

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies
G/6-7, Second Floor Residency Area, Jaipur, Rajasthan, India, 302001

Certificate of Incorporation pursuant to change of name

[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]

Corporate Identification Number (CIN): U65922RJ2011PLC034297

I hereby certify that the name of the company has been changed from AU HOUSING FINANCE LIMITED to AAVAS FINANCIERS LIMITED with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name AU HOUSING FINANCE LIMITED.

Given under my hand at Jaipur this Twenty ninth day of March two thousand seventeen.

3300003429 Digitally signed by 3300003429 Date: 2017.03.30 16:45:38 +05'30'

RAJENDER SINGH MEENA

Registrar of Companies

RoC - Jaipur

Mailing Address as per record available in Registrar of Companies office:

AAVAS FINANCIERS LIMITED

201-202, 2nd Floor, South End Square, Mansarover Industrial Area, Jaipur - 302020, Jaipur, Jaipur, Rajasthan, India, 302020



भारत सरकार–कॉर्पोरेट कार्य मंत्रालय

कम्पनी रजिस्ट्रार कार्यालय, राजस्थान

लिमिटेड कम्पनी के रुप में परिवर्तित होने के परिणामस्वरुप, कम्पनी के नाम में परिवर्तन का नया निगमन प्रमाण–पत्र

कॉर्पोरेट पहचान संख्या : U65922RJ2011PLC034297

मैसर्स Au HOUSING FINANCE PRIVATE LIMITED

के मामले मे, मैं एतदद्वारा सत्यापित करता हूँ कि मैसर्स

Au HOUSING FINANCE PRIVATE LIMITED

जो मूल रुप में दिनांक तेईस फरवरी दो हजार ग्यारह को कम्पनी अधिनियम, 1956 (1956 का 1) के अतंर्गत मैसर्स

Au HOUSING FINANCE PRIVATE LIMITED

के रुप में निगमित की गई थी, और उसके द्वारा कम्पनी अधिनियम,1956 की धारा 44 के साथ पठित धारा 31/21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय दिनांक 10/01/2013 को पारित किया है, उक्त कम्पनी का नाम परिवर्तित होकर आज मैसर्स

AU HOUSING FINANCE LIMITED

हो गया है तथा यह प्रमाण–पत्र उक्त अधिनियम की धारा 23(1) के अनुसरण में जारी किया जा रहा है।

यह प्रमाण–पत्र, आज दिनांक ग्यारह जनवरी दो हजार तेरह को जयपुर नगर में जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS

Registrar of Companies, Rajasthan

Fresh Certificate of Incorporation Consequent upon Change of Name on Conversion to Public Limited Company

Corporate Identity Number : U65922RJ2011PLC034297

In the matter of M/s Au HOUSING FINANCE PRIVATE LIMITED

I hereby certify that Au HOUSING FINANCE PRIVATE LIMITED which was originally incorporated on Twenty Third day of February Two Thousand Eleven under the Companies Act, 1956 (No. 1 of 1956) as Au HOUSING FINANCE PRIVATE LIMITED having duly passed the necessary resolution on 10/01/2013 in terms of Section 31/ 21 read with Section 44 of the Companies Act, 1956; the name of the said company is this day changed to AU HOUSING FINANCE LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given at Jaipur this Eleventh day of January Two Thousand Thirteen.

Registrar of Companies, Rajasthan

कम्पनी रजिस्ट्रार , राजस्थान

null

The digitally signed certificate can be verified at the Ministry website (www.mca.gov.in).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

AU HOUSING FINANCE LIMITED
19-A, Dhuleshwar Garden, Ajmer Road,
Jaipur - 302001,
Rajasthan, INDIA

प्रारुप 1
पंजीकरण प्रमाण–पत्र

कॉर्पोरेट पहचान संख्या : U65922RJ2011PTC034297 2010 - 2011

मैं एतदद्वारा सत्यापित करता हूँ कि मैसर्स

Au HOUSING FINANCE PRIVATE LIMITED

का पंजीकरण, कम्पनी अधिनियम 1956 (1956 का 1) के अंतर्गत आज किया जाता है और यह कम्पनी प्राइवेट लिमिटेड है।

यह निगमन–पत्र आज दिनांक तेईस फरवरी दो हजार ग्यारह को मेरे हस्ताक्षर से जयपुर में जारी किया जाता है।

Form 1
Certificate of Incorporation

Corporate Identity Number : U65922RJ2011PTC034297 2010 - 2011

I hereby certify that Au HOUSING FINANCE PRIVATE LIMITED is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the company is private limited.

Given under my hand at Jaipur this Twenty Third day of February Two Thousand Eleven.

(SATYA PARKASH KUMAR)

कम्पनी रजिस्ट्रार / Registrar of Companies

(एस. पी. कुमार) राजस्थान

कम्पनी रजिस्ट्रार Rajasthan

राजस्थान, जयपुर

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

Au HOUSING FINANCE PRIVATE LIMITED

19-A, Dhuleshwar Garden, Ajmer Road,

Jaipur - 302001,

Rajasthan, INDIA

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

AAVAS FINANCIERS LIMITED

I. The name of the Company is AAVAS FINANCIERS LIMITED.

II. The Registered office of the Company will be situated in the State of Rajasthan.

III. (a) The objects to be pursued by the company on its incorporation are:—

1. To carry on the business of providing short term / long term finance to any person(s), company(ies) or corporation(s), society(ies) or association(s) jointly or individually enabling such borrowers to construct or purchase any building(s) or house(s) or flat(s) or any part thereof for residential / commercial purposes, upon such security and such terms and conditions as the company may deem fit, including affordable housing finance AND also, to provide short term / long term finance to persons engaged in the business of construction of building(s) or house(s) or flat(s) for residential / commercial purposes to be sold by them upon such terms and conditions as the Company may deem fit and proper.

2. To provide financial assistance, with or without interest, (with or without security) for any maturity, in any form whatsoever, to any persons or persons (whether individuals, firms, companies, bodies corporate, public body or authority, supreme, local or otherwise or other entities), whether in the private or public sector, to purchase or acquire houses, buildings, offices, godowns, warehouses, flats or to purchase any freehold or leasehold or any lands, estate or interest in or to take a demise for any term or terms of years of any land and property or to construct, erect, improve, extend, alter, renovate, develop or repair any house or building or any part or portion thereof.

3. To provide financial assistance, with or without interest, (with or without security) for any maturity, in any form whatsoever, to any persons or persons (whether individuals, firms, companies, bodies corporate, public body or authority, supreme, local or otherwise or other entities), whether in the private or public sector for any purpose whatsoever by means of leasing, giving on hire or hire-purchase, lending, selling, reselling, or otherwise disposing off all forms of immovable and immovable properties and assets of any kind, nature or user, whatsoever and for the purpose, purchasing or otherwise acquiring dominion over the same, whether new or used.

4. To provide financial assistance, with or without interest, (with or without Security) for any maturity, in any form whatsoever, to any person or persons (whether individuals, firms, companies, bodies corporate, public body or authority, supreme, local or otherwise or other entities), whether in the private or public sectors engaged in the construction of residential houses, flats, for the purpose of construction of such residential houses, flats, including the acquisition and development of lands for the construction of such houses or flats.

5. To provide financial assistance, with or without interest (with or without security) for any maturity, in any form whatsoever, to any person or persons (whether individuals, firms, companies, bodies corporate, public body or authority, supreme, local or otherwise or other entities),whether in the private or public sectors engaged in the manufacture of building materials as well as construction equipment and machinery.

6. To securitise, purchase, acquire, invest in, transfer, sell, dispose of or trade in any financial asset whatsoever, receivables, debts, whether unsecured or secured by mortgage of immovable or charge on movables or otherwise, securitized debts, asset or mortgage backed securities or securitized debts and to manage, service or collect the same and to appoint managing, servicing or collection agent thereof or therefore and to issue certificates or the instrument in respect thereof to public or private investors and to guarantee and insure the due payment, fulfillment and performance of obligations in respect thereof or in connection therewith and to promote, establish, undertake, organize, manage, hold or dispose of any special purpose entity, body corporate or vehicle for carrying on all or any such activities.

7. To promote, organize, manage, and undertake trading, marketing, distribution of, or otherwise dealing in any or all financial Products / assets and services, offered by individuals, partnership firms, companies, banks, public sector undertakings, institutions, financial institutions, mutual funds, foreign institutional investors, venture funds, firms, Trusts, societies, corporations, Central Government, State Governments, quasi- government agencies or any body (whether incorporated or not) in India or elsewhere, through its branches, or through facilities for conducting remote financial transactions (Including by means of electronic or computer or automated machines network or other means or telecommunication including telephone), including foreign exchange or commodities or securities i.e. shares, scrips, stocks, bonds, warrants, debentures, fixed return investments, equity linked investments or participation certificates, participation units, debts whether unsecured or secured by mortgage of immovable or charge on units, debts whether unsecured or secured by mortgage of movables or charge on movables or otherwise, securitized debts, assets or mortgaged backed securities or any other securities/ instruments, issued by any company or body (whether incorporated or not) in India or elsewhere, negotiable instruments including usance bills of exchange, hundies, promissory notes, deposits and other indicates, or consumer and personal finance, fund management products (pensions) insurance products and annuities, or as agents

of persons undertaking provision of such products and services.

(b) Matters which are necessary for furtherance of the objects specified in clause III(*a*) are:—

1. To set up, provide or participate in providing, venture capital, technology funding, and seed or risk capital for residential housing development, including giving guarantees or such other capital assistance as may be conducive for the development of new residential housing enterprises, innovative methods of constructing or developing residential housing projects; and the development of existing or new technology for residential housing projects; to identify new or existing residential housing projects, to prepare project reports, project profiles, market research, feasibility studies and reports, pre-investment studies for residential housing industry on the macro and micro levels, in any particular geographical area or location; to act as lead manager for the financing of residential housing projects by undertaking follow-up supervision and co-ordination work at the instance of or for housing finance companies, banks, financial institutions, companies, or other bodies corporate and to monitor the same for the participant; to act as an advisor in the setting up and management of residential housing undertakings, projects or companies by introducing modern methods, techniques and systems, and to render appropriate assistance to the construction equipment industry in particular and to the housing industry in general.

2. To promote or procure incorporation, formation or setting up of concerns and undertaking whether as company, body corporate, partnership or any other association of persons for engaging in any business.

3.

   (a) To establish and maintain call centers, engage in date processing, information and database management, data warehousing, and data mining.

   (b) To establish and maintain technology support or engage in teleservices / telemarketing by voice, video, data or any combination thereof; for foreign exchange or commodities or securities equity instruments and indices, or consumer and personal finance, broking, banking products or services, debts instruments or money market instrument, derivatives financial instrument or securitized debt or mutual fund products, fund management products (pensions), insurance products and annuities, depository or registry or other services, for financial or other transactions in products or services of any kind , together or singly.

4. To develop and promote new financing instruments of all kinds whether for the capital or money or other markets.

5. To borrow or raise moneys or loans for the purpose of the company under contracts or by promissory notes, bill of exchange, hundies and to other negotiable or transferable instruments or by mortgage, charge, hypothecation or

pledge, or by issue of bonds, debentures or debentures stocks, whether convertible or not, and whether secured or unsecured, both present and future, movable and immoveable including its uncalled capital, to take money on deposits, subject to approval of National Housing Bank for the purpose of the company and to guarantee the performance of contracts by any persons, to execute all deeds, writings and assurances for any of the aforesaid purposes.

6. To commence and carry on activities with a view to encourage savings and investments and participation in income, profits and gains accrued to the company from the acquisition, holding, management and disposal of securities.

7. To acquire by purchase, lease or otherwise any premises for the construction and / or establishment of a safe deposit vault or vaults and to maintain therein fireproof and burglarproof strong rooms, safes and other receptacles for deeds, securities, document, money, jewelry and valuables of all kinds.

8. To place deposits, keep money with security or otherwise either for or without interest with any person, company, bank, financial and other institution, trust, corporation, local authority, government, co-operative society, HUF or other body (whether incorporated or not).

9. To acquire, hold, manage, buy, sell, exchange, mortgage, charge, lease, license or grant any right or interest in over or upon any moveable or immoveable property of any kind, including contingent and reversionary interest in any property for attaining the main objects of the Company.

10. To set up, establish, promote, start training institutions, training centers and offer training lectures, workshops, seminars, services to employees of the Company or any other person, natural or juridical, on payment of fees or otherwise.

11. To apply for and become member of any Trade Association, Commodity Exchange, Clearing House, Society, Company, management Association or any other Association, Professional Body, Stock Exchange, Depository Trust Company whether it be in India or elsewhere and to communicate with various Chambers of Commerce and other mercantile and public bodies in India or elsewhere, concert and promote measures for the protect5ion and/or promotion of the Company's trade, industry and persons engaged therein.

12. To apply for purchase or otherwise acquire, protect and renew in India or elsewhere, patents, licenses, concessions, patent rights, trade marks, designs, conferring any exclusive or non-exclusive or limited right to their use of any secret or other information regarding any invention, research which may seem capable of being used for any purpose of the Company and to use, develop or grant license in respect thereof or otherwise turn to account the rights or information so acquired and expend money in improving any such patents, rights or inventions.

13. To enter into agreements, contracts for, undertake or otherwise arrange for receiving, mailing or forwarding any circulars, notices, reports, brochures,

materials, articles and things belonging to any company, corporation, firm, institution or person or persons by means of delivery by hand or otherwise.

14. To purchase, take on lease or license or in exchange, hire or otherwise acquire any immovable or moveable property, rights or privileges which the Company may think necessary or convenient for any business of the Company and to develop and turn to account and deal with the same and in particular and land, tenements, buildings and easements in such manner as may be thought expedient and to construct, maintain and alter any immoveable or moveable property or works necessary or convenient for the purpose of the Company and to pay for the same either in cash or in shares or securities or otherwise and to sell, let, lease or under lease or otherwise dispose of or grant right over any moveable or immovable property belonging to the Company.

15. To manage land, buildings and other property both moveable and immoveable and to collect, rents and income and to supply to tenants, users and occupiers, attendants, servants, waiting rooms, reading rooms and other conveniences and services as may be necessary.

16. To develop and turn into account any land acquired by the Company or in which it is interested and in particular by laying on and preparing the same or building purposes, constructing, altering. Pulling down, decorating, maintaining, fitting and improving buildings and by planting, paving, draining, framing, cultivating and letting buildings on lease and by advancing money to and entering into contracts and arrangements with and of all kinds of builders and others for attaining the main objects of the Company.

17. To apply for, promote and obtain any orders, directives, instructions, regulations, ordinances or other authorizations or enactments of the Central or any State Government or any other Authority for enabling the Company to put any of its objects to effect or for effecting any modification or change in any of the Company's business or constitution and to oppose any bills, statutes, rules, regulation, guidelines, proceedings or applications which may seem to prejudice the Company's business or interests.

18. To draw, make, accept, endorse, discount, negotiate, execute and issue bills of exchanges, promissory notes and other negotiable or transferable instruments.

19. To open, maintain, operate and close account or accounts with any Firm or Company or with any Bank or Banks or Financial Institutions or other Financiers and to pay or earn interest and to withdraw money from such account or accounts and to make, draw, co-accept, endorse, execute, discount or negotiate and issue cheques, promissory notes, hundies, bills of exchange, bills of lading, railway receipts, warrants, debentures and other negotiable or transferable instruments.

20. To train or pay for the training in India or abroad of any of the Company's employees or any persons in the interest of or in furtherance of the Company's objects.

21. To procure the registration, incorporation or recognition of the Company under the laws or regulations of any place within India.

22. To enter into any arrangements with any Government or Government departments or authorities or any authority that may seem conducive to the attainment of the Company's objects, and to obtain from any such Government or Government departments or authorities any rights, privileges, licenses and concessions necessary or desirable to obtain and to carry out, exercise, use or comply with any such arrangements rights or privileges or concessions.

23. To distribute any of the Company's property amongst the members of the Company subject to the provisions of the Companies Act, 2013.

24. To provide for and furnish or secure to any members or customers of the Company or to any subscribers to or purchase or possessors of any publications of the Company or of any coupons or tickets, issued with any publications of the Company any conveniences, advantages, benefits or special privileges which may seem expedient or necessary either gratuitously or otherwise.

25. To sell, improve, manage, develop, exchange, lease, give on license, mortgage or transfer business, property, assets and undertakings of the Company, or any part thereof with or without any consideration which the Company may deem fit to accept for attaining the main objects of the Company.

26. To provide for the welfare of employees or ex-employees of the Company or its predecessors in business and the spouse, widow or widower, father (including step-father), mother (including step-mother), brother (including Step-brother), sister (including step-sister), son (including step-son), daughter (including step-daughter), son's widow, daughter's widowers, deceased son's children, deceased daughter's children or the dependants of such employees or ex-employees by building or contributing to the building of houses or dwellings or by grant of money, pensions, allowances, bonus or other payments or by building or contributing to the building of houses or dwelling or by creating and from time to time, subscribing or contributing to provident funds and other associations, institutions, funds or trusts and by providing or contributing towards places of instruction and recreation, hospital and dispensaries, medical and other attendances and to subscribe and contribute to or otherwise assist charitable, benevolent, national and/or other institution or objects.

27. To pay all costs, charges and expenses incurred or sustained in or about the promotion, incorporation and establishment of the Company or which the Company shall consider to be preliminary, out of the funds of the Company.

28. To establish, hold or conduct competitions in respect of contribution or information suitable for insertion in any publications of the Company or otherwise for any of the purposes of the Company and to offer and grant prizes, rewards and premium of such character and on such terms as may be expedient.

29. To refer to or agree to refer any claims, demands, dispute or any other question by or against the Company or in which the Company is interested or concerned, and whether between the Company and third parties, to arbitration and to observe and perform and do all acts, matters and things necessary to carry out or enforce the awards.

30. To enter into any arrangements for joint ventures in business or for sharing profits. Union of interest, reciprocal concession or co-operate with any person, firm or company, or to amalgamate with any person, firm or company carrying on or proposing to carry on any business.

31. To pay for any property or rights acquired by the Company, either in cash or full or partly paid shares or by the issue of securities, or partly in one mode and partly in another and generally on such terms as may be determined.

32. To form, constitute, promote, subsidise, organize and assist or aid in forming, constituting, promoting, subsidizing, organizing and assisting or aiding any company or companies, of all kinds, for the purpose of acquiring all or any of the property, rights and liabilities of this Company or for carrying on any business which this Company is authorized to carry on or for carrying on any business which this Company is authorized to carry on or for any other purposes which may seem directly or indirectly calculated to benefit this Company or to promote or advance the interest of the Company.

33. To issue or allot fully or partly paid shares in the capital of the Company in payment or part payment of any moveable or immoveable property purchased or otherwise acquired by the Company or any service rendered to the Company.

34. To make donations either in cash or in kind for such objects or causes as may be directly r indirectly conducive to any of the Company's objects or otherwise expedient.

35. To establish branches, agencies or appoint representatives in India for anyone or more of the objects of the Company and to regulate and/or discontinue the same.

36. To appoint brokers and commission agents and provide for their remuneration.

37. To enter into contracts, agreements and arrangements with any other company, firm or person for carrying out by such other company, firm or person of the objects for which the Company is formed.

38. To employ or otherwise appoint Key Managerial personnel, technical experts, engineers, mechanics, foremen, skilled, semi skilled and unskilled labour for any of the purposes of the business of the Company and to remunerate them.

39. To remunerate any person or company for services rendered, or to be rendered, in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any debentures, or other securities of the Company's or

in or about the organisation, formation, or promotion of the Company or the conduct of its business.

40. To apply for, purchase, or otherwise acquire any patents, patent rights, brevets d'invention, copyright, trademarks, formulas, licenses, concessions, and the like, conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to, any invention which may seem capable of being used for any of the purposes of the Company and to use, exercise, develop, or grant licenses in respect of, or otherwise turn to account, the property, rights or information so acquired.

41. To sell any patent rights, brevets d'invention copyright, trade marks, or privileges belonging to the Company or which may be acquired by it, or any interest in the same, and to grant licenses for the use of the same, or any of them, and to let or allow to be used or otherwise deal with any inventions, brevets d'invention, patents, copyrights, trademarks or privileges in which the Company may be interested, and to do all such acts and things as may be deemed expedient for turning to account any inventions, patents and privileges in which the Company may be interested.

42. To carry out all or any of the objects of the Company and do all or any of the above things in any part of the India and either as principal, agent, contractor, or trustee, or otherwise, and by or through trustees or agents or otherwise, and either alone or in conjunction with others.

43. To carry on any business or branch of business which this Company is authorised to carry on by means, or through the agency, of, any subsidiary company or companies, and to organise, promote and incorporate such subsidiary company or companies, and to enter into any arrangement with such subsidiary company for taking the profits and bearing the losses of any business or branch so carried on, or for the financing of any such subsidiary company or guaranteeing its liabilities, or to make any other arrangements which may seem desirable with reference to any business or branch so carried on or for the financing any such subsidiary company or guaranteeing its liabilities, or to make any other arrangements which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch or business.

44. To appoint or nominate Directors or Managers of any subsidiary company or of any other company in which this Company is or may be interested.

45. To adopt such means of making known the business of the Company as may seem expedient and in particular by advertising in the press, radio, television or other media or by circulars, by purchase and exhibition of works of art by publication of books and periodicals and by granting prizes, rewards and donations.

46. To clear, manage, farm, cultivate, irrigate and otherwise work or use any lands over which for the time being the Company has any rights, and to dispose of or

otherwise deal with any such rights or any product of any such lands, and to lay out sites for and establish permanent camps towns and villages on any such lands.

47. To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of the national economy and for discharging what the directors may consider to be the social and moral responsibility of the Company to the Public or any section of the public as also any activity which the Directors consider likely to promote national welfare or the social, economic or moral upliftment of the public or any section of the public and in such manner and by such means as the Directors may think fit; and the Directors may without prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for the publication of any books, literature, newspapers, or other media, or for organising lectures or seminars likely to advance these objects or for giving merit awards or giving scholarships, loans or any other assistance to deserving students or any other scholars or persons to enable them to prosecute their studies or academic pursuits or research, and for establishing, conducting or assisting any foundations, institutions, funds or trusts, having any one or more of the aforesaid objects by giving donations or otherwise in any other manner; and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of any public or local body or authority or Central or State Government or any public institution or public trust as the Directors may approve.

48. To do everything consistent with the powers granted above in the furtherance and implementation of the National Housing policy approved by the Government of India for the time being.

49. To undertake, carry out, lay out, promote, sponsor or assist in any activity or project for rural development including any programme for promoting the social and economic welfare of or the uplift of the people in any rural area, irrespective of whether the Company has any business dealings in such area or not and to incur any expenditure or use any of the assets and facilities of the Company on any programme or project or activity of rural development and to assist execution or any promotion thereof, either directly or in association with any other company or person or organisation or through an independent agency or in any manner, in order to implement any of the projects, or programmes or activities of rural development, transfer without consideration or at such fair or concessional value and divest the ownership of the property of the company to or in favour of any public or local body, authority, Central or State Government or any public institution or trust or fund. Without prejudice to the generality of the foregoing, "project programme of rural development" shall mean and include:

    (a) Construction and maintenance of rural link roads, village streets, pavements and drainage.

    (b) Construction and maintenance of drinking water projects such as wells,

tubewells, etc. and cleaning of wells and ponds.

(c) Rural electrification i.e. provision of street lighting in villages and electrification of Harijan/tribal homes.

(d) Assistance to the weaker sections of society in constructing houses at sites provided in rural areas by Government, village panchayats.

And the word "rural area" shall include such areas as may be regarded as rural areas.

50. To enter into, acquire and discount hire purchase or other agreement or any rights therein (whether proprietary or contractual) and generally to carry on business and to act as financiers in India.

51. To take or otherwise acquire and to hold shares debentures or other securities of any Company, firm, or other enterprise.

52. To acquire any shares, stocks, debentures, debenture-stock, bonds, obligations, fixed deposits or securities by original subscription contract, tender, purchase, exchange or otherwise and whether or not fully paid up by underwriting, or participation in syndicates and to subscribe for the same, either conditionally or otherwise and to guarantee the subscription thereof, and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.

53. To finance and assist the development of new enterprises, existing and new industries, commercial institutions, and as incidental thereto, make advances to and underwrite the debentures, scrips, shares issued by such concerns for their working capital and grant accommodation against block accounts.

54. To carry on the business as an investment company by acquiring, holding, buying and selling or otherwise dealing with in any manner whatsoever securities, stocks, shares, debentures, debenture stock, obligations, notes and securities of any government or state company, corporation or association of persons.

55. To carry on business as financiers, capital contributors, commercial agents, mortgage brokers, financial agents, commission agents and advisors.

56. To engage in research into all problems relating to personnel, industrial and business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics relating to any type of business or industry.

57. To provide information and guidance on government policies and regulations and to assist in obtaining various consents or approvals from Government or other authorities

58. To carry on:

(a) The business of purchasing and selling debts, receivables and claims

of all types including, inter alia, bills of exchange and other securitization /factoring services,

(b) leasing and hire-purchases of all kinds whether in India or abroad,

(c) broking and sub-broking of all types including broking and sub-broking of shares/ debentures/bonds/loans and any other type of securities or instruments in India or abroad,

(d) custodial activities,

(e) renting of property,

(f) marketing of financial products of other companies and financiers for infrastructure development including setting up of projects or otherwise,

(g) activity of arrangers of the issue of shares, debentures, loans bonds or any other types of securities/instruments,

(h) property advisory and consultancy services,

(i) to make loans, give guarantees and provide securities to or on behalf of any body corporate or other person, to guarantee the due performance and discharge by receivers, liquidators, committees, guardians, executors, administrators, trustees, attorneys, brokers and agents of their respective duties and obligations.

59. To advance long term finance to any person or persons, Company or Corporation, Society or Association for the purpose of enabling such borrower to purchase any freehold and / or leasehold lands, estates or interest and / or take a demise for any term/ s of years of any land or property in India upon such security and on such terms and conditions as the Company may deem fit.

60. To advance short term / long term finance to any person or persons, Company or Corporation, Society or Association for the purpose of enabling such borrower to purchase or construct building or buildings to be used for commercial purpose on freehold and / or leasehold lands upon such security and on such terms and conditions as the Company may deem fit.

61. To undertake and transact at any place in India or abroad all kinds of Agency Business including Life and General Insurance Business and to carry on and promote any business, commercial or otherwise, to act as Distributors, Brokers, Agents, Representations and Indenting Agents on commission and / or allowances as may deem fit and to appoint sub-agents, distributors for promoting the said business.

62. To advance short term / long term loans for purchase of consumer durables, on such terms and conditions as the Board of Directors may think fit in the interest of

the Company, to the borrower of housing loan and/or to others and to charge differential interest rates to the existing borrower and fresh applicants.

63. To advance loan to individuals and/or to corporates on the first mortgage of the existing building/flat/house property/Commercial Properties for personal/business needs other than speculative or any illegal purposes.

IV. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

V. The share capital of the company is 85,00,00,000 rupees, divided into 8,50,00,000 shares of 10 rupees each.

We, the several persons, whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:

Sl. No.	Signatures, Names, Description Addresses, and occupation of the Subscribers	No. of Equity Shares taken by each Subscriber	Signature, Name, Address, Description and occupation of Witness
1.	Sd/- **(Sanjay Agarwal)** S/o of Mr. Chiranjilal Agarwal R/o D-111, Yashoda Path, Shyam Nagar, Sodala, Jaipur- 302019 (Rajasthan) Occupation Business	100 (One hundred)	I witness the signatures of all subscribers Sd/- **(Rakesh Agarwal)** S/o Shri B.L. Agarwal E-76, ChitranjanMarg, C- Scheme, Jaipur Chartered Accountants Membership No. 410965
2.	AU Small Finance Bank Limited (formerly known as Au Financiers (India) Limited) Through its Managing Director, Sd/- **(Mr. Sanjay Agarwal)** Registered office: 19-A, Dhuleshwar Garden, Ajmer Road, Jaipur-302001 Occupation: Finance Business	9900 (Nine Thousand nine hundred)	

Total No. of Equity Shares Subscribed: 10,000 (Ten thousand)

Dated the 21st day of Feb, 2011

Place: Jaipur

COMPANIES ACT, 2013

A COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

AAVAS FINANCIERS LIMITED

The Articles of Association of the Company comprise two parts, Part I and Part II, which parts shall, unless the context otherwise requires, co-exist with each other. However, upon the listing of the equity shares of the Company on any recognised stock exchanges in India pursuant to an initial public offering of the equity shares of the Company, Part II shall automatically stand deleted, not have any force and be deemed to be removed from the Articles of Association of the Company without any further corporate or other action by the Company or its shareholders and Part I shall continue to be in effect. Until such time, in the event of any inconsistency between Part I and Part II of the Articles of Association, the provisions of Part II shall prevail over Part I.

PART I

1. **INTERPRETATION**.

1.1 In these Articles, except where the context otherwise requires, capitalised terms defined by inclusion in quotations and/or parenthesis have the meanings so ascribed and the following words and expressions have the following meanings:

"**Amendment Date**" means the date on which these Articles are adopted by the Company in place of the existing articles;

"**Applicable Laws**" includes (but is not limited to) all applicable:

(a) statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, listing agreements, notifications, guidelines, circulars or policies of any applicable country and/or jurisdiction including the countries and jurisdictions in which the Company is incorporated and/or carries on any business or activities;

(b) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or governmental approvals of, or agreements with, any Governmental Authority or recognized stock exchange; and

(c) international treaties, conventions and protocols;

as may be in force from time to time.

"**Aquilo House**" means Aquilo House Pte. Ltd. a private company limited by shares incorporated on August 2, 2024, under the laws of Singapore (Corporate ID: 202431463C), and with its registered office / permanent address at 38 Beach Road, #29-11 South Beach Tower Singapore 189767.

"**Board**" means the duly constituted board of directors of the Company at the applicable time.

"**Closing Date**" means the date of completion of the share sale transactions under (i) the share sale agreement dated August 10, 2024 between Aquilo House, the Company and Lake District Holdings Limited; (ii) the share sale agreement dated August 10, 2024 between Aquilo House, the Company and Partners Group ESCL Limited; and (iii) the share sale agreement dated August 10, 2024 between Aquilo House, the Company and Partners Group Private Equity (Master Fund), LLC.

