



## AAVAS FINANCIERS LIMITED

CIN: L65922RJ2011PLC034297

Registered and Corporate Office: 201-202, 2<sup>nd</sup> Floor, Southend Square,  
Mansarovar Industrial Area, Jaipur 302020, Rajasthan, India  
Tel: +91 141-4659239 Fax: +91 14 1661 8861  
E-mail: investorrelations@aavas.in | Website: www.aavas.in

### Notice to Members,

**NOTICE** is hereby given that the **12<sup>th</sup> Annual General Meeting** of the Members of Aavas Financiers Limited will be held on Thursday, July 21, 2022 at 3:30 P.M., Indian Standard Time ("IST") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") Facility to transact the following businesses:

### ORDINARY BUSINESSSES:

#### 1. To consider and adopt:

- (a) the audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the reports of the Board of Directors and Auditors thereon; and
- (b) the audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the report of the Auditors thereon.
2. To appoint a Director in place of Mr. Ramchandra Kasargod Kamath (DIN: 01715073), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Manas Tandon (DIN: 05254602), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and approve Remuneration of Statutory Auditors of the Company for the Financial Year 2022-23.

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOVLED THAT** in accordance with the provisions of Section 142 of the Companies Act, 2013 and the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including Housing Finance Companies) dated April 27, 2021 issued by the Reserve Bank of India ("RBI") (including any statutory modification(s) or re-enactment thereof for the time being in force) and with reference to resolution passed by the Members via Postal Ballot for appointment of Statutory Auditors and fixing their remuneration thereon dated December 02, 2021 and as recommended by the Audit Committee & Board of Directors

of the Company, M/s Walker Chandiook & Co LLP, Chartered Accountants (Firm's Registration No. 001076N/N500013), who were appointed as Statutory Auditor of the Company for a period of three consecutive years (until the conclusion of the 14<sup>th</sup> AGM of the Company to be held in the calendar year 2024) be paid the remuneration of ₹ 63,00,000/- (Rupees Sixty Three lakh only) for conducting statutory audit, limited review and consolidation of accounts for the Financial Years 2022-23 payable in one or more instalments and for their remaining tenure thereafter till the same is revised."

### SPECIAL BUSINESSSES:

#### 5. To reappoint Mr. Sandeep Tandon (DIN: 00054553) as an Independent Director of the Company.

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

**"RESOVLED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'SEBI LODR Regulations') and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("RBI Master Directions") (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per the provisions of Articles of Association of the Company, Mr. Sandeep Tandon (DIN: 00054553) who was appointed as an Independent Director on July 27, 2017 and who has submitted declaration that he meets the criteria of independence as mentioned in section 149(6) of the Companies Act, 2013, and Regulation 16(1) (b) & 25 (8) of the SEBI LODR Regulations and is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority, who holds office upto July 26, 2022 and being eligible, be and is hereby re-appointed as an Independent Director (Non-Executive) not liable to retire by rotation, on the Board of the Company for a second term of 5 (five) consecutive years effective from July 27, 2022 till

July 26, 2027 as recommended by the Board of Directors in their Meeting held on May 05, 2022.

**RESOLVED FURTHER THAT** pursuant to the provisions of sections 149, 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Sandeep Tandon be paid such fees as the Board may approve from time to time and subject to such limits as approved by the Members of the Company on August 01, 2019 or within such other limit as may be approved by the Members of the Company from time to time.

**RESOLVED FURTHER THAT** the Board of Directors and/ or the Company Secretary, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution".

**6. 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 Companies Act, 2013.**

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in supersession of all the earlier resolution(s) passed in this regard and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as per the applicable directions/ guidelines issued by the Reserve Bank of India ("RBI") or National Housing Bank ("NHB") and the relevant provisions of the Articles of Association of the Company and all other applicable rules, laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "the Board" which term shall be deemed to include any Committee of the Board constituted / to be constituted / reconstituted by the Board to exercise its powers including the powers conferred by this resolution) for borrowing from time to time as they may think fit, any sum or sums of money not exceeding ₹ 17,000 crore (Rupees Seventeen thousand crore only) (including the money already borrowed by the Company) in Indian Rupees or in any equivalent foreign currency(ies) on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether domestic or international, whether by way of charge by way of mortgage or hypothecation, pledge or otherwise in any way

whatsoever, on, over or in any respect of all, or any of the Company's assets and effects or properties including stock in trade (receivables), notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, and securities premium provided that the total borrowing limit shall be within the limits prescribed under the RBI Master Directions.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized for borrowing from time to time as it may think fit, any sum or sums of money not exceeding ₹ 17,000 crore (Rupees Seventeen thousand crore only) in Indian Rupees or equivalent thereof in any foreign currency(ies) in aggregate (including the monies already borrowed by the Company) on such terms and conditions as the Board may deem fit, by way of loans, or in any other form whatsoever, or issue of Bonds and/ or Non-Convertible Debentures or other Securities or Term Loans, Cash Credit facilities or other facilities in form of debt in the nature of Debentures, Commercial Papers and the like to Bank(s), Financial or other Institution(s), Mutual Fund(s), Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) or any other person(s), body(ies) corporate, etc., whether Securities holder of the Company or not.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorized to arrange or finalise the terms and conditions of all such borrowings, from time to time, viz. terms as to interest, repayment, security or otherwise as it may deem fit and to sign and execute all such documents, agreements and writings and do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable to give effect to this resolution."

