	✓	✓
Mr. Ghanshyam Rawat	President and Chief Financial Officer	Member	✓	✓	✓	✓
Mr. Rajeev Sinha	Executive- VP Operations	Member	✓	✓	**	✓
Mr. Surendra Kumar Sihag	Chief Collection Officer	Member	✓	✓	✓	✓

# appointed as a Chairperson of the Committee w.e.f. May 31, 2023.

\* leave of absence was granted from Meeting dated July 03, 2023.

\*\* leave of absence was granted from Meeting dated October 30, 2023.

## MEETING OF INDEPENDENT DIRECTORS

Pursuant to Regulation 25 of SEBI (LODR) Regulations, the Independent Directors shall hold at least 1 (one) Meeting in a Financial Year without the presence of Non-Independent Directors and members of the management to consider the following:

- Review of performance of Non-Independent Directors.
- Review of performance of Board as a Whole.
- Review of Performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non- Executive Directors excluding the chairperson being evaluated.
- Review of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Meeting of the Independent Directors for the Financial Year 2023-24 was held on March 26, 2024 and all the Independent Directors were present in the said Meeting.

## Employee Stock Option Scheme

The disclosure as required under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, is mentioned in the Director's Report.

**Loans and Advances in the nature of loans to firms/companies in which Directors are Interested:** Nil

## POLICIES AND CODES

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. A policy is a statement of intent and is implemented as a procedure or protocol. For compliance with the Chapter II (Principles governing disclosures and obligations of listed entity) of SEBI (LODR) Regulations, RBI Master Directions and other applicable guidelines on the Company and keeping with the commitment to the principle of integrity and transparency in business operations for good corporate governance and also to ensure effective and efficient Internal Controls System, the Company has adopted several codes / policies / guidelines which among others include the following:

### a. Internal Guidelines on Corporate Governance

In compliance with the RBI Master Directions, which establishes the Company's Corporate Governance guidelines as well as its legal, contractual, and social obligations to its various stakeholders, your company has developed and adopted internal guidelines on Corporate Governance.

The guidelines have been framed in accordance with the Act, SEBI (LODR) Regulations, RBI Master Directions and other applicable rules and regulations. The policy is reviewed, as and when necessary, by the Board in the context of changing regulations and emerging best practices with a view to improving the Company's governance standards on an ongoing basis.

The said guidelines are available on the website of the Company at <https://www.aavas.in/img/pdf/internal-guidelines-on-corporate-governance.pdf>.

### b. Policy on Know Your Customer ("KYC") Norms and Anti Money Laundering ("AML") Measures ("KYC & AML Policy")

In terms of the circular(s) and direction(s) on KYC norms and AML measures issued by the RBI, the Prevention of Money Laundering Act, 2002 and the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 made thereunder, the Board has adopted 'KYC & AML Policy' which inter-alia incorporates your Company's approach towards KYC norms, AML measures and combating of financing of terrorism ("CFT") related issues.

The primary objective of the Policy is to prevent the Company from being used, intentionally or unintentionally, by criminal elements for money laundering or terrorist financing activities.

The Policy on Know Your Customer ("KYC") Norms and Anti Money Laundering ("AML") Measures ("KYC & AML Policy") is available on the website of the Company at <https://www.aavas.in/resource/kyc-policy>.

### c. Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions

Pursuant to Regulation 23 of SEBI LODR Regulations, the Company has in place policy on materiality of Related Party Transactions and on dealing with Related Party Transactions.

All transactions entered into with Related Parties during the Financial Year were in the ordinary course of business and on arm's length basis.

There were no materially significant transactions with related parties during the Financial Year which conflicted with the interest of the Company. Suitable disclosures as required by the applicable Accounting Standards have been made in the notes to the Financial Statements. The details of the transactions with related parties, if any, are placed before the Audit Committee from time to time. The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is available on the website of the

Company at <https://www.aavas.in/img/pdf/Policy-on-Materiality-of-related-party-transactions-and-on-dealing-with-related-party-transactions.pdf>.

**d. Code of Conduct for the Board and the Senior Management Personnel**

In terms of the SEBI LODR Regulations and as an initiative towards setting out a good Corporate Governance structure within the organization, the Board adopted a comprehensive 'Code of Conduct for the Board and the Senior Management Personnel' which is applicable to all the Directors, including Non-Executive and Independent Directors and Senior Management Personnel of the Company. The Code intends to provide guidance to the Directors and Senior Management Personnel to conduct their business affairs ethically and in full compliance with applicable laws, rules and regulations.

In accordance with Part D of Schedule V of the SEBI (LODR) Regulations, declaration from Managing Director and CEO of the Company has been received confirming that all the Directors and the Senior Management Personnel of the Company have complied to the Code of Conduct for the Board and the Senior Management Personnel for the Financial Year ended March 31, 2024 and is attached as **"Annexure A"** with this Report.

The said code is available on the website of the Company and can be accessed at web link: <https://www.aavas.in/img/pdf/code-of-conduct-for-the-board-of-directors-and-the-senior-management-personnel.pdf>.