"**Company**" refers to AAVAS FINANCIERS LIMITED (Formerly "Au HOUSING FINANCE LIMITED"), a company incorporated under the laws of India, having its registered office at 201-202, 2nd Floor, Southend Square, Mansarovar Industrial Area, Jaipur-302020, Rajasthan.

"**Control**" (including the terms "**Controlled by**" and "**under common Control with**") means, in relation to a body corporate, the right to exercise, or control the exercise of, whether directly or indirectly, acting alone or together with another Person, more than 50% (Fifty Per Cent) of the total voting rights at a general meeting of that body corporate, or the right or power to direct, whether directly or indirectly, acting alone or together with another Person, the policy decisions or management of that body corporate, including right to appoint majority of the board of Directors of that body corporate; and in relation to any Person which is not a body corporate or an individual, the right or power to direct, whether directly or indirectly, acting alone or together with another Person, the policy decisions or management of that Person.

"**Director(s)**" means the director(s) of the Company appointed on the Board from time to time.

"**Encumbrance**" means: (i) any charge (whether fixed or floating), pledge, lien (including negative lien), hypothecation, assignment, deed of trust, defect in title, title retention, non-disposal or similar undertaking, or other charge of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person including without limitation, any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Laws, (ii) any voting agreement, interest, option, right of first offer,

commitment, preferential arrangement, right, restriction or limitation of any nature whatsoever, including restriction on use, any rights, receipt of income or exercise of any other attribute of ownership, right of set-off, preemptive rights or any other security interest of any kind whatsoever or any other restriction on transfer of securities or refusal or transfer restriction in favour of any Person, and (iii) any adverse claim as to title, possession or use, in each case, any other agreement, whether conditional or otherwise, to create any of the same. The terms "**Encumber**" and "**Encumbered**" will be construed accordingly;.

"**Equity Shares**" means the equity shares of face value of INR 10 (Rupees Ten Only) each in the share capital of the Company.

"**Equity Securities**" means, in relation to the Company, any Equity Shares or other equity shares of the Company, any options (whether or not granted, vested or exercised), warrants, convertible debentures, convertible preference shares, equity linked instruments, loans or other securities or ownership interests that are directly or indirectly convertible into, or exercisable or exchangeable for, any such shares of equity capital or other ownership interests of the Company (whether or not such securities are then currently convertible, exercisable or exchangeable and whether with or without payment of additional consideration).

"**Fully Diluted Basis**" means that the calculation is to be made assuming that all Equity Securities are converted (or exchanged or exercised) into Equity Shares of the Company (whether or not by their terms then currently convertible, exercisable or exchangeable), including without limitation stock options (including employee stock options), warrants and any outstanding commitments to issue Equity Shares at a future date, whether or not due to the occurrence of an event or otherwise.

"**INR**" means Indian Rupees, the lawful currency of India.

"**Share Capital**" means the issued and fully paid up equity and preference share capital of the Company on a Fully Diluted Basis, which is paid up in relation to the Equity Shares and the preference shares, where applicable.

"**Shareholder**" means any Person/s who holds any Equity Securities of the Company.

"**the Act**" means the Companies Act, 2013 (to the extent that such enactment is in force and applicable to the context in which such term is used herein), and shall include all amendments, modifications and re-enactments of the foregoing.

"**these Articles**" or "**the Articles**" means this Articles of Association of the Company.

"**the seal**" means the common seal of the Company.

"**Section**" means section under the Companies Act, 2013.

"**Transfer**" (including the terms "**transferred**", "**transferring**" and "**transferability**") means, whether directly or indirectly, any transfer, sale, assignment, pledge, hypothecation, creation of security interest in or lien or Encumbrance on, placing in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way, whether or not voluntarily.

1.2 Unless the context otherwise requires:

(a) Words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

(b) The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words refer to these entire Articles or specified articles of these Articles, as the case may be.

(c) Words denoting the singular shall include the plural and words denoting any gender shall include all genders.

(d) Reference to days, months and years are to calendar days, calendar months and calendar years, respectively, unless defined otherwise or inconsistent with the context or meaning thereof.

(e) Any reference to "writing" shall include printing, typing, lithography and other means of reproducing words in visible form (including emails).

(f) Any reference to the word "include/including" shall be construed without limitation, and shall be construed as meaning "including, but not limited to".

2. SHARE CAPITAL AND VARIATION OF RIGHTS.

2.1 Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at discount (subject to compliance with Section 53 of the Act) and at such time as they may from time to time think fit and with the sanction of the Company in general meeting give to any person the option to call for any shares either at par or at a premium during such time and for such consideration as the Directors think fit.

2.2

(a) Subject to the provisions of the Act, every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within 1 (one) month after the application for the registration of transfer or transmission, sub division, consolidation or renewal of any its shares or within such other period as the conditions of issue shall be provided:

(i) 1 (one) or more certificates in marketable lots for all the shares of each class or denomination registered in his name without payment of any charges; or

(ii) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(b) Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary, provided that in case the Company has a common seal it shall be affixed in the presence of the persons required to sign the certificate.

(c) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than 1 (one) certificate, and delivery of a certificate for a share to 1 (one) of several joint holders shall be sufficient delivery to all such holders.

2.3

(a) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of INR 20 (Indian Rupees Twenty) for each certificate or such reasonable amount as may be revised by the Board from time to time. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares. Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under

Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf.

(b) The provisions of Articles 2.2 and 2.3 shall *mutatis mutandis* apply to debentures of the Company.

2.4 Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

2.5

(a) The Company may exercise the powers of paying commissions conferred by sub-section (6) of Section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(b) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of Section 40.

(c) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

2.6

(a) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(b) To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

2.7 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *paripassu* therewith.

2.8 Subject to the provisions of Section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.

2.9 The Board may issue, allot or otherwise dispose of shares in the capital of the Company as per the provisions of Section 62, on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up and may be for a consideration otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be, provided that the option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the general meeting. However, a holder of debentures allotted by the Company may be permitted to enter into a contract for purchase or sale of debentures pursuant to exercise of an option contained therein to buy or sell the debentures.

2.10 Where at any time, the Company proposes to increase its subscribed capital by issue of further shares, either out of the unissued capital or the increased share capital, such shares shall be offered:

(a) to persons who, at the date of offer, are holders of Equity Shares of the Company, in proportion as near as circumstances admit, to the share capital paid up on those shares by sending a letter of offer on the following conditions: -

(i) the aforesaid offer shall be made by a notice specifying the number of shares offered and limiting a time prescribed under the Act from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;

(ii) the aforementioned offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice mentioned in sub-Article (i), above shall contain a statement of this right; and

(iii) after the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the shareholders and the Company; or

(b) to employees under any scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the conditions as specified under the Act and rules thereunder; or

(c) to any persons, if it is authorized by a special resolution passed by the Company in a general meeting, whether or not those persons include the persons referred to in clause (a) or clause (b) above, either for cash or for consideration other than cash, subject to applicable provisions of the Act and rules thereunder.

2.11 Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of Directors and otherwise debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the general meeting by a special resolution.

2.12 The Board or a committee thereof have the power to consolidation or reissue securities including debentures, bonds or any debt instrument issued and/or to be issued from time to time, upon such terms and conditions and in such manner and for such consideration as the Board of a committee thereof shall consider beneficial for the Company.

3. **DEMATERIALISATION OF SECURITIES**.

3.1 Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer its Securities in a dematerialised form pursuant to the Depositories Act.

3.2 Every person subscribing to securities offered by the Company shall have the option to receive Security certificates or to hold the Securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificate for such Securities. If a person opts to hold his Security with a Depository, the Company shall intimate such Depository the details of allotment of the Security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the Security.

3.3 All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the beneficial owners.

3.4

(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of Security on behalf of the beneficial owner.

(b) Save as otherwise provided above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(c) Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

3.5 Notwithstanding anything to the contrary contained in the Act or these Articles, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

3.6 Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

3.7 Notwithstanding anything to the contrary contained in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

3.8 Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

3.9 The Register and Index of beneficial owners maintained by a Depository under Depositories Act and any other amendments made thereto from time to time shall be deemed to be Register and Index of Members and Security holders for the purposes of these Articles.

4. **LIEN**.

4.1

(a) The Company shall have a first and paramount lien:

4.1.2 on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;

4.1.3 on all shares (not being fully paid shares) standing registered in the name of a single person, for all money (whether presently payable by him or not) called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect.

4.2 Unless otherwise agreed the registration of a transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures. The fully paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such shares.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

Provided further that the Company shall not have any lien on fully paid up shares.

(a) The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

4.3 The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made:

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

4.4

(a) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(b) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(c) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

4.5

(a) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(b) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

The provisions of these Articles shall *mutatis mutandis* apply to debentures of the Company.

5. **CALLS ON SHARES**.

5.1

(a) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

(b) Provided that no call shall exceed 80% of the nominal value of the share or be payable at less than 1 (one) month from the date fixed for the payment of the last preceding call.

(c) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

(d) A call may be revoked or postponed at the discretion of the Board.

5.2 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

5.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

5.4

(a) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at 10 % (ten per cent) per annum or at such lower rate, if any, as the Board may determine.

(b) The Board shall be at liberty to waive payment of any such interest wholly or in part.

5.5

(a) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(b) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

5.6 The Board:

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 12% (twelve per cent) per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Nothing contained in this clause shall confer on the member:

(a) any right to participate in profits or dividends or

(b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.

The provisions of these Articles shall *mutatis mutandis* apply to any calls on debentures of the Company.

5.7

(a) The common instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.

(b) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

5.8 The Board may, subject to the right of appeal conferred by Section 58 decline to register:

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the Company has a lien.

5.9 The Board may decline to recognise any instrument of transfer unless:

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of Section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only 1 (one) class of shares.

Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

5.10 On giving not less than 7 (seven) days' previous notice in accordance with Section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than 45 (forty-five) days in the aggregate in any year.

6. **TRANSMISSION OF SHARES**.

6.1

(a) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.

(b) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

6.2

(a) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:

(i) to be registered himself as holder of the share; or

(ii) to make such transfer of the share as the deceased or insolvent member could have made.

(b) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

6.3

(a) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(c) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

6.4 A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

6.5 No fee shall be charged for registration of transfer, transmission, probate, succession, certificate and letter of administration, certificate of death or marriage, power of attorney or similar other documents.

7. **FORFEITURE OF SHARES**.

7.1 If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or

instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

7.2 The notice aforesaid shall:

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

7.3 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

7.4

(a) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(b) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

7.5

(a) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.

(b) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

7.6

(a) A duly verified declaration in writing that the declarant is a Director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(b) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(c) The transferee shall thereupon be registered as the holder of the share; and

(d) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

7.7 The provisions of these Articles as to forfeiture shall apply in the case of non- payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

8. **ALTERATION OF CAPITAL**.

8.1 The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

8.2 Subject to the provisions of Section 61, the Company may, by ordinary resolution:

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

8.3 Where shares are converted into stock:

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by

an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

8.4 The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

9. **CAPITALISATION OF PROFITS**.

9.1

(a) The Company in general meeting may, upon the recommendation of the Board, resolve:

(i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(ii) that such sum be accordingly set free for distribution in the manner specified in Article 9.1(b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 9.1, either in or towards:

(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(iii) partly in the way specified in sub-clause (ii) and partly in that specified in sub-clause (iii);

(iv) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

(v) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

9.2

(a) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(ii) generally do all acts and things required to give effect thereto.

(b) The Board shall have power:

(i) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(ii) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(c) Any agreement made under such authority shall be effective and binding on such members.

10. **BUY-BACK OF SHARES**.

Notwithstanding anything contained in these articles but subject to the provisions of Sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

11. **GENERAL MEETINGS**.

11.1 All general meetings other than annual general meeting shall be called extra- ordinary general meeting.

11.2

(a) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(b) All meetings of Shareholders shall be held at such place as the Board may determine from time to time. The Board may convene any meeting of the Shareholders whenever it may deem fit.

(c) **Notice**. Subject to the Act, a minimum 21 (twenty one) days' prior written notice shall be given to all the Shareholders of any Shareholders' Meeting, accompanied by the agenda for such meeting. Subject to Applicable Law, notice may be waived for an annual general meeting or an annual general meeting may be called by giving shorter notice with at least 95% of the members providing their written consent or consent by electronic mode to such annual general meeting shorter notice. Further, subject to Applicable Law, notice may be waived for an extraordinary general meeting or an extraordinary general meeting may be called by giving shorter notice with approval of majority in number of members representing not less than 95% of the paid up share capital of the Company providing their written consent or consent by electronic mode to such extraordinary general meeting shorter notice. The notice of each general meeting shall include an agenda setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and/or proposed to be placed before or tabled at the general meeting.

(d) **Quorum**. Subject to the Act, the quorum for any general meeting shall be at least 5 (Five) Shareholders present in person or by proxy or attorney, at the beginning of the meeting and throughout the meeting. If the quorum is not present within 30 (Thirty) minutes from the time when the meeting should have begun or if during the meeting there is no longer a quorum, the meeting shall be adjourned and reconvened at the same place and time 7 (Seven) days later, or at such time as may be agreed to by the majority of the Shareholders, with the same agenda. If at 2 (two) consecutively adjourned Shareholder Meetings, the quorum is not present within 30 (Thirty) minutes of the time appointed for the Shareholders' Meeting, then subject to Applicable Law, the Shareholders present at such meeting shall constitute the quorum, provided that at least 5 (Five) Shareholders are present and the Shareholders' Meeting shall proceed with respect to the business stated in the agenda for the Shareholders' Meeting as if the quorum was duly present at such

adjourned Shareholders' Meeting. Each Shareholder shall use all reasonable efforts to ensure the existence of quorum at any Shareholders' Meeting.

(e) **Voting**. Subject to Applicable Law, voting on all matters to be considered at a Shareholders' Meeting shall be by way of a poll unless otherwise unanimously agreed upon in writing by the Shareholders.

12. **PROCEEDINGS AT GENERAL MEETINGS**.

12.1

(a) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(b) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in Section 103.

12.2 The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.

12.3 If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the Directors present shall elect one of their members to be Chairperson of the meeting.

12.4 If at any meeting no Director is willing to act as Chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

13. **ADJOURNMENT OF MEETING**.

13.1

(a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(d) Save as aforesaid, and as provided in Section 103, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

14. **VOTING RIGHTS**.

14.1 Subject to any rights or restrictions for the time being attached to any class or classes of shares:

(a) on a show of hands, every member present in person shall have 1 (one) vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.

14.2 Subject to the provisions of Section 47, every member of the Company and holding any preference shares therein shall in respect of such shares have a right to vote only on resolutions placed before the Company which directly affects the rights attached to the preference shares.

14.3 A member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once.

14.4

(a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

14.5 A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by / through his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

14.6 Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

14.7

(a) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(b) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

15. **PROXY**.

15.1 A member may appoint a proxy to attend and vote on its behalf at any general meeting. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 (forty-eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

15.2 An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105.

15.3 A proxy shall not be entitled to speak at a meeting and subject to the provisions of the Act, shall not be entitled to vote, except on a poll.

15.4 A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

16. **BOARD OF DIRECTORS**.

16.1 The number of the Directors shall be determined in writing by the subscribers of the memorandum or a majority of them, and the following shall be the first Directors of the Company:

Mr. Sanjay Agarwal

Mr. Uttam Tibrewal

Mr. Sushil Kumar Agarwal

16.2

(a) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(b) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them:

(i) in attending and returning from meetings of the Board or any committee thereof or general meetings of the Company; or

(ii) in connection with the business of the Company.

16.3 The Board may pay all expenses incurred in getting up and registering the Company.

16.4 The Company may exercise the powers conferred on it by Section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

16.5 All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

16.6 Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

16.7

(a) Subject to the provisions of Section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(b) Such person shall hold office only up to the date of the next general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.

16.8 The Directors need not hold any qualification shares in the Company.

16.9 Subject to the provisions of these Articles and the Act, the Board shall be responsible for the management, supervision, direction and control of the Company. The Board shall be entitled to delegate powers to such persons and such committees that the Board may create to assist it in its business strategy and objectives.

16.10 **Authority of the Board and Management**: Subject to the provisions of these Articles and the Act, the Board shall be responsible for the management, supervision, direction and

control of the Company. The Board shall be entitled to delegate powers to such persons and such committees that the Board may create to assist it in its business strategy and objectives.

16.11 **Composition of the Board**: The Shareholders shall take all actions, including exercising their votes in relation to the Equity Securities held by them, as may be required to cause any Director nominated by Aquilo House ("**Promoter**") in accordance with this Article 16 to be duly elected, appointed, removed or replaced, as the case may be, such that the composition of the Board is in accordance with this Article 16.11.

(a) The Board shall comprise up to 12 (twelve) Directors excluding the nominee director(s) appointed by debenture trustee(s), if any as per clause 16.11(c) of Articles of Association. [1]

(b) On and from the Closing Date and until the Promoter retains 10% (Ten Per Cent) or more of the Share Capital: (i) the Promoter shall have the right to nominate 5 (Five) Directors to the Board (collectively, the "**Nominee Directors**") and (ii) the Chief Executive Officer of the Company may be appointed and hold office as Managing Director or Whole Time Director of the Company or with such other designation as the Board or Shareholders may decide in accordance with the provisions of the Act. Independent Directors shall be appointed to the Board in accordance with Applicable Laws (the "**Independent Directors**").

(c) The Board of Directors of Company shall appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as a Director on its Board of Directors. The nominee director appointed by the debenture trustee(s) shall not be liable to retire by rotation.

16.12 **Alternate Directors**: Each Shareholder and Director shall be entitled to nominate an alternate Director to act in accordance with the Act. Each Shareholder and Director shall also have a right to withdraw the nominated alternate Director, and nominate another in his or her place. The alternate Director shall (except as regards the power to appoint an alternate

[1]To be effective subject to the receipt of necessary consents from lenders of the Company, in substitution of the following Article 16.11(a) which shall remain in effect till then: *"16.11(a)The Board shall comprise up to 9 (Nine) Directors excluding the Nominee Director(s) appointed by debenture trustee(s), if any as per clause 16.11 (d) of Articles of Association"*.

Director pursuant to this Article 16.13) be subject in all respects to the terms and conditions existing with reference to the other Directors of the Company and each alternate Director, whilst acting as such, shall exercise and discharge all the functions, powers and duties of the Director he or she represents. Every person acting as alternate Director shall have one vote for each Director for whom he or she acts as alternate (in addition to his or her own vote if he or she is also a Director). Any person appointed as an alternate Director shall vacate his or her office as such alternate Director if and when: (i) the Board removes him or her in accordance with this Article 16.13; or (ii) the Director for whom he or she was an alternate vacates office as Director. A Director shall not be liable for the acts or defaults of any alternate Director appointed by him.

16.13 **Chairman of the Board**: The Chairman of the Board shall be appointed by the Board from amongst the Independent Directors.

16.14 **Removal / Replacement of Directors**:

(a) Each Shareholder shall be entitled to seek removal of its Nominee Director by a written notice to such Director and the Company, following which the Company undertakes to do such things as required under Applicable Laws to facilitate such removal.

(b) In the event of any vacancy occurring with respect to the position of a Nominee Director, by reason of death, disqualification, resignation, removal or inability to act, the Shareholder who had nominated such Director shall be entitled, subject to Article 16.11, to nominate another person to fill the vacancy.

16.15 **Retirement of Directors**: Subject to Applicable Laws, 2 (Two) Nominee Director shall not be required to retire by rotation. In the event that the other Nominee Directors retire by rotation in accordance with the provisions of the Act, subject to Article 16.11, the Shareholders shall ensure and perform all acts including the exercise of the voting rights as may be necessary to ensure that such Nominee Directors are reappointed to the Board.

16.16 **Board Meetings**:

(a) All meetings of the Board shall be convened and conducted in accordance with the provisions of the Act and the Charter Documents ("**Board Meetings**").

(b) Frequency and Location: The Board will meet such that a period of not more than 120 (One Hundred and Twenty) days shall intervene between 2 (Two) consecutive Board Meetings, at such place and in such manner as majority of the Board may from time to time reasonably determine as convenient for the Directors.

(c) Notice: A Board Meeting may be called by the Chairman of the Board or any 1 (one) other Director giving notice in writing to the company secretary, or any other

Person nominated in this regard by the Board, specifying the date, time and agenda for such meeting. The company secretary (or such nominated person) shall upon receipt of such notice give a copy of such notice to all Directors of such meeting, accompanied by a written agenda specifying the business of such meeting and copies of papers relevant for such meeting. The Company shall ensure that sufficient information is included with such notice to the Directors to enable each Director to make a decision on the issue in question at such meeting. Not less than a minimum 7 (seven) days' prior written notice shall be given to each Director, of any Board Meeting, accompanied by the agenda for the Board Meeting; provided that subject to Applicable Laws, a Board Meeting may be convened at a shorter notice in the event more than 75% of the Directors provide consent in relation to the same and at least one independent director of the Company shall be present at such Board Meeting.

(d) Voting: Each Director is entitled to cast 1 (One) vote at any Board Meeting.

16.17 **Resolutions in Writing/Circulation**: Subject to Applicable Laws, a resolution in writing of the Board shall be as valid and effectual as if it had been a resolution passed at a meeting of the Board duly convened and held if the resolution is signed in support thereof by all of the Directors for the time being. Any such resolution bearing the signature of any Director dispatched by facsimile transmission or electronic mail shall constitute a document for this purpose.

16.18 **Video Participation**: Subject to the other terms of these Articles, the Directors may participate and vote in Board Meetings by video conferencing or other audio visual means or any other means of contemporaneous communication, in the manner permitted under Applicable Laws and by the Ministry of Corporate Affairs, from time to time.

16.19 **Directors' Access**: Any Director shall be entitled to examine the books, accounts and records of the Company and shall have, during normal business hours of the Company and with prior reasonable written notice, the right to reasonably inspect the properties and facilities of the Company. The Company shall provide such information relating to its business affairs and financial position may be decided by the Board and as any Director may reasonably require. Subject to Applicable Laws, any Director may provide such information to the Shareholder who has nominated such Director. The relevant Director and Shareholders would be bound by the confidentiality obligations under the Shareholders' Agreement in relation to such information received.

16.20 **Committees of the Board**: Subject to Applicable Laws, Nominee Directors shall have the right (but not an obligation) to have any 1 (one) of the Nominee Directors be appointed as a member of any committee or sub-committee of the Board. The Shareholders of the

Company shall take such actions as may be necessary to enable the Nominee Directors to exercise such right.

17. **PROCEEDINGS OF THE BOARD**.

17.1

(a) The Board may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(b) A Director may, and the manager or secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.

17.2

(a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

17.3 The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

17.4

(a) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be Chairperson of the meeting.

17.5

(a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(b) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

17.6

(a) A committee may elect a Chairperson of its meetings.

(b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

17.7

(a) A committee may meet and adjourn as it thinks fit.

(b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

17.8 All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any 1 (one) or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

17.9 Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

18. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER.

18.1 Subject to the provisions of the Act:

(a) A chief executive officer, manager, Company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(b) A Director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.

18.2 A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, Company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, manager, Company secretary or chief financial officer.

19. **BORROWING POWERS**.

19.1 The Board may, from time to time, subject to the provisions of Sections 73 and 179 and rules therein, raise or borrow any sums of money for and on behalf of the Company from the members or from other persons, companies or banks. Directors may also advance monies to the Company on such terms and conditions as may be approved by the Board.

19.2 The Board may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they think fit.

20. **THE SEAL**.

20.1

(a) The Board shall provide for the safe custody of the seal.

(b) The seal of the Company shall never be affixed except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf and one of the Directors of the Company or any other person authorized by a resolution of the Board or committee of the Board, shall sign every document to which the seal of the Company is so affixed.

21. **DIVIDENDS AND RESERVE**.

21.1 The Company may, subject to the Act, in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

21.2 Subject to the provisions of Section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

21.3

(a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.

(b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

21.4

(a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(c) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

21.5 The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

21.6

(a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

21.7 Any one of 2 (two) or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

21.8 Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

21.9 No dividend shall bear interest against the Company.

21.10 Where the Company has declared a dividend but which has not been paid or claimed within thirty days from the date of declaration, the Company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank.

21.11 Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund (IEPF) established under section 125 of the Act.

21.12 The Company shall ensure that as per the provisions of Section 124(6) of the Act, All shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of Investor Education and Protection Fund.

21.13 Any person claiming to be entitled to an amount or shares so transferred to Investor Education and Protection Fund, may apply to the company and/or the authority constituted by the Central Government for the payment of the money claimed or shares so transferred.

22. **ACCOUNTS**.

22.1

(a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors.

(b) No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

23. **WINDING UP**.

23.1 If and when the Company is to be wound up, the same shall be governed by the Act.

23.2 Subject to the provisions of Chapter XX of the Act and rules made thereunder:

(a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers

necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

24. **INDEMNITY**.

Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

25. **MISCELLANEOUS.**

25.1 At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Regulations**"), the provisions of the Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Regulations, from time to time.

25.2 Notwithstanding anything aforesaid, upon listing of the Equity Shares of the Company on any recognized stock exchange, the rights of the Investors under the Shareholders' Agreement including but not limited to, clauses 9.4 (*Right of First Offer*), 9.5 (*Tag Along Right*), 9.7 and 10 (*Pre-Emptive Rights / Future Funding*), shall terminate as required under Applicable Laws, and shall no longer be binding upon the Company, except as expressly provided under these Articles, as approved and adopted by the Shareholders by way of a special resolution in the first general meeting convened after the listing of the Equity Shares.

PART II

26. **INTERPRETATION**.

26.1 In these Articles, except where the context otherwise requires, capitalised terms defined by inclusion in quotations and/or parenthesis have the meanings so ascribed and the following words and expressions have the following meanings:

"**Affiliate**" of a Party means: (i) in case of any Party other than a natural person, any other Person that, either directly or indirectly through one or more intermediate Persons, Controls, is Controlled by or is under common Control with such Party; (ii) in case of any Party that is a natural person, any other Person who is a Relative of such Party or is a Person Controlled by such Party or a Relative of such Party. Without limiting the generality of the foregoing, Affiliate in relation to the Investors includes: (a) any fund, collective investment scheme, trust, partnership (including, any co-investment partnership), special purpose or other vehicle, in which either Investor is a general or limited partner, significant shareholder, investment manager or advisor, settlor, member of a management or investment committee or trustee but shall not include any portfolio companies of the relevant Investor; (b) any general partner of either Investor; and (c) any fund, collective investment scheme, trust, partnership (including, any co-investment partnership), special purpose or other vehicle (i) in which any general partner of either Investor is a general partner, significant shareholder, investment manager or advisor, settlor, member of a management or investment committee or trustee; or (ii) which is managed or advised by the same investment manager/advisors as the Investor.

"**Accelerated Tag Along Scenario**" means a proposed, direct or indirect, sale of Equity Securities by the Selling Investor to a third party pursuant to the process under Article 32.4 and Article 32.5 that triggers a Change of Control in the Company (taking into account any securities offered pursuant to the Tag Along Right).

"**Affirmative Vote Items**" have the meaning ascribed to it under Article 29 read with **ANNEXURE 2** of these Articles.

"**Amendment Date**" means the date on which these Articles are adopted by the Company in place of the existing articles;

"**Applicable Laws**" includes (but is not limited to) all applicable:

(d) statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, listing agreements, notifications, guidelines, circulars or policies of any applicable country and/or jurisdiction including the countries and jurisdictions in which the Company is incorporated and/or carries on any business or activities;

(e) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or governmental approvals of, or agreements with, any Governmental Authority or recognized stock exchange; and

(f) international treaties, conventions and protocols;

as may be in force from time to time.

"AU SFB" refers to AU Small Finance Bank Limited (formerly known as Au Financiers (India) Limited), a company incorporated under the laws of India, having its registered office at 19-A, Dhuleshwar Garden, Ajmer Road, Jaipur - 302001, Rajasthan.

"**Board**" means the duly constituted board of directors of the Company at the applicable time.

"**Business**" refers to the business of providing housing loans to customers.

"**Business Days**" means a day on which banks are open for normal banking business in India, Mauritius and New York (excluding Saturdays, Sundays and public holidays).

"**Business Head Agreement**" refers to the agreement executed between the Company and Mr. Ram Naresh, the business head of the Company on February 05, 2016.

"**Business Plan**" means the business plan of the Company as mutually agreed between the Parties pursuant to the Affirmative Vote Items.

"**Charter Documents**" means the memorandum of association and these Articles of the Company for the time being in force.

"**Change of Control**" means any, direct or indirect, sale of Equity Securities whereby a third party acquirer (along with any Affiliates) holds more than 50% percent of the Equity Securities of the Company.

"**CEO Agreement**' refers to the agreement executed between the Company and Mr. Sushil Kumar Agarwal, the founder and chief executive officer and whole-time director of the Company on February 05, 2016, as amended from time to time.

"**CFO Agreement**" refers to the agreement executed between the Company and Mr. Ghanshyam Rawat, the Chief Financial Officer of the Company on February 05, 2016.

"**Company**" refers to AAVAS FINANCIERS LIMITED (Formerly "Au HOUSING FINANCE LIMITED"), a company incorporated under the laws of India, having its registered office at 201-202, 2nd Floor, Southend Square, Mansarovar Industrial Area, Jaipur-302020, Rajasthan.

"**Competitor**" means any Person who directly or indirectly carries out any lending business, and any Affiliate of such Person.

"**Control**" (including the terms "**Controlled by**" and "**under common Control with**") means, in relation to a body corporate, the right to exercise, or control the exercise of, whether directly or indirectly, acting alone or together with another Person, more than 50% (Fifty Per Cent) of the total voting rights at a general meeting of that body corporate, or the right or power to direct, whether directly or indirectly, acting alone or together with another Person, the policy decisions or management of that body corporate, including right to appoint majority of the board of Directors of that body corporate; and in relation to any Person which is not a body corporate or an individual, the right or power to direct, whether directly or indirectly, acting alone or together with another Person, the policy decisions or management of that Person.

"**Director(s)**" means the director(s) of the Company appointed on the Board from time to time.