**7. 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 Companies Act, 2013.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in supersession of all the earlier resolution(s) passed in this regard and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as per the directions/ guidelines issued by the Reserve Bank of India ("RBI") or National Housing Bank ("NHB") and relevant provisions of the Articles of Association of the Company, and all other applicable rules, laws and acts (if any) and subject

to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "the Board" which term shall be deemed to include any Committee of the Board, constituted / to be constituted / reconstituted to exercise its powers including the powers conferred by this resolution) to create charge by way of mortgage (s) and / or hypothecate and / or lien or otherwise on any of movable and / or immovable properties / assets of the Company including receivables in the form of book debts, wherever situated both present and future or on whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s), on such terms and conditions at such time(s) and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion thinks fit, to or in favor of any bank(s) or Financial or other Institution(s), Mutual Fund(s), Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) or body(ies) corporate or person(s), whether Securities holders of the Company or not, to secure the borrowing facility together with interest, cost, charges and expenses thereon for amount not exceeding ₹ 17,000 crore (Rupees Seventeen thousand crore only) at any point of time (including the money already borrowed by the Company and in excess of the aggregate of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, and securities premium).

**RESOLVED FURTHER THAT** the securities to be created by the Company as aforesaid may rank exclusive/prior/pari-passu/subsequent with/to the hypothecation/mortgages/lien and/or charges already created or to be created by the Company as may be agreed to between the concerned parties.

**RESOLVED FURTHER THAT** the Board of Directors and/ or the Company Secretary, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution".

**8. To approve issuance of Non-Convertible Debentures, in one or more tranches / issuances on Private Placement Basis.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any, of

the Companies Act, 2013 ("the Act") and Rules made thereunder, Guidelines on Private Placement of Non-Convertible Debentures (NCDs) prescribed under the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("RBI Master Directions"), Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI circular dated November 26, 2018 on Fund raising by issuance of Debt securities by large entities and other applicable RBI and SEBI Regulations and guidelines (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of Articles of Association of the Company and subject to applicable laws, rules and regulations and guidelines, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "the Board" which term shall be deemed to include any Committee of the Board, constituted / to be constituted / reconstituted including the powers conferred by this resolution) for making offers and / or invitations and / or issue, in one or more tranches, Non-convertible Debentures (NCDs), whether secured or unsecured and / or listed or unlisted including but not limited to subordinate debentures, bonds, and/or other debt securities as per section 2(30) of the Act on private placement basis, during the period of 1 (one) year from the date of passing of the Special Resolution by the Members in this Annual General Meeting, for amount not exceeding ₹ 6,000 crore (Rupees Six thousand crore only) on such terms and conditions and at such times at par or at such premium, as may be decided by the Board to such person(s), including to one or more Company(ies), bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds and individuals, as the case may be or such other person(s) as the Board may decide so for onward lending business of the Company and general corporate purposes and on the following terms:

- (i) The Board shall have the sole discretion to deal with the unsubscribed portion of the Debenture Issue on such terms and conditions as it may deem fit.
- (ii) The Company shall issue the NCDs for deployment of funds for creation of its own assets and not to facilitate the resource requests of or utilisation by group entities/ parent Company/ associates of the Company.

**RESOLVED FURTHER THAT** the aggregate amount of funds to be raised by issue of NCDs, subordinate debentures, bonds, and/or other debt securities etc. shall not exceed the

overall borrowing limits of the Company, as approved or may be approved by the Members of Company from time to time.

**RESOLVED FURTHER THAT** the Board of Directors and/ or the Company Secretary, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution".

**9. To approve "Equity Stock Option Plan For Employees 2022" ("ESOP-2022") of Aavas Financiers Limited.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to provisions of Section 62(1) (b) and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder, provisions of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), as per the provisions of Memorandum of Association and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed while granting such approvals, permissions and sanctions, the consent of the Members of the Company be and is hereby accorded to approve, adopt and implement "Equity Stock Option Plan for Employees 2022" (hereinafter referred to as "ESOP-2022") of Aavas Financiers Limited for formulation and implementation, and the Board of Directors of the Company (hereinafter referred to as "the Board" which terms shall be deemed to include the Nomination & Remuneration Committee of the Board) be and is hereby authorized to create, grant, offer, issue and allot, at any time, to the benefit of such eligible person(s), who are permanent employees of the Company (present or future), options exercisable into not more than 8,50,000 (Eight lakh Fifty Thousand only) Equity Shares of ₹ 10/- each of the Company under the ESOP-2022, on such terms and conditions as detailed in explanatory statement and as may be fixed by the Board in accordance with applicable laws.