**e. Policy for Determining Material Subsidiaries**

In terms of the provisions of the SEBI LODR Regulations, the Board has adopted a 'Policy for Determining Material Subsidiaries' which inter-alia sets out parameters for identifying a subsidiary as a "Material Subsidiary".

The following "Authorized KMPs" of the Company is severally authorized for the purpose of determining Materiality of an Event or information:

- Managing Director and Chief Executive Officer
- President and Chief Financial Officer
- President and Chief Risk Officer
- Company Secretary and Chief Compliance Officer

The Policy for Determining Material Subsidiary is available on the website of the Company at <https://www.aavas.in/img/pdf/policy-for-determining-material-subsidiaries.pdf>.

**Material Subsidiary**

"Material subsidiary" shall mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

The Company does not have any Material Subsidiary as on March 31, 2024 in terms of SEBI (LODR) Regulations, 2015.

Further, during the period under review there were no significant transactions and arrangements entered into by the subsidiary.

**f. Information Technology related Policies**

RBI have earlier prescribed guidelines for Information Technology Framework for the NBFC sector, 2017 for IT Practices. Further, the RBI had issued fresh directions concerning outsourcing of IT Services titled Reserve Bank of India (Outsourcing of Information Technology Services) Directions, 2023 dated April 10, 2023. Also, RBI issued Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 07, 2023 which was effective from April 01, 2024. These guidelines integrated and updated the earlier instructions on IT Governance, Risk, Controls, Assurance Practices, and Business Continuity/Disaster Recovery Management separately released for Banks and NBFCs. The Company has in place required IT polices in line with the above RBI guidelines.

**g. Policy on "Valuation of Properties and Empanelment of Valuers"**

In terms of the RBI Master Directions, your Company is required to frame a system /procedure /policy on valuation of properties and appointment of valuers.

In reference to the above, the Board adopted the Policy on Valuation of Properties and Empanelment of Valuers.

**h. Whistle Blower Policy / Vigil Mechanism**

In terms of the provisions of Sub Section 9 of section 177 read with rule 7 of the Companies (Meetings of

Board and its Powers) Rule, 2014 of the Act, and Regulation 22 of SEBI (LODR) Regulation, the Company has in place Whistle Blower policy/Vigil Mechanism for the Directors and Employees to report genuine concerns or grievances about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

The Objective of this Policy is to adhere the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its Employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

Your Company believes in conducting its business affairs in a fair and transparent manner upholding the greatest levels of adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The Audit Committee oversees the Vigil Mechanism. No personnel have been denied access to the Chairperson of the Audit Committee. The Policy is placed on the website of the Company and can be accessed at <https://www.aavas.in/img/pdf/Vigil-Mechanism-Policy.pdf>.

#### **i. Policy for Determination of Materiality of Events and Information**

In terms of the provisions of the SEBI (LODR) Regulations, the Board adopted a 'Policy for Determination of Materiality of Events and Information', which inter-alia sets out guidelines for determining materiality of events / information for the purpose of disclosure to the Stock Exchanges and identifies specific officers of the Company who shall be authorized to determine materiality of an event/information and for making disclosures to the Stock Exchanges. The Policy is placed on the website of the Company and can be accessed at <https://www.aavas.in/img/pdf/policy-for-determination-of-materiality-of-events-and-information-for-disclosure-to-the-stock-exchange.pdf>.

#### **j. Corporate Social Responsibility (CSR) Policy**

In terms of the provision of Section 135 of the Act, the Board adopted a 'CSR Policy' which helps in furtherance of your Company's objective to create value in the society and community in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community, in

fulfilment of its role as a socially responsible corporate citizen.

The CSR Policy encompasses the philosophy of Company for delineating its responsibility as a corporate citizen and as a part of its initiatives the Company has undertaken various projects in the area of skill / rural area development, women empowerment, environment protection and healthcare/medical facility etc. inter-alia indicates the CSR activities that can be undertaken by the Company and defines the roles and responsibilities of the Board and CSR Committee in implementing and monitoring CSR projects identified and supported by the Company. The CSR Policy is available on the website of the Company at <https://www.aavas.in/img/pdf/corporate-social-responsibility-policy.pdf>.

#### **k. Code of Conduct for Prohibition of Insider Trading (PIT) and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)**

In compliance of the SEBI PIT Regulations, as amended from time to time, the Company has formulated a Code of Conduct- Prevention of Insider Trading in the shares of the Company, which inter- alia, prohibits trading in shares of the Company by insiders while in possession of unpublished price sensitive information in relation to the Company and in order to ensure uniform dissemination of unpublished price sensitive information. The Board adopted a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' which is available on the website of the Company and can be accessed at <https://www.aavas.in/img/pdf/code-for-fair-disclosure-of-upsi.pdf>.

#### **l. Code for Independent Directors**

In terms of Section 149 and Schedule IV of the Act, the Company has adopted a code for Independent Directors in order to ensure fulfilment of responsibilities of Independent Directors of the Company in a professional manner.

The Purpose of this Code is to guide the professional conduct for Independent Directors. Adherence to these standards by Independent Directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders,

regulators and companies in the institution of Independent Directors.