"**Encumbrance**" means: (i) any charge (whether fixed or floating), pledge, lien (including negative lien), hypothecation, assignment, deed of trust, defect in title, title retention, non-disposal or similar undertaking, or other charge of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person including without limitation, any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Laws, (ii) any voting agreement, interest, option, right of first offer, commitment, preferential arrangement, right, restriction or limitation of any nature whatsoever, including restriction on use, any rights, receipt of income or exercise of any other attribute of ownership, right of set-off, preemptive rights or any other security interest of any kind whatsoever or any other restriction on transfer of securities or refusal or transfer restriction in favour of any Person, and (iii) any adverse claim as to title, possession or use, in each case, any other agreement, whether conditional or otherwise, to create any of the same. The terms "**Encumber**" and "**Encumbered**" will be construed accordingly;.

"**Equity Shares**" means the equity shares of face value of INR 10 (Rupees Ten Only) each in the share capital of the Company.

"**Equity Securities**" means, in relation to the Company, any Equity Shares or other equity shares of the Company, any options (whether or not granted, vested or exercised), warrants, convertible debentures, convertible preference shares, equity linked instruments, loans or other securities or ownership interests that are directly or indirectly convertible into, or exercisable or exchangeable for, any such shares of equity capital or other ownership interests of the Company (whether or not such securities are then currently convertible, exercisable or exchangeable and whether with or without payment of additional

consideration).

"**FCPA**" shall mean the Foreign Corrupt Practices Act, 1977.

"**FMV Price**" means, with respect to the relevant Equity Securities, the fair market value of such Equity Securities as determined in accordance with the terms of the Shareholders' Agreement.

"**Fully Diluted Basis**" means that the calculation is to be made assuming that all Equity Securities are converted (or exchanged or exercised) into Equity Shares of the Company (whether or not by their terms then currently convertible, exercisable or exchangeable), including without limitation stock options (including employee stock options), warrants and any outstanding commitments to issue Equity Shares at a future date, whether or not due to the occurrence of an event or otherwise.

"**Head of Credit Agreement**" refers to the agreement executed between the Company and Mr. Ashutosh Atre, the head of credit of the Company on February 05, 2016.

"**Indian GAAP**" means generally accepted accounting principles in India.

"**Investor**" refers to Kedaara (along with its co-investors and limited partners) and Partners Group, individually, and collectively referred to as "**Investors**".

"**INR**" means Indian Rupees, the lawful currency of India.

"**IRR**" means the internal rate of return as determined using the Microsoft Excel XIRR function.

"**Governmental Authority**" means any governmental or statutory authority, governmental department, agency, commission, board, tribunal or court or other entity authorised to make laws, rules or regulations or pass directions having jurisdiction, or any state or other subdivision thereof or any municipality, district or other subdivision thereof having jurisdiction in respect of the subject matter pursuant to Applicable Laws.

"**Intellectual Property**" means patents, trademarks, service marks, trade names, domain names, database rights, registrations, copyrights, know-how, product licenses and any and all intellectual property rights of any nature anywhere in the world and any licenses and permissions in connection with any of the above rights or information (in each case, in any part of the world whether or not registered or capable of being registered and if registered for their full period of registration with all extensions and renewals, and including all applications for registration).

"**Lake District**" refers to **Lake District Holdings Limited**, a company incorporated under

the laws of Mauritius having its registered office at Suite 11, 1st Floor, Plot 42, Hotel Street, Cybercity 72201, Ebene, Mauritius.

"**Capital AIF 1**" refers to **Kedaara Capital Alternative Investment Fund – Kedaara Capital AIF 1**, a fund registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as a Category II Alternative Investment Fund having its office at Sunshine Tower, 38th Floor, Senapati Bapat Marg, Parel, Mumbai – 400 013, India, and acting through its Trustee, IDBI Trusteeship Services Limited.

"**Kedaara**" refers to Lake District, Capital AIF 1, and its co-investors and limited partners holding any Equity Security in the Company.

"**Liquidation Event**" means the commencement of any dissolution, liquidation, winding up, or insolvency, by way of a binding order of a court or tribunal or adjudicating body of competent jurisdiction, which has not been set aside for 120 days.

"**Management Agreement**" refers to the CEO Agreement, CFO Agreement, the Business Head and Head of Credit Agreement, individually, and collectively referred to as "**Management Agreements**".

"**Party**" refers to each of the Investors, AU SFB and the Company individually, and collectively referred to as "**Parties**".

"**Master Fund**" refers to **Partners Group Private Equity Master Fund LLC**, a company incorporated under the laws of Delaware, having its principal place of business at c/o Partners Group (USA) Inc., 1114 Avenue of the Americas, 37th Floor, New York, NY 10036, USA.

"**ESCL**" refers to **Partners Group ESCL Limited**, a company incorporated under the laws of Mauritius having its registered office at C/o Citco (Mauritius) Limited, 4th Floor, Tower A, 1 Cybercity, Ebene, Mauritius.

"**Partners Group**" refers to Master Fund and ESCL, collectively.

"**PCA**" shall mean the Prevention of Corruption Act, 1988.

"**Person**" means and includes an individual, a sole proprietorship, an association, syndicate, a corporation, a firm, a partnership, a limited liability partnership, a joint venture, a trust, an unincorporated organization, a joint stock Company or other entity or organization, body corporate, corporation, Governmental Authority, judicial authority, a natural person in his capacity as trustee, executor, administrator, or other legal representative and any other entity including a government or political subdivision, or an agency or instrumentality thereof and/or any other legal entity.

"**Proportionate Shareholding**" means the proportionate shareholding of a Shareholder in the Company, which shall be calculated in accordance with the terms of the Shareholders' Agreement.

"**Pro Rata Shareholding**" for the Investor or AU SFB (as the case maybe), means the number of Equity Securities collectively held by, each Investor and its Affiliates, or AU SFB and its Affiliates (as the case maybe), multiplied by a fraction, the numerator of which is the number of Equity Securities proposed to be transferred by Selling Investor or AU SFB and the denominator of which is the total number of Equity Securities held by Selling Investor or AU SFB, in each case on a Fully Diluted Basis.

"**Related Party**" means (i) any Shareholder, Director or officer of the Company, (ii) any Affiliate of the Company, (iii) any Affiliate of a Shareholder or Director described in (i) above, (iv) any other Person in which any of the Persons described in (i) to (iii) above has any direct or indirect interest (other than a passive shareholding of less than 1% (One Per Cent) in such other Person, provided that the Persons described in (i) to (iv) above have no specific rights in relation to the management or the conduct of business or affairs of such other Person) and (v) any other Persons as are defined as "related party" for the Company and the Shareholders under the Act or under Indian generally accepted accounting principles.

"**Related Party Transaction**" means any agreement, contract, engagement or other arrangement, of any nature whatsoever entered into between the Company and any Related Party.

"**Relative**" of a natural person has the meaning ascribed to it in the Companies Act, 2013.

"**Key Managerial Personnel**" means to include: (i) Mr. Sushil Kumar Agarwal, (ii) Mr. Ghanshyam Rawat, (iii) Mr. Ram Naresh, and (iv) Mr. Ashutosh Atre.

"**Share Capital**" means the issued and fully paid up equity and preference share capital of the Company on a Fully Diluted Basis, which is paid up in relation to the Equity Shares and the preference shares, where applicable.

"**Shareholder**" means any Person/s who holds any Equity Securities of the Company.

"**Shareholders' Agreement**" refers to the shareholders' agreement executed between the Parties on February 05, 2016 as amended by an amendment agreement dated May 31, 2016.

"**the Act**" means the Companies Act, 1956 (to the extent that such enactment is in force and applicable to the context in which such term is used herein), and the Companies Act, 2013 (to the extent that such enactment is in force and applicable to the context in which

such term is used herein), and shall include all amendments, modifications and re-enactments of the foregoing.

"**these Articles**" means this Articles of Association of the Company.

"**the seal**" means the common seal of the Company.

"**Section**" means section under the Companies Act, 2013.

"**Transfer**" (including the terms "**transferred**", "**transferring**" and "**transferability**") means, whether directly or indirectly, any transfer, sale, assignment, pledge, hypothecation, creation of security interest in or lien or Encumbrance on, placing in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way, whether or not voluntarily.

"**UKBA**" means the U. K. Bribery Act, 2010.

The following terms have the meaning as set out in the corresponding Articles:

Term	Article No.
Acceptance Notice	32.4
Acceptance Period	32.4
Accelerated Tag	Paragraph 9 of Annexure 4
AU SFBAcceptance Notice	32.8
AU SFB Acceptance Period	32.8
AU SFB Offer Notice	32.8
AU SFB Offer Period	32.8
AU SFB ROFO Securities	32.8
AU Transferee	32.8
AU Transferee Nominee Director	32.8
Board Meeting	**Error! Reference source not found.**
Business	Recital A
Conforming of Rights	32.9
CEO	30.1
Defaulting Party	34.1
Default Buyout Notice	34.2
Default Notice	34.2
Default Shares	34.3
Dispute	39.2
Drag Along Notice	32.7
Drag Along Purchaser	32.7
Drag Along Right	32.7
Drag Price	32.7
Drag Sale	32.7
Dragging Investor	32.7

Term	Article No.
Dragged Shareholders	32.7
Event of Default	34.1
Extended Period	33.3
Information	37.1
Investor Observer	28.1
Investors Right of First Offer	32.8 (a)
Investors ROFO Notice	32.8 (b)
Investor ROFO Price	32.8 (b)
Kedaara Nominee Directors	27.1 (b) (i)
Key Managerial Personnel Buyback	Paragraph 5 of Annexure 4
Key Managerial Personnel Call Option	Paragraph 5 of Annexure 4
Key Managerial Personnel Exit Price	Paragraph 5 of Annexure 4
Key Managerial Personnel Put Option	Paragraph 5 of Annexure 4
Liquidation Party	34.4
Non-Defaulting Party	34.2
Non-Default Shares	34.3 (a) (ii)
Offer Notice	32.4 (b)
Offer Period	32.4 (c)
Other Investor	32.4 (a)
Partners Group Nominee Directors	27.1 (b) (ii)
Primary Period	32.4
Proposed Issuance	33.1
Proposed Transfer	32.4 (b)
Proposed Transferee	32.4 (d) / 32.8 (c)
Right of First Offer	32.4 (b)
ROFO Notice	32.4 (c)
ROFO Price	32.4 (c)
ROFO Securities	32.4 (b)
Secondary Period	32.6
Selling Investor	32.4 (b)
Tag Along Response(s)	32.5 (b)
Tag Along Right	32.5 (a)
Tag Along Shares	32.5 (b)
Tag Offer Notice	32.5 (a)
Tag Offer Period	32.5 (b)
Tag Parties	32.5 (a)

26.2 Unless the context otherwise requires:

(a) Words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

(b) The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words refer to these entire Articles or specified articles of these Articles, as the case may be.

(c) Words denoting the singular shall include the plural and words denoting any gender shall include all genders.

(d) Reference to days, months and years are to calendar days, calendar months and calendar years, respectively, unless defined otherwise or inconsistent with the context or meaning thereof.

(e) Any reference to "writing" shall include printing, typing, lithography and other means of reproducing words in visible form (including emails).

(f) Any reference to the word "include/including" shall be construed without limitation, and shall be construed as meaning "including, but not limited to".

(g) References to any document in the "agreed form" means that the form of such document shall have been agreed to in writing or by exchange of letters or email amongst Partners Group and Kedaara.

27. **BOARD COMPOSITION & BOARD MEETINGS**.

27.1 **Authority of the Board and Management**: Subject to the provisions of these Articles and the Act, the Board shall be responsible for the management, supervision, direction and control of the Company. The Board shall be entitled to delegate powers to such persons and such committees that the Board may create to assist it in its business strategy and objectives.

27.2 **Composition of the Board**: The Shareholders shall take all actions, including exercising their votes in relation to the Equity Securities held by them, as may be required to cause any Director nominated by the Lake District and ESCL ("**Promoters**") in accordance with this Article 27 to be duly elected, appointed, removed or replaced, as the case may be, such that the composition of the Board is in accordance with this Article 27.2.

(a) The Board shall comprise up to 9 (Nine) Directors.

(b) On and from the date hereof and until either Lake District or ESCL retains 10% or more of the Share Capital, then such Shareholder shall be entitled to appoint only 1 (One) nominee as a Director to the Board (the "**Shareholder Nominee Director**", and along with Lake District Nominee Directors and ESCL Nominee Directors, the "**Nominee Directors**").

(c) Notwithstanding Article 27.2 (b) above, on and from the date hereof and until such time that Lake District and ESCL continue to remain 'promoters' of the Company (i) Lake District shall have the right to nominate 3 (Three) Directors to the Board (collectively, the "**Lake District Nominee Directors**"); (ii) ESCL shall have the right to nominate 2 (Two) Directors to the Board (together, the "**ESCL Nominee Directors**"); and (iii) the Chief Executive Officer of the Company shall be appointed and hold office as a whole time Director. 3 (Three) independent Directors shall be appointed to the Board in accordance with Applicable Laws (the "**Independent Directors**").

27.3 **Alternate Directors**: Each Shareholder and Director shall be entitled to nominate an alternate Director to act in accordance with the Act. Each Shareholder and Director shall also have a right to withdraw the nominated alternate Director, and nominate another in his or her place. The alternate Director shall (except as regards the power to appoint an alternate Director pursuant to this Article 27.3) be subject in all respects to the terms and conditions existing with reference to the other Directors of the Company and each alternate Director, whilst acting as such, shall exercise and discharge all the functions, powers and duties of the Director he or she represents. Every person acting as alternate Director shall have one vote for each Director for whom he or she acts as alternate (in addition to his or her own vote if he or she is also a Director). Any person appointed as an alternate Director shall vacate his or her office as such alternate Director if and when: (i) the Board removes him or her in accordance with this Article 27.3; or (ii) the Director for whom he or she was an alternate vacates office as Director. A Director shall not be liable for the acts or defaults of any alternate Director appointed by him.

27.4 **Chairman of the Board**: The Chairman of the Board shall be appointed by the Board from amongst the Independent Directors.

27.5 **Removal / Replacement of Directors**:

(c) Each Shareholder shall be entitled to seek removal of its Nominee Director by a written notice to such Director and the Company, following which the Company undertakes to do such things as required under Applicable Laws to facilitate such removal.

(d) In the event of any vacancy occurring with respect to the position of a Nominee Director, by reason of death, disqualification, resignation, removal or inability to act, the Shareholder who had nominated such Director shall be entitled, subject to Article 27.2, to nominate another person to fill the vacancy.

27.6 **Retirement of Directors**: Subject to Applicable Laws, 1 (One) Lake District Nominee Director and 1 (One) ESCL Nominee Directors shall not be required to retire by rotation. In

the event that the other Nominee Directors retire by rotation in accordance with the provisions of the Act, subject to Article 27.2, the Shareholders shall ensure and perform all acts including the exercise of the voting rights as may be necessary to ensure that such Nominee Directors are reappointed to the Board.

27.7 **Board Meetings**:

(e) All meetings of the Board shall be convened and conducted in accordance with the provisions of the Act and the Charter Documents ("**Board Meetings**").

(f) Frequency and Location: The Board will meet such that a period of not more than 120 (One Hundred and Twenty) days shall intervene between 2 (Two) consecutive Board Meetings, at such place and in such manner as majority of the Board may from time to time reasonably determine as convenient for the Directors.

(g) Notice: A Board Meeting may be called by the Chairman of the Board or any 1 (one) other Director giving notice in writing to the company secretary, or any other Person nominated in this regard by the Board, specifying the date, time and agenda for such meeting. The company secretary (or such nominated person) shall upon receipt of such notice give a copy of such notice to all Directors of such meeting, accompanied by a written agenda specifying the business of such meeting and copies of papers relevant for such meeting. The Company shall ensure that sufficient information is included with such notice to the Directors to enable each Director to make a decision on the issue in question at such meeting. Not less than a minimum 7 (seven) days' prior written notice shall be given to each Director, of any Board Meeting, accompanied by the agenda for the Board Meeting; provided that subject to Applicable Laws, a Board Meeting may be convened at a shorter notice in the event more than 75% of the Directors provide consent in relation to the same and at least one independent director of the Company shall be present at such Board Meeting.

(h) Voting: Each Director is entitled to cast 1 (One) vote at any Board Meeting.

27.8 **Resolutions in Writing/Circulation**: Subject to Applicable Laws, a resolution in writing of the Board shall be as valid and effectual as if it had been a resolution passed at a meeting of the Board duly convened and held if the resolution is signed in support thereof by all of the Directors for the time being. Any such resolution bearing the signature of any Director dispatched by facsimile transmission or electronic mail shall constitute a document for this purpose.

27.9 **Video Participation**: Subject to the other terms of these Articles, the Directors may participate and vote in Board Meetings by video conferencing or other audio visual means or any other means of contemporaneous communication, in the manner permitted under Applicable Laws and by the Ministry of Corporate Affairs, from time to time.

27.10 **Directors' Access**: Any Director shall be entitled to examine the books, accounts and records of the Company and shall have, during normal business hours of the Company and with prior reasonable written notice, the right to reasonably inspect the properties and facilities of the Company. The Company shall provide such information relating to its business affairs and financial position may be decided by the Board and as any Director may reasonably require. Subject to Applicable Laws, any Director may provide such information to the Shareholder who has nominated such Director. The relevant Director and Shareholders would be bound by the confidentiality obligations under this Shareholders' Agreement in relation to such information received.

27.11 **Committees of the Board**: Subject to Applicable Laws, each of the Lake District Nominee Directors and the ESCL Nominee Directors shall have the right (but not an obligation) to be appointed as a member of any committee or sub-committee of the Board, *pro rata* to the board representation of each Promoter, subject to a minimum of at least 1 (one) member on the committee. The Shareholders of the Company shall take such actions as may be necessary to enable the relevant Lake District Nominee Directors and the relevant ESCL Nominee Directors to exercise such right.

27.12 **Investor Observer on the Board**. Subject to Article 35.1, each of the Investors shall have the right to appoint and replace 1 (one) observer (the "**Investor Observer**") to attend the Board Meetings and all meetings of all committees and sub-committees of the Board. The Investor Observers shall have the right to receive all notices, documents and information provided to the Board members and be entitled to attend and speak at all meetings of the Board or committees thereof. The Investor Observers shall not be Directors of the Company and shall not be entitled to a separate vote at any such meetings and shall not be considered for quorum purposes. It is clarified that the Observers shall keep confidential all matters in relation to the Company and the Business that they become aware of. In the event that any Investor holds less than a certain threshold agreed by the Parties under the Shareholders' Agreement, such Investor shall not be entitled to appoint any Investor Observer.

28. SHAREHOLDERS' MEETINGS.

28.1 Requirements for General Meetings.

(a) All meetings of Shareholders shall be held at such place as the Board may determine from time to time. The Board may convene any meeting of the Shareholders whenever it may deem fit.

(b) **Notice**. Subject to the Act, a minimum 21 (twenty one) days' prior written notice shall be given to all the Shareholders of any Shareholders' Meeting, accompanied by the agenda for such meeting. Subject to Applicable Law, notice may be waived

for an annual general meeting or an annual general meeting may be called by giving shorter notice with at least 95% of the members providing their written consent or consent by electronic mode to such annual general meeting shorter notice. Further, subject to Applicable Law, notice may be waived for an extraordinary general meeting or an extraordinary general meeting may be called by giving shorter notice with approval of majority in number of members representing not less than 95% of the paid up share capital of the Company providing their written consent or consent by electronic mode to such extraordinary general meeting shorter notice. The notice of each general meeting shall include an agenda setting out the business proposed to be transacted at the meeting, together with copies of all relevant papers connected therewith and/or proposed to be placed before or tabled at the general meeting.

(c) **Quorum**. Subject to Article 35.1 and the Act, the quorum for any general meeting shall be at least 5 (Five) Shareholders present in person or by proxy or attorney, 1 (One) of which shall be Partners Group and the other of which shall be Kedaara, at the beginning of the meeting and throughout the meeting. If the quorum is not present within 30 (Thirty) minutes from the time when the meeting should have begun or if during the meeting there is no longer a quorum, the meeting shall be adjourned and reconvened at the same place and time 7 (Seven) days later, or at such time as may be agreed to by the majority of the Shareholders including at least Partners Group and Kedaara, with the same agenda. If at 2 (two) consecutively adjourned Shareholder Meetings, the quorum is not present within 30 (Thirty) minutes of the time appointed for the Shareholders' Meeting, then subject to Applicable Law, the Shareholders present at such meeting shall constitute the quorum, provided that at least 5 (Five) Shareholders are present and the Shareholders' Meeting shall proceed with respect to the business stated in the agenda for the Shareholders' Meeting (other than on any Affirmative Vote Item) as if the quorum was duly present at such adjourned Shareholders' Meeting. Each Shareholder shall use all reasonable efforts to ensure the existence of quorum at any Shareholders' Meeting.

(d) **Voting**. Subject to Applicable Law, voting on all matters to be considered at a Shareholders' Meeting shall be by way of a poll unless otherwise unanimously agreed upon in writing by the Shareholders.

(e) **Voting Arrangements**. Each of the Key Managerial Personnel agree and undertake to ensure that they, or their representatives or proxies representing them at any shareholders' meetings, shall, only in relation to any matters which require the affirmative vote of a majority in number of the shareholders of the Company, act and exercise their voting rights in relation to any Equity Securities held by

them along with the Investors. Such right shall be construed *inter alia* as a voting arrangement amongst each of the Key Managerial Personnel and the Investors.

28.2 **Video Participation**. The Shareholders may participate and vote in the Shareholders' Meeting by video conferencing or other audio visual means or any other means of contemporaneous communication, subject to Applicable Laws. Notwithstanding the aforesaid, it is clarified that in relation to any Affirmative Vote Item, the written confirmation of each of the Investors approving the proposal with respect to the Affirmative Vote Item shall always be required.

29. **VOTING AND AFFIRMATIVE VOTE ITEMS**.

29.1 Unless otherwise provided in the Act, or these Articles:

(a) at a duly called and held Board Meeting with requisite quorum, all decisions shall be taken by a simple majority (the affirmative vote of more than 50% (Fifty per cent) of the Directors participating in such Board Meeting; and

(b) at a duly called and held Shareholders' Meeting with requisite quorum, all decisions shall be approved if passed only with the affirmative vote of Shareholders participating at the meeting and representing more than 50% (Fifty per cent) of the Equity Securities held by all the Shareholders participating at the meeting.

29.2 Notwithstanding anything to the contrary in these Articles and subject only to Article 35.1, each Party agrees that no action or decision shall be taken or resolution passed by the Company, the Board, any Director(s) or any Shareholder(s) in respect of any Affirmative Vote Item set out at ANNEXURE 2, except with the prior written consent of at least 1 (One) Partners Group Nominee Director and 1 (One) Kedaara Nominee Director, or the prior written consent of both Partners Group and Kedaara.

29.3 Notwithstanding anything to the contrary in these Articles and subject only to Article 35.1, each Party agrees that no action or decision shall be taken or resolution passed by the any Shareholders in respect of any Reserved Matters set out at ANNEXURE 3, except with the prior written consent of the AU SFB.

29.4

(a) For the purpose of voting (including for Affirmative Vote Items), the entire group of Kedaara entities (i.e. Kedaara, its Affiliates and co-investors which hold Equity Securities as the case maybe) would be treated as one block and shall at all times vote consistent with one another. Any nominations of Kedaara under these Articles shall be the joint nominations of all the Kedaara entities which hold Equity Securities.

(b) Similarly, the entire group of Partners Group entities (i.e. Partners Group, its Affiliates and co-investors which hold Equity Securities as the case maybe) would be treated as one block and shall at all times vote consistent with one another (including for Affirmative Vote Items). Any nominations of Partners Group under these Articles shall be the joint nominations of all the Partners Group entities which hold Equity Securities.

30. **MANAGEMENT – DAY TO DAY CONTROL**.

30.1 Subject to the supervision of the Board, the Business shall be managed on a day to day basis by the Chief Executive Officer ("**CEO**"), and the other senior management personnel of the Company (who will report to and be responsible to the CEO and the Board for the operations of the Business).The CEO shall be nominated jointly by both Investors, and the senior management personnel shall be persons whose appointment has been approved in writing by both Investors. It is clarified that as on the Amendment Date, Mr. Sushil Agarwal shall continue as the CEO, subject to the terms of the employment agreement dated 5th February, 2016 entered into between the Company and him.

30.2 The Parties agree that any cheque/banking instruction for an amount of (i) INR 20,000,000 (Rupees Twenty Million only) or more per transaction in the ordinary course of business, or (ii) INR 10,000,000 (Rupees Ten Million Only) or more per transaction other than in the ordinary course of business, can be issued by the Company pursuant to the prior written approval of Kedaara and Partners Group. PROVIDED THAT, no prior written approval shall be required for (i) intra-bank transactions undertaken by the Company in ordinary course of business, and (ii) transactions approved by the Board or any of the committees or sub-committees of the Board, or in terms of the policies approved by the Board or any of the committees or sub-committees of the Board.

31. **COVENANTS OF THE COMPANY AND THE INVESTORS**.

31.1 The Company hereby undertakes and covenants to the Investors as follows:

(a) **Accounting Policies**. The Company shall adopt the Indian GAAP.

(b) **Information and Reports**. The Company shall provide to the Investors such information and reports as may be agreed to between the Investors(in such manner and within such duration as may be agreed between the Investors), including but not limited to:

(i) Monthly accounts within 20 (twenty) days from month end, including a profit and loss statement, balance sheet and cash flow statement for the period;

(ii) Quarterly unaudited financials within 30 (thirty) days from the end of the quarter;

(iii) Audited financial statements within 90 (Ninety) days from end of the financial year; and

(iv) Any other information reasonably requested by one or more of the Investors or their relevant nominee Directors.

(c) **Directors' and Officers' Insurance**. The Company will procure suitable Directors' and Officers' liability insurance for all Directors, and such other officers of the Company as determined by the Board.

(d) **Anti-Corruption**.

(i) The Company covenants, undertakes and represents that on and from the Amendment Date, it shall not and shall not permit any of its Affiliates to or any of its Directors, officers, managers, employees, independent contractors, representatives or agents to promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, any non-US official, in each case, in violation of the FCPA or PCA or the UKBA or of any other applicable anti-bribery or anti-corruption laws.

(ii) The Company further covenants, undertakes and represents that on and from the Amendment Date, it shall ensure that each of its Affiliates shall cease all of its or their respective activities, as well as remediate any actions taken by the Company or its Affiliates, or any of its respective Directors, officers, managers, employees, independent contractors, representatives or agents in violation of the FCPA or PCA or the UKBA or any other applicable anti-bribery or anti-corruption laws. The Company further covenants, undertakes and represents that it shall cause itself and each of its Affiliates to maintain systems of internal controls acceptable to the Investors (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the FCPA or PCA or the UKBA or any other applicable anti-bribery or anti-corruption laws.

31.2 The Company shall provide AU SFB with the following information till it holds any Equity Shares:

(a) Quarterly unaudited financials within 30 (thirty) days from the end of the quarter; and

(b) Audited financial statements within 90 (Ninety) days from end of the financial year.

31.3 **Non Solicitation and No Competition**. The Parties who are Shareholders hereby undertake and covenant to the Company and to each other that they (including any of their Affiliates) will not directly or indirectly:

(a) engage with or invest in an entity engaged in a Business directly competing with the Company;

(b) solicit, entice or induce any business connection or customer of the Company to undertake any business or transactions with any other Person, instead of with the Company; or

(c) solicit, entice or induce any individual or Person that is an employee or consultant of the Company, to become an employee or consultant of any other Person.

Provided that each of the Investors shall be permitted to invest in, directly or indirectly, in any Company that has competing business similar to that of the Company, but only up to 25% of the equity share capital of such Company on a fully diluted basis. Provided further that AU SFB shall not be subject to provisions of this Article 31.3 above, but shall be bound by the non-compete, non-solicitation and other corresponding provisions as set out in any other agreement.

32. **TRANSFER OF EQUITY SECURITIES**.

32.1 **Restrictions on Transfer**.

(a) Any direct or indirect Transfer of any Equity Securities or any legal or beneficial interest therein by one or more of Kedaara, Partners Group or AU SFB, shall be made only in compliance with Articles 32 and 34. The Company hereby agrees and confirms that it shall not record any such Transfer on its books, or any agreement or arrangement to Transfer and shall not recognize or register any equitable or other claim to, or any interest in, such Equity Securities which have been Transferred in any manner other than as permitted under Articles 32 and34.

(b) Kedaara, Partners Group or AU SFB shall not Transfer any or all of its Equity Securities, except for a Transfer of Equity Securities in accordance with Articles 32 and34.

(c) The transfer provisions as set out in Annexure 4 shall apply in relation to the transfer of any Equity Securities held by each of the Key Managerial Personnel. Further, in the event that the Company undertakes a rights issue, each of the Key

Managerial Personnel shall be entitled to participate in such rights issue to the extent of his entitlement with respect to his fully paid-up Equity Shares.

32.2 **Exceptions to Restrictions**. The restrictions of Article 32.1 shall not apply to any Transfer of Equity Securities from Kedaara, Partners Group or AU SFB to their respective Affiliate(s) or from Kedaara or Partners Group to any investment vehicles advised and/or managed by Kedaara or Partners Group or their Affiliates respectively, PROVIDED THAT the transferring member:

(a) shall, if the transferring member is Kedaara or Partners Group, give written notice of such Transfer to the other Investor; or shall, if the transferring member is AU SFB, give written notice of such Transfer to Partners Group and Kedaara;

(b) ensures that the proposed transferee Affiliate(s) executes the Deed of Adherence as set out in ANNEXURE 1 so as to comply with the provisions of these Articles;

(c) procures the transfer to the proposed transferee of all loans (if any) made by it to the Company at the same time as the Transfer of the Equity Securities; and

(d) ensures that in the event such transferee ceases to be an Affiliate of the respective transferring member, the Equity Securities held by such Affiliate shall be immediately transferred back to the respective transferring member.

32.3 **Improper Transfer**. Any attempt to Transfer one or more Equity Securities by Kedaara, Partners Group or AU SFB not in accordance with these Articles shall be null and void, and the Company shall not give any effect to such attempted Transfer in its records.

32.4 **Right of First Offer**. From the Amendment Date up to the 3rd anniversary of the Amendment Date ("**Primary Period**"), any, direct or indirect, sale of Equity Securities by either of the Investors shall be subject to:

(a) Receipt of the prior written consent of the other Investor ("**Other Investor**").