**RESOLVED FURTHER THAT** each option would be exercised for one Equity Share of the face value of ₹ 10/- each fully paid-up on payment of the requisite exercise price

to the Company, provided that in case the Equity Shares are either sub-divided or consolidated or any other corporate actions done in the Company, then the number of shares to be allotted under the Scheme shall automatically be adjusted to ensure there is no change in the economic value for the option holder, without affecting any other rights or obligations of the said allottees.

**RESOLVED FURTHER THAT** the number of Equity shares to be allotted under the ESOP-2022 shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 10/- per Equity Share bears to the revised face value of the Equity Shares consequent to any corporate action(s) such as Right Issue/ Bonus Issue/ Merger/ De-Merger/ Sub-Division/ Splitting etc. of Equity Shares of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot Equity Shares upon exercise of options from time to time in accordance with the ESOP-2022 and such Equity Shares shall rank pari- passu with all the existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** the Board of Directors and/ or the Company Secretary, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution".

**By order of the Board of Directors  
For Aavas Financiers Limited**

**Sharad Pathak**

*Company Secretary and Compliance Officer*  
Membership No.: FCS- 9587

Date: June 20, 2022

Place: Jaipur

**Registered and Corporate Office:**

201-202, 2<sup>nd</sup> Floor, Southend Square,  
Mansarovar Industrial Area, Jaipur 302020, Rajasthan, India  
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## NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning the ordinary business under Item Nos. 4 and the special businesses under Item Nos. 5 to 9 of the accompanying Notice, is annexed hereto. The Board of Directors have considered that the special businesses under Item Nos. 5 to 9, being considered unavoidable, be transacted at the 12<sup>th</sup> AGM of the Company.
2. In view of General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 20/2021 21/2021 and 02/2022 dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021 and May 05, 2022 respectively ("Collectively referred as **MCA Circulars**"), issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 ("Collectively referred as **SEBI Circulars**") issued by the Securities and Exchange Board of India (SEBI) (MCA Circulars and SEBI Circulars are hereinafter collectively referred to as "**the Circulars**") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"), the 12<sup>th</sup> AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue. The deemed venue for the 12<sup>th</sup> AGM shall be the Registered Office of the Company. Since the AGM will be held through VC/OAVM Facility, the Route Map, proxy form and attendance slip are not annexed to this Notice.
3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. This is to inform that as physical presence of Members has been dispensed with for attending the Meeting through VC/OAVM Facility, therefore there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 12<sup>th</sup> AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the 12<sup>th</sup> AGM through VC/OAVM Facility and participate there at and cast their votes through e-voting.
5. Attendance of the Members participating in the 12<sup>th</sup> AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. In compliance with the Circulars, the Annual Report 2021-22, the Notice of the 12<sup>th</sup> AGM, and instructions for e-voting are being sent through electronic mode to those Members whose e-mail addresses are registered with the Company / depository participant(s).
7. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI LODR Regulations and the circulars, the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the 12<sup>th</sup> AGM. For this purpose, the Company has entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-voting system as well as voting on the date of the 12<sup>th</sup> AGM will be provided by NSDL.
8. The manner of voting remotely by Members including the Members who have not registered their e-mail addresses is provided in the instructions for e-voting section which forms the part of this Notice.
9. Members may please note that the Notice and Annual Report of the 12<sup>th</sup> AGM will also be available on the website of the Company at [www.aavas.in](http://www.aavas.in), websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited, at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and also on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and the certificate from Secretarial Auditors of the Company pursuant to SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available electronically for inspection by the Members during the 12<sup>th</sup> AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members during the AGM. Members seeking to inspect such documents can send an e-mail to [investorrelations@aavas.in](mailto:investorrelations@aavas.in).
11. The Board of Directors of the Company ("the Board") has appointed Mr. Shashikant Tiwari (Membership No. ACS 28994, COP No. 13050), failing him, Mr. Rupesh Agarwal (Membership No. ACS A16302, COP No. 5673), Practicing

Company Secretaries and Partners of M/s Chandrasekaran Associates, as the Scrutinizer ("Scrutinizer"), for conducting the voting process in a fair & transparent manner.