The Code for Independent Directors aims to promote confidence of the Investment Community, particularly minority Shareholders, Regulators and other Stakeholders in the institution of Independent Directors and sets out the guidelines of professional conduct of Independent Directors, their roles, functions and duties, the process of performance evaluation etc.

**m. Prevention of Sexual Harassment Policy, and information required to be disclosed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company is committed to providing a work environment that ensures that every Employee is treated with equal dignity and respect. The Company has implemented a robust framework on prevention of sexual harassment, which is in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company educates Employees regarding Sexual Harassment Policy through posters and regular mailers and conducts online trainings, which form a part of the induction process.

The details of the total reported and closed cases pertaining to incidents under the above framework/law are as follows:-

Number of complaints pending as on start of the Financial Year.	1
Number of complaints filed during the Financial year	0
Number of complaints disposed of during the Financial Year	1
Number of complaints pending as on end of the Financial Year.	0

**n. Dividend Distribution Policy**

In terms of Provisions of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has in place Dividend Distribution Policy, duly approved by the Board of Directors. The same is available on the website of the Company and can be accessed at <https://www.aavas.in/img/pdf/dividend-distribution-policy.pdf>.

**o. Particulars of senior management including the changes therein since the close of the previous Financial year**

In adherence to the principles of Corporate Governance, our Senior Management exemplifies a strongly commitment to transparency, integrity and strategic foresight. With a meticulous focus on stakeholder value creation and prudent risk management, our esteemed leaders navigate the dynamic business landscape with poise and vision. Guided by a culture of accountability and ethical leadership, they inspire trust and confidence among investors, employees, and the broader community.

The list of Senior Management team including those falling within the definition of Senior Management Personnel as defined in SEBI (LODR) Regulations as on March 31, 2024 is covered on Page nos. 57 to 59 of the Annual Report.

During the Financial Year 2023-24, there is no change in the Senior Management team.

**p. Disclosure of certain types of arrangements binding listed entities**

There are no such type of agreement as per clause 5A of Paragraph A of part A of Schedule III of SEBI (LODR) Regulation that needs to be disclosed.



## GENERAL SHAREHOLDERS INFORMATION

This section inter-alia provides information pertaining to the Company, its Shareholding Pattern, means of dissemination of information, service standards, share price movements and such other information, in terms of point no. C (9) of Schedule V to the SEBI LODR Regulations relating to Corporate Governance.

### I. Corporate Information

1.	Incorporation Date	February 23, 2011
2.	Registered Office Address	201-202, 2 <sup>nd</sup> Floor, Southend Square, Mansarovar Industrial Area, Jaipur-302020 (Rajasthan)
3.	Corporate Identification Number (CIN)	L65922RJ2011PLC034297
4.	Details of Annual General Meeting (“AGM”)	Wednesday, August 07, 2024 at 3:30 P.M. Indian Standard Time (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) Facility.
5.	Financial Year	April 01, 2023 to March 31, 2024
6.	Record Date	NA
7.	Date of Book closure	NA
8.	Dividend Payment date	No Dividend has been proposed for the period under review.
9.	Listing on Stock Exchanges	<p>The equity shares of the Company are listed on National Stock Exchange of India Ltd. (NSE) and BSE Limited (BSE) on October 08, 2018.</p> <p>Non-Convertible Debentures (NCDs) issued by the Company are listed on the Wholesale Debt Market (WDM) segment of the BSE.</p> <p>Masala Bonds issued by the Company are listed on NSE IFSC Limited.</p> <p>The addresses of NSE, BSE and NSE IFSC Limited are given below:</p> <p><b>NSE:</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai- 400051.</p> <p><b>BSE:</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.</p> <p><b>NSE IFSC Limited:</b> Unit No. 1202, Brigade International Financial Centre, 12<sup>th</sup> Floor Building No. 14-A Block No. 14, Road-1C Zone 1, GIFT SEZ, Gandhinagar – 382355</p>
10.	Payment of listing fees	The Company has paid the annual listing fees for the relevant periods to NSE and BSE.
11.	Stock Code	BSE: Scrip Code – 541988 NSE: Scrip Symbol – AAVAS
12.	ISIN of Equity Shares	INE216P01012
13.	Suspension of Company’s Securities	Company’s securities are never suspended from trading since its listing.