(b) Where any of the Investors (the "**Selling Investor**") intends to sell, directly or indirectly,any or all of its Equity Securities ("**Proposed Transfer**"), the Selling Investor is required to provide a right of first offer to the Other Investor ("**Right of First Offer**"), pursuant to which the Selling Investor shall give a written notice ("**Offer Notice**") to the Other Investor, stating (i) the number and class of Equity Securities the Selling Investor then owns (on a Fully Diluted Basis); and (ii) the number and class of Equity Securities proposed to be sold by the Selling Investor ("**ROFO Securities**").

(c) Within a period of 15 (Fifteen) days of receipt of the Offer Notice from the Selling Investor ("**Offer Period**"), the Other Investor shall have the right to make an offer in writing to purchase all (and not less than all) of the ROFO Securities, at a price ("**ROFO Price**") to be specified by the Other Investor ("**ROFO Notice**").

(d) Upon receipt of the ROFO Notice in accordance with Article32.4(c) above, the Selling Investor shall have the right, but not the obligation, to either:

(i) accept such offer by issuing a written notice to the Other Investor ("**Acceptance Notice**") at any time within 45(Forty-five) days from the receipt of such ROFO Notice ("**Acceptance Period**"), such acceptance thereby creating a binding agreement between the Selling Investor and such Other Investorfor the purchase and sale of the ROFO Securities at the ROFO Price and upon the terms stated in the ROFO Notice; or

(ii) to reject the offer (either expressly, or by failing to deliver the Acceptance Notice within the Acceptance Period).

In the event of sale of the ROFO Securities to the Other Investor pursuant to an Acceptance Notice, the Tag Along Right specified in Article 32.5 shall not apply.In the event that the Selling Investor rejects the offer as aforesaid (either expressly, or by failing to deliver the Acceptance Notice within the Acceptance Period), then the Selling Investor shall be entitled to sell the ROFO Securities to any Person ("**Proposed Transferee**") within a period of 60 (sixty) days from the earlier of the date of the rejection of the offer or the last date of the Acceptance Period (if there is a failure to deliver the Acceptance Notice within the Acceptance Period), at (i) a price that is higher than the ROFO Price in the event that the Other Investor has issued the ROFO Notice, or (ii) any price, in any other event.

(e) Upon receipt of the Acceptance Notice, the Other Investor shall be bound to purchase, and the Selling Investor shall be bound to sell, the ROFO Securities, and such sale shall be completed within a period of 60 (sixty) days from the Acceptance Period (except the time taken to obtain requisite Governmental Approvals (if any) required for such sale). If the Other Investor does not issue the ROFO Notice within the Offer Period, the Selling Investor shall be free to sell the ROFO Securities to any Person at any price, subject to the provisions of Article 32.5.In the event that within 60 (sixty) days(except the time taken to obtain requisite Governmental Approvals (if any) required for such sale)from the earlier of the date of the rejection of the offer or the last date of the Acceptance Period (if there is a failure to deliver the Acceptance Notice within the Acceptance Period), either (i) the sale of the ROFO Securities is not completed in accordance with

Article 32.4, or (ii) the Tag Offer Notice is not issued, the process for sale of Equity Securities under Article 32.4 and 32.5 shall once again apply.

32.5 **Tag Along Right**.

(a) Without prejudice to the applicability of the provisions ofArticles32.4(a) to 32.4(e), if the Other Investor or its Affiliates do not exercise the Right of First Offer or the Selling Investor does not accept the ROFO Notice, in relation to any Proposed Transfer, the Other Investor and AU SFB shall, at their sole discretion and option, have a right, but not an obligation to sell ("**Tag Along Right**"):

(i) their respective Pro Rata Shareholding; or

(ii) in an Accelerated Tag Along Scenario, all of the Equity Securities held by the Other Investor and AU SFB;

PROVIDED THAT in relation to AU SFB, if AU SFB is desirous of selling any additional Equity Securities (i.e. in addition to its Pro Rata Shareholding) and the Proposed Transferee is desirous of purchasing such any additional Equity Securities, then subject to the prior written consent of the Investors, AU SFB shall be entitled to exercise its Tag Along Right in relation to such additional Equity Securities as well ("**Additional Tag Along Right**").It is clarified that in the event of transfer of Equity Securities by AU SFB pursuant to this Article 32.5 shall not require compliance with the provisions of Investors' Right for First Offer.

(b) If no ROFO Notice has been issued, or if a ROFO Notice is rejected, the Selling Investor shall (if it seeks to sell the ROFO Securities to a Proposed Transferee) within 30 (thirty) days of such non-issuance or rejection, issue a notice ("**Tag Offer Notice**") to the Other Investor and AU SFB ("**Tag Parties**") specifying: (i) the name of the Proposed Transferee; (ii) the per Equity Security price offered by the Proposed Transferee; and (iii) the quantum of ROFO Securities proposed to be acquired by the Proposed Transferee. In the event that either or both of the Tag Parties elect to exercise the Tag Along Right, such Tag Party(ies) shall deliver individual written notices of such election to the Selling Investor(s) (the "**Tag Along Response(s)**") within 15 (Fifteen) days from receipt of the Tag Offer Notice ("**Tag Offer Period**") specifying the number of Equity Securities with respect to which such Tag Party(ies) elect to exercise the Tag Along Right or Additional Tag Along Right in case of AU SFB, if applicable, (the "**Tag Along Shares**"). If, pursuant to the Tag Along Response(s), it is determined that the provisions of Article 32.5 (a) (ii) apply, then the Tag Party(ies) shall have the right to withdraw their Tag Along Response(s) and/or issue an amended Tag Along Response, within

7 (Seven) days from the date of such determination. A copy of the Tag Along Responses shall also be provided to the Company.

(c) In the event that any of the Tag Parties decide to exercise the Tag Along Right and/or the Additional Tag Along Right, if applicable, the Selling Investor shall cause the Proposed Transferee to purchase from the Tag Party(ies) the Tag Along Shares at the same Per Share Consideration and on the same terms as are mentioned in the Tag Offer Notice. The Selling Investor and the Tag Party(ies) exercising the Tag Along Right and/or the Additional Tag Along Right, if applicable, shall mutually cooperate in good faith to determine the extent of representations, warranties and indemnities being provided by each of such Parties to the third party acquirer.

(d) Upon exercise of the Tag Along Right and/or the Additional Tag Along Right, if applicable, the Selling Investor shall not be entitled to sell any of the ROFO Securities to any Proposed Transferee unless the Proposed Transferee simultaneously purchases and pays for the Tag Along Shares in accordance with the provisions of this Article 32.5. If the Tag Party (ies) have elected to exercise the Tag Along Right and/or the Additional Tag Along Right, if applicable, and the Proposed Transferee fails to purchase the Tag Along Shares, the Selling Investor shall not make the Proposed Transfer, and if purported to be made, such sale shall be void and shall not be binding on the Company and shall be deemed to be a breach of the terms of these Articles.

(e) The closing of any saleof the ROFO Securities and the Tag Along Shares by the Proposed Transferee shall be held simultaneously, at such time and place as the parties to the transaction may agree. In the event that the purchase of the ROFO Securities and the Tag Along Shares is not completed within a period of 15 (fifteen) days from the issuance of the Tag Along Response(s), the entire process under Articles 32.4 and 32.5 shall once again apply other than a delay due to requirement of any Approvals, in which event the period for completion of the purchase shall be reasonably extended for an additional period necessary to obtain any Approvals required for such purchase and payment.

32.6 After the completion of the Primary Period and up to the 6th anniversary of the Amendment Date ("**Secondary Period**"), the provisions of Articles 32.4 (b) to (e) and Article 32.5 shall apply **in** relation to any sale of Equity Securities proposed to be made by any of the Investors. For avoidance of doubt it is clarified that the provisions of Article132 (a) shall not apply during and after the Secondary Period begins.

32.7 After the completion of the Secondary Period, the provisions of Article 32.4(b) to 32.4(e) and Article 32.5 shall apply in relation to any sale of Equity Securities proposed to be made

by any of the Investors.For avoidance of doubt it is clarified that the provisions of Article 32.4(a) shall not apply during and after the Secondary Period begins. In addition to above, after completion of the Secondary Period, the Investors shall also have the drag along right as specified below:

(a) **Drag Along Right**.

(i) Subject to the provisions of Article 32.4, if any of the Investors propose to divest all (but not less than all) of their Equity Securities in the Company ("**Dragging Investor**") to a third party buyer ("**Drag Along Purchaser**"), then the Dragging Investor shall have a right but not an obligation to and as part of such sale, require the other Shareholders ("**Dragged Shareholders**") to sell all of the Equity Securities held by them, to the Drag Along Purchaser, in accordance with the terms that maybe specified in the Drag Along Notice (defined below).This right of the Dragging Investor to require the Dragged Shareholders to sell their Equity Securities to the Drag Along Purchaser shall be referred to as the "**Drag Along Right**" and shall be exercised in the manner set forth hereinafter.

(ii) To exercise the Drag Along Right, the Dragging Investor shall provide a written notice to each of the Dragged Shareholders ("**Drag Along Notice**") requiring them to sellthe Equity Securities held by the Dragged Shareholders, on the date specified therein to the Drag Along Purchaser, free and clear of all Encumbrances. The Drag Along Notice shall specify (a) the price per share at which each Equity Security of the Dragged Shareholders shall be sold to the Drag Along Purchaser, which price shall provide an agreed IRR in accordance with the terms of the Shareholders' Agreement, in each case as at the time of the investment/payment or the Drag Sale, as applicable) ("**Drag Price**") and (b) the date on which the Equity Securities shall be sold.The Dragged Shareholders shall, upon receipt of the Drag Along Notice, be bound and obligated to sellthe Equity Securities held by the Dragged Shareholders as specified in the Drag Along Notice to the Drag Along Purchaser ("**Drag Sale**").

(iii) The Parties hereby covenant to take all steps necessary to give effect to the provisions of this Article 32.7 including the passing of all necessary resolutions and obtaining all necessary consents to give effect to the Drag Along Right. At the time of the exercise of the Drag Along Right, the Dragged Shareholders may be required to enter into any arrangements/agreements and/or take any other actions for compliance with the legal formalities for the sale of the Equity Securities held by the

Dragged Shareholders under this Article 32.7 as maybe required to effectuate fully such transaction.The Dragging Investor shall have the right to withdraw the Drag Along Notice at any time prior to the sale without any liability arising from such withdrawal or revocation save and except any reasonable costs incurred by the Dragged Shareholders to give effect to such transaction which shall be borne by the Dragging Investor. Further, any withdrawal of revocation of the Drag Along Notice shall not preclude the right of the Dragging Investor to exercise a Drag Along Right at a future date, subject to compliance of the conditions of these Articles.

32.8 **Transfer provisions pertaining to AU SFB**: Any sale of Equity Securities by AU SFB, other than a sale of Equity Securities by AU SFB under Article 32.5 or a sale of Equity Securities by AU SFB to any new Shareholder to whom the Company has issued any Equity Securities (provided that such sale occurs simultaneously with the issuance), shall be subject to granting the Investors a *pro rata* right of first offer in the following manner:

(a) Where AU SFB intends to sell any or all of its Equity Securities, AU SFB is required to provide a right of first offer to the Investors *pro rata* to their shareholding in the Company at the time of such offer, and ("**Investors Right of First Offer**"), pursuant to which AU SFB shall give a written notice ("**AU SFB Offer Notice**") to the Investors, stating (i) the number and class of Equity Securities which AU SFB then own (on a Fully Diluted Basis); and (ii) the number and class of Equity Securities proposed to be soldby AU SFB ("**AU SFB ROFO Securities**").

(b) Within a period of 15 (Fifteen) days of receipt of the AU SFB Offer Notice from AU SFB ("**AU SFB Offer Period**"), the Investors shall have the right to make an offer in writing to purchase their *pro rata* proportion of the of the ROFO Securities, at a price ("**Investor ROFO Price**") to be specified by the Investors ("**Investors ROFO Notice**"). In the event of surplus AU SFB ROFO Securities, the Investors have the right to inform AU SFB of their intention to purchase such surplus AU SFB ROFO Securities which are not proposed to be purchased by the other Investor.

(c) Upon receipt of the Investor ROFO Notice in accordance with Article 32.8(b) above, AU SFB shall have the right, but not the obligation, to either:

(i) accept such offer by issuing a written notice to the Investors ("**AU SFB Acceptance Notice**") at any time within 45 (Forty-Five) days from the receipt of such Investor ROFO Notice ("**AU SFB Acceptance Period**"), such acceptance thereby creating a binding agreement between AU SFB

and such relevant Investors for the purchase and sale of the AU SFB ROFO Securities at the Investor ROFO Price and upon the terms stated in the Investor ROFO Notice; or

(ii) to reject the offer (either expressly, or by failing to deliver the AU SFB Acceptance Notice within the AU SFB Acceptance Period).

In the event that AU SFB rejects the offer as aforesaid (either expressly, or by failing to deliver the AU SFB Acceptance Notice within the AU SFB Acceptance Period), then AU SFB shall be entitled to sell the AU SFB ROFO Securities to any Person ("**Proposed Transferee**") within a period of 60 (sixty) daysfrom the earlier of the date of the rejection of the offer or the last date of the AU SFB Acceptance Period (if there is a failure to deliver the AU SFB Acceptance Notice within the AU SFB Acceptance Period), at a price that is (i) higher than the Investor ROFO Price in the event that at least one of the Investors have issued the Investors ROFO Notice*(*it is clarified that in the event that there is more than one Investor ROFO Price, the higher price shall be deemed as the Investor ROFO Price for this paragraph), or (ii) a price equal to or higher than the FMV Price of the Equity Securities in any other event.

(d) Upon receipt of the AU SFB Acceptance Notice, the relevant Investors shall be bound to purchase, and AU SFB shall be bound to sell, the AU SFB ROFO Securities, and such sale shall be completed within a period of 60 (sixty) days from the AU SFB Acceptance Period (except the time taken to obtain requisite Governmental Approvals (if any) required for the sale).If any of the Investorsdo not issue the Investor ROFO Notice within the AU SFB Offer Period, AU SFB shall be free to sell the ROFO Securities to any Person at a price calculated in accordance with the provisions of Article 32.8 (c) above.

(e) In the event that both the Investors propose to sell their Equity Securities, which would result in a Change of Control, in addition to the Tag Along Rights and the Additional Tag Along Right of AU SFB under Article 32.5, AU SFB shall be entitled to sell all its Equity Securities at a price per Equity Security not less than the price per Equity Security at which the Investors propose to sell their Equity Securities. For avoidance of doubt it is clarified that in the event of any other sale of securities by the Investors to any Person, AU SFB shall have a tag along right in the manner set out in Article 32.5.

(f) Subject to the terms of these Articles, in the event that AU SFB transfers its Equity Securities to any third party ("**AU Transferee**"), such AU Transferee shall execute the Deed of Adherence. Subject to the AU Transferee acquiring more than 5% of the Share Capital from AU SFB, and provided that the AU Transferee has not

acquired the Equity Securities pursuant to Article 32.5, such AU Transferee shall additionally be entitled to the following rights until it continues to hold at least 5% of the Share Capital:

(i) The AU Transferee shall be bound by the Transfer provisions of this Article 32.8, as applicable to AU SFB, other than the Additional Tag Along Right which shall not transfer to the AU Transferee;

(ii) The AU Transferee shall have the right to nominate and appoint 1 (One) Director to the Board ("**AU Transferee Nominee Director**");

(iii) The Company shall provide to the AU Transferee the information and reports listed in Article 31.1(b) (i) to Article 31.1 (b) (iii); and

(iv) Subject only to Article 35.1, each Party agrees that no action or decision shall be taken or resolution passed by the Company, the Board, any Director(s) or any Shareholder(s) in respect of any Reserved Matters set out at ANNEXURE 3, except with the prior written consent of the AU Transferee Nominee Director, or the prior written consent of the AU Transferee.

For avoidance of doubt, it is hereby clarified that pursuant to a transfer of Equity Securities to the AU Transferee where the shareholding of AU SFB falls below a certain threshold agreed by the Parties under the Shareholders' Agreement, AU SFB shall cease to have any rights under these Articles, other than the rights under Article 31.2 and Article 32.5, and the rights of AU SFB under these Articles shall transfer to such AU Transferee, PROVIDED HOWEVER THAT the obligations of AU SFB under these Articles shall continue to apply to AU SFB and the AU Transferee.

32.9 **IPO**.

(a) The Company may conduct an initial public offering subject to the consent of both the Investors.In the event of an initial public offering, both Investors and AU SFB shall have a pro-rata right to participate in any offer for sale. The Investors and AU SFB shall be entitled, at their sole discretion to sell the Equity Securities held by them in the IPO to the maximum extent permissible under Applicable Laws.

(b) Notwithstanding anything to the contrary, on the successful completion of an IPO, the provisions of these Articles shall subject to Applicable Law continueto apply to the Shareholders.

(c) **Reinstatement of Rights**. Notwithstanding anything contained herein, in the event that a red herring prospectus or equivalent document, by whatever name called is filed with the competent authority in connection with an IPO which, prior to such filing or at any such stipulated time, under Applicable Law, has necessitated the alteration of the class of any of the Equity Securities and/or the rights attached thereto and/or the rights available to the Investors and AU SFB under the Transaction Documents (such alterations being, collectively, the "**Conforming of Rights**") and within 6 (six) months of the filing of such prospectus, the IPO is not completed such that the entire Share Capital of the Company is not admitted to trading on a recognized stock exchange, then, the Company shall undertake all necessary actions as may be required to ensure that the Investors are placed in the same position, and possesses the same preferential and other rights, they had the benefit of, immediately prior to the Conforming of Rights.

32.10 The Investor shall not be permitted to sell any of its shareholding to a Competitor until the completion of the Secondary Period. Subject to a transfer pursuant to the exercise of rights under Article 32.5 (*Tag Along Right*) and Article 32.7 (a) (*Drag Along Right*), AU SFB shall in no event be permitted to sell any Equity Securities to a Competitor.

32.11 In the event of a sale of Equity Securities under this Article, the Investors and AU SFB shall not (unless otherwise agreed) be obligated to provide representations and warranties other than in relation to the title to the Equity Securities proposed to be sold.

33. **PRE-EMPTIVE RIGHTS/ FUTURE FUNDING**.

33.1 Subject to the terms of these Articles, in the event the Company is desirous of issuing any new Equity Securities (including by way of a preferential issue or a rights issue) ("**Proposed Issuance**") to meet any future funding requirements, the Investors and AU SFB shall have the right, but not the obligation, to purchase, in priority, such portion of such shares / Equity Securities so as to maintain its Proportionate Shareholding, calculated on a Fully Diluted Basis. If the Investors and AU SFB seek to subscribe to a Proposed Issuance, such Proposed Issuance shall unless agreed by the Investors in writing, shall be undertaken on a rights basis.

33.2 For this purpose, the Company shall deliver to the Investors and AU SFB a written notice of the Proposed Issuance setting forth: (i) the number, type and terms of the Equity Securities to be issued, and (ii) the consideration payable to the Company in connection with the Proposed Issuance, i.e., is the price per Equity Security.

33.3 In the event, both the Investors and AU SFB select to exercise their rights under this Article 33.1 (*Pre-emptive Right/ Future Funding*), the Investorsand AU SFB shall: (i) within 30

(Thirty) Business Days following delivery of the notice referred to in Article 10.2 above, give written notice to the Company specifying the number of Equity Securities proposed to be subscribed to by the individual Investor and/or its Affiliate(s) and AU SFB (as applicable); and (ii) within 45 (Forty Five) Business Days following delivery of the notice referred to in Article 33.2 above, settle the payment of the consideration to the Company simultaneously with the issuance of such number of Equity Securities as are being subscribed to by Investors and/or its Affiliate(s) and AU SFB, which shall be determined based on the principles set forth in this Article 33.1 (*Pre-emptive Right*). The said 45 (Forty Five) Business Days period shall be extended for an additional period necessary to obtain any corporate, regulatory and contractual approvals required for such purchase and payment by the Investors and/or its Affiliates ("**Extended Period**").

33.4 Except as otherwise provided in this Article, failure by any Investor or any Affiliate of the Investor, or by AU SFB, to either: (a) give such notice within 30 (Thirty) Business Days' period referred to in Article 33.3 above; or (b) settle the payment of such consideration to the Company within 45 (Forty Five) days' period (subject to the conditions contained in Article 33.3 above) or the Extended Period referred to in Article 33.3 above, as the case may be, shall be deemed a waiver by the Investor and/or AU SFB (as applicable) of its rights to be issued further Equity Securities under this Article with respect to such Proposed Issuance.

33.5 If one of the Investors waives its right to participate in the Proposed Issuance under Article 33.3, and the other Investor indicates it intends to subscribe to such additional/surplus Equity Securities (or in case AU SFB waives its right to participate in the Proposed Issuance, both Investors may indicate it intends to subscribe to such additional/surplus Equity Securities pro rata to their shareholding), such Investor shall subscribe to additional Equity Securities through a preferential allotment which shall be completed at the FMV Price.

33.6 If neither of the Investors intend to subscribe under the Proposed Issuance, then the Company may allot Equity Securities to a third party, acceptable to both Investors at the FMV Price.

34. **DEFAULT**.

34.1 **Events of Default**. An event of default ("**Event of Default**") occurs in relation to any Shareholder who is a Party hereto (the "**Defaulting Party**") if there is, on part of the Defaulting Party:

(a) Material breach or failure to observe or comply with any material term, covenant or obligation contained in these Articles; or

(b) Material breach of any of the representations or warranties contained in these Articles.

34.2 **Default Notice**.Upon the occurrence of an Event of Default with respect to a Defaulting Party, the other Party (a "**Non-Defaulting Party**") may serve a written notice ("**Default Notice**") on the Defaulting Party as soon as it may be reasonably practicable and within 90 (ninety) days of becoming aware of the Event of Default. A Default Notice may not be served more than once on a Defaulting Party in respect of the same Event of Default.

34.3 **Default Transfer**.The provisions of this Article shall apply to an Event of Default under Article34.1 above:

(a) If a Default Notice is given by a Non-Defaulting Party to a Defaulting Party pursuant to Article 34.2, the Non-Defaulting Party may, subject to Applicable Law, within 30 (Thirty) Business Days after serving the Default Notice, elect by written notice (the "**Default Buyout Notice**") to call upon the Defaulting Party to, subject to Applicable Law, either:

(i) transfer all Equity Securities held by it and its Related Transferees(the "**Default Shares**") to the Non-Defaulting Party at a discount of 10% (Ten Per Cent) of FMV Price; or

(ii) acquire all of the Equity Securities held by the Non-Defaulting Party and its Related Transferee (the "**Non-Default Shares**") at a premium of 10% (Ten Per Cent) of FMV Price,

and in each case of (i) and (ii), the Defaulting Party shall be bound to transfer the Default Shares or acquire the Non-Default Shares (as the case may be).

(b) Subject to Applicable Law and receipt of material regulatory approvals, if any, the completion of the transfer of the Default Shares or the Non-Default Shares, as the case may be, pursuant to this Article shall be effected within 30 (Thirty) Business Days of the receipt of the Default Buyout Notice.

34.4 In the event of a Liquidation Event for one of the Parties ("**Liquidation Party**"), subject to Applicable Law, the other Parties shall have the right to acquire all of the Equity Securities held by the Liquidation Party at the FMV Price, pro rata to their shareholding and in the event one of the Parties does not desire to purchase such Equity Securities, the other Party shall have the right to purchase the surplus Equity Securities of the Liquidation Party.

35. **FALL AWAY OF RIGHTS**.

35.1 Notwithstanding anything to the contrary in these Articles, in the event an Investor's shareholding in the Company falls below a certain threshold agreed by the Parties under the Shareholders' Agreement, then such Investor shall ceaseto have any rights under Article 27.1 (*Composition of the Board*), Article **Error! Reference source not found.** (*Board Meetings*), Article **Error! Reference source not found.** (*Committees of the Board*), Article 27.12 (*Investor Observer on the Board*), Article 28.1 (c) (*Shareholder Quorum*), Article 29.2, Article 32.7 (a) being the right to exercise a Drag Sale and Article 33.1 (*Pre-Emptive Rights/Future Funding*) (collectively, the "**Specified Rights**"); and such Specified Rights shall cease to be in force qua such Investor, and all other rights and obligations of such Investor shall continue with full force and effect.

35.2 Notwithstanding anything to the contrary in these Articles, in the event that the AU Transferee's shareholding in the Company falls below a certain threshold agreed by the Parties under the Shareholders' Agreement, then AU Transferee shall cease to have any rights under Article 29.3, Articles 32.8 (f) (i) to (iv) and Article 33.1 (*Pre-Emptive Rights/Future Funding*), and all other rights and obligations of such AU Transferee (including the rights and obligations on account of the AU Transferee being a transferee of AU SFB) shall continue with full force and effect.

35.3 Notwithstanding anything to the contrary in these Articles, in the event that AU SFB's shareholding in the Company falls below a certain threshold agreed by the Parties under the Shareholders' Agreement, then AU SFB's shall cease to have any rights under Article 29.3 and Article 33 (*Pre-Emptive Rights/Future Funding*), and all other rights and obligations of such AU SFB's shall continue with full force and effect.

36. **INTELLECTUAL PROPERTY**.

36.1 The Parties acknowledge and agree that from and after the AmendmentDate, no Party shall have rights in any Intellectual Property rights of the other Party(ies) or any of their Affiliates either by itself or in combination with any other names, marks, trade names and trademarks. It is hereby clarified that rights in any Intellectual Property developed by the Company shall at all times remain the exclusive property of the Company.

36.2 The Company shall take all steps promptly to protect its Intellectual Property rights, including without limitation registering all its patents, trademarks, brand names and copyrights.

36.3 The Company and the Investors shall cause the employees, officers and the Directors of the Company to enter into such agreements or undertakings from time to time for protecting its Intellectual Property Rights. For the sake of clarity, it is averred that the Company shall be the owner of all intellectual property, free and clear of any encumbrances.

37. **CONFIDENTIALITY**.

37.1 Each of the Parties hereto (including their nominees, representatives, agents, employees, and the like) shall keep all information relating to the each of the other Parties (including business, affairs, customers, clients, suppliers and/or members of the group of companies to which such Party belongs), information relating to the transaction, these Articles, or provided pursuant to these Articles (collectively, referred to as the "**Information**") confidential. None of the Parties shall issue any public release or public announcement or otherwise make any disclosure concerning these Articles and/or the transactions contemplated thereby, without the prior approval of the other Party.

37.2 Nothing in these Articles shall restrict any Party from disclosing Information:

(a) to the extent that such Information is required to be disclosed by any Applicable Law, in which case (i) prompt notice of such requirement will be provided to the other Party, and (ii) the disclosure will be limited to the applicable requirement;

(b) in so far as it is required to be disclosed to Affiliates, the employees, Directors or professional advisers of any Party, provided that any such disclosure is on a need-to-know basis and the disclosing Party shall procure that such Persons to whom it is disclosed in terms of this provision treat such Information as confidential;

(c) in so far as such information is disclosed to existing and potential investors;

(d) if the Information has come into the public domain through no fault of the Party disclosing such Information; or

(e) if and to the extent the other Party has given prior written consent to the disclosure.

37.3 In the event that for any reason these Articles is terminated or shall lapse and the transactions contemplated hereby shall not be implemented, each Party shall on written demand of the Company immediately return the Information together with any copies in its possession.

37.4 Notwithstanding anything above from the Amendment Date, each of the Company, AU SFB, and the Investors agrees that they shall make no written or other public disclosures regarding the transaction as contemplated under the Transaction Documentsor regarding the Parties hereto to any person without the prior written consent of the other Party, provided that disclosures to the Investors' partners/investors/financing sources, affiliates, Directors and employees, professional advisors of the Parties and, with prior notice to the Investors, regulatory authorities or as otherwise required by law, shall be permitted.

38. **NOTICES**.

38.1 All notices, demands or other communications required or permitted to be given or made hereunder shall be in writing and delivered by hand, by courier or prepaid registered post with recorded delivery, or by email addressed to the intended recipient thereof at its address or at its email address, and marked for the attention of such person (if any), designated by it to the other Party for the purposes of these Articles or to such other address or email address, and marked for the attention of such person, as a Party may from time to time duly notify the other in writing. The initial address, email address and details of the identified person (if any) so designated by the Parties are set out below:

(a) In the case of notices to the Company:

Address: AAVAS FINANCEIRS LIMITED, 201-202, 2nd Floor, Southend Square, Mansarovar Industrial Area, Jaipur-302020, Rajasthan.

Fax No.: +91 141 6618861

E-mail: sharad.pathak@aavas.in

Attention: Company Secretary

(b) In the case of notices to Master Fund:

Address: Partners Group Private Equity Master Fund LLC, c/o Partners Group (USA) Inc., 1114 Avenue of the Americas, 37th Floor, New York, NY 10036, USA

Email: pgadmin@partnersgroup.com and murali.nair@partnersgroup.com (email of all notices to be sent to both email addresses)

Attention: Mr. Daniel Stopher / Mr. Murali Nair

With a carbon copy to:

Address: Partners Group Private Equity Master Fund LLC,C/o Citco (Mauritius) Limited, 4th Floor, Tower A, 1 Cybercity, Ebene, Mauritius Email: pgadmin@partnersgroup.com and murali.nair@partnersgroup.com (email of all notices to be sent to both email addresses)

Attn: Mr. Murali Nair

(c) In the case of notices to ESCL:

Address: Partners Group ESCL Limited, C/o Citco (Mauritius) Limited, 4th Floor, Tower A, 1 Cybercity, Ebene, Mauritius

Email: pgadmin@partnersgroup.com and murali.nair@partnersgroup.com (email of all notices to be sent to both email addresses)

Attention: Mr. Santosh Guzadhur / Mr. Murali Nair

With a carbon copy to:

Address: Partners Group ESCL Limited, c/o Partners Group AG Product Services Zugerstrasse 57 CH-6341 Baar-Zug Switzerland

Email: pgadmin@partnersgroup.com and murali.nair@partnersgroup.com (email of notice to be sent to both email addresses)

Fax: +41 41 784 65 64

Attn: Ms. Andrea Cagnati / Mr. Murali Nair

(d) In the case of notices to Lake District:

Address: Suite 11, 1st Floor, Plot 42, Hotel Street, Cybercity 72201, Ebene, Mauritius

Email: santosh@gfingroup.com

Fax: +230 454 6824

Attention: Mr. Santosh Gujadhur

(e) In the case of notices to Capital AIF 1:

Address: Sunshine Tower, 38th Floor, Senapati Bapat Marg, Parel, Mumbai – 400 013

Email: Devadatta.rajadhyakshya@kedaara.com

Fax: +91 22 6155 8001

Attention: Mr. Devadatta Rajadhyakshya

(f) In the case of notices to AU SFB:

Address: AU Small Finance Bank Limited (formerly known as Au Financiers

(India) Limited), 19-A, Dhuleshwar Garden, Ajmer Road, Jaipur - 302 001

E-mail: deepak.jain@aubank.in

Fax No.: +91 141 2368815

Attention: Mr. Deepak Jain

38.2 Any notice, demand or communication so served by hand, courier with recorded delivery, email or post shall be deemed to have been duly given:

(a) in the case of delivery by hand or by courier, when delivered;

(b) in the case of email, at the time of transmission;

(c) in the case of post, on the second Business Day after the date of posting (if sent by local mail) and on the seventh Business Day after the date of posting (if sent by air mail),

provided that in each case where delivery by hand, by courier or by email occurs on a day which is not a Business Day or after 5p.m.on a Business Day, service shall be deemed to occur at 9a.m. on the next following Business Day.