12. The Scrutinizer shall after the conclusion of e-voting at the 12<sup>th</sup> AGM shall make a scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairperson or a person authorized by him, within 2 working days or 3 days, whichever is earlier, from the conclusion of the 12<sup>th</sup> AGM, who shall then countersign and declare the result of the voting forthwith.
  13. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.aavas.in](http://www.aavas.in) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of Results by the Chairperson or a person authorized by him. The results shall also be displayed on the notice board at the registered office of the Company and shall be immediately forwarded to the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited.
  14. Details as required in sub-regulation (3) of Regulation 36 of the SEBI LODR Regulations and Secretarial Standard on General Meeting ("SS-2") of ICSI, in respect of the Directors seeking appointment/ re-appointment at the 12<sup>th</sup> AGM, forms integral part of the Notice of the 12<sup>th</sup> AGM as Annexure. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.
  15. As an eco-friendly measure intending to benefit the society at large, we request you to be part of the e-initiative and register your e-mail address to receive all communication and documents including Annual Reports from time to time in electronic form to the e-mail address provided by you. Members may send such communication to their respective Depository Participants (DPs) as per the procedure given later in the Notes.
  16. Members can avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014. Members desiring to avail this facility may contact their respective DPs for recording their Nomination.
  17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members are, therefore, requested to submit their PAN details to their DPs with whom they are maintaining their demat accounts.
  18. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs.
  19. Members desirous of obtaining any information / clarification relating to the accounts are requested to submit their query in writing to the Company well in advance so as to enable the Management to keep the information ready.
  20. Members who would like to express their views/ask questions as a speaker during the Meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, e-mail ID, mobile number at [investorrelations@aavas.in](mailto:investorrelations@aavas.in) till July 15, 2022. Only those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.
- 21. Instructions for Members for Remote e-Voting and joining the 12<sup>th</sup> AGM are as under:-**
- a. The remote e-voting period will commence on Saturday, July 16, 2022 (9:00 a.m. IST) and end on Wednesday, July 20, 2022 (5:00 p.m. IST). During this period, Members of the Company, holding shares as on the cut-off date i.e. as on Thursday, July 14, 2022, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date.
  - b. A person who is not a Member as on the cut-off date should treat this Notice of 12<sup>th</sup> AGM for information purpose only.
  - c. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 12<sup>th</sup> AGM by e-mail and holds shares as on the cut-off date i.e. on Thursday, July 14, 2022, may obtain the User ID and password by sending a request to e-mail address [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing user ID and password for casting his/her vote. In the case of forgot password, the same can be reset by using "Forgot User Details/Password?" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - d. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

- e. Institutional (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to shashikant@cacsindia.com/rupesh@cacsindia.com with a copy marked to evoting@nsdl.co.in.
- f. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
- g. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 and 1800-224-430 or send a request at evoting@nsdl.co.in or contact Mr. Amit Vishal, Senior Manager or Ms. Pallavi Mhatre, Manager, National Securities Depository Ltd., Trade World, ‘A’ Wing, 4<sup>th</sup> Floor,

Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated e-mail IDs: evoting@nsdl.co.in or AmitV@nsdl.co.in or pallavid@nsdl.co.in or at telephone nos. +91-22-24994360 or +91-99202 64780 or +91-22-24994545 who will also address the grievances connected with the voting by electronic means. Members may also write to the Company Secretary at the Company’s e-mail address investorrelations@aavas.in.

- h. The details of the process and manner for remote e-voting are explained herein:

**Step 1:** Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

**Step 2:** Cast your vote electronically on NSDL e-Voting system.





**Details on Step 1 are mentioned below:**

**A. How to Log-in to NSDL e-Voting website?**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual Shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

Type of Shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p> </p> <p> </p>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43



**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
  - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

- a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to shashikant@cacsindia.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal at evoting@nsdl.co.in

### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email id for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investorrelations@aavas.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investorrelations@aavas.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained **at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

## **22. The instructions for Members for e-voting on the day of the 12<sup>th</sup> AGM are as under:-**

- a. The procedure for e-voting on the day of the 12<sup>th</sup> AGM is same as the instructions mentioned above for remote e-voting.
- b. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM Facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
- c. Members who have voted through Remote e-voting will be eligible to attend the 12<sup>th</sup> AGM. However, they will not be eligible to vote at the AGM again.
- d. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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## **EXPLANATORY STATEMENT PURSUANT TO THE SECTION 102 OF THE COMPANIES ACT, 2013 AND SEBI REGULATIONS**

The following statements sets out all material facts relating to the Special Business mentioned under Resolution Nos. 5 to 9 of this Notice. Explanation to ordinary business mentioned under Resolution Nos. 4 has been provided on a voluntary basis.

### **ITEM NO. 4**

The Members of the Company vide resolution passed by way of postal ballot dated December 02, 2021 approved the appointment of M/s Walker Chandiook & Co LLP, Chartered Accountants (Firm's Registration No. 001076N/N500013), as Statutory Auditors of the Company for a period of 3 (three) consecutive years to hold office until the conclusion of the 14<sup>th</sup> Annual General Meeting of the Company (to be held in the calendar year 2024), subject to them continuing to fulfill the applicable eligibility norms. The Members had approved payment of fees amounting to ₹ 53,00,000 (Fifty-three lakh only) towards statutory audit, limited review and consolidation of accounts for the Financial Year 2021-22 excluding certification fees, applicable taxes, reimbursements and other outlays.