14.	Registrar & Share Transfer Agents	<p><b>Link Intime India Private Limited</b>  C-101, 1<sup>st</sup> floor, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai 400083 Maharashtra, India  Tel: +91 810 811 6767,  FAX: +91 22 49186060  Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>  Link for Email id registration: <a href="https://liiplweb.linkintime.co.in/EmailReg/Email_Register.html">https://liiplweb.linkintime.co.in/EmailReg/Email_Register.html</a></p>
15.	Plant Location	Since the Company is in the business of housing finance, the disclosure with regard to plant location is not applicable.
16.	Address for Correspondence relating to grievances in relation to non-receipt of Annual Report, dividend and share certificates sent for transfer etc. including any requests/ intimation for change in address, issue of duplicate share certificates, change in nomination shall be sent to :	<p><b>Link Intime India Private Limited- Registrar &amp; Share Transfer Agents</b>  C-101, 1<sup>st</sup> floor, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai 400083 Maharashtra, India  Tel: +91 810 811 6767  FAX: +91 22 49186060  Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>  Link for registering grievance: <a href="https://liiplweb.linkintime.co.in/Helpdesk/Service_Request.html">https://liiplweb.linkintime.co.in/Helpdesk/Service_Request.html</a></p> <p><b>Mr. Sharad Pathak- Company Secretary &amp; Chief Compliance Officer</b>  Aavas Financiers Limited  Registered Office: 201-202, 2<sup>nd</sup> Floor, Southend Square, Mansarovar Industrial Area, Jaipur-302020 (Rajasthan)  Tel: +91 141-4659239  Email: <a href="mailto:investorrelations@aavas.in">investorrelations@aavas.in</a></p>
17.	Outstanding Global Depository Receipts/American Depository Receipts/ Warrants and Convertible Bonds, conversion date and likely impact on equity	Not applicable since the Company has not issued any Global Depository Receipts or American Depository Receipts or Warrants or Convertible bonds.
18.	Commodity Price Risks/ Foreign Exchange Risk and Hedging Activities	This is not applicable since the Company does not have any derivatives or liabilities denominated in foreign currency.
19.	Dematerialization of Shares and Liquidity	As of 31 March, 2024, 100% of the Company's shares are held in dematerialized form. The Company's shares are regularly traded on NSE and BSE.
20.	Share Transfer System	The Company's shares are traded under compulsory dematerialized mode and freely tradable. The Board has delegated the power to attend all the formalities relating to transfer of securities to the Registrar and Share Transfer Agent of the Company. Yearly certificate of compliance with the share/debt transfer formalities as required under Regulation 40(9) and 61(4) of the SEBI LODR Regulations is obtained from the Company Secretary in Practice and a copy of the certificate is filed with the Stock Exchanges within the prescribed time.

## II. Stock Market Price Data

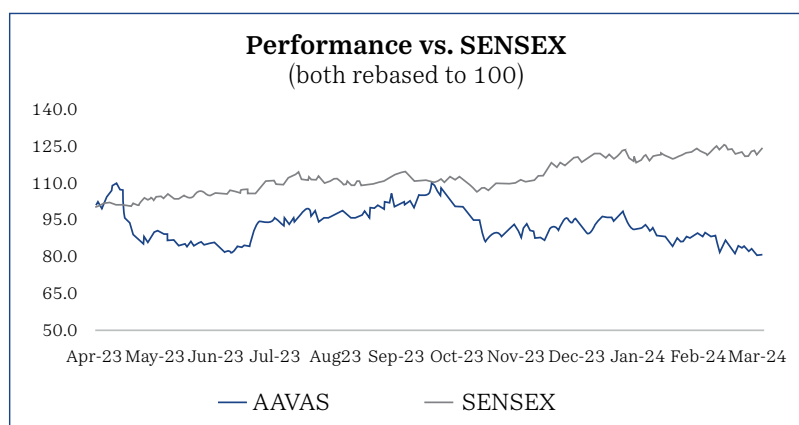
The reported high and low closing prices and volume of equity shares of the Company traded on NSE and BSE during the period under review (i.e. from April 01, 2023 to March 31, 2024) are set out in the following table:

Month	NSE			BSE		
	High Price (₹)	Low Price (₹)	Volume (No.)	High Price (₹)	Low Price (₹)	Volume (No.)
April 2023	1,812.40	1,384.65	42,21,570	1,831.85	1,384.85	5,04,682
May 2023	1,513.05	1,362.00	69,12,278	1,513.65	1,362.00	3,50,317
June 2023	1,577.80	1,335.50	1,29,29,540	1,577.05	1,335.00	25,84,323
July 2023	1,631.00	1,488.00	55,58,586	1,629.00	1,488.90	3,20,039
August 2023	1,647.00	1,532.20	43,99,386	1,648.20	1,536.20	12,02,497
September 2023	1,774.90	1,617.00	49,62,350	1,773.00	1,617.20	2,65,604
October 2023	1,817.60	1,403.15	43,11,057	1,815.00	1,405.00	2,31,293
November 2023	1,540.05	1,411.20	28,52,888	1,539.80	1,413.00	3,14,856
December 2023	1,594.95	1,416.30	74,54,544	1,595.00	1,417.00	6,05,851
January 2024	1,625.00	1,466.00	50,48,353	1,624.65	1,467.15	17,02,189
February 2024	1,522.65	1,370.00	40,23,189	1,520.85	1,364.75	6,53,773
March 2024	1,457.45	1,307.00	1,69,71,461	1,457.35	1,307.10	7,55,470