38.3 References to time in this Article are to local time in the country of the addressee.

38.4 Any Party may, from time to time, change its name, address or representative for receipt of notices provided for in these Articles by giving to the other Parties prompt written notice, and in any case within 10 (Ten) Business Days' of such change.

39. **GOVERNING LAW AND DISPUTE RESOLUTION**.

39.1 These Articles shall be governed by and construed in accordance with the laws of India and, subject to Articles 39.2 to 39.6, the Parties shall be free to approach any appropriate courts of New Delhi for relief.

39.2 The Parties agree to use all reasonable efforts to resolve any dispute, controversy, claim or disagreement of any kind whatsoever between or among the Parties in connection with or arising out of these Articles, including any question regarding its existence, validity or termination ("**Dispute**"), expediently and amicably to achieve timely and full performance of the terms of these Articles. If the Parties are unable to resolve the Dispute, within 30 (Thirty) days from the date on which such Dispute arises, the provisions of Articles 39.3 to 39.6 shall apply.

39.3 Any Dispute shall be referred to and finally resolved by arbitration which shall be conducted in accordance with the Arbitration Rules of the Singapore International Arbitration Centre.

39.4 The arbitration shall be by a panel of 3 (three) arbitrators, of which 1 (one) arbitrator shall be appointed by one disputing party and 1 (one) arbitrator shall be appointed by the other disputing Party, and the 3rd (third) arbitrator shall be appointed by the two arbitrators so nominated by the two disputing parties.

39.5 The seat of arbitration shall be India and any award shall be treated as an award made at the seat of the arbitration. The language to be used in the arbitral proceedings shall be English.

39.6 Any arbitral award rendered in accordance with this Articles hall be enforceable by any court of competent jurisdiction, including (if and to the extent determined by the arbitral tribunal) by injunctive relief or order for specific performance.

40. **ENTRENCHMENT PROVISIONS**.

These articles contain entrenchment provisions as permitted by Section 5(3) read with Rule 10 of the Companies (Incorporation) Rules, 2014. If required, a notice may be given by the Company to the Registrar of Companies in such manner, as prescribed in the said Rule 10.

ANNEXURE 1
DEED OF ADHERENCE

This **DEED OF ADHERENCE** dated [●] (this "**Deed**") is made and entered into among:

Partners Group Private Equity Master Fund LLC, a Company incorporated under of the laws of the Delaware, having its principal place of business at c/o Partners Group (USA) Inc., 1114 Avenue of the Americas, 37th Floor, New York, NY 10036, USA(hereinafter referred to as "**Master Fund**", which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **FIRST PART**;

Partners Group ESCL Limited, a Company incorporated under the laws of Mauritius having its registered office at C/o Citco (Mauritius) Limited, 4th Floor, Tower A, 1 Cybercity, Ebene, Mauritius (hereinafter referred to as "**ESCL**" and together with Master Fund, hereinafter collectively referred to as, "**Partners Group**", which expression shall unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns)of the **SECOND PART**;

Lake District Holdings Limited, a Company incorporated under the laws of Mauritius, having its registered office at Suite 11, 1st Floor, Plot 42, Hotel Street, Cybercity 72201, Ebene, Mauritius (hereinafter referred to as "**Lake District**", which expression shall unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns);

Kedaara Capital Alternative Investment Fund – Kedaara Capital AIF 1, a fund registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as a Category II Alternative Investment Fund having its office at Sunshine Tower, 38th Floor, Senapati Bapat Marg, Parel, Mumbai – 400 013, India, and acting through its Trustee, IDBI Trusteeship Services Limited, (together with Lake District, hereinafter referred to as, "**Kedaara**" which expression shall unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns);

AU Small Finance Bank Limited (formerly known as Au Financiers (India) Limited), a Company incorporated under the laws of India, having its registered office at 19-A, Dhuleshwar Garden, Ajmer Road, Jaipur-302001, Rajasthan (hereinafter referred to as the "**AU SFB**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);

Aavas Financiers Limited, a Company incorporated under the laws of India, having its registered office at 201-202, 2nd Floor, Southend Square, Mansarovar Industrial Area, Jaipur-302020, Rajasthan (hereinafter referred to as the "**Company**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns); and

AND

[*NAME OF TRANSFEREE*], a Company incorporated and existing under the laws of [●], having its registered office at [●] (hereinafter referred to as the "**Transferee**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns).

Partners Group, Kedaara and AU SFB are hereinafter referred to individually as an "**Original Shareholder**" and collectively as the "**Original Shareholders**". The Original Shareholders and the Company are hereinafter referred to individually as an "**Original Party**" and collectively as the "**Original Parties**".

WHEREAS

(A) This Deed is supplemental to the shareholders agreement dated 5th February, 2016 between the Original Parties (the "**Agreement**"). The Original Shareholders are permitted to transfer the Equity Securities to the Transferee, subject to the provisions of the Agreement, including the execution of a Deed of Adherence.

(B) [*insert name of Transferor*] ("**Transferring Party**") intends to transfer the Equity Securities to the Transferee in accordance with the Agreement and the Transferee is now executing this Deed as required under the Agreement.

NOW, THEREFORE THIS DEED WITNESSETH AS FOLLOWS:

1. **CONSENT TO THE TERMS OF THE AGREEMENT**.

1.1. The Transferee covenants, undertakes and agrees with the Original Parties that by executing this Deed it shall be bound by the terms of the Agreement and the Charter Documents in respect of the Equity Securities it acquires.

1.2. The Transferee hereby confirms to the Original Parties that it has received a certified copy of the Agreement and the Charter Documents.

1.3. The Transferring Party and the Transferee covenant, undertake and agree with the other Original Parties that they shall continue to be bound by all the duties and obligations of any nature whatsoever cast upon the Transferring Party and/or its Affiliates under the Agreement and the Charter Documents in respect of the Equity Securities being transferred to the Transferee.

2. **REPRESENTATIONS AND WARRANTIES**.

The Transferee confirms and represents and warrants to the Original Parties that each of representations and warranties set out in Clause 3 (*Representations and Warranties*) of the Agreement, is true and correct in respect of itself as of the date hereof.

3. **DEFINITIONS**.

Capitalized terms used in this Deed but not defined herein shall have the meanings ascribed to them in the Agreement.

4. **GOVERNING LAW AND DISPUTE RESOLUTION**.

The Parties hereby agree and confirm that the provisions of Clause 18 (*Governing Law and Dispute Resolution*) of the Agreement shall apply *mutatis mutandis* to this Deed, as if set out specifically herein are incorporated into this Deed.

5. **NOTICES**.

The Transferee furnishes the following details for purpose of Article 38.1 (*Notices*):

To The Transferee	:	Address:	[●]
		Email Address:	[●]
		Attn.:	[●]

ANNEXURE 2
AFFIRMATIVE VOTE ITEMS

1. Any amendment of the Shareholders' Agreement or Memorandum and Articles of Association, or change in rights of Company securities;

2. Liquidation or winding up of the Company;

3. Consolidation, merger, amalgamation and acquisitions, divestments, de-merger, re-organization and disposition of any assets over a net asset value of INR 50,000,000(Rupees Fifty Million only);

4. Any change in capital structure including buy-back of any equity or equity-linked securities or any issuance/ allotment of shares;

5. Creation of subsidiaries of the Company and joint ventures;

6. Any appointment/removal of any CXO level employee or senior level employees or other key management personnel of the Company as identified in the definitive documents;

7. The adoption and/or any modification of the business plan or annual financial statements or the budget of the Company; it being clarified that the Company shall prepare the business plan / budget in advance on an annual basis for each financial year of the Company which shall be subject to the specific approval of the Investors;

8. Capital Expenditure, Borrowings/raising of any debt or the creation of any charge, mortgage, pledge, lien over the assets of the Company or the provision of any other security (including guarantees) by the Company, otherwise than as reflected in the Business Plan and/or any deviations in excess of 5% over items approved under the Business Plan;

9. Entering into contracts (of a value exceeding (i) INR 10,000,000 (Rupees Ten Million only) or more per transaction in the ordinary course of business and (ii) INR 20,000,000 (Rupees Twenty Million only) or more per transaction other than in the ordinary course of business) of any nature whatsoever or making any changes / amendments to existing contracts, which are outside of the approved amounts in the Business Plan;

10. Entering into or modification of any Related Party Transactions, contracts, agreements, arrangements or understandings between any of the shareholders and/or its affiliates, and the Company other than as specifically agreed in the definitive documents;

11. Change in Business of the Company;

12. Investments either by loans, credit or equity instruments other than as per the parameters agreed in the definitive documentation;

13. Write offs of any receivables, loans and advances, investments or inventories over and above the limits permitted in the Budget;

14. Declaration of dividends or any other form of distribution to the shareholders other than as agreed in the definitive documents;

15. Change in Company Auditors and any material change in the accounting methods or policies of the Company;

16. Commencing or settling of any litigation, arbitration or other proceedings or proceedings against any regulator or authority;

17. Any matters not stated hereinabove, requiring an ordinary or special resolution of shareholders under the provisions of the Act; and

18. Any of the above matters, as applicable to any subsidiary of the Company.

ANNEXURE 3
RESERVED MATTERS

1. Any amendment of the Shareholders' Agreement or Memorandum and Articles of Association, or any change in the rights of Company securities;

2. Liquidation or winding up of the Company;

3. Change in Business of the Company; and

4. Entering into or modification of any contracts, agreements, arrangements or understandings between any of the Affiliates of Kedaara or Partners Group, on the one hand, and the Company, on the other hand, other for any actions as are specifically contemplated or agreed in any of the Transaction Documents.

ANNEXURE 4
TRANSFER OF EQUITY SECURITIES

1. **Restrictions on Transfer**: The Key Managerial Personnel shall not Transfer any or all of the Equity Securities held by them, except for a Transfer of Equity Securities in accordance with Annexure 4, and the Company shall not record any Transfer that is in contravention of the provisions hereof, in its books and records. The Transfer restrictions under this Annexure 4 shall apply till such time that any of the Investors holds any Equity Securities in the Company. The Key Managerial Personnel shall in no event Transfer any or all of the Equity Securities held by each of them to a Competitor, except pursuant to the exercise of a tag along right granted hereunder.

2. **Lock-In**: Notwithstanding anything to the contrary in this Annexure 4 or the Articles of Association, any Transfer of one or more Equity Securities by the Key Managerial Personnel, shall be subject to the prior written consent of each of the Investors who holds any Equity Securities in the Company; PROVIDED THAT if the Key Managerial Personnel is Transferring his fully paid-up Equity Shares to an 'immediate relative' (i.e. his parent, spouse or child) or to an entity created for estate planning purposes of which the 100% legal and beneficial owners are the Key Managerial Personnel and his immediate relatives, then such Key Managerial Personnel may undertake such Transfer with prior written intimation to the Investors (along with providing full details in writing relating to the transferee), and without having to comply with paragraph 3 below. After a period of 3 years from the Closing Date, the Key Managerial Personnel shall be entitled to transfer up to 15% (fifteen percent) of the fully paid up Equity Shares held by him, subject to paragraph 3 below, and provided that the transferee is not a Competitor.

3. **Right of First Offer**: Where any of the Key Managerial Personnel intend to Transfer any or all of their Equity Securities, such Key Managerial Personnel is required to provide a right of first offer to the Investors pro rata to their shareholding in the Company at the time of such offer, and the process of the Investors Right of First Offer (i.e. the right of first offer provided by AU SFB) as set out in these Articles shall mutatis mutandis apply to this right of first offer, and for this purpose, the said provisions of these Articles shall be deemed to be incorporated herein, and the term "AU SFB" in such provisions shall be deemed to be replaced with the relevant Key Managerial Personnel as the case maybe.

4. In the event of any sale of Equity Shares by any of the Investor(s), the Key Managerial Personnelshall be entitled to sell the same proportion of the fully paid-up Equity Shares held by him, as is equal to the proportion that the Equity Shares being sold by the relevant Investor(s) bears to the total Equity Shares held by the relevant Investor(s). Such sale shall be undertaken at the same price, terms and timing as that of the sale by the Investor(s).

5. Upon the termination of any of the Management Agreements for any reason other than a health disability or a termination by the Company for Cause, (i) the Key Managerial Personnel shall be entitled to require that the Investors purchase (pro rata to their inter se shareholding in the Company) all the fully paid-up Equity Shares of such Key Managerial Personnel ("**Key Managerial Personnel Put Option**") at a value that is equal to 85% of the FMV Price ("**Key Managerial Personnel Exit Price**"), and (ii) the Investors shall be entitled to require that such Key Managerial Personnel sells all his fully paid-up Equity Shares to them (pro rata to their inter se shareholding in the Company) at a value that is equal the Key Managerial Personnel Exit Price ("**Key Managerial Personnel Call Option**"). At the option of the Investors, in either scenario above, the Investors shall be entitled to cause the Company to buy-back all the aforesaid Equity Shares at the Key Managerial Personnel Exit Price ("**Key Managerial Personnel Buyback**"), instead of completing the Key Managerial Personnel Put Option or the Key Managerial Personnel Call Option. In the event that any of the Equity Shares are acquired by the Key Managerial Personnel after the termination of this Agreement, on account of the exercise of the Specified ESOPs, the rights pertaining to the Key Managerial Personnel Put Option, Key Managerial Personnel Call Option and the Key Managerial Personnel Buyback shall be immediately available upon the issuance of such Equity Shares.

6. Further, upon the termination of any of the Management Agreements for any reason whatsoever, all partly paid Key Managerial Personnel Shares of the relevant Key Managerial Personnel shall stand extinguished / bought back, in consideration for which the amounts paid up on the Key Managerial Personnel Shares shall be returned to such Key Managerial Personnel.

7. In the event that (i) any of the Management Agreements is extended upon the completion of the Term, the relevant Key Managerial Personnel shall be entitled to require the Investors to purchase (pro rata to his inter se shareholding in the Company) up to 15% (fifteen percent) of the fully paid up Equity Shares held by him, at the FMV Price; or (ii) any of the Management Agreements is terminated on account of any health disability of the Key Managerial Personnel, the Key Managerial Personnel Put Option, Key Managerial Personnel Call Option and the Key Managerial Personnel Buyback shall apply with respect to all of the fully paid-up Equity Shares then held by the Key Managerial Personnelor acquired later by the Key Managerial Personnelon account of the exercise of any Specified ESOPs, with the exception that the share transfer to the Investors (pro rata to their inter se shareholding in the Company) will take place at the FMV Price instead of the Key Managerial Personnel Exit Price; or (iii) any of the Management Agreement is terminated for Cause, then the Investors shall be entitled to such Key Managerial Personnel Call Option or the Key Managerial Personnel Buyback with respect to all of the Equity Shares held by such Key Managerial Personnel, with the exception that the share transfer to the Investors (pro rata to their inter se shareholding in the Company) will take place at 75% of the FMV Price instead of the Key Managerial Personnel Exit Price. At the option of the

Investors, the Investors shall be entitled to cause the Company to buy-back the aforesaid Equity Shares in any of the aforesaid scenarios (instead of such Equity Shares being purchased by the Investors).

8. In the event that both the Investors propose to Transfer their Equity Securities, which would result in a Change of Control, the Investors shall also have a drag along right with respect to all of the fully paid-up Equity Shares of the Key Managerial Personnel, and the process of the drag along right as set out in these Articles shall mutatis mutandis apply to the drag along right provided under this paragraph; and for this purpose, the said provisions of these Articles shall be deemed to be incorporated herein, and the term "**Dragged Shareholders**" in such provisions shall be deemed to include the Key Managerial Personnel.

9. In the event that both the Investors divest their Equity Securities in the Company to a third party buyer, which results in a Change of Control, the Investors will ensure that at the time of their divestment, the Key Managerial Personnel is provided the opportunity to transfer all (and not less than all) of the fully paid-up Equity Shares held by the Key Managerial Personnel in the Company on the date of the final divestment by the Investors, at a price not less than the price at which the Investors divest their Equity Securities ("**Accelerated Tag**").

10. With respect to an IPO of the Company, (i) the Key Managerial Personnel shall be required to pay up all outstanding amounts on their partly-paid shares prior to the date of filing of the DRHP as determined by the Board of the Company; (ii) post the occurrence of the IPO, there shall be no transfer restrictions on the Equity Shares held by the Key Managerial Personnel after the statutory lock-in; and (iii) the terms of the Specified ESOPs and the related ESOP scheme shall be modified to ensure that the same is in compliance with the requirements of all applicable laws.

We, the several persons, whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of these Articles:

Sl. No.	Names, addresses, descriptions subscribers	Witnesses (along with names, addresses, and occupations of descriptions and occupations)
1	Sanjay Agarwal S/o of Mr. Chiranjilal Agarwal R/o D-111, Yashoda Path, Shyam Nagar, Sodala Jaipur 302019 (Rajasthan) Occupation Business	I witness the signatures of all subscribers Rakesh Agarwal S/o Shri B.L. Agarwal, E-76, Chitranjan Marg, C-Scheme, Jaipur, Chartered Accountants Membership no. 410965
2	AU Small Finance Bank Limited (formerly known as Au Financiers (India) Limited) Through its Managing Director, Mr. Sanjay Agarwal Registered office: 19-A, Dhuleshwar Garden, Ajmer Road, Jaipur 302001 Occupation: Finance Business	

Dated this 21st day of Feb, 2011

Place: Jaipur

SAPNE AAPKE SAATH HAMAARA

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED AT THE 25TH EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF AAVAS FINANCIERS LIMITED (FORMERLY KNOWN AS "Au HOUSING FINANCE LIMITED") HELD AT 35TH FLOOR, SUNSHINE TOWER, SENAPATI BAPAT MARG, PAREL, MUMBAI-400013, INDIA , ON MONDAY, 11TH DAY OF JUNE, 2018 AT 12:00 PM

ADOPTION OF NEW ARTICLES OF ASSOCIATION

"**RESOLVED THAT**, pursuant to the applicable provisions of the Companies Act, 2013 and the rules made thereunder, as amended and subject to applicable law and the approval of relevant government, statutory, supervisory and/or regulatory authorities, and such other approvals, permissions and sanctions, as may be necessary, and pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 including the rules made thereunder to the extent notified and effective, as amended, the set of the revised articles of association, be and is hereby approved and adopted as the articles of association of Aavas Financiers Limited (the "Company") in substitution of the existing articles of association.

RESOLVED FURTHER THAT, the Board of Directors of the Company (including any committee thereof) be and hereby authorized to take all steps for giving effect to the aforesaid resolution including filing of the necessary forms with the Registrar of Companies, Rajasthan at Jaipur."

CERTIFIED TRUE COPY

FOR AAVAS FINANCIERS LIMITED

SHARAD PATHAK
COMPANY SECRETARY

Date : 13/06/2018
Place: Jaipur

AAVAS FINANCIERS LIMITED

AAVAS FINANCIERS LIMITED
(Formerly known as "Au HOUSING FINANCE LIMITED")
CIN NO.: U65922RJ2011PLC034297
Regd. & Corp. Office: 201-202, 2nd Floor, Southend Square,
Mansarover Industrial Area, Jaipur - 302020 I **Tel:** +91 141 661 8888
E-Mail: info@aavas.in, **Website:** www.aavas.in

SAPNE AAPKE, SAATH HAMAARA

CERTIFIED TRUE COPY OF RESOLUTION PASSED IN THE ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF AAVAS FINANCIERS LIMITED ("COMPANY") HELD ON THURSDAY, AUGUST 01, 2019 AT CLARKS BRIJ CONVENTION CENTRE (CBCC), HOTEL CLARKS AMER, JAWAHAR LAL NEHRU MARG, NEAR JAIPUR AIRPORT, JIPUR-302018 (RAJASTHAN) AT 03:30 P.M.

TO APPROVE ALTERATION IN ARTICLES OF ASSOCIATION OF THE COMPANY

"**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, read with the rules notified thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such other approvals ,consents, permissions, sanctions as may be necessary, consent of the Members of the Company be and is hereby accorded for substitution of existing clause 16.11 (c) of the part 1 of Articles of Association ("Articles") of the Company with the following clause:

Clause 16.11 (c) of the Articles

Notwithstanding Clause 16.11 (b) above, on and from the date hereof and until such time that Lake District and ESCL continue to remain 'promoters' of the Company (i) Lake District shall have the right to nominate 3 (Three) Directors to the Board (collectively, the "Lake District Nominee Directors"); (ii) ESCL shall have the right to nominate 2 (Two) Directors to the Board (together, the "ESCL Nominee Directors"); and (iii) the Chief Executive Officer of the Company may be appointed and hold office as Managing Director or Whole Time Director of the Company or with such other designation as the Board or Shareholders may decide in accordance with the provisions of the Act. 3 (Three) independent Directors shall be appointed to the Board in accordance with Applicable Laws (the "Independent Directors").

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid Resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

CERTIFIED TO BE TRUE
For Aavas Financiers Limited

AAVAS FINANCIERS LIMITED

Sharad Pathak
Company Secretary and Compliance Officer
(FCS-9587)

Date: August 09, 2019
Place: Jaipur

SAPNE AAPKE, SAATH HAMAARA

CERTIFIED TRUE COPY OF SPECIAL RESOLUTION PASSED IN THE 13TH ANNUAL GENERAL MEETING OF THE MEMBERS OF AAVAS FINANCIERS LIMITED ("THE COMPANY") HELD ON WEDNESDAY, JULY 19, 2023 AT 201-202, 2ND FLOOR, SOUTHEND SQUARE, MANSAROVAR INDUSTRIAL AREA, JAIPUR-302020 (RAJASTHAN) AT 03:30 P.M. THROUGH VIDEO CONFERENCING ("VC")/ OTHER AUDIO VISUAL MEANS (OAVM") FACILITY

TO APPROVE ALTERATION IN THE ARTICLES OF ASSOCIATION OF THE COMPANY

"**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder as may be applicable (including any statutory modification(s), change or re-enactment(s) thereof for the time being in force), Regulation 23 (6) of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the necessary approval(s), permissions, consents and sanctions required, if any from the statutory authority and all other applicable laws and regulations if any, consent of the Members of the Company be and is hereby accorded to alter the Articles of Association of the Company to amend the existing clause 16.11 (a) and to add clause 16.11 (d) as per below:

Clause No.	Existing Clause	Proposed Clause
16.11 (a)	The Board shall comprise up to 9 (Nine) Directors	The Board shall comprise up to 9 (Nine) Directors excluding the Nominee Director(s) appointed by debenture trustee (s), if any as per clause 16.11 (d) of Articles of Association.
16.11 (d)		The Board of Directors of Company shall appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as a Director on its Board of Directors. The Nominee Director appointed as such shall not be liable to retire by rotation.

RESOLVED FURTHER THAT all the Directors and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the alteration of the Articles of Association and further to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

CERTIFIED TO BE TRUE
For Aavas Financiers Limited

AAVAS FINANCIERS LIMITED

Sharad Pathak
Company Secretary and Compliance Officer
(FCS-9587)

Date: July 20, 2023
Place: Jaipur

SAPNE AAPKE, SAATH HAMAARA

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED AT THE 26TH EXTRAORDINARY GENERAL MEETING ("EGM") OF THE SHAREHOLDERS OF AAVAS FINANCIERS LIMITED ("THE COMPANY") HELD ON FRIDAY, MARCH 28, 2025 THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO VISUAL MEANS ("OAVM") FACILITY HOSTED AT BOARD ROOM, 4TH FLOOR, SOUTHEND SQUARE, MANSAROVAR INDUSTRIAL AREA, JAIPUR-302020 (RAJASTHAN).

ITEM NO.1

TO APPROVE THE ALTERATION OF THE ARTICLES OF ASSOCIATION OF THE COMPANY TO INCREASE THE MAXIMUM NUMBER OF DIRECTORS ON THE BOARD.

"**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, as may be applicable (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force) ("**the Act**"), all other applicable laws, acts, rules, regulations, guidelines, circulars, directions and notifications and subject to receipt of necessary approval(s), consent(s) (including consents from lenders of the Company, as applicable), permission(s) or sanction(s) as may be required, and Closing (as defined in Share Sale Agreements executed on August 10, 2024 by Aquilo House Pte. Ltd. and the Company with certain members of Promoter and Promoter Group) having occurred, the approval of the Members of the Company be and is hereby accorded, to amend and alter Article 16.11(a) in the Articles of Association of the Company ("**AoA**"), in substitution for, and to the exclusion of, the existing Article 16.11(a) in the Articles of Association of the Company ("**Existing AoA**").

(i) Article 16.11(a) of the Existing AoA shall be substituted by the following in the amended and restated AoA:

"*...16.11.* ***Composition of the Board***

(a) *The Board shall comprise up to 12 (twelve) Directors excluding the nominee director(s) appointed by debenture trustee(s), if any as per clause 16.11(c) of Articles of Association.*"

RESOLVED FURTHER THAT the Board of Directors of the Company ("**Board**") and the Company Secretary and Compliance Officer of the Company be and are hereby severally authorised to undertake all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, expedient, proper or desirable to give full effect to the aforesaid resolution, including but not limited to, filing of necessary forms with the Registrar of Companies, delegating any powers to any officials of the Company conferred upon the Board by this resolution, affecting any consequential changes to the AoA with respect to such amendment, settling all questions / doubts / queries / difficulties that may arise in respect of the alteration of the Articles of Association and executing all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution, at any stage without being required to seek any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

CERTIFIED TRUE COPY

FOR AAVAS FINANCIERS LIMITED

SAURABH SHARMA
COMPANY SECRETARY AND COMPLIANCE OFFICER
(ACS: 60350)

Date: 28/03/2025
Place: Jaipur

SAPNE AAPKE, SAATH HAMAARA

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED AT THE 26TH EXTRAORDINARY GENERAL MEETING ("EGM") OF THE SHAREHOLDERS OF AAVAS FINANCIERS LIMITED ("THE COMPANY") HELD ON FRIDAY, MARCH 28, 2025 THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO VISUAL MEANS ("OAVM") FACILITY HOSTED AT BOARD ROOM, 4TH FLOOR, SOUTHEND SQUARE, MANSAROVAR INDUSTRIAL AREA, JAIPUR-302020 (RAJASTHAN).

ITEM NO. 2:

TO APPROVE THE ALTERATION OF THE ARTICLES OF ASSOCIATION OF THE COMPANY TO INCLUDE DIRECTOR NOMINATION RIGHTS OF PROMOTER AND RELEVANT DEFINITIONS

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, as may be applicable (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force) ("**the Act**"), all other applicable laws, acts, rules, regulations, guidelines, circulars, directions and notifications and subject to such necessary approval(s), consent(s), permission(s) or sanction(s) as may be required, including the approval of the shareholders of the Company, and pursuant to the share sale agreements executed on August 10, 2024 by Aquilo House Pte. Ltd. ("**Aquilo**") and the Company with each of Lake District Holdings Limited, Partners Group ESCL Limited, Partners Group Private Equity (Master Fund), LLC (collectively "**SPAs**"), the approval of the board of directors of the Company be and is hereby accorded, to amend and alter the following Articles in the Articles of Association of the Company ("**AoA**"), in substitution for, and to the exclusion of, the following existing Articles in the Articles of Association of the Company, with effect from the Closing Date (as defined under the SPAs):

(i) Definitions of the following terms under Article 1.1 of the Existing AoA – "**Investor**", "**Lake District**", "**Capital AIF 1**", "**Kedaara**", "**Master Fund**", "**ESCL**" and "**Partners Group**", shall stand deleted in the amended and restated AoA.

(ii) Definitions of the following terms "**Aquilo House**" and "**Closing Date**" to be inserted in Article 1.1 in the amended and restated AoA:

*"**Aquilo House**" means Aquilo House Pte. Ltd. a private company limited by shares incorporated on August 2, 2024, under the laws of Singapore (Corporate ID: 202431463C), and with its registered office / permanent address at 38 Beach Road, #29-11 South Beach Tower Singapore 189767;*

*"**Closing Date**" means the date of completion of the share sale transactions under (i) the share sale agreement dated August 10, 2024 between Aquilo House, the Company and Lake District Holdings Limited; (ii) the share sale agreement dated August 10, 2024 between Aquilo House, the Company and Partners Group ESCL Limited; and (iii) the share sale agreement dated August 10, 2024 between Aquilo House, the Company and Partners Group Private Equity (Master Fund), LLC."*

(iii) The existing Article 16.11, Article 16.11(b) and Article 16.11(c) and Article 16.11(d) shall be substituted by the following in the amended and restated AoA:

(a) *"16.11 **Composition of the Board**: The Shareholders shall take all actions, including exercising their votes in relation to the Equity Securities held by them, as may be required to cause any Director nominated by Aquilo House ("**Promoter**") in accordance with this*

Article 16 to be duly elected, appointed, removed or replaced, as the case may be, such that the composition of the Board is in accordance with this Article 16.11.