It is now proposed to fix the remuneration payable to the Statutory Auditors of the Company amounting to ₹ 63,00,000 (Sixty-three lakh only) towards statutory audit, limited review and consolidation of accounts excluding certification fees, applicable taxes, reimbursements and other outlays for the Financial Year 2022-23 and for their remaining tenure thereafter till the same is revised.

The Audit Committee and the Board of Directors of the Company unanimously recommend the payment of remuneration to M/s Walker Chandiook & Co LLP being the Statutory Auditors of the Company as set out at Item No. 4 of this Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 4 of the accompanying Notice.

### **ITEM NO. 5**

Pursuant to the provisions of Section 149(10) of the Companies Act 2013 ("Act"), an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment for another term up to five years on passing of a Special Resolution by the Members and disclosure of such appointment be made in the Board's report. Further, in terms of the provisions of the Act read with the SEBI Listing Regulations, an Independent Director shall hold office maximum for two consecutive terms of five years, however such Independent Director shall be eligible for appointment after the expiration of three years of ceasing the office of Independent Director in the Company.

The Members of the Company had appointed Mr. Sandeep Tandon as an Independent Director of the Company for a period of 5 (five) years with effect from July 27, 2017. He is the Chairperson of Board and Stakeholders Relationship Committee and also a Member of Audit Committee and Nomination & Remuneration Committee of the Company.

The Board of Directors of the Company at their meeting held on May 05, 2022, based on the outcome of performance evaluation, recommendations of the Nomination and Remuneration Committee, and experience and significant contributions made by Mr. Sandeep Tandon, has recommended his re-appointment as an Independent Director, for a second term of 5 (five) consecutive years with effect from July 27, 2022 to July 26, 2027.

His brief profile and other details as required under SEBI Listing Regulations and Secretarial Standards of ICSI is given as an “Annexure” to this Notice.

Mr. Sandeep Tandon is not disqualified from being appointed as an Independent Director under provisions of Section 164 of the Act, nor debarred from holding the office of Director by virtue of any SEBI order, NHB/RBI or any other such authority and has given his declaration of independence, declaration of fit and proper criteria as prescribed under RBI Master Directions and consent to act as a Director of the Company.

The Company has received candidature letter under section 160 of the Act, proposing their appointment for the office of Independent Director.

The Company has also received declarations from Mr. Sandeep Tandon that he meets the criteria of independence as prescribed under Section 149 of the Act and Regulation 16 of the SEBI Listing Regulations. In the opinion of the Board, Mr. Sandeep Tandon fulfil the conditions for re-appointment as Independent Director as specified in the Act and Listing Regulations and is independent of the management.

The Board considers that his continued association would be an immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director.

Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, approval of Members with special resolution is required for the re-appointment of Independent Directors. Accordingly, the Board of Directors recommends the resolution set out at item no. 5 for the approval of Members as a Special Resolution.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Sandeep Tandon and his relatives, are concerned or interested, financially or otherwise in this Resolution, except to the extent of their shareholding in the Company, if any.

#### ITEM NO. 6 & 7

The Board of Directors of the Company (“Board”) envisages requirements of funds in future. As per the provisions of Section 180(1)(c) of the Companies Act, 2013 (“Act”), the Board can borrow money subject to the condition that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business) shall not exceed the aggregate, for the time being, of the paid-up share capital and free reserves, that is to say, reserves not set apart for any specific purpose and securities premium unless the Members have authorized the Board to borrow the monies up to some higher limits.

Further as per Paragraph 27.2 of RBI Master Directions, No housing finance company can have its total Borrowing limit in aggregate, in excess of twelve times of its Net Owned Fund (NOF).

Hence, it is proposed to empower and authorize the Board to borrow money from any Bank(s), Financial Institutions (FIs), Mutual Funds(s), Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) or any other person/s or entity/ies etc., in excess of paid up share capital and free reserves and securities premium of the Company from the existing limit of ₹ 14,000 crore to an amount not exceeding ₹ 17,000 crore (Rupees Seventeen thousand crore only) (including the money already borrowed by the Company) for the lending business purpose and general corporate purpose, provided that the total borrowing limit shall always be within the limits as prescribed under the RBI Master Directions.

The resolution as set out at item no. 6 of the Notice is placed for your approval by way of Special Resolution of the aforesaid limits of borrowing by the Board up to an amount not exceeding ₹ 17,000 crore (Rupees Seventeen thousand crore only) or equivalent thereof in any foreign currency (ies) (including the money already borrowed by the Company).

With a view to meet fund requirements for the aforesaid purpose, the Company would be required to borrow funds from time to time by way of loans or in any other form whatsoever including but not limited to issue of bonds, debentures or other securities as detailed in the resolution as set out at item no. 6.

The said borrowings by way of loan or issue of securities may be required to be secured by way of charge through lien / hypothecation / mortgage over all or any part of the movable and / or immovable properties of the Company and as per the provisions of Section 180 (1) (a) of the Act, the mortgage or charge on all or any part of the movable and /or immovable properties of the Company, may be deemed as disposal of the whole, or substantially the whole, of the undertaking of the Company and hence the approval of the Members of the Company is required by way of an Special Resolution as set out at Item No. 7 of the Notice.