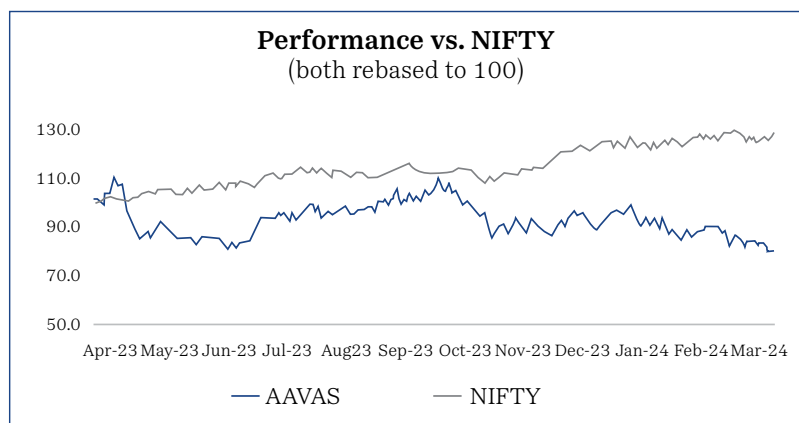
[Source: This information is compiled from the data available on the websites of NSE and BSE]

## III. Share Price performance in comparison to broad based indices - BSE Sensex and NSE Nifty Share Price Movement (BSE and NSE)

### BSE Sensex Share Price Movement



### NSE Nifty Share Price Movement



#### IV. Credit Rating of the Company

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies. India's renowned Credit Rating Agencies have assigned ratings to the Company, the details of the same are mentioned below:

Nature of Instrument	Rating Agency	Term	Credit Ratings
Non-Convertible Debentures	CARE	Long Term	AA; Stable [Double A; Outlook: Stable]
	ICRA	Long Term	AA; Stable [Double A; Outlook: Stable]
Bank Loans	CARE	Long Term	AA; Stable [Double A; Outlook: Stable]
	ICRA	Long Term	AA; Stable [Double A; Outlook: Stable]
Commercial Paper	CARE	Short Term	A1+ [A One Plus]
	ICRA	Short Term	A1+ [A One Plus]
	India Ratings	Short Term	A1+ [A One Plus]

The Company's long term credit ratings has been reaffirmed by both CARE Ratings and ICRA Limited.

#### V. General Meetings/Postal Ballot:-

##### a. Details of past three Annual General Meetings held by the Company

Meeting	Day/Date/Time	Location	Details of Special Resolution passed
13 <sup>th</sup> AGM, 2022-2023	Wednesday, July 19, 2023 3:30 P.M(IST)	201-202, 2 <sup>nd</sup> Floor, Southend Square, Mansarovar Industrial Area, Jaipur-302020 (Raj) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") Facility	<ul style="list-style-type: none"> <li>➤ To approve the appointment of Mr. Sachinderpalsingh Jitendrasingh Bhinder (DIN: 08697657) as Director of the Company.</li> <li>➤ To approve the appointment of Mr. Sachinderpalsingh Jitendrasingh Bhinder (DIN: 08697657) as Managing Director of the Company.</li> <li>➤ To approve alteration in the Articles of Association of the Company.</li> <li>➤ To approve increase in the borrowing powers in excess of Paid-up Share Capital, Free Reserves and Securities Premium of the Company under Section 180(1)(c) of the Act.</li> <li>➤ To approve creation of charges on assets of the Company under Section 180(1)(a) of the Act, to secure borrowings made/to be made under section 180(1)(c) of the Act.</li> <li>➤ To approve issuance of Non-Convertible Debentures, in one or more tranches / issuances on Private Placement Basis.</li> </ul>

Meeting	Day/Date/Time	Location	Details of Special Resolution passed
12 <sup>th</sup> AGM, 2021-2022	Thursday, July 21, 2022 3:30 P.M(IST)	201-202, 2 <sup>nd</sup> Floor, Southend Square, Mansarovar Industrial Area, Jaipur-302020 (Raj) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") Facility	<ul style="list-style-type: none"> <li>➤ To reappoint Mr. Sandeep Tandon (DIN: 00054553) as an Independent Director of the Company.</li> <li>➤ To approve increase in the borrowing powers in excess of Paid-up Share Capital, Free Reserves and Securities Premium of the Company under Section 180(1)(c) of the Act.</li> <li>➤ To approve creation of charges on assets of the Company under Section 180(1)(a) of the Act, to secure borrowings made/to be made under section 180(1)(c) of the Act.</li> <li>➤ To approve "Equity Stock Option Plan For Employees 2022" ("ESOP-2022") of Aavas Financiers Limited.</li> </ul>
11 <sup>th</sup> AGM, 2020-2021	Tuesday, August 10, 2021 3:30 P.M(IST)	201-202, 2 <sup>nd</sup> Floor, Southend Square, Mansarovar Industrial Area, Jaipur-302020 (Raj) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") Facility	<ul style="list-style-type: none"> <li>➤ To reappoint Mrs. Kalpana Iyer (DIN: 01874130) as an Independent Director of the Company.</li> <li>➤ To approve increase in the borrowing powers in excess of Paid-up Share Capital, Free Reserves and Securities Premium of the Company under Section 180(1)(c) of the Act.</li> <li>➤ To approve creation of charges on assets of the Company under Section 180(1)(a) of the Companies Act, 2013 to secure borrowings made/to be made under section 180(1)(c) of the Act.</li> <li>➤ To approve issuance of Non-Convertible Debentures, in one or more tranches/ issuances on Private Placement Basis.</li> <li>➤ To approve "Equity Stock Option Plan For Employees 2021" ("ESOP-2021") of Aavas Financiers Limited.</li> </ul>

b. No Extra Ordinary General Meeting was held by the Company during the Financial Year 2023-24.