*(b) On and from the Closing Date and until the Promoter retains 10% (Ten Per Cent) or more of the Share Capital: (i) the Promoter shall have the right to nominate 5 (Five) Directors to the Board (collectively, the "**Nominee Directors**") and (ii) the Chief Executive Officer of the Company may be appointed and hold office as Managing Director or Whole Time Director of the Company or with such other designation as the Board or Shareholders may decide in accordance with the provisions of the Act. Independent Directors shall be appointed to the Board in accordance with Applicable Laws (the "**Independent Directors**").*

(c) The Board of Directors of Company shall appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as a Director on its Board of Directors. The nominee director appointed by the debenture trustee(s) shall not be liable to retire by rotation."

(iv) Article 16.15 of the Existing AoA to be substituted by the following in the amended and restated AoA:

*"16.15 **Retirement of Directors**: Subject to Applicable Laws, 2 (Two) Nominee Director shall not be required to retire by rotation. In the event that the other Nominee Directors retire by rotation in accordance with the provisions of the Act, subject to Article 16.11, the Shareholders shall ensure and perform all acts including the exercise of the voting rights as may be necessary to ensure that such Nominee Directors are reappointed to the Board."*

RESOLVED FURTHER THAT the Managing Director & CEO, President & Chief Financial Officer, the Company Secretary and Compliance Officer and the Chief Compliance Officer of the Company be and are hereby jointly and severally authorized to undertake all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, expedient, proper or desirable to give full effect to the aforesaid resolution, to settle all questions / doubts / queries / difficulties that may arise in respect of the alteration of the Articles of Association of the Company, including but not limited to, filing of necessary forms with the Registrar of Companies, delegating any powers to any officials of the Company conferred upon the Board by this resolution, affecting consequential changes to the Articles including to remove references to "**Investor**", "**Lake District**", "**Capital AIF 1**", "**Kedaara**", "**Master Fund**", "**ESCL**" and "**Partners Group**", to include references to "**Aquilo House**" and "**Closing Date**", where necessary, settling all questions / doubts / queries / difficulties that may arise in respect of the alteration of the Articles of Association and executing all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution, at any stage without being required to seek any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Managing Director & CEO, President & Chief Financial Officer, the Company Secretary and Compliance Officer and the Chief Compliance Officer of the Company be and are hereby jointly and severally authorized to undertake all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, expedient, proper or desirable to give full effect to the aforesaid resolution, to settle all questions / doubts / queries / difficulties that may arise in respect of the alteration of the Articles of Association of the Company and further to execute all documents and writings as may be necessary, proper,

AAVAS FINANCIERS LIMITED

SAPNE AAPKE, SAATH HAMAARA

desirable or expedient to give effect to this resolution including to file necessary forms / returns / documents with the Registrar of Companies, the Reserve Bank of India, National Housing Bank, Securities and Exchange Board of India, stock exchanges and / or any other regulatory bodies, and to provide certified true copy of this resolution to any entity / regulator and such entity / regulator be requested to rely upon the authority of the same."

CERTIFIED TRUE COPY

FOR AAVAS FINANCIERS LIMITED

SAURABH SHARMA
COMPANY SECRETARY AND COMPLIANCE OFFICER
(ACS: 60350)

Date: 28/03/2025
Place: Jaipur

SAPNE AAPKE, SAATH HAMAARA

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED AT THE 26TH EXTRAORDINARY GENERAL MEETING ("EGM") OF THE SHAREHOLDERS OF AAVAS FINANCIERS LIMITED ("THE COMPANY") HELD ON FRIDAY, MARCH 28, 2025 THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO VISUAL MEANS ("OAVM") FACILITY HOSTED AT BOARD ROOM, 4TH FLOOR, SOUTHEND SQUARE, MANSAROVAR INDUSTRIAL AREA, JAIPUR-302020 (RAJASTHAN).

ITEM NO. 3:
TO APPROVE THE ALTERATION OF THE ARTICLES OF ASSOCIATION OF THE COMPANY TO INCLUDE DIRECTOR NOMINATION RIGHTS OF PROMOTER ON THE COMMITTEES OF THE BOARD.

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, as may be applicable (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force) ("**the Act**"), all other applicable laws, acts, rules, regulations, guidelines, circulars, directions and notifications and subject to such necessary approval(s), consent(s), permission(s) or sanction(s) as may be required, including the approval of the shareholders of the Company, and pursuant to the share sale agreements executed on August 10, 2024 by Aquilo House Pte. Ltd. ("**Aquilo**") and the Company with each of Lake District Holdings Limited, Partners Group ESCL Limited, Partners Group Private Equity (Master Fund), LLC (collectively "**SPAs**"), the approval of the board of directors of the Company be and is hereby accorded, to amend and alter the following Article in the Articles of Association of the Company ("**AoA**, in substitution for, and to the exclusion of, the following existing Article in the Articles of Association of the Company, with effect from the Closing Date (as defined under the SPAs):

1. Article 16.20 of the Existing AoA to be substituted by the following in the amended and restated AoA:

"*16.20* ***Committees of the Board:*** Subject to Applicable Laws, Nominee Directors shall have the right (but not an obligation) to have any 1 (one) of the Nominee Directors be appointed as a member of any committee or sub-committee of the Board. The Shareholders of the Company shall take such actions as may be necessary to enable the Nominee Directors to exercise such right."

RESOLVED FURTHER THAT the Managing Director & CEO, President & Chief Financial Officer, the Company Secretary and Compliance Officer and the Chief Compliance Officer of the Company be and are hereby jointly and severally authorized to undertake all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, expedient, proper or desirable to give full effect to the aforesaid resolution, to settle all questions / doubts / queries / difficulties that may arise in respect of the alteration of the Articles of Association of the Company and further to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution including to file necessary forms / returns / documents with the Registrar of Companies, the Reserve Bank of India, National Housing Bank, Securities and Exchange Board of India, stock exchanges and / or any other regulatory bodies, and to provide certified true copy of this resolution to any entity / regulator and such entity / regulator be requested to rely upon the authority of the same."

CERTIFIED TRUE COPY

FOR AAVAS FINANCIERS LIMITED

AAVAS FINANCIERS LIMITED

SAURABH SHARMA
COMPANY SECRETARY AND COMPLIANCE OFFICER
(ACS: 60350)

Date: 28/03/2025
Place: Jaipur

SAPNE AAPKE, SAATH HAMAARA

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors of your Company ("The Board") is delighted to present before you the 15th Annual Report, reflecting Growth, Operational and Financial performance of Aavas Financiers Limited ("the Company" /"Aavas"/ "Your Company") along with the Audited Financial Statements for the Financial Year ended March 31, 2025.

Company Overview

Your Company is a Housing Finance Company ("HFCs") registered with National Housing Bank ("NHB") regulated & controlled by Reserve Bank of India ("RBI") under the supervision of NHB. Your Company is engaged in providing Home Loans, Home Construction Loans, Loan against Property, and MSMEs business loans to the lower income segment of the society.

The Company specializes in providing home financing solutions to communities that have traditionally been underserved, unserved or overlooked by major financial institutions. Its strategic focus is on catering to the housing needs of low and middle-income groups primarily in semi-urban and rural areas. By doing so, the Company effectively bridges a critical gap in the housing finance landscape and reaches out to a niche market segment that is often neglected by larger financial institutions.

During the Financial Year, the Company has achieved a significant milestone in its journey – achieving ₹ 20,000 crore in Assets Under Management ("AUM"). This remarkable achievement reaffirms our commitment in providing accessible and affordable housing finance to thousands of families across India.

The Company's live customer count as at March 31, 2025 was 2.08 lakhs. Further, the cumulative loan disbursement since inception as at March 31, 2025 was ₹ 34,086.78 crore.

Today, your Company is a pan-India player with 397 branches across 14 states, reinforcing our deep commitment to financial inclusion.

FINANCIAL PERFORMANCE

Major highlights of performance of your Company for the Financial Year ended March 31, 2025 are as under:

(₹ in crore)

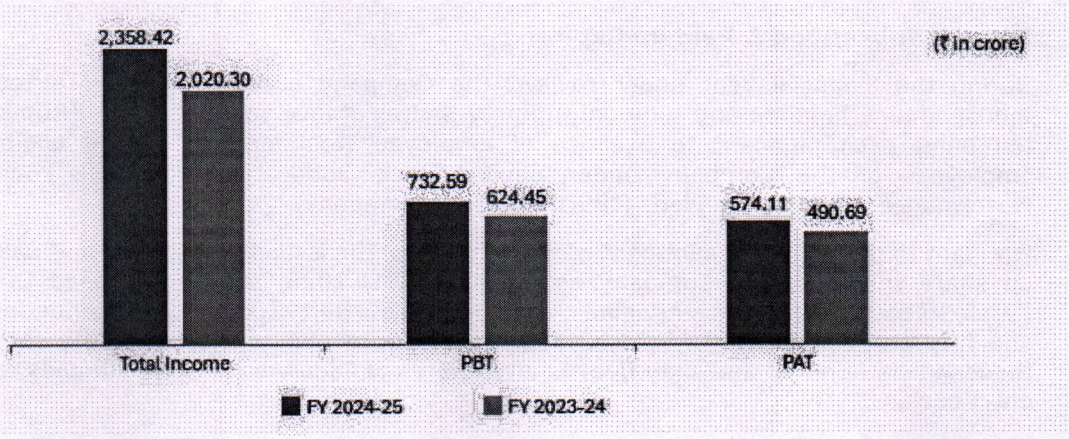
Particulars		For the Year ended March 31, 2025	For the Year ended March 31, 2024
A	Total Income	2,358.42	2,020.30
	Less:		
	Total Expenditure before Depreciation & Amortization and provision	(1,562.25)	(1,338.71)
	Impairment on financial instruments	(27.12)	(24.47)
	Depreciation & Amortization	(36.45)	(32.66)
B	Total Expenses	(1,625.83)	(1,395.85)

C	**Profit Before Tax (A-B)**	**732.59**	**624.45**
D	Less: Provision for Taxations (Net of Deferred Tax)	(158.48)	(133.76)
E	**Profit After Tax (C-D)**	**574.11**	**490.69**
F	Add: Other Comprehensive Income (Net of Tax)	0.24	0.15
G	**Total Comprehensive Income (E+F)**	**574.34**	**490.85**
H	Transfer to Statutory Reserve	114.87	98.17

The above figures are extracted from the financial statements prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under Sections 129 and 133 of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act. The detailed Audited Financial Statements as stated above are presented as a separate section of this Annual Report.

The key financial performance indicators for the Financial Year under review are as follows:

- Total Income, Profit Before Tax ("PBT"), Profit After Tax ("PAT") of your Company:



- Total Income for the Financial Year 2024-25 increased to ₹ 2,358.42 crore as compared to ₹ 2,020.30 crore in the previous Financial year.
- During the year, the Company has earned PBT of ₹ 732.59 crore as compared to ₹ 624.45 crore in the previous Financial year, and the PAT during the year was ₹ 574.11 crore as compared to ₹ 490.69 crore in the previous Financial year, recording an increase of 17%.
- The AUM of your Company stood at ₹ 20,420.18 crore (including assignment and PTC of ₹ 4,423.48 crore) as at March 31, 2025 as against ₹ 17,312.65 crore (including assignment of ₹ 3,722.72 crore) in the previous Financial Year, with a growth of 18%.

Furthermore, during Financial Year under review, there were no alterations/changes in the core operations or activities or nature of business of the Company.

AAVAS FINANCIERS LIMITED

DIVIDEND

Considering the capital-intensive nature of the business, the business plan of the Company and with a view to plough back the profits, the Board has not recommended dividend for consideration of the members at the ensuing Annual General Meeting ('AGM') in order to build a strong base for its long term growth.

In compliance with the Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI (LODR) Regulations, 2015"), the RBI Master Direction – (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("RBI Master Directions") the Board of Directors of the Company has formulated and adopted the Dividend Distribution Policy. The Policy is available on the website of the Company at link https:// www.aavas.in/img/pdf/dividend-distribution-policy.pdf. and forms part of this Annual Report as **'Annexure-5'.**

SHARE CAPITAL/ CAPITAL STRUCTURE AND DEBENTURES

Authorized Capital

During the Financial Year under review, there has been no change in the Authorized Capital of the Company. Your Company's Authorized Capital is set as ₹ 85,00,00,000/- (Rupees eighty five crore only) divided into 8,50,00,000 (Eight crore fifty lakhs) Equity Shares of ₹ 10/-(Rupees ten only) each.

Issued, Subscribed & Paid up Capital

During the Financial Year under review, the Company allotted 13,960 (Thirteen thousand nine hundred and sixty only) Equity Shares of face value of ₹ 10/- (Rupees ten only) each pursuant to exercise of employee stock options by the eligible employees of the Company under Equity Stock Option Plans ("ESOPs") and Performance Stock Option Plans ("PSOPs") of the Company.

Pursuant to the aforesaid allotment of Equity Shares, the issued, subscribed and paid-up share capital of the Company as on March 31, 2025, stands increased to ₹ 79,15,36,650/-(Rupees seventy nine crore fifteen lakhs thirty six thousand six hundred and fifty only) divided into 7,91,53,665 (seven crore ninety one lakhs fifty three thousand six hundred and sixty five) Equity Shares of Face Value ₹ 10/- (Rupees ten only) each.

The shares of the Company are actively traded on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and have not been suspended from trading.

Debentures

Details of Secured Debt Securities as on March 31, 2025:

(₹ in crore)

Sr. No	ISIN	Date of allotment	Outstanding Amount	Listed/Unlisted	Stock Exchange
1	INE216P07175	30-03-2020	205.11	Unlisted	-
2	INE216P07209	31-12-2020	15.00	Listed	BSE Limited
3	INE216P07217	26-11-2021	99.00		
4	INE216P07225	25-03-2022	40.00		
5	INE216P07233	20-07-2023	105.00		
6	INE216P07241	29-10-2024	630.00		
7	INE216P07258	15-01-2025	100.00		
8	INE216P07266	15-01-2025	100.00		



TRANSFER TO SPECIAL RESERVE (UNDER SECTION 29C OF THE NATIONAL HOUSING BANK ("NHB") ACT, 1987)

Under Section 29C of the National Housing Bank Act, 1987, Housing Finance Companies ("HFCs") are required to transfer a sum not less than 20% of their net profit every year to their reserve fund before declaration of any dividend. Your Company has transferred a sum of ₹ 114.87 crore, to reserve fund, which is 20% of its net profit.

OPERATIONS OF THE COMPANY

In the realm of housing finance sector in India, your renowned Company remains steadfast, with a mission focused on addressing the swiftly increasing demand for housing loans. With a strong commitment to growth together with our customers, we have established a path of ongoing expansion, strategically reaching various regions.

During the Financial Year under review, our presence extended gracefully across 14 states, featuring 397 branches that serve as beacons of financial empowerment.

As we have opted for an alternative path with a significant objective, unlike many others in our industry who focus on metropolis and urban cities, our focus is on the suburban and rural regions of India, where individuals from lower to middle-income backgrounds have a strong desire to achieve homeownership. In these locales, characterized by lush fields and developing communities, we are driven by a profound commitment to enhance people's lives through the provision of housing.

Your Company aims to empower and upgrade the lives of low and middle income customers by providing them accessible home loans and setting pioneering benchmarks in unserved and underserved markets.

Details regarding the operations of the Company and its state of affairs are covered in the 'Management Discussion and Analysis Report' forming part of this Annual Report.

During the Financial Year under review, your Company has demonstrated impressive and robust performance, as highlighted by the financial summary as below.

Income & Profits

- The Company witnessed an impressive surge in Total Income by 16.74% to ₹ 2,358.42 crore for the Financial Year ended March 31, 2025 as compared to ₹ 2,020.30 crore for the previous Financial Year.

- PBT was 17% higher at ₹ 732.59 crore as compared to ₹ 624.45 crore for the previous Financial Year and PAT was 17% higher at ₹ 574.11 crore as compared to ₹ 490.69 crore for the previous Financial Year.

Sanctions

- Throughout the Financial Year 2024-25, your Company has sanctioned housing loans for ₹ 6,240.53 crore as compared to ₹ 5,670.66 crore in the previous Financial Year, with an annual growth of 10 %.

- Since the inception of your Company, the cumulative loan sanctions reached at ₹35,301.25 crore as at March 31, 2025 and the Company has not granted any loan against the collateral of Gold Jewellery and loan against Shares during the year under review.



Disbursements

- The total housing loan disbursement reached at ₹ 6,123.01 crore as compared to ₹ 5,582.23 crore in the previous Financial Year registering an annual growth of 10%.

- The cumulative loan disbursement since inception as at March 31, 2025 was ₹ 34,086.78 crore.

Assets Under Management ("AUM")

AUM reflects the financial stability of the Company and serves as a key indicator of its growth and revenue potential.

- The AUM of your Company stood at ₹ 20,420.18 crore (including assignment and PTC of ₹ 4,423.48 crore) as at March 31, 2025 as against ₹ 17,312.65 crore (including assignment of ₹ 3,722.72 crore) in the previous Financial Year, with a growth of 18%.

- As at March 31, 2025, the average size of loan sanctioned was ₹ 9.68 lakhs and average tenure was 194.9 months in the AUM (on origination basis).

Capital Strength and Liquidity Position

- The Company's total Capital Adequacy was recorded at 44.50% (previous Financial Year 43.98%) significantly exceeding the minimum threshold of 15% mandated by the RBI Master Directions showing strong position of the Company.

- Additionally, as of March 31, 2025, the Company's Liquidity Coverage Ratio ("LCR") was 128.12% which is well above the regulatory requirement of 85%.

Non-Performing Assets ("NPA")

Your Company complies with the Indian Accounting Standards ("Ind AS") regarding the calculation of Stage-3 Assets ("NPA"). The classification of the Company's assets is based on expected performance. Exposure at Default ("EAD") represents the total outstanding amount, including accrued interest, as of the reporting date.

Thorough monitoring, early warning signals and instant actions enable the Company to maintain its portfolio quality. The Gross Non-Performing Assets ("GNPA") and Net Non-Performing Assets ("NNPA") as on March 31, 2025, were recorded at 1.08% and 0.73% respectively, compared to 0.94% and 0.67% in the previous Financial Year.

RATINGS OF THE COMPANY

Credit Rating

The financial prudence and discipline of the Company is demonstrated in the Credit Ratings assigned by Credit Rating Agencies as under:

Rating Agencies	Long Term Bank Facilities Rating	NCD Rating	Commercial Paper Rating/Short Term Debt	Outlook
ICRA Limited	AA; Stable	AA; Stable	A1+	Stable/Positive
CARE Ratings Limited	AA; Stable	AA; Stable	-	Stable/Positive

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India Ratings and Research Private Limited	-	-	A1+	-

For more details on credit ratings, kindly visit to website of the Company at https://www.aavas.in/investor-relations/credit-rating.

Environmental, Social, and Governance ("ESG") Rating

The Company has garnered notable recognition in the field of ESG practices, demonstrating its steadfast dedication to sustainability. The Company consecutively received the acclaimed 'Best Mid-Cap-Service Sector Award' at the Sustainability Reporting Awards, hosted by the Institute of Chartered Accountants of India ("ICAI") for Excellence in Business Responsibility and Sustainability Reporting ("BRSR"). The Company's ESG ratings further illustrate its strong performance and commitment to sustainability metrics:

ESG Rating Agencies	Ratings
CRISIL ESG Ratings & Analytics Limited	63 (Strong)
SES ESG Research Private Limited	77.8 (Medium)

The Company has not engaged with any ESG Rating Provider for rating. They have independently assigned the rating to the Company based on the Financial Year 2023-24 disclosures and other publicly available data. For more details on ESG ratings, kindly visit to website of the Company at https://www.aavas.in/esg-ratings.

REGULATORY & STATUTORY COMPLIANCES

In line with its commitment to ethical governance and transparent operations, the Company accords utmost importance to compliance with all applicable regulatory and statutory requirements. It operates within a well-defined compliance framework that ensures adherence to all relevant laws, rules and standards.

Your Company ensures strict adherence to all relevant guidelines, circulars, notifications and directions issued by our Regulators which includes but not limited to Reserve Bank of India ("RBI"), National Housing Bank ("NHB"), Ministry of Corporate Affairs ("MCA"), Securities and Exchange Board of India ("SEBI"), Insurance Regulatory and Development Authority of India ("IRDAI"), BSE and NSE from time to time. These guidelines, circulars, notifications and directions are also presented to the Board in the form of regulatory updates to keep the Board informed and report on actions initiated on the same. The Company also complies with the provisions of the Companies Act 2013, Secretarial Standards issued by the Institute of Company Secretaries of India ("ICSI") and as notified by Ministry of Corporate Affairs from time to time.

Further, the Company aligns itself with key regulatory frameworks such as the Ministry of Corporate Affairs' notifications, the RBI Master Directions – Non-Banking Financial Company (Housing Finance Company) Directions, 2021, the RBI Master Direction – (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Issue and Listing of Non-Convertible

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Securities) Regulations, 2021, the Income Tax Act, 1961 and Goods and Services Tax Act (GST). In addition, the Company diligently observes all other applicable statutory and regulatory requirements to maintain robust compliance and governance standards.

Compliance with Directions/ Guidelines of Reserve Bank of India ("RBI")/ National Housing Bank ("NHB")/ and other statutes

Your Company has complied with the Master Direction – Non- Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021. Your Company is adhering to all the instructions, guidelines and circulars issued by RBI during the year on various matters such as Key Fact Statement for Loans and Advances, strengthening of customer service rendered by Credit Information Companies and Credit Institutions, Know Your Customer ("KYC") Guidelines, Fraud Risk Management, Guidelines on Prevention of financial frauds perpetrated using voice calls and SMS – Regulatory prescriptions and Institutional Safeguards in Housing Finance Companies, which were duly implemented by the Company including formation of policies, implementing procedures and to review their outcome on periodic basis.

Further, the RBI had issued various Master Direction during the year including Master Direction on Fraud Risk Management dated July 15, 2024, Master Direction on Treatment of Wilful Defaulters and Large Defaulters dated July 30, 2024 and Master Direction on Reserve Bank of India (Credit Information Reporting) Directions, 2025 dated January 06, 2025. Your Company has duly implemented and adopted the said directions ensuring its compliance.

As per various circulars on Returns to be submitted by HFCs and various Circulars/ Guidelines/Notifications issued by NHB, your Company has duly complied and submitted all the required monthly/ quarterly/ half yearly NHB reports/ returns, intimation of opening/ closing (shifting/ relocation) of branches within prescribed time-limit during the Financial Year 2024-25.

Insurance Regulatory and Development Authority of India ("IRDAI") Compliance

The Company is registered with the IRDAI as a Corporate Agent for carrying on the Insurance Agency Business and has complied with the applicable requirements under Insurance Regulatory and Development Act, 1999 and IRDAI (Registration of Corporate Agent) Regulations 2015, as amended from time to time. Being an insurance intermediary, Company is maintaining all the required information as per IRDAI rules.

The Company's Certificate of Registration to act as Corporate Agent (Composite) was renewed with validity of three years from December 08, 2023 to December 07, 2026.

DEPOSITS

Your Company being a non-deposit-taking Housing Finance Company has not solicited, accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the Financial Year under review. Hence, the requirement for furnishing the details relating to deposits covered under Chapter V of the Act and in terms of RBI Master Directions-Non-Banking Financial Company (Housing Finance Company) Directions, 2021 is not required.

AWARDS AND RECOGNITION

- Honored with Best Mid-Cap – Service Sector Award in the Sustainability Reporting Awards 2023-24 by the Institute of Chartered Accountants of India ("ICAI") for Excellence in Business Responsibility and Sustainability Reporting ("BRSR") at IICC, New Delhi.



- Honored with ET NOW Best BFSI Brands 2025 Award.

- Honored with Best Annual Report 2024 by The Free Press Journal in the category of Finance-Housing.

- Honored with Product Innovation by National Housing Bank in Housing & Housing Finance Excellence Awards 2025.

ENROLLMENT IN GOVERNMENT SCHEMES

The Company has entered into a Memorandum of Understanding (MoU) with National Housing bank on November 05, 2024, to participate in the Interest Subsidy Scheme under Pradhan Mantri Awas Yojana - Urban 2.0 (PMAY-U 2.0) for claiming subsidy on home loans taken by eligible urban poor for acquisition, construction of house, thereby enabling beneficiaries to access affordable housing with financial relief and improved home ownership opportunities.

During the year, your Company has also registered under "Credit Risk Guarantee Fund Trust for Low Income Housing Scheme ("CRGFTLIH Scheme")" as member lending institution to avail guarantee facility under the CRGFTLIH Scheme.

RESOURCE MOBILIZATION

In alignment with the long-term strategic objectives, your Company has established a comprehensive borrowing policy framework to ensure prudent and efficient management of its funding requirements. The key objective of this framework is to maintain a diversified liability profile and reduce concentration risk by limiting excessive reliance on any single lender or financial instrument.

Your Company continues to engage with a broad spectrum of lenders and Financial Institutions, including Public Sector Banks, Private Sector Banks, NHB, Mutual Funds, SIDBI, Multilateral Institutions and other financial institutions.

This diversified lender base enables the Company to optimize the cost of funds and enhance financial flexibility.

In accordance with Section 180(1)(c) of the Companies Act, 2013, the Shareholders of the Company, through a Special Resolution passed on August 7, 2024, authorized the Board of Directors (deemed to include Executive Committee of the Board) to borrow monies, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the paid-up share capital, securities premium and free reserves of the Company, subject to an overall borrowing limit of ₹ 27,000 crore (Rupees twenty seven thousand crore only).

The Key highlights of your Company's borrowing and liquidity positions as on March 31, 2025 are mentioned below:

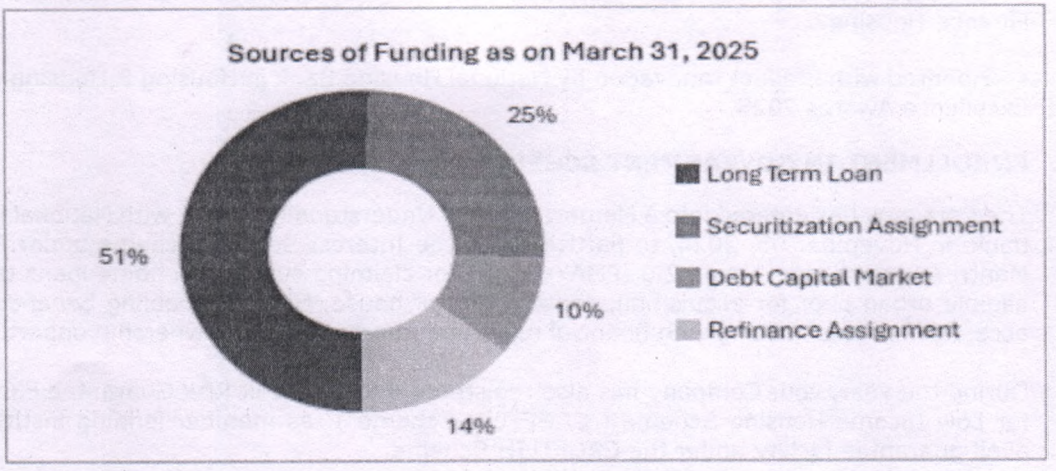
- Weighted Average Borrowing Cost as at March 31, 2025 was 8.24% (including Securitization/ Assignment) as against 8.07% as at the end of the previous Financial Year.

- The Company's sources of funding were primarily in the form of Long Term Loans from Banks and Financial Institutions (51%), followed by Securitization/Direct assignment (25%), NHB Refinance (14%), Debt capital market (10%).

- The Company maintained a comfortable liquidity position as on March 31, 2025 with ₹ 1559.63 crore (including FD's).

- The Liquidity Coverage Ratio ("LCR") for the Financial Year ended March 31, 2025 was 128.12% well above the regulatory requirement of 85%.

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Term Loans from Banks and Financial Institutions

The Company, during the Financial Year, received aggregate fresh loan sanctions amounting to ₹ 3,940 crore and has availed loans aggregating to ₹ 3,515 crore. The outstanding term loans from Banks and Financial Institutions as at March 31, 2025 were ₹ 9,124 crore (excluding PTC & CC) with average tenure of around 9 years.

Co-Lending/Securitization/Assignment of Loan Portfolio

Your Company has actively tapped co-lending/ Securitization/Direct Assignment market, which has enabled it to create liquidity, diversify liability profile and minimizing asset liability mismatches.

During the year under review, your Company received purchase consideration of ₹ 1,523 crore from assets assigned under transfer of loan portfolio transactions and raised ₹ 101 crore through co-lending of loan portfolio.

The transfer of loan portfolio and co-lending transactions were carried out in line with RBI guidelines and these assets were derecognized in the books of the Company.

Refinance from National Housing Bank ("NHB")

As on March 31, 2025, total outstanding balance of refinance from NHB stood at around ₹ 2,577 crore.

Non-Convertible Debentures (NCDs)

Your Company has raised long term funding through issuance of debt securities not only to the Domestic Financial Institution ("FI") but also to Multilateral/Development Financial Institutions ("DFI") and Scheduled Commercial Bank ("SCB") in India.

During the year under review, your Company has raised ₹ 830 crore through issuance of debt securities and as on March 31, 2025, the Company's outstanding NCDs stood at around ₹ 1,317 crore [FI – 23 % ;DFI – 65 % and SCB- 12 %] as compared to ₹ 945 crore [FI – 10 % ;DFI - 66 % and SCB- 24 %] as on March 31, 2024.

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Your Company has not issued any Commercial Paper & Short Term Instrument during the Financial Year 2024-25 and as on March 31, 2025, the Company's Commercial Paper outstanding is NIL.

Rupee Denominated External Commercial Borrowing

As on March 31, 2025 the outstanding balance of Rupee Denominated External Commercial Bond stood at ₹ 410.96 crore (including outstanding balance of social masala bond of ₹ 360.86 crore).

Further, the interest on NCDs and Masala Bonds issued on private placement basis were paid by the Company on their respective due dates and there was no instance of interest amount not claimed by the investors or not paid by the Company.

Your Company, being listed HFC, is exempted from the requirement of creating Debenture Redemption Reserve ("DRR") on privately placed debentures. Therefore, your Company has not created DRR. Further the requirement to invest or deposit a sum of not less than 15% of the amount of debentures which are maturing during the Financial Year ending on March 31 of the next year as provided under Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 has been done away for listed Companies vide notification of MCA dated June 05, 2020.