As per Section 180(1)(a) and 180(1)(c) and other applicable provisions of the Act, approval of the Members is being sought by way of passing Special Resolution. Hence, the Board recommends passing of the enabling Special Resolutions set out at item No. 6 and 7 of the Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 6 and 7 of the accompanying Notice.

#### ITEM NO. 8

Your Company has been issuing debentures, which may be referred to as one of the option for raising money from time to time, for onward lending business of the Company and general corporate purposes, on terms and conditions as are appropriate and in the best interest of the Company and in due compliance with the applicable provisions of the Companies Act, 2013 (“the

Act”), SEBI (Issue and Listing of Non-Convertible Securities) Regulation 2021, Debt Listing Agreement and Guidelines as issued by Reserve Bank of India, National Housing Bank etc. Accordingly, the Company, subject to the approval of Members, proposes to issue Non-convertible Debentures (including bonds, and/or other debt securities as per Section 2(30) of the Act to various person(s) on private placement basis, at such terms and conditions and at such price(s) in compliance with the requirements of regulatory authorities, if any and as may be finalized by the Board and/or Committee of Board. The amount to be raised by way of issue of listed or unlisted, secured/unsecured redeemable Non-convertible Debentures on a private placement basis however shall not exceed ₹ 6,000 crore (Rupees Six thousand crore only) in aggregate, in one or more series/tranches on private placement basis. The aforesaid borrowings are within overall borrowing limits authorized by Members, from time to time. It may be noted that as per Rule 14 of Companies (Prospectus and Allotment of Securities) Second amendment Rules, 2018 read with Section 42 of the Act, allows a Company to pass a Special Resolution once in a year for all the offer or invitation for Non-Convertible Debentures to be made during the year through a private placement basis in one or more tranches.

Therefore, consent of the Members is accordingly sought in connection with the aforesaid issue of debentures/bonds from time to time and they are requested to enable and authorize the Board (including any Committee of the Board) to issue Non-convertible Debentures on private placement basis of ₹ 6,000 crore (Rupees Six thousand crore only) as stipulated above, in one or more tranches, during the period of 1 (one) year from the date of passing of the Resolution set out at Item No. 8 of this Notice, within the overall borrowing limits of the Company, as approved by the Members from time to time.

The Board accordingly recommends the Special Resolution as set out at Item No. 8 of the Notice for the approval of the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 8 of the accompanying Notice.

#### **ITEM NO.9**

The Company intends to formulate and implement Equity Stock Option Plan for Employees 2022 (“ESOP-2022”) of Aavas Financiers Limited.

The principle object of ESOP-2022 is to promote the culture of employee ownership and to attract, retain, motivate senior management as well as critical talent of the Company and to give them opportunity to participate and gain from the Company’s performance, thereby, acting as a retention tool as well as to align the efforts of such talent towards long term value creation in the organization. Under the ESOP-2022, options are proposed to be issued to employees fulfilling the criteria; each stock option

would give right to the option holder to subscribe one Equity Share.

The Members are informed that the Company intends to offer not more than 8,50,000 (Eight lakh and fifty thousand only) Equity Shares of face value ₹ 10 each of the Company under the ESOP-2022 by way of grant of Options which will be granted directly by the Company. The Plan will be administered by the Nomination & Remuneration Committee of Board of Directors (“Board”).

ESOP-2022 has been prepared and formulated in compliance with provisions of the Companies Act, 2013 (“the Act”) and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

Particulars of disclosures as required under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and circulars issued by SEBI are given below:

#### **a) Total number of Options to be granted**

1. A total of 8,50,000 (Eight lakh fifty thousand only) options would be available for grant to the eligible employees of the Company under the ESOP-2022.
2. Each option when exercised would give the option holder a right to get one fully paid Equity Share of the Company.
3. In cases where options, whether vested or unvested, lapse or expire or are forfeited for any reason under the applicable laws, the Nomination & Remuneration Committee may re-issue the options to other eligible employees. The options so issued shall be subject to the terms and conditions of the ESOP-2022.

#### **b) Identification of Classes of employees entitled to participate in the ESOP-2022**

For the purpose of the ESOP-2022, the eligible employees shall be amongst from the following persons:

1. A permanent employee of the Company working in India or outside India; or
2. A Director of the Company, whether a whole time director or not but excluding an Independent Director; or

Further, the following persons are not eligible to be categorized as eligible employees under the ESOP-2022:

1. An employee who is a promoter of the Company or belongs to the promoter group; or
2. A Director of the Company, who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company.

Following the above conditions, the eligibility to participate in the Plan is further subject to such criteria as may be decided by the Nomination & Remuneration Committee at its own discretion, including, but not limited to the date of joining of the Employee with the Company, grade of the Employee, performance evaluation, period of service with the Company, criticality or any other criteria, as the Nomination & Remuneration Committee determines.