**c. Details of Business transacted through Postal Ballot during the Financial Year 2023-24**

During the Year, the Company has conducted 2 Postal Ballots details of which are given below:

Sr. No	Description	Details of E-voting Period	Last date of E-voting (Approval Date)	Scrutinizer	Voting Pattern
1	<p>I. Repricing of stock options granted under Equity Stock Option Plan for Employees-2020 ("ESOP-2020"). (Special Resolution)</p> <p>II. Repricing of stock options granted under Equity Stock Option Plan for Employees-2021 ("ESOP-2021"). (Special Resolution)</p> <p>III. Repricing of Stock Options granted under Equity Stock Option Plan for Employees-2022 ("ESOP-2022") (Special Resolution)</p>	April 09, 2023 to May 08, 2023	May 08, 2023	Mr. Shashikant Tiwari - Partner of Chandrasekaran & Associates, Company Secretaries, (Membership No. - F11919)	<p>I. In Favour- 50.96% Against- 49.04%</p> <p>II. In Favour- 50.96% Against- 49.04%</p> <p>III. In Favour- 50.96% Against- 49.04%</p>
2	<p>I. To approve the 'Aavas Financiers Limited Performance Stock Option Plan- 2023' ("PSOP-2023"). (Special Resolution)</p> <p>II. To approve payment of commission payable to Non-Executive Directors of the Company. (Ordinary Resolution)</p>	October 08, 2023 to November 06, 2023	November 06, 2023	Mr. Shashikant Tiwari - Partner of Chandrasekaran & Associates, Company Secretaries, (Membership No. - F11919)	<p>I. In Favour- 96.18% Against- 3.81%</p> <p>II. In Favour- 99.97% Against- 0.03%</p>

The Postal Ballot dated April 9, 2023 couldn't be passed due to non-receipt of requisite number of votes in favour.

**Procedure for Postal Ballot**

In compliance with Sections 108, 110 and other applicable provisions of the Act, read with Companies (Management and Administration) rules, 2014 issued thereunder, MCA general Circulars and Regulation 44 of the SEBI (LODR) Regulations, the Company provides the facility to the Members to exercise their votes electronically and vote on the resolutions through the e-voting

service facility arranged by NSDL as per the instructions provided in the Postal Ballot notice.

The notices containing the proposed resolution and explanatory statement are sent to all those Members whose e-mail addresses are registered with the Company/depositories as on Cut-off date. The Company made arrangements for those Members who did not register their e-mail address to get the same registered by following the

procedure prescribed in the Notice. Your Company also publishes a notice in the newspapers declaring the details of completion of dispatch and other requirements under the act and rules framed thereunder.

The Company appointed a Scrutinizer for conducting the postal ballot process in a fair and transparent manner. The Scrutinizer submits his report to the Chairperson/authorized person of the Company after the completion of scrutiny and the consolidated results of the voting are then announced by the Chairperson or any other person of the Company authorized by chairperson of the Company. The results are displayed on the website of the Company ([www.aavas.in](http://www.aavas.in)), website of NSDL besides being communicated to the Stock exchanges.

Under the e-voting facility, the members are provided an electronic platform to participate and vote on the resolutions.

#### d. Details of special resolution proposed to be conducted through Postal Ballot

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing AGM require passing the resolution through Postal Ballot.

### VI. Due Dates for Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF)

In terms of Section 125 of the Act, dividend lying unclaimed and unpaid for a period of seven years from the date of transfer to unpaid and unclaimed account is required to be transferred to the IEPF. Since the Company has not declared any dividend since inception, there is no dividend which is unclaimed pertaining to previous years and Financial Year under review and hence, there is no requirement of transferring the same to the IEPF for the year under the review.

### VII. Distribution of Shareholding as on March 31, 2024

Distribution of Shareholding based on Nominal Value (₹10/-) as on March 31, 2024.

Sr. No.	Category (Nominal Value of Shares)	No. of Holders	No. of Shares	% of Holders
1.	1 to 5000	1,53,370	60,61,759	98.58
2.	5001 to 10000	1197	8,52,647	0.77
3.	10001 to 20000	451	6,37,177	0.29
4.	20001 to 30000	134	3,27,216	0.09
5.	30001 to 40000	61	2,15,130	0.04
6.	40001 to 50000	50	2,29,221	0.03
7.	50001 to 100000	96	6,88,487	0.06
8.	100001 to above	223	7,01,28,068	0.14
	<b>Total</b>	<b>1,55,582</b>	<b>7,91,39,705</b>	<b>100</b>