TRUSTEE TO SECURITIES HOLDERS

In compliance to the requirements of Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulation 2021, the Company has appointed IDBI Trusteeship Services Limited as Debenture Trustee to protect the interest of the debenture holders of the Company.

The details of Debenture Trustee are available on the Company's website at https://www.aavas.in/details-of-debenture-trusteerta-and-grievance. Further, the details of Debenture Trustee is also provided at corporate information section, of this Annual Report.

BRANCH BUILD-UP

A strong branch network forms the backbone of the Company's operations, enabling it to serve customers effectively at the grassroots level. Each branch acts as a strategic touchpoint, driving business growth and fostering closer engagement with local communities. By expanding the physical presence, the Company continues to strengthen its reach, improve customer access and tap into emerging markets across India.

As on March 31, 2025, the Company is operating in 14 states, with a network of 397 branches, consisting of Rajasthan, Gujarat, Maharashtra, Madhya Pradesh, Delhi, Uttar Pradesh, Haryana, Chhattisgarh, Uttarakhand, Himachal Pradesh, Punjab, Odisha, Karnataka and Tamil Nadu. The Company added 30 new branches during the Financial Year 2024-25.

Your Company has its Registered Office in Jaipur, Rajasthan and its branch network as on March 31, 2025 vis-à-vis the previous Financial Year are detailed hereunder:

State	Branches as on March 31,2025	Branches as on March 31,2024
Rajasthan	109	108
Madhya Pradesh	55	51

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Maharashtra	51	49
Gujarat	46	45
Uttar Pradesh	39	32
Karnataka	38	26
Haryana	20	18
Chhattisgarh	9	9
Uttarakhand	9	9
Odisha	6	6
Delhi	5	5
Punjab	5	5
Himachal Pradesh	4	4
Tamil Nadu	1	-
Total number of branches	**397**	**367**

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Company's Board of Directors is committed in upholding the highest standards of integrity, which serve as the cornerstone of the Company's governance framework.

The Board of Directors of the Company is a panel of members having diverse set of competencies, demonstrated experience, personal integrity, ethics, and Governance expertise. In addition to possessing relevant skills, Directors exhibit leadership qualities that contribute to the effective stewardship of the organization.

In accordance with Section 149 of the Act, Regulation 17 of SEBI (LODR) Regulations, 2015 and the RBI Master Direction – (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time, your Company has optimum mix of Executive, Non-Executive and Independent Directors.

The Board assumes a critical role in overseeing management operations and ensuring alignment with the short-term 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 members of the Company's Board of Directors are eminent persons of proven competence and integrity. Non-Executive Directors, including Independent Directors, play a critical role in imparting value to the Board processes by bringing an independent judgment in the areas of strategy, performance, resource management, financial reporting, the overall standard of Company's conducts etc.

The Board has identified the core competencies (like Accounting & Finance, Legal & Compliance, Strategic Development & Execution, Governance Board Role etc.) and some specialized skills as essential for the effective functioning of the Company as a Non-Banking Financial Company ("NBFC") and Housing Finance Company.

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The Board of the Company comprises of 9 (Nine) Directors, comprising 3 (Three) Non-Executive Independent Directors (including 2 (Two) Women Directors), 5 (Five) Non-Executive Nominee Directors and 1 (One) Executive Director-Managing Director & Chief Executive Officer as on March 31, 2025 who build strong foundation in business principles and leadership.

The Composition of Board of Directors and Key Managerial Personnel of the Company is as follows:

BOARD OF DIRECTORS

The Composition of the Board of the Company as on March 31, 2025 is given below:

Name of Director	**Designation and Category**
Mr. Sandeep Tandon	Chairperson-Independent Director (Non-Executive)
Mrs. Kalpana Kaushik Mazumdar	Independent Director (Non- Executive)
Mrs. Soumya Rajan	Independent Director (Non- Executive)
Mr. Sachinderpalsingh Jitendrasingh Bhinder	Managing Director and CEO (Executive)
Mr. Ramachandra Kasargod Kamath	Nominee Director (Non- Executive)
Mr. Vivek Vig	Nominee Director (Non- Executive)
Mr. Nishant Sharma	Promoter Nominee Director (Non- Executive)
Mr. Manas Tandon	Promoter Nominee Director (Non- Executive)
Mr. Rahul Mehta*	Promoter Nominee Director (Non- Executive)

*Appointed as an Additional Director w.e.f. May 21, 2024 and appointed as Promoter Nominee Director w.e.f. August 07, 2024 in place of Mr. Kartikeya Dhruv Kaji who has resigned w.e.f May 21, 2024.

After the end of Financial Year 2024-25 and up to June 30, 2025, pursuant to purchase of shares under the separate share sale agreements entered into by each of (i) Lake District Holdings Limited ("LDHL"), promoter of the Company till June 30, 2025 (ii) Partners Group ESCL Limited ("PGEL"), promoter of the Company till June 30, 2025 & (iii) Partners Group Private Equity (Master Fund), LLC ("PGPE"), member of the promoter group of the Company till June 30, 2025 (LDHL, PGEL and PGPE collectively referred as 'Sellers'), with the Company and Aquilo House Pte. Ltd. ('Purchaser') on August 10, 2024 (collectively, the "SPAs"), the Purchaser has acquired an aggregate of 2,09,49,112 equity shares of the Company representing 26.47% of paid-up share capital of the Company as on June 30, 2025. For the sake of completeness, please note that as on March 31, 2025, the Purchaser held 17,808,116 equity shares of the Company representing 22.50% of the share capital of the Company, acquired on March 21, 2025 pursuant to an open offer announced by the Purchaser vide public announcement dated August 10, 2024 in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers Regulations), 2011.

Pursuant to the above, the Sellers and other members of the promoter group have ceased to be the promoters and members of the promoter group of the Company, and

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are not in control of the Company; and the Purchaser has acquired control of the Company, and stands reclassified as a 'promoter' of the Company, in each case with effect from June 30, 2025.

Pursuant to completion of the transactions contemplated in the SPAs, the 5 (five) Non-Executive Directors nominated by the Sellers resigned with effect from June 30, 2025, and 5 (five) Additional Non-Executive Non-Independent Directors nominated by the Purchaser, the new promoter, were appointed by the Board of Directors subject to approval of the member of the Company, with effect from June 30, 2025, detailed as under:

Sr. No.	Directors resigned w.e.f. June 30, 2025	Directors appointed w.e.f. June 30, 2025
1	Mr. Ramachandra Kasargod Kamath	Mr. Elcid Vergara
2	Mr. Vivek Vig	Mr. Siddharth Tapaswin Patel
3	Mr. Nishant Sharma	Mr. Nikhil Omprakash Gahrotra
4	Mr. Manas Tandon	Mrs. Neha Sureka
5	Mr. Rahul Mehta	Mr. Anant Jain

KEY MANAGERIAL PERSONNEL (KMP)

Pursuant to the provisions of Section 2(51) and 203 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, the following are the Key Managerial Personnel of the Company:

Sr. No.	Name of KMP	Designation
1	Mr. Sachinderpalsingh Jitendrasingh Bhinder	Managing Director & CEO
2	Mr. Ghanshyam Rawat	President and Chief Financial Officer
3	Mr. Ashutosh Atre	President and Chief Risk Officer
4	Mr. Saurabh Sharma*	Company Secretary and Compliance Officer

* In compliance with advisory issued by National Housing Bank vide letter MRO/DOS/DAK/2024/03875 dated December 13 2024, regarding separation of the role of Company Secretary and Chief Compliance Officer. Mr. Sharad Pathak resigned from the post of Company Secretary and Compliance Officer, w.e.f. closing hours of January 30, 2025 and continues to hold the office as Chief Compliance Officer and Mr. Saurabh Sharma was appointed as the Company Secretary and Compliance Officer w.e.f. January 31, 2025.

APPOINTMENT & RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the Financial Year under review and up to the date of this report, the Company has witnessed changes in its Board composition and KMP structure in accordance with corporate governance requirements and business imperatives. The appointments, resignations, and reconstitutions have been undertaken to strengthen leadership, align with regulatory directives, and enhance operational efficiencies.

Appointment	Reappointment	Resignation or Retirement	Directors Retiring by Rotation	Appointments/ Resignations of the Key Managerial Personnel (KMP)
During the Financial Year under review,	During the Financial Year under review, the	Mr. Kartikeya Dhruv Kaji resigned from the Board of the	Pursuant to the provisions of Section 152 of the	In compliance with advisory issued by National

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the Members at its 14th AGM held on August 07, 2024, approved the appointment of Mr. Rahul Mehta (DIN: 09485275) as Non-Executive Nominee Director of the Company. Mr. Elcid Vergara, Mr. Anant Jain, Mrs. Neha Sureka, Mr. Nikhil Omprakash Gahrotra and Mr. Siddharth Tapaswin Patel were appointed as Additional Non-Executive Directors of the Company w.e.f. June 30, 2025, subject to approval of the members of the Company.	Members at its 14th AGM held on August 07, 2024, approved the re-appointment of Mrs. Soumya Rajan (DIN: 03579199) as Independent Director of the Company for a second term of 5 years w.e.f. August 29, 2024 till August 28, 2029.	Company w.e.f May 21, 2024. Mr. Ramachandra Kasargod Kamath, Mr. Vivek Vig, Mr. Nishant Sharma, Mr. Manas Tandon, and Mr. Rahul Mehta resigned as Non-Executive Directors from the Board of the Company w.e.f. June 30, 2025.	Act, Mr. Manas Tandon, Promoter Nominee Director and Mr. Nishant Sharma, Promoter Nominee Director of the Company, retired and being eligible, were re-appointed with the approval of members at the 14th AGM held on August 07, 2024. Further, in accordance with the provisions of the Act, as the Managing Director & CEO of the Company is not liable to retire by rotation, and all the Non-Executive Non-Independent Directors have been appointed as Additional Directors w.e.f. June 30, 2025 and hold office up to the ensuing Annual General Meeting (AGM), therefore, no director of the Company is liable to retire by rotation at the ensuing AGM as per the current composition of the Board of the Company.	Housing Bank vide letter MRO/DOS/DAK/2024/03875 dated December 13 2024, regarding separation of the role of Company Secretary and Chief Compliance Officer.Mr. Sharad Pathak resigned from the post of Company Secretary and Compliance Officer, w.e.f. closing hours of January 30, 2025 and continues to hold the office as Chief Compliance Officer and Mr. Saurabh Sharma was appointed as the Company Secretary and Compliance Officer w.e.f. January 31, 2025.

DECLARATION BY INDEPENDENT DIRECTOR

In accordance with the provisions of the Section 149(6) of the Act and Regulation 16(1)(b) & 25 of SEBI (LODR) Regulations, 2015, the Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence for Independent Directors.

The Board affirms that the Independent Directors fulfill the aforesaid criteria and possess requisite integrity, qualifications, proficiency, experience, expertise and are independent of the management.

The names of all the Independent Directors of the Company have been included in the Independent Director's databank maintained by Indian Institute of Corporate Affairs ("IICA"). None of the Directors have any pecuniary relationship or transactions with the Company.

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CERTIFICATE OF NON- DISQUALIFICATION OF DIRECTORS

The Board of Directors hereby affirms that none of its members are disqualified from being appointed as Directors in accordance with the provisions of Section 164 of the Act. Further, no Director has been debarred from holding the office of Directors by virtue of any SEBI order or any other such authority. None of the Directors of the Company are related to each other.

In support of the above, a certificate from a Company Secretary in practice has been obtained confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by SEBI / MCA or any such statutory authority. The same forms part of this Annual Report as **'Annexure-1'**.

DISCLOSURE UNDER SECTION 197(14) OF THE COMPANIES ACT, 2013

The Managing Director and CEO of the Company has not received any commission from its Subsidiary Company.

BOARD MEETINGS

The Company ensures compliance with Corporate Governance best practices by convening a minimum of 4 (Four) Board meetings annually, with 1 (One) meeting held in each quarter. The schedule for these meetings is determined well in advance, following due consultation and concurrence of all Directors.

Decisions requiring immediate attention and matters of urgency, approved via circular resolutions, are subsequently presented to and duly noted at the next scheduled Board meeting to ensure transparency and accountability in governance.

During the Financial Year under review, the Board convened and conducted 7 (Seven) meetings. The attendance details of individual Directors at these meetings are comprehensively documented in the Corporate Governance Report and therefore are not reiterated here to prevent redundancy in reporting.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors plays a crucial role in propelling success of the Company and Board Evaluation is the essential process that allows the Board to recognize and tackle challenges related to Corporate Governance, thereby increasing the overall value of the organization. A thorough and effective Board Evaluation plays a crucial role in enhancing performance at both the organizational board level and individual level.

In accordance with the criteria set forth in the Act and the SEBI (LODR) Regulations 2015, the Board of Directors has conducted an annual assessment of its performance, along with that of its Committees and Individual Directors. The Board, in consultation with its Nomination and Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors, which is in compliance with the applicable provisions of the Act and the SEBI (LODR) Regulations, 2015.

Further, the Board oversees, evaluates, and revises the framework in collaboration with the Nomination and Remuneration Committee, as necessary and in response to new compliance obligations.



The Board Evaluation process is carried out through a web based platform called 'Goveva', which streamlines the process, boosts operational efficiency and automates report generation.

The comprehensive evaluation process for the Board, its Committees, and individual Directors, including Independent Directors, is outlined in the Corporate Governance Report, which is the part of this Report.

SEPERATE INDEPENDENT DIRECTORS' MEETINGS

During the Financial Year under review, a seperate meeting of Independent Directors was convened on March 05, 2025 in strict adherence to regulatory requirements. This meeting was held without the participation of Non-Independent Directors or members of the Company's Management, thereby ensuring an environment conducive to independent deliberation and oversight.

The Independent Directors, in the course of this meeting, reviewed and discussed various matters arising from Committee meetings and Board deliberations. Their discussions encompassed, inter alia, the assessment of the quality, adequacy, and timelines of information flow between the Company's Management and the Board, ensuring that the Board is equipped with all necessary data and insights to effectively discharge its fiduciary and governance responsibilities.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In our dedication to uphold strong governance practices, your Company has in place a system of conducting the familiarization programmes for Independent Directors in view of adherence with the expected obligations and responsibilities of Independent Directors as prescribed under the Regulation 25(7) of the SEBI (LODR) Regulations, 2015. As per the Programme, Independent Directors are acquainted with their roles, rights, responsibilities, and the nature and business model of the Company upon their induction.

The Programme is designed to provide a conceptual framework aligned with contemporary expectations, mandating that Independent Directors comply with a code of ethics and integrity to fulfil their responsibilities in a professional and trustworthy manner, thereby fostering confidence within the investment community. The objective of this program is to educate Independent Directors about their rights and obligations, as well as to familiarize them with the regulatory landscape and the business model under which the Company operates.

The induction and continuous training programs empower the Board, including Independent Directors to make well-informed and deliberate decisions that align with the best interests of the Company's stakeholders.

The specifics of the Familiarization Programme have been hosted on the Company's website and can be accessed at https://www.aavas.in/codes-and-policies.

POLICY ON DIRECTOR'S APPOINTMENT, REMUNERATION & OTHER DETAILS

In pursuit of building a capable and visionary leadership team, the Company has laid down a comprehensive Nomination and Remuneration Policy for the selection, compensation and, governance of its Directors, Key Managerial Personnel ("KMP"), and Senior Managerial Personnel("SMP"). This Policy emphasizes ethical conduct, professional merit, and organizational fit, ensuring that individuals appointed to critical roles bring value through their competence and insight. The policy also promotes transparency in the nomination process, reinforcing the Company's commitment to responsible leadership.



The Policy has been formulated in accordance with the Section 178 of the Act, provisions of Regulation 19 of SEBI (LODR) Regulations, 2015 and Guidelines on Compensation of Key Managerial Personnel and Senior Management in NBFCs issued by RBI vide circular dated RBI/2022-23/36 DOR.GOV.REC. No.29/18.10.002/2022-23 on April 29, 2022 ("RBI Guidelines"), as amended from time to time.

The Policy is available on the website of the Company and can be accessed at https://www.aavas.in/codes-and-policies and all the details of remuneration paid to the Directors is mentioned in Annual Return in form MGT-7, available on Company's website and can be accessed at https://www.aavas.in/investorrelations/annual-reports.

BOARD COMMITTEES

In accordance with statutory requirements, the Company has following 9 (Nine) Board level Committees, these Committees have been constituted to ensure effective oversight, strategic decision-making, and regulatory compliance, in alignment with the provisions of applicable laws and statutes:

Sr. No.	Committee Name	Brief Purpose
1	Audit Committee ("AC")	Oversees the Company's financial reporting and internal controls.
2	Nomination & Remuneration Committee ("NRC")	Responsible for identifying and nominating new Board members, KMPs & SMPs and overseeing the Board's governance practices.
3	Stakeholders Relationship Committee ("SRC")	Ensuring good corporate governance and maintaining a positive relationship with stakeholders.
4	Corporate Social Responsibility & Environment Social Governance Committee ("CSR & ESG")	Integrate economic and social objectives, contributing to sustainable growth and a positive social impact and ESG Compliance includes sustainable development & long-term value creation.
5	Risk Management Committee ("RMC")	Assesses and manages Company's risks.
6	Asset Liability Management Committee ("ALCO")	To oversee the management of assets and liabilities to achieve profitability and financial stability.
7	Information Technology ("IT") Strategy Committee	To ensure that IT investments and projects support the organization's objectives, considering both risks and resources and oversees digital transformation and IT strategies.
8	Customer Service & Grievance Redressal Committee ("CS&GR")	Handles customer grievances and service improvements.
9	Executive Committee ("EC")	Responsible for taking decision related to borrowing, Investments, operational & strategic decisions.

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During the Financial Year under review, the Board accepted all recommendations made by the above Committees.

The details with respect to the composition, terms of reference, number of Meetings held, etc. of these Committees as on March 31, 2025 are given in the Report on Corporate Governance, which forms part of this Annual Report as **'Annexure-2'.**

EMPLOYEE STOCK OPTION PLAN

Employee Stock option Plan serve as a strategic instrument to attract, retain and reward talented employees. Beyond fostering motivation and encouraging long-term commitment, it align employees interest with the Company's objectives, thereby enhancing a sense of belonging and driving sustained organizational success.

EQUITY STOCK OPTION PLAN (ESOP) 2016-I (e)

During the Financial Year under review, the Company made grant aggregating to 89,500 options on October 15, 2024 under ESOP-2016-I (e).

PERFORMANCE STOCK OPTION PLAN ("PSOP-2023")

During the Financial Year under review, the Company made grant aggregating to 1,22,139 options on October 15, 2024, 5,256 options on October 18, 2024 and 23,904 options on December 12, 2024 under the PSOP-2023.

PERFORMANCE STOCK OPTION PLAN ("PSOP-2024")

The Company believes that equity-based compensation schemes/plans are an effective tool to reward the talent working with the Company for delivering long-term sustainable performance and creation of stakeholder value. With a view to drive long term performance, retain talent and attract new talent, the Company formulated and implemented 'Aavas Financiers Limited - Performance Stock Option Plan- 2024' ("PSOP-2024") as a key component in its reward structure to the eligible employees of the Company. The PSOP-2024 was approved by the Shareholders in Annual General Meeting held on August 07, 2024.

During the Financial Year under review, the Company made grant aggregating to 4,00,000 options on January 30, 2025 under the PSOP 2024.

Following are the existing ESOP and PSOP plans of the Company:

Sr. No.	Particulars	ESOP 2016- I	ESOP-2019	ESOP-2020	ESOP-2021	ESOP-2022	PSOP-2023	PSOP-2024
1.	Date of Shareholders' approval	The Plan was approved by the Shareholders of the Company by a Special Resolution passed on February 23, 2017.	The Plan was approved by the Shareholders of the Company by a Special Resolution passed on August 01, 2019.	The Plan was approved by the Shareholders of the Company by a Special Resolution passed on July 22, 2020.	The Plan was approved by the Shareholders of the Company by a Special Resolution passed on August 10, 2021.	The Plan was approved by the Shareholders of the Company by a Special Resolution passed on July 21, 2022.	The plan was approved by the Shareholders of the Company by a Special Resolution passed on November 06, 2023.	The plan was approved by the Shareholders of the Company by a Special Resolution passed on August 07, 2024.
2	Authorization	The Schemes empowers the Board and Nomination & Remuneration Committee to execute the Scheme.						



3	**Variation (if any)**	During the Financial Year under review, there have been no changes in the Schemes.

It is confirmed that all the ESOP & PSOP Schemes of the Company are in compliance with the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB and Sweat Equity Regulations") as amended from time to time.

The Nomination & Remuneration Committee administers and monitors the ESOP & PSOP Schemes in compliance with the Act, SEBI SBEB and Sweat Equity Regulations, 2021 and SEBI (LODR) Regulations, 2015.

The Secretarial Auditors of the Company has given a Certificate, confirming that the above ESOP & PSOP Schemes have been implemented in accordance with the SEBI SBEB and Sweat Equity Regulations, 2021 as amended from time to time. Such ESOP & PSOP Schemes will be available for the inspection of the Members of the Company.

The applicable disclosures as stipulated under Regulation 14 of SEBI SBEB and Sweat Equity Regulations, 2021, with regard to ESOP & PSOP Plan of the Company are available on the website of the Company at https://www.aavas.in/investor-relations/annual-reports.

AUDIT & AUDITORS

Statutory Auditors and Auditors' Report

In terms of provisions of Section 139 of the Act, read with the Companies (Audit and Auditors) Rules, 2014 and RBI Guidelines for appointment of Statutory Auditor(s), M/s. M S K A & Associates Chartered Accountants (Firm Registration No. 105047W) and M/s. Borkar & Muzumdar, Chartered Accountants (Firm Registration No. 101569W) were appointed as the Joint Statutory Auditors of the Company by the members of the Company for a period of 3 (Three) consecutive years in the AGM held on August 07, 2024 effective from the conclusion of 14th AGM until the conclusion of 17th AGM.

The Audit Report given by the Joint Statutory Auditors on the financial statements of the Company is part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

The Audit Committee and the Board of Directors also took note of the eligibility certificate received from both the audit firms that they are not disqualified and are eligible to hold the office as Auditors of the Company. Further, during the year under review, the Auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013.

Secretarial Auditors and Secretarial Audit Report

M/s. Chandrasekaran Associates, Company Secretaries (Firm Registration No. P1988DE002500), have carried out Secretarial Audit of the Company for the Financial Year 2024-25 in accordance with the provisions of Section 204 of the Act read with the rules made thereunder.

In accordance with provisions of Sub-section (1) of Section 204 of the Act, the Secretarial Audit Report in form MR-3, is furnished as **'Annexure-3'**, which forms part of this Annual Report.

The Report of Secretarial Auditors is self-explanatory and there were no observations or qualifications or adverse remarks in their Report.

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Furthermore, M/s. Chandrasekaran Associates, Company Secretaries has issued an Annual Secretarial Compliance Report for the Financial Year 2024-2025 in compliance with Regulation 24A of SEBI (LODR) Regulation, 2015 which forms part of this report as **'Annexure-4'** and is also submitted to the Stock Exchanges. There are no observations, or qualifications or adverse remarks in their Report.

Pursuant to the amendments made in SEBI Regulations i.e., SEBI (Listing Obligations & Disclosure Requirements) (Third Amendment) Regulations, 2024 and pursuant to SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024, the Company shall appoint Secretarial Auditor for a term of 5 years (the earlier term served shall not be considered for this term) with recommendation of Board and Shareholders approval in its Annual General Meeting.

Consequently, in accordance with, Section 204 of the Act, the Board of Directors, has recommended the appointment of M/s. Chandrasekaran Associates, (Firm Registration No. P1988DE002500) Company Secretaries as Secretarial Auditors of the Company for a period of 5 (Five) consecutive Years effective from FY 2025-26 upto FY 2029-30, to the Shareholders of the Company for their approval.

The Company has obtained consent and eligibility certificate from the above audit firm under applicable rules and laws that they are not disqualified and are eligible to hold the office as Secretarial Auditors of the Company, if appointed.

INFORMATION SYSTEM AUDIT ("IS AUDIT")

The landscape around information systems has been changing, therefore an IS audit focuses on the governance and management aspects of technology and cybersecurity as much as it does on specific focus areas of the audit.

The Company has in place an IS Audit Policy which is cognizant of business imperatives and is aligned with the aspirations of the organization, including being agile and innovative and adopting technologies at a rapid pace. Our Head of Internal Audit ("HIA") is accountable to the Audit Committee and Management in providing assurance on the adequacy and effectiveness of the Company's risk management, control, and governance of information system processes used for controlling its activities and managing its significant risks and also report material frauds and their investigations and corrective actions.

INTERNAL AUDIT & INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Company has in place Risk Based Internal Audit Framework ("RBIA") in compliance with directive issued by Reserve Bank of India. The Company has developed an in-house audit team and appointed HIA to oversee the audit of functional areas and operations.

The Internal Audit department is headed by the HIA who reports directly to the Audit Committee of the Board. The primary responsibility of the HIA is to effectively manage the Internal Audit department and to ensure that it adds value to the entity and its strategic objectives by strengthening risk controls, enhancing operational efficiencies, and ensuring governance compliance. The RBIA framework effectively ensures that internal audit coverage is commensurate with the nature of complexity of business operations on an ongoing basis. It encompasses coverage of business and support functions, technology and regulatory aspects as well as branch audits. HIA ensures compliance with the internal audit principles and standards and the independence of the Internal Audit department, its audit staff and evaluating its performance against key performance indicators.

The Audit Committee performs periodic reviews and evaluates adequacy and effectiveness of the Company's internal control environment, ensuring the timely



implementation of audit recommendations to enhance operational integrity and regulatory compliance.

The Company's internal financial control is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles. The Company's internal financial control framework includes those policies and procedures aimed at:

- Ensuring the maintenance of accurate financial records;
- Providing reasonable assurance that financial transactions are recorded appropriately for the preparation of financial statements;
- Establishing mechanisms for the timely prevention and detection of unauthorized acquisition, use, or disposal of Company assets that may have a material impact on financial statements.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS

There were no significant or material orders passed by the regulators or courts or tribunals against the Company during the Financial Year 2024-2025.

MATERIAL CHANGES/EVENTS AND COMMITMENTS, IF ANY

During the year following material changes/events have occurred:

Material Event: Share Purchase Agreement and Open Offer

During the year under review, your Company entered into separate share sale agreements (collectively, "SPAs") with Aquilo House Pte. Ltd. ("Purchaser") and each of Lake District Holdings Limited, Partners Group ESCL Limited and Partners Group Private Equity (Master Fund), LLC, who were members of the promoter/ promoter group of the Company till June 30, 2025 (collectively, "Sellers"). Pursuant to the SPAs, the Purchaser agreed to acquire in aggregate 2,09,49,112 equity shares of the Company from the Sellers constituting 26.47% of the paid up share capital of the Company and control of the Company subject to the terms and conditions set out in the SPAs.

The Purchaser is a Company incorporated under the laws of Singapore and belonging to the CVC Network. The CVC Network is a global alternative investment manager focused on private equity, credit, secondaries and infrastructure, consisting of CVC Capital Partners PLC (a public limited Company whose shares are listed and admitted to trading on the Euronext Amsterdam Stock Exchange) and each of its subsidiaries, from time to time. The execution of the SPAs triggered an obligation of the Purchaser to make an open offer to the public shareholders of the Company in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. The Purchaser acquired 1,78,08,116 equity shares of the Company aggregating to 22.50% of paid-up share capital of the Company pursuant to the open offer from the public shareholders.

In accordance with the terms of the SPAs, on June 30, 2025 (the "Closing Date"), Purchaser has acquired 2,09,49,112 equity shares constituting 26.47% of the paid-up share capital of the Company and on and from the Closing Date (i) Purchaser has acquired control of the Company and is categorized as a 'promoter' of the Company; and (ii) the erstwhile promoters and members of the promoter group of the Company hold NIL shares of the Company and have ceased to be in control of the Company, and



stand reclassified as public shareholders of the Company with effect from June 30, 2025.

Currently, Purchaser holds 3,87,57,228 equity shares of the company, representing 48.96 % of the paid-up share capital of the Company.

Further, there are no material changes and commitments affecting the financial positions of the Company, which have occurred after March 31, 2025, till the date of this report.

MAINTENANCE OF COST RECORDS

The Company being an NBFC-HFC is not required to maintain cost records as per sub-section (1) of Section 148 of the Companies Act 2013.

INFORMATION TECHNOLOGY

Your Company has always been at the forefront of technology innovations and effectively leveraging technology to enhance efficiency of the teams, managing risks, optimizing cost and provide superior experience to our customers.

The Company is working towards building a robust and scalable technology architecture in line with the charted transformation roadmap to make the Company future ready. Your Company has made a significant progress on this roadmap by successfully completing transformation of all key business applications.

The Company has already adopted a modern and innovative cloud-native application stack for loan origination and customer service using Salesforce and Mulesoft platforms which provide 360-degree visibility for the entire customer life cycle.

The Company has adopted ORACLE Fusion ERP System for accounting and financial reporting.

During Financial Year, the Company has successfully completed the migration of Loan Management System to ORACLE Flexcube Core Banking Application and also automated the Treasury Operations using Beacon Treasury Management System.

By utilising multiple India stack based fintech integrations and advance analytics capabilities, we have significantly optimized our processes to bring in efficiency and agility at all levels. The Company has created a technology stack to integrate with digital platforms and our digital partnerships with Central Govt's Common Service Centres (CSC), Rajasthan Govt's eMitra Kiosks and India Post Payment Bank are testament to the Company's commitment to become a partner in the last mile financial inclusion mission. The Company is actively looking forward to build and scale such partnerships in future.

The Company has upgraded the information security systems with modern and robust security solutions in all major domains including – data centre, endpoints, applications, network, etc. The Company performs continuous training / awareness programs for our teams and customers on emerging cyber threats and defence strategies. The Company performs periodic assessments of security, process controls and business continuity readiness through various layers of internal teams, service providers and auditors.