**c) Requirements of Vesting and period of Vesting (not less than 1 year)**

The options granted shall vest so long as the employee continues to be in the employment of the Company.

The vesting period shall not be less than 1 year from date of grant of options. The vesting may happen in one or more tranches. The detailed terms and conditions of vesting are mentioned in the ESOP-2022.

The Nomination & Remuneration Committee may, at its sole & absolute discretion, lay down performance metrics which shall inter-alia include business performance and achievement of set business targets on the achievement of which such options would vest, the detailed terms and conditions relating to such performance-based vesting and the proportion in which options granted would vest.

**d) Maximum Period within which the options shall be vested**

Under the "ESOP-2022", the vesting will occur in not more than 5 years from the date of grant of option.

**e) Conditions under which Vested Options may lapse**

In case of termination of employment of the employee 'for cause', the vested options may lapse. The events included under 'for cause' are specifically mentioned in the ESOP-2022.

**f) Exercise Price or pricing formula**

The Exercise Price means Market Price of the shares as on the Grant Date.

**g) Exercise Period and process of exercise**

The vested options shall be eligible for exercise on and from the date of vesting. The exercise period shall be four (4) years from the date of each vesting of options except in case of termination without cause and resignation by the employee.

The employee can exercise stock options at any time after the vesting date either in full or in tranches by making full payment of exercise price and applicable taxes and by execution of such documents as may be prescribed by the Nomination & Remuneration Committee, from time to time. The options shall lapse if not exercised within the specified exercise period.

**h) Exercise Period for Vested Options in Case of Termination of or Resignation from Employment**

The exercise period for vested options in case of termination of employment 'without cause' or resignation from employment is 90 (ninety) days from the date of termination or resignation as the case may be.

**i) Appraisal process for determining the eligibility of the Eligible Employees**

The process for determining the eligibility of the Eligible Employees will be specified by the Nomination & Remuneration Committee and will be based on designation; period of service, loyalty, value addition, present & past contribution, band, performance linked parameters such as work performance and such other criteria as may be determined by the Nomination & Remuneration Committee at its sole discretion, from time to time.

**j) Maximum number of options to be granted per Eligible Employee and in aggregate**

Maximum number of options to be granted to an Eligible Employees will be determined by the Nomination & Remuneration Committee on a case to case basis and shall not exceed one per cent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of option.

**k) Maximum quantum of benefits to be provided per Employee**

The maximum quantum of benefits underlying the options issued to an employee shall be equal to the difference between the option exercise price and the market price of the shares on the exercise date.

**l) Lock in Period**

The Equity Shares arising out of exercise of vested options would not be subject to any lock-in period after such exercise unless the Nomination & Remuneration Committee decides otherwise.

**m) Implementation and Administration of ESOP-2022**

ESOP-2022 shall be implemented directly by the Company through the Nomination & Remuneration Committee of the Board. Further, all acts, deeds, things and matters in connection to ESOP-2022 shall be administered by the Nomination & Remuneration Committee of the Board.

**n) Source of acquisition of shares under the ESOP-2022 i.e. new issue of shares by the Company or secondary acquisition by the trust or both;**

Equity Shares shall be allotted to the eligible employees exercising their Options by way of a primary issuance.

**o) Amount of loan to be provided for implementation of the Scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.**

Not applicable

**p) Maximum percentage of secondary acquisition**

Not applicable

**q) Compliance with Accounting Policies**

The Company shall comply with the disclosures, the accounting policies and other requirements as may be prescribed under the applicable laws from time to time.

**r) Method of valuation of options**

The Company shall adopt the fair value Method by using Black- Scholes Option Pricing Formula for determining the value of an option granted under the ESOP-2022.

As the ESOP-2022 would require issue of further Equity Shares, in terms of Sections 62(1)(b) and rules made thereunder and all other applicable provisions, if any, of the Act, as amended and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021, consent of the Members of the Company is required by passing a Special Resolution in a General Meeting.

A draft copy of the ESOP-2022 is available for inspection as per details mentioned in note no.10 to the accompanying Notice of the Annual General Meeting.

The Board of Directors recommends resolution set out at Item No. 09 for your consideration and approval by way of Special Resolution.

None of the Directors or Key Managerial Personnel (KMP) of the Company and their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 09 of the accompanying Notice, except to the extent of the stock options that may be granted to them under ESOP-2022.