### VIII. Shareholding details as on March 31, 2024

The Shareholding Pattern of the Company, as on March 31, 2024 is as follows:-

Sr. No.	Category	No. of Holders	No. of Shares	% of Holding
1.	Foreign Portfolio Investors (Corporate)	175	2,75,33,528	34.79
2.	Foreign Promoter Company	3	2,09,49,112	26.47
3.	Mutual Funds	59	1,67,18,641	21.13
4.	Public (Public+KMP)	1,49,166	10,019,359	11.69
5.	Other Bodies Corporate	808	9,83,690	2.20
6.	Alternate Investment Funds	17	12,45,199	1.60
7.	Insurance Companies	11	10,20,755	1.28
8.	Non Resident Indians	2,215	3,21,523	0.40
9.	Non Resident (Non Repatriable)	1,580	1,87,865	0.24
10.	Hindu Undivided Family	1,532	1,55,610	0.20
11.	Clearing Members	8	2,276	0.002
12.	Trusts	8	2,147	0.002
	<b>Total</b>	<b>1,55,582</b>	<b>7,91,39,705</b>	<b>100</b>



## IX. Means of Communication

Your Company focuses on prompt, continuous and efficient communication to all its stakeholders. The Company has provided adequate and timely information to its member's inter-alia through the following means:

- i. **Financial Results:** The quarterly, half yearly and Annual Financial Results of the Company are published in the leading newspapers viz Business Standard, Financial Express (English) and Business Remedies (Hindi) and are also posted on the Company's website (www.aavas.in).
- ii. **Website:** In compliance with Regulation 46 and 62 of the SEBI (LODR) Regulations, the Company has maintained a separate section i.e. 'Investor Relations' on the Company's website providing all the announcements made by the Company, annual reports, results and policies of the Company.
- iii. **Investors/Analyst Meets:** The Company conducts calls/meetings with investors immediately after declaration of Financial Results to brief them on the performance of the Company. The Company also conducts one on one call and meeting with investors.
- iv. **Presentations to institutional investors/analysts:** Detailed presentations are made to institutional investors and financial analysts on the Company's quarterly, half-yearly as well as Annual Financial Results and sent to the Stock Exchanges. These presentations, video recordings and transcript of meetings are also made available on the website of the Company.
- v. **Annual Report:** The Annual Report containing, inter alia, Audited Standalone and Consolidated Financial Statement, Board's Report, Auditors' Report and other important information is circulated to the members and others entitled thereto through applicable modes. The Management Discussion and Analysis Report forms part of the Annual Report. The Annual Report is also available on the website of the Company.
- vi. **NEAPS:** NEAPS is web based applications designed by NSE for corporates. All periodical and other compliance filings are filed electronically on these portals.
- vii. **BSE Listing Centre (Listing Centre):** Listing Centre is a web-based application designed by BSE for corporates. All periodical and other compliance filings are filed electronically on the Listing Centre.
- viii. **SEBI Complaints Redressal System (SCORES):** Investor Complaints are processed at the SEBI's centralized web-based complaints redressal system which serves as a centralized database

of all complaints received, enables uploading of Action Taken Reports by the Company and online viewing by the investors of actions taken on the complaint and its current status.

## OTHER DISCLOSURES

### i. Secretarial Audit for Financial Year 2023-24

Pursuant to the provisions of Section 204 of the Act, M/s. Chandrasekaran Associates, Practicing Company Secretaries (Firm Registration No: P1988DE002500) were appointed as Secretarial Auditors to conduct Secretarial Audit of the Company for the Financial Year ended March 31, 2024, who have carried out an independent assessment of the compliance of the Act, SEBI (LODR) Regulations and all other applicable rules and regulations as a part of Secretarial Audit. The Secretarial Audit Report forms part of the Annual Report as "Annexure- 3" to the Directors' Report.

### ii. Consolidated (Holding and its Subsidiary) total fees paid to Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part

Total fees of ₹113.99 lakhs for Financial Year 2023-24 for all services was paid by the Company and its subsidiary, on a consolidated basis, to the Statutory Auditors of the Company and other firms in the network entity of which the Statutory Auditors are a part.

### iii. Certification from Practicing Company Secretary

Pursuant to Regulation 34(3) of SEBI (LODR) Regulations, Certificate from a Company Secretary in practice has been received stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by SEBI/MCA or any such statutory authority. The same forms part of the Annual Report as "Annexure-1" to the Directors' Report.

### iv. Accounting Standards

The Company has followed Indian Accounting Standards (Ind AS) issued by the MCA in preparation of its Financial Statements.

### v. Certificate from Practicing Company Secretary on Corporate Governance

As required under the SEBI (LODR) Regulations, certificate issued by M/s. Chandrasekaran Associates, Practicing Company Secretaries certifying that the Company has complied with the conditions of Corporate Governance as stipulated by SEBI LODR Regulations is attached to the Corporate Governance Report as "Annexure-B".

**vi. Details of Non-Compliance by the Company, penalties, and restrictions imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three Financial Years**

BSE Limited (Stock Exchange) had levied a penalty of ₹10,000 (Rupees Ten Thousand Only) excluding GST on the Company in terms of SEBI circular no. SEBI/HO/DDHS/DDHS\_Div1/P/CIR/2022/0000000103 dated July 29, 2022 w.r.t Delay in submission of the intimation of Record Date as per Regulation 60(2) of the SEBI (LODR) Regulations, 2015 for the month ended October 2023. Further, the Company had paid the requisite fine with Stock Exchange.

**vii. Details of Non-Compliance of the Requirements of Corporate Governance**

There has been no instance of non-compliance of any requirement of the Corporate Governance.

**viii. Directors and Officers (D&O) Liability Insurance**

As per the provisions of the Act and in compliance with Regulation 25(10) of the SEBI LODR Regulations, the Company has taken a D&O Liability Insurance policy on behalf of all Directors including Independent Directors and KMP of the Company for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

**ix. CEO/ CFO Certification**

The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the (SEBI LODR) Regulations, copy of which is attached to this Report as “Annexure-C”.

**x. Compliance with Mandatory Requirements and adoption of the Non-Mandatory Requirements of Corporate Governance**

The Company has complied with all mandatory requirements of Regulation 34 of the SEBI LODR

Regulations. The Company has adopted the following discretionary requirements of the Listing Regulations:

- a. **Audit Qualification:** There is no Audit qualification on the Company's Financial Statements during the year under review. Further, the Company is in the regime of unmodified opinions on Financial Statements.
- b. **Reporting of Internal Auditor:** The Internal Audit function of the Company is not outsourced and the Company has appointed Head of Internal Audit internally, which directly reports to the Audit Committee of the Board.

**xi. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)**

During the period under review, the Company has not raised funds through preferential allotment or qualified institutions placement.

**xii. Compliance with the Mandatory Requirements as Specified in Regulations 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI (LODR) Regulations**

The Board periodically reviews the compliance of all applicable laws. The Company has complied with all mandatory requirements of the Code of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the SEBI LODR Regulations. It has obtained a certificate affirming the compliances from M/s Chandrasekaran Associates, Company Secretaries and the same is attached to the Board's Report.

**xiii. Disclosure with respect to Demat suspense account/unclaimed suspense account**

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/bonus/right issues as at March 31, 2024. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters does not arise.

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

**Sachinderpalsingh Jitendrasingh Bhinder**  
Managing Director and CEO  
(DIN: 08697657)

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

Date: April 25, 2024  
Place: Mumbai

**Annexure-A**

## DECLARATION ON COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT FOR BOARD AND SENIOR MANAGEMENT PERSONNEL

To,  
The Members,  
**Aavas Financiers Limited**  
201-202, 2<sup>nd</sup> Floor, Southend Square,  
Mansarovar Industrial Area, Jaipur 302020,  
Rajasthan, India

In accordance with Schedule V, Para D of the SEBI (LODR) Regulation, 2015 as amended from time to time, I, Sachinderpalsingh Jitendrasingh Bhinder, Managing Director and CEO of Aavas Financiers Limited hereby confirm that, all the Board Members and Senior Managerial Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the Financial Year 2023-24.

For **AAVAS FINANCIERS LIMITED**

**Sachinderpalsingh Jitendrasingh Bhinder**  
Managing Director and CEO  
(DIN: 08697657)

Date: April 25, 2024  
Place: Mumbai

**Annexure-B**

## CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,  
The Members  
**AAVAS FINANCIERS LIMITED**  
201-202, 2<sup>nd</sup> Floor, Southend Square  
Mansarovar Industrial Area, Jaipur-302020  
Rajasthan, India

We have examined all relevant records of Aavas Financiers Limited (“the Company”) for the purpose of certifying compliance with the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended 31 March, 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Company’s Management. Our examination has been limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Listing Regulations. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **Chandrasekaran Associates**  
Company Secretaries  
FRN: P1988DE002500  
Peer Review Certificate No.:- 4186/2023

**Dr. S. Chandrasekaran**  
Senior Partner  
Membership No.1644  
Certificate of Practice No.715  
UDIN: F001644F000216311

Date: April 25, 2024  
Place: Delhi

**Annexure-C****CEO AND CFO CERTIFICATION****(Under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Board of Directors  
**Aavas Financiers Limited**

We, Sachinderpalsingh Jitendrasingh Bhinder, Managing Director and Chief Executive Officer and Ghanshyam Rawat, President and Chief Financial Officer of Aavas Financiers Limited ("the Company") certify that:

- a. We have reviewed financial statements and the cash flow statement for the Financial Year ended March 31, 2024 and that to the best of our knowledge and belief:
  - i) These results do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These results together present a true and fair view of the Company affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year ended March 31, 2024, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee:
  - (i) there has not been any significant changes in Internal Control over financial reporting during the period under reference;
  - (ii) there has not been any significant changes in accounting policies during the period under reference requiring disclosure in the notes to the Financial Statements; and
  - (iii) we are not aware of any instances of significant fraud with involvement therein, of the Management or an Employee having a significant role in the Company's Internal Control System over financial reporting.

For **AAVAS FINANCIERS LIMITED**

**Sachinderpalsingh Jitendrasingh Bhinder**  
Managing Director and CEO  
(DIN: 08697657)

**Ghanshyam Rawat**  
President and Chief Financial Officer

Date: April 25, 2024  
Place: Mumbai