**By order of the Board of Directors  
For Aavas Financiers Limited**

**Sharad Pathak**

*Company Secretary and Compliance Officer*  
Membership No.: FCS- 9587

Date: June 20, 2022

Place: Jaipur

**Registered and Corporate Office:**

201-202, 2<sup>nd</sup> Floor, Southend Square,  
Mansarovar Industrial Area, Jaipur 302020, Rajasthan, India  
CIN: L65922RJ2011PLC0D34297  
Tel: +91 141-4659239 Fax: +91 141-6618861  
E-mail: [investorrelations@aavas.in](mailto:investorrelations@aavas.in) | Website: [www.aavas.in](http://www.aavas.in)

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## Annexure

Details of Directors seeking appointment/re-appointment vide this Notice, pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standards on General Meetings issued by Institute of Company Secretaries of India (ICSI):

Name of Director	Mr. Ramchandra Kasargod Kamath	Mr. Manas Tandon	Mr. Sandeep Tandon
Date of Birth	19.11.1955	07.05.1977	17.05.1969
DIN	01715073	05254602	00054553
Age (in years)	66	45	53
Qualification	Bachelor's degree in Commerce from the University of Mysore. He is an honorary Fellow of Indian Institute of Banking and Finance. Further, Mr. Kamath is a certified associate of the Indian Institute of Bankers.	MBA in Finance from The Wharton School of the University of Pennsylvania and Bachelor's Degree in Electrical Engineering from the Indian Institute of Technology, Kanpur.	Bachelor's degree in Science (Electrical Engineering) from the University of Southern California.
Brief Resume and Experience	Mr. Ramchandra Kasargod Kamath is a Non-executive Nominee Director appointed on the Board of Company by Lake District Holdings Limited and Kedaara AIF-1. He has more than 44 years of experience in the field of Banking and Finance. He was previously associated with Corporation Bank as its General Manager and with Punjab National Bank as its Chairman and Managing Director. He has also served as the Chairman and Managing Director of Allahabad Bank and as an Executive Director of Bank of India.	Mr. Manas Tandon is a Promoter Nominee Director appointed on the Board of Company by Promoter Group ESCL Limited and Partners Group Private Equity (Master Fund), Llc. He is Head of Partners Group's Mumbai office and Co-Head of the Private Equity Goods and Products business unit. He is a member of the Global Investment Committee and the Private Equity Direct Leads Investment Committee and Chairman of the Private Equity Direct Co-Investments in Goods and Products Investment Committee. He has 23 years of industry experience, also serving on the Board of Directors of the firm's portfolio companies Ecom Express, Vishal Mega Mart. Prior to joining Partners Group, he was responsible for TPG's growth investments in India, having started his investing career with Matrix Partners, where he was responsible for investments in mobility and financial services. Before that, he was engaged in designing and selling cutting-edge telecom solutions for start-ups such as Max Comm Technologies (acquired by Cisco Systems) and Camiant Inc (now part of Oracle).	Mr. Sandeep Tandon is an Independent Director of Aavas. He holds a Bachelor's degree in Science (Electrical Engineering) from the University of Southern California. He previously served as the Managing Director of Tandon Advance Device Private Limited and as a Director on the Board of Accelyst Solutions Private Limited. At present, Mr. Tandon is acting as the Executive Director of Syrma SGS Technology Limited and serves as a Director in various private companies.
Nature of expertise in specific functional areas	Banking, Finance, Risk Management and Corporate Governance.	Finance and Risk Management.	Information Technology and Digital, Product and Sales Management, Strategic Development and Execution and Corporate Governance.
Relationships with Directors, Manager and other Key Managerial Personnel inter-se	None	None	None



Name of Director	Mr. Ramchandra Kasargod Kamath	Mr. Manas Tandon	Mr. Sandeep Tandon
Directorships held in other public limited Companies and Listed Companies	a. Manipal Technologies Limited b. Spandana Sphoorty Financial Limited c. Centrum Capital Limited	a. Aavas Finserv Limited b. Ecom Express Limited	a. Syrma SGS Technology Limited
Membership / Chairmanship of Statutory Committees of Board other Companies excluding Directorship in Private and Section 8 Companies	I. Manipal Technologies Limited <ul style="list-style-type: none"> <li>Chairman, Nomination and Remuneration Committee</li> <li>Member, Audit Committee</li> <li>Member, CSR Committee</li> </ul> II. Spandana Sphoorty Financial Limited <ul style="list-style-type: none"> <li>Chairman, CSR Committee</li> <li>Chairman, Risk Management Committee</li> <li>Member, Stakeholders Relationship Committee</li> </ul>	Nil	I. Syrma SGS Technology Limited <ul style="list-style-type: none"> <li>Member, CSR Committee</li> </ul>
Equity listed Companies from which he/she resigned in the past three years	None	None	None
No. of Equity shares held in the Company (As on March 31, 2022)	68,497	-	-
Key terms and conditions of appointment/re-appointment	Re-appointment as Non-Executive Nominee Director liable to retire by rotation.	Re-appointment as Nominee Director liable to retire by rotation.	Re-appointment as Independent Director not liable to retire by rotation.
Remuneration proposed to be paid	Profit linked commission as approved by the Members from time to time.	Nil	Profit linked commission as approved by the Members from time to time.
Date of first appointment on Board.	July 14, 2016	June 23, 2016	July 27, 2017

For details related to, number of meetings of the Board attended during the year, expertise in specific functional/skill areas and remuneration drawn in respect of the above directors please refer Annexure-2 i.e. Corporate Governance Report.