HUMAN RESOURCE – A CULTURE OF COMMITMENT, CONSISTENCY AND COMPASSION

Your Company has always been committed to nurturing a supportive, inclusive and dynamic workplace where each team member feels valued and motivated. Our comprehensive HR initiatives are designed to enhance employee well-being, cultivate professional growth, and build a strong sense of community. By investing in our people, we not only drive individual success and well-being, but also propel our organization towards greater achievements. Its vision of being a leader and a role model in a broad based and integrated financial services business and a culture that is purpose driven gives meaning to our people. As we reflect on the past Financial Year, 2025, it is evident that our success is intrinsically linked to the quality and competence of our human capital.

Your Company has continued to built upon the strong foundation established in previous years by implementing strategic initiatives designed to enhance the well-being, foster career growth and advance professional development of our employees. Among these initiatives, we have placed a particular emphasis on promoting the holistic well-being of our female staff and strengthening the leadership capabilities of our senior management team.

Recognizing the importance of a performance-driven culture, the Company introduced a performance-based equity scheme to instill a sense of ownership and accountability while incentivizing excellence. This initiative reflects our dedication to align individual contributions with organizational success, ensuring that employees are rewarded for their commitment and achievements.

Furthermore, we continue to invest in leadership development programs, mentorship opportunities, and skill enhancement initiatives to empower our workforce and equip them with the tools necessary to excel in an evolving business landscape.

As of March 31, 2025, our permanent employees count stood at 7,233, reflecting our growth and unwavering commitment to fostering a conducive and performance-driven organizational environment. In the future, your Company is committed to foster an improved workplace that nurtures professional development and operational excellence. Together, we will persist in our pursuit of excellence, promote sustainable growth and create lasting value for all our stakeholders.

RISK MANAGEMENT FRAMEWORK

Effective risk management is a crucial aspect of the Company's operations due to the inherent nature of its business. Acknowledging this, a series of internal policies have been established to strengthen the resilience of business operations.

Your Company priorities risk management by establishing a specialized sub-committee of executives, along with the Risk Management Committee of the Board, to supervise the process. This not only adheres to Regulation 21 of the SEBI (LODR) Regulations, 2015, but also guarantees conformity with RBI guidelines. The establishment of such a committee fosters a strong risk culture and governance framework within the organization, thereby enhancing its overall sustainability and success.

The Risk Management Committee convenes at least biannually, and additionally as required by the Board or Chairperson, to maintain continuous oversight of the Company's risk environment. By implementing suitable methodologies, processes and systems, the Committee is instrumental in monitoring and assessing the risks related to the business. Furthermore, the supervision of the Risk Management Policy's execution and the evaluation of the adequacy of risk management system demonstrate a proactive stance towards risk management within the Company.

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The Company has established comprehensive Risk Management Policies, which include Risk Management Policy, an IT Risk Management Policy, and an Internal Capital Adequacy Assessment Processes ("ICAAP") policy, along with an Early Warning Signal ("EWS") framework that adheres to RBI guidelines.

Identifying and monitoring significant risks such as Credit Risk, ALM Risk, Concentration Risk, Interest Rate Risk, Reputation Risk, Cybersecurity Risk, Fraud Risk, Business Risk, Exposure Risk, Competition Risk and Regulatory Risk are essential for preserving the Company's stability and resilience. These risks are reported to the Risk Management Committee quarterly, ensuring transparency and proactive risk management.

Additionally, the application of institutional intelligence in underwriting methodology, carried out by a skilled and experienced team, including Chartered Accountants, signifies a strong approach to risk assessment within the Company. Moreover, the presence of dedicated vendors and professionally qualified in-house teams to manage legal, technical and operational risks further strengthens the Company's risk management capabilities.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

In any organization, a secure and confidential channel for reporting concerns related to ethical conduct is essential for maintaining accountability and integrity. Such a mechanism empowers individuals to raise issues without fear, fostering a culture of transparency and trust within the organization. Accordingly, your Company has in place a Whistle Blower Policy encompassing vigil mechanism pursuant to the requirements of Section 177(9) and (10) of the Act and Regulation 22 of the SEBI (LODR) Regulations, 2015, to report to the management genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.

With the core aim to achieve the highest standards of ethical, moral and legal conduct of business operations and to nurture these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express their concerns without fear of punishment or unfair treatment.

The mechanism provides a secure channel to the employees and Directors for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases, ensuring transparency and accountability in addressing whistleblower concerns. There are no restrictions for accessing the Audit Committee for any of the Company's employees.

In order to safeguard the fairness of the process, the identity of the Whistle Blower is kept confidential to prevent any discriminatory actions against him/her.

The whistle blower policy is placed on the website of the Company and can be accessed at https://www.aavas.in/codesand-policies.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company is committed to foster a safe, respectful and inclusive workplace where every individual is empowered to work without fear, bias or harassment including sexual harassment. Primarily, we ensure a safe and equitable working environment for women and aim to ensure that every employee is treated with dignity and respect as sexual harassment at workplace is an extension of violence in everyday life and it is

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both discriminatory and exploitative, adversely impacting a women's right to life and livelihood.

Pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the POSH Act") and the rules made thereunder, the Company has formulated and implemented a Policy for prevention of sexual harassment against women and redressal of complaints thereto and has also constituted Internal Complaints Committee ("ICC") under the POSH Act.

ICC has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. The details of complaints received and disposed during the Financial Year are provided in Corporate Governance Report forming part of this Annual report.

MATERNITY BENEFITS PROVIDED BY THE COMPANY UNDER MATERNITY BENEFIT ACT, 1961

The Company places strong emphasis on creating a supportive, inclusive and equitable workplace for its women employees. As part of this commitment, the Company have been in compliance with the all applicable provisions of Maternity Benefit Act, 1961, during the financial year under review.

Accordingly, the Company has in place a well-defined Leave Policy, which explicitly outlines the provisions related to maternity leave and associated benefits. All eligible women have been extended the statutory benefits prescribed under the Act, including paid maternity leaves, continuity of salary and service during the leave period, and post maternity support.

Recognizing the importance of employee welfare, the Company remains dedicated to ensuring a safe and empowering work environment for its women employees in accordance with the applicable laws.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING IN COMPANY'S SECURITIES

The Company has, formulated and adopted code of conduct for prevention of Insider Trading in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("the PIT Regulations").

The Code of Conduct for Prevention of Insider Trading was formulated to regulate, monitor and ensure reporting of trading by Designated Persons and their immediate relatives designated on the basis of their functional role in the Company towards achieving compliance with the Regulations and is designed to maintain the highest ethical standards of trading in Securities of the Company by persons to whom it is applicable. The provisions of the Code are designed to prohibit identified Designated Persons from trading in the Company's Securities while in possession of Unpublished Price Sensitive Information ("UPSI"). The Code lays down guidelines for procedures to be followed and disclosures to be made while dealing with Securities of the Company and cautions them against the consequences of violations.

In order to protect the interest of the stakeholders at large, Mr. Saurabh Sharma, Company Secretary and Compliance Officer of the Company, is authorized to act as Compliance Officer under the Code, with the responsibility to oversee adherence to Insider Trading Regulations and related governance principles.



Furthermore, in accordance with regulations 3 (5) and (6) of SEBI (PIT) Regulation 2015, the Company has maintained a Structural **Digital Database ("SDD")**, wherein details of persons with whom UPSI is shared on need-to-know basis and for legitimate business purposes is maintained with time stamping and audit trails to ensure non-tampering of the database. It ensures proper record-keeping and monitoring of access to UPSI. This database serves as an essential tool for regulatory compliance, preventing unauthorized dissemination and ensuring transparency in the management of sensitive financial information.

The SDD is maintained internally by the Company and is not outsourced in accordance with the provisions of the PIT Regulations.

PARTICULARS OF HOLDING/JOINT VENTURE/SUBSIDIARY/ASSOCIATE COMPANIES

Pursuant to the share sale agreements with Aquilo House Pte. Ltd. ("Purchaser") and each of, Lake District Holdings Limited, Partners Group ESCL Limited and Partners Group Private Equity (Master Fund), LLC, who were members of the promoter/ promoter group of the Company till June 30, 2025 and pursuant to power conferred to purchaser in terms of Article 16 of the Article of Association of the Company, the Aquilo House Pte. Ltd has become the Holding Company in terms of Section 2(87)(i) of the Companies Act,2013 i.e. by controlling the composition of the Board of Directors w.e.f. June 30, 2025.

Further, your Company does not have any Joint Ventures or Associate Company as on the date of this report.

Subsidiary Company: Completion of Voluntary Liquidation

Your Company had an unlisted wholly owned subsidiary named 'Aavas Finserv Limited' which has been voluntarily dissolved following the order passed by the Hon'ble National Company Law Tribunal ("NCLT") on January 28, 2025.

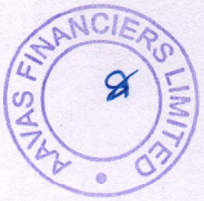
Therefore, your Company is no longer required to prepare Consolidated Financial Statements and Statement containing salient features of Financial Statement of the Subsidiary pursuant to the Provisions of Section 129(3) of the Act.

Further, pursuant to Section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, a statement containing salient features of Financial Statement of the Subsidiary or Associate Companies or Joint Ventures in the prescribed format AOC-1, is furnished as **'Annexure-6'**, which forms part of this Annual Report.

In accordance with Section 136 (1) of the Act, the Annual Report of your Company containing inter alia, Financial Statements has been placed on our website at https://www.aavas.in/investorrelations/annual-reports.

INVESTOR RELATIONS

Fostering trust through open and timely communication is fundamental in building strong and enduring relationships with the investment community. The Company remains committed to keep stakeholders well informed about its financial health, strategic initiatives and long-term objectives through consistent and transparent engagement. It is using technology wisely to sustain performance today and also leverages it for future growth. Your Company is always looking ahead and takes on a holistic perspective of the operating landscape.



To strengthen engagement and trust, the Company has established a specialized investor relation team, which helps the Company to communicate with its investors through Information session on Financial Results for institutional investors and analysts via telephone conference, meetings with investors/analysts and discussions between Fund Managers and Management.

Investor relation team participate in investor relations conferences each quarter to foster better relationships with investors. Presentations given by Company to fund managers, analysts, and investors are posted on the Company website and are also transmitted to stock exchanges. Each quarter, the audio recordings of these meetings, along with their transcripts, are posted on the website at https://www.aavas.in/investorrelations/investor-intimation.

PARTICULAR OF EMPLOYEE REMUNERATION AND RELATED DISCLOSURES

In compliance with Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures regarding the remuneration of Directors and employees have been made. Additionally, as stipulated by Rule 5(2) of the aforementioned rules, the names and other details of the top ten employees in terms of remuneration have been included as **'Annexure-8'** to this Report.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Your Company, being a responsible corporate citizen, is dedicated to enhancing societal welfare by incorporating social and environmental considerations into its business practices, engaging in philanthropic efforts, and delivering positive social value and wealth to its stakeholders. In line with the Company's Corporate Social Responsibility ("CSR") initiatives, it has launched various projects focused on Education and Holistic Development, Environmental Sustainability, Healthcare and Wellness, Community and Rural Development, Women's Empowerment, and Strategies for Reducing Inequalities, all aimed at improving the quality of life in diverse communities, particularly among marginalized groups.

The CSR policy of the Company relates to the activities to be undertaken by the Company, which is in accordance with the provisions of CSR under Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Act.

The CSR Policy is hosted on Company's website and can be accessed at: https://www.aavas.in/codes-and-policies and the Annual Report on CSR activities is furnished as **'Annexure-9'** which forms part of this Annual Report.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 , the particulars of energy conservation, technology absorption and foreign exchange earnings and outgo is provided as under:

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Particular	Remarks
A) Conservation of energy	
The Steps taken / impact on conservation of energy	The Company has adopted various initiatives to enhance energy efficiency and sustainability. These measures include outfitting all branches with energy-efficient IT equipment, power-saving lighting, and multi-function copiers. Furthermore, the Company is committed to reduce its greenhouse gas ("GHG") emissions by setting specific emission reduction goals. The Company's Head Office has been awarded the prestigious LEED Gold certification, highlighting its dedication to eco-friendly practices. While the Company's operations have a minimal environmental footprint at the corporate level, it is focused on advancing technological capabilities and optimizing resource use. A significant initiative in this regard is the "Go Green Project" which seeks to eliminate physical documentation until a loan is fully processed in the system.
The Steps taken by the Company for utilizing alternate sources of energy	As the nature of business of the Company is providing housing finance, the only key waste products are paper, plastic and e-waste. Initiatives to reduce paper, plastic, and e-waste include: • The Company has taken specific targets in order to reduce the waste and educates employees through internal communication to reduce usage of single-use plastics. • The Company has launched the "Go Green Initiative" to minimize paper usage in loan processing through advanced technology. • The Company has started monitoring its operations with a focus on waste management, particularly in the areas of paper, plastic, and e-waste. • The Company has recycled e-waste through certified e-waste handler. **Green Housing Program:** • In partnership with the International Finance Corporation (IFC), a member of the World Bank Group the Company has developed the Green Homes initiative. • The Company provides loans for financing of Self-Built Green homes which are 20% more efficient than conventional homes in terms of construction features, water consumption, and energy consumption. The Company has financed 348 self-built green homes under its Green Housing Program.

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The Capital investment on energy conservation equipment	In view of the nature of the activities carried on by your Company, there is no capital investment on energy conservation equipment.
B) Technology absorption	
The efforts made towards technology absorption	Financial Year 2024-25 has been a landmark year for the Company in the journey of technology and digital transformations. We have successfully transitioned our business applications to highly scalable and best in class technology platforms. The new loan management system went live in August 2024 and has been fully stabilized during this year. We have augmented the digital customer service channels with extensive features and capabilities. The Company has adopted best-in-class Information Security Solutions, and all critical systems are under 24/7 monitoring. The BitSight has upgraded our Cyber Security rating to 'Advanced Level'.
The benefits derived like product improvement, cost reduction, product development or import substitution	Maintained almost 100% uptime for all critical systems. Customer loan App adoption has increased to 74%. 73% of customer service requests are served through digital channels with a significant part of them being self-serviced. Omnichannel Experience to customers and to customer service team by integrating all physical and digital channels – Branch, Call Center, Customer App, Website, ChatBot, IVR, Email, etc. "Customer 360-degree View" giving complete visibility of customer insights to service team on a single click for customer profile, loan details, delinquency & overdue status, service history, communication history, etc. 53% Account Aggregator adoption on files sanctioned during the year. Almost 100% of the property locations are geo-tagged. Further, 100% of the Technical, Legal and Risk Assessment Processes have been digitized including the vendors. Almost 100% of vendor payments are now being processed digitally through our Oracle ERP module, and all transactions are now being automatically reconciled through the ORACLE ARCS system. Fully Integrated Enterprise Architecture with 350 + APIs live connecting internal systems and external partners

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	for Origination, Loan Processing and Life Cycle Processes. Significantly reduced paper consumption from the loan process through digital processes.
In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year) a). the details of technology imported	i. Salesforce (for LOS and CRM) ii. Oracle Fusion system (for Financial System and reporting) iii. ORACLE Flexcube (for LMS) iv. Mulesoft (for Integration of systems)
b). the year of import	2022-23
c). whether the technology has been fully absorbed	Implemented
d). if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NA
The expenditure incurred on Research and Development	NA
(C) Foreign exchange earnings and Outgo	During the Financial Year under review, your Company had no foreign exchange earnings and the aggregate of the foreign exchange outgo during the Financial Year under review was ₹ 4,636.91 Lakhs. The aforesaid details are shown in the Note No. 39 of notes to the accounts, forming part of the Financial Statements. The members are requested to refer to this Note.

ENVIRONMENT HEALTH AND SAFETY ("EHS") PROTECTION

The Company is committed to maintain high environmental and social standards across its operations. It continues to enhance its investment decision-making processes and procedures to align with applicable Indian environmental and social legislation, as well as relevant international standards, including the IFC Performance Standards, particularly in relation to its housing finance and MSME Business segments.

The Company ensures a healthy and safe working environment for all its employees, adhering to best practices in workplace safety and employee well-being. In line with its commitment to continuous improvement, the Company regularly evaluates and upgrades its EHS practices to proactively address emerging risks, ensure compliance, and foster a culture of safety and sustainability across all levels.

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BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

In accordance with Regulation 34(2)(f) of the SEBI (LODR) Regulations, 2015, the top 1,000 listed companies based on market capitalization are required to include a Business Responsibility and Sustainability Report (BRSR) in their Annual Reports. This report outlines the Company's initiatives from an Environmental, Social and Governance ("ESG") perspective.

Following SEBI Circular SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, the top 250 listed entities are required to disclose ESG information under the BRSR Core framework as part of their Annual Reports.

As one of the top 500 listed entities, and in alignment with its commitment to strong corporate governance, the Company has voluntarily adopted and submitted the BRSR Core Framework for the Financial Year 2024-25, in addition to publishing the standard Annual BRSR as per regulatory guidelines. This framework helps reinforce ESG principles throughout the Company's operations, guiding efforts towards responsible product development, operational efficiency, employee empowerment, and environmental stewardship in line with the expectations outlined in the BRSR.

The Company remains focused on strengthening its ESG performance year over year, continually enhancing its disclosures, systems, and practices to create meaningful impact and align with evolving stakeholder expectations.

The Business Responsibility and Sustainability Report in updated format describing the initiatives taken by the Company from an environmental, social and governance perspective along with Limited Assurance Statement from an Independent Auditor forms part of this Annual Report as **'Annexure-11'**.

ANNUAL RETURN

The Annual Return has been prepared in form MGT-7 as on March 31, 2025 in compliance with the provisions of Section 134(3) and Section 92(3) of the Act, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014. The same is placed on the website of the Company and can be accessed at https://www.aavas.in/investor-relations/annual-reports.

ADDITIONAL DISCLOSURES UNDER COMPANIES (ACCOUNTS) RULES, 2014

(a) The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year:

The Company has not filled any application under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the Financial Year under review. Hence there are no proceedings pending with respect to the above. Therefore, it is not applicable to the Company.

(b) The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereto:

During the Financial Year under review, the Company has not made any settlement with its Bankers or Financial Institutions from which it has availed any term loan.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Since the Company is an HFC, it is exempted from disclosing information regarding particulars of loans extended, guarantees given, and security provided in the ordinary course of business under the provisions of Section 186(11) of the Act.



Nevertheless, the notes to the Financial Statements of the Company state the details of loans, guarantees, and investments made as required under the provisions of Section 186 of the Act and the rules made thereunder.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Your Company has an explicit "Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions" to ensure that all related party transactions are on an arm's length basis and in the ordinary course of business in adherence of the provisions of Section 188 of the Act and rules made thereunder and the SEBI (LODR) Regulations, 2015. Accordingly, all related party transactions entered during Financial Year 2024-25 were on an arm's length basis and in the ordinary course of business under the Act and were not material under the SEBI (LODR) Regulations, 2015.

All related party transactions entered into during the Financial Year, were presented to both the Audit Committee and the Board. The Audit Committee has granted omnibus approval for related party transactions as per the provisions of the Act and the SEBI (LODR) Regulations, 2015. Further, in compliance with the Section 134(3)(h) of the Act, a thorough disclosure has been made in Form AOC-2 as **'Annexure-7'** which forms part of this Annual Report.

Additionally, in compliance with the SEBI and RBI Master Directions, the 'Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions' is given in **'Annexure-10'** which forms part of this Annual Report and is available for viewing on the Company's website at https://www.aavas.in/codes-and-policies.

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

Corporate Governance forms the cornerstone of responsible and ethical business conduct, ensuring transparency, accountability and long term value creation for all the stakeholders of the Company. Your Company has been committed to uphold the greatest standards of corporate governance by adhering to its fundamental values, which include putting the needs of the customer first, being transparent, acting fairly, being accountable, and acting with integrity and equity in all of its dealings.

The Company's Corporate Governance framework ensures that it makes timely and appropriate disclosures and shares factual and accurate information to its stakeholders so as to make an informed decision.

The Company has approved and adopted the Internal Guidelines on Corporate Governance. The Internal Guidelines on Corporate Governance has been framed in accordance with the Act, SEBI (LODR) Regulations, 2015, RBI Master Directions, 2021 and other applicable rules and regulations.

The Internal Guidelines on Corporate Governance of the Company is available on the website of the Company and can be accessed at https://www.aavas.in/codes-and-policies.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with the provisions of Section 134(3)(c) and 134(5), of the Act and based on the information provided by the Management, the Board of Directors hereby gives the following statement:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true

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and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis;

(e) the Directors had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BUSINESS OVERVIEW & FUTURE OUTLOOK

A comprehensive evaluation of the business and its future prospects is included in the Management Discussion and Analysis section of the Annual Report.

ACKNOWLEDGEMENTS AND APPRECIATION

Behind every milestone achieved lies the collective effort of many, as we reflect on the past years, the Board of Directors is proud to recognize collective efforts of all stakeholders of the Company, that have enabled the Company to move forward with purpose and resilience.

We extend our heartfelt appreciation for all the support and trust received from the Stakeholders of the Company, including the Reserve Bank of India, National Housing Bank, Ministry of Corporate Affairs, Securities and Exchange Board of India, Insurance Regulatory and Development Authority of India, Stock Exchanges i.e. BSE and NSE, and other regulatory authorities.

The Board also acknowledges the support and cooperation from Bankers, Lenders, Financial Institutions, Members, Credit Rating Agencies, National Securities Depository Limited, Central Depository Services (India) Limited, National Stock Exchange International Financial Service Centre Limited, and Customers of the Company for their continued trust and support.

The Directors wish to express their deep appreciation to Kedaara Capital and Partners Group for their invaluable support which proved instrumental in driving the Company's growth and success. Further, the Board is also thankful to the resigning directors for their enduring commitment and meaningful Contributions.

We also take this opportunity to warmly welcome our new Promoter, Aquilo House Pte. Ltd., belonging to CVC network, whose induction marks a significant milestone in the Company's growth journey. We look forward to a strong and fruitful partnership, leveraging their expertise and vision to drive sustained progress and long-term value creation.

Additionally, the Board records its sincere appreciation for the commitment demonstrated by all executives, officers, staff, and the Senior Management team of the Company, for contributing to the excellent performance of the Company during the Financial Year.

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The Board wishes to express its gratitude to all the Shareholders for their invaluable support.

For and on behalf of the Board of Directors
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Sachinderpalsingh Jitendrasingh Bhinder
Managing Director and CEO
(DIN: 08697657)

Nikhil Omprakash Gahrotra
Additional Non-Executive Director
(DIN:01277756)

Date: August 12,2025
Place:Mumbai

Registered and Corporate Office:
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CIN: L65922RJ2011PLC034297
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Chartered Accountants

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Borkar & Muzumdar
Chartered Accountants

21/168 Anand Nagar Om CHS
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Vakola, Santacruz (East),
Mumbai - 400 055

INDEPENDENT AUDITOR'S REPORT

To the Members of Aavas Financiers Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Aavas Financiers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the " financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), the RBI Guidelines and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended March 31, 2025 (current year). These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Impairment of loans including Expected Credit Losses (ECL)	
At 31 March 2025, the Company reported total gross loans of Rs.1,633,704.07 lakhs (2024: Rs. 1,408,918.57 lakhs) and Rs. 10,733.14 Lakhs of expected credit loss provisions (2024: Rs. 8,481.89 lakhs).	

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M S K A & ASSOCIATES Chartered Accountants

Key audit matters	How our audit addressed the key audit matter
Refer note 1 for material accounting policies and notes 5 and 28 for financial disclosures in the accompanying financial statements. Ind AS 109 - Financial Instruments ('Ind AS 109'), requires the Company to provide for impairment of its financial assets using the expected credit loss ('ECL') approach involving an estimation of probability of loss on such financial assets, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's loan assets. Expected credit loss cannot be measured precisely but can only be estimated through use of statistics. The estimation of impairment loss allowance on loan assets involves significant judgement and estimates and applying appropriate measurement principles in case of loss events, including additional considerations on account of Reserve Bank of India guidelines in relation to restructuring. The expected credit loss is calculated using the percentage of probability of default (PD), loss given default (LGD) and exposure at default (EAD) for each of the stages of loan portfolio. Additional management overlay is estimated considering non prediction and long-term future impact. The Expected Credit Loss ("ECL") is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. Significant management judgment and assumptions involved in measuring ECL is required with respect to: • Segmentation of loan book in buckets • Determining the criteria for a significant increase in credit risk • Factoring in future economic assumptions • Techniques used to determine probability of default, loss given default and exposure at default These parameters are derived from the Company's internally developed statistical models with the help of management experts and other historical data. Considering the significance of the above matter to the	Our audit focused on assessing the appropriateness of management's judgment and estimates used in the expected credit losses through the following procedures, but were not limited to the following procedures: Examined the Board Policy approving methodology for computation of ECL that addresses policies and procedures for assessing and measuring credit risk on the lending exposures of the Company in accordance with the requirements of Ind AS 109. Also, obtained the policy on restructuring of loans approved by the Board of Directors pursuant to the RBI circulars/ guidelines in earlier years and ensured classification of such Loans is in compliant with the requirements of the RBI circulars / guidelines; • Performed a walkthrough of the impairment loss allowance process, and assessed the design and tested operating effectiveness of the key controls over completeness and accuracy of the key inputs (including loan book as at March 31, 2025) and assumptions considered for calculation, recording and monitoring of the impairment loss recognized; • Tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2025 by reconciling it with the balance as per loan balance register. We tested the data used in the PD and LGD model for ECL calculation by reconciling it to the source system. We tested assets in stage 1, 2 and 3 on a sample basis to verify that they were allocated to the appropriate stage; • Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions; • Tested the appropriateness of determining Exposure at Default (EAD), PD and LGD, on sample basis. For exposure determined to be individually impaired, we tested samples of loans and advances and examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations;

Key audit matters	How our audit addressed the key audit matter
financial statements and since the matter required our significant attention to test the calculation of expected credit losses, we have identified this as a key audit matter for current year audit.	• Performed an overall assessment of the ECL provision levels at each stage, including Management's assessment and provision on account of the Company's portfolio, risk profile, credit risk management practices as well as the macroeconomic environment; • Ensured compliance with RBI Master Circular on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to advances' ('IRACP') read with RBI circular on 'Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications' dated 12 November 2021, in relation to identification, upgradation and provisioning of nonperforming assets (NPAs); and • Assessed the appropriateness and adequacy of the related presentation and disclosures in the accompanying financial statements in accordance with the applicable accounting standards and related RBI circulars / guidelines.
Information Technology ("IT") Systems and Controls for the financial reporting process	
The Company is highly dependent on its Information Technology ("IT") systems for carrying on its operations which require large volume of transactions to be processed in numerous locations on a daily basis. Amongst other things, management also uses the information produced by the IT systems for accounting and preparation and presentation of the financial statements. The Company's accounting and financial reporting processes are dependent on automated controls enabled by IT systems which impacts key financial accounting and reporting items such as loans, interest income, impairment on loans, computation of daily DPD, assignment of loans amongst others. The controls implemented by the Company in its IT environment determine the integrity, accuracy, completeness and validity of data that is processed by the applications and is ultimately used for financial reporting. Our areas of audit focus included user access management, changes to the IT environment and segregation of duties Further, we focused	Our key audit procedures with the involvement of our IT specialists included, but were not limited to the following: • For testing the IT general controls, application controls and IT dependent manual controls, we involved IT specialists as part of the audit. The team also assisted in testing the accuracy of the information produced by the Company IT systems. • Obtained a comprehensive understanding of IT applications landscape implemented at the Company. It was followed by process understanding, mapping of applications to the same and understanding financial risks posed by people-process and technology. • Key IT audit procedures includes testing design and operating effectiveness of key controls operating over user access management (which includes user access provisioning, de-provisioning, access review, password configuration review, segregation of duties and privilege access), change management (which include change release in production

Key audit matters	How our audit addressed the key audit matter
on key automated controls relevant for financial accounting and reporting systems.	environment are compliant to the defined procedures and segregation of environment is ensured), program development (which include review of data migration activity), computer operations (which includes testing of key controls pertaining to, backup, Batch processing (including interface testing), incident management and data centre security), System interface controls. This included testing that requests for access to systems were appropriately logged, reviewed, and authorized. • In addition to the above, the design and operating effectiveness of certain automated controls, that were considered as key internal system controls over financial reporting were tested. Using various techniques such as inquiry, review of documentation / record / reports, observation, and re-performance. We also tested few controls using negative testing technique. • Tested compensating controls and performed alternate procedures, where necessary. In addition, understood where relevant changes made to the IT landscape during the audit period.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Annual Report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act and the RBI Guidelines. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating

effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.

- Conclude on the appropriateness of management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended March 31, 2025 (current year) and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The financial statements of the Company for the year ended March 31, 2024, were audited by another auditor whose report dated April 25, 2024 expressed an unmodified opinion on those financial statements.

Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 37 and Note 38 (b) to the financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2025;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

MSKA & ASSOCIATES Chartered Accountants

iv.

a. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer Note 49.13(a) to the financial statements.

b. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer Note 49.13(b) to the financial statements.

c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (i) and (ii) above, contain any material mis-statement.

v. The Company has not declared or paid any dividend during the year ended March 31, 2025.

vi. Based on our examination which included test checks, the Company has used certain accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

Tushar Kurani
Partner
Membership Number: 118580
UDIN: 25118580BMOHVV7641

Mumbai
April 24, 2025

For Borkar & Muzumdar
Chartered Accountants
ICAI Firm Registration Number: 101569W

Brijmohan Agarwal
Partner
Membership Number: 033254
UDIN: 25033254BMINSH4452

Mumbai
April 24, 2025

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF AAVAS FINANCIERS LIMITED FOR THE YEAR ENDED MARCH 31, 2025

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report

i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.

B The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified once in two years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification was carried out by the management of the Company during the year, and we are therefore unable to comment on the discrepancies, if any, which could have arisen on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee and properties of defaulting borrowers obtained by taking possession of collateral under The Securitisation And Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 as disclosed in Note 1.15.4 of the financial statements) as disclosed in Note 49.1 of the financial statements, are held in the name of the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The Company is involved in the business of rendering services and does not hold any inventory. Accordingly, the provisions stated under clause 3(ii)(a) of the Order are not applicable to the Company.

(b) The Company has not been sanctioned any working capital limits by any bank or financial institution during the year on the basis of security of current assets. Accordingly, the provisions stated under clause 3(ii)(b) of the Order is not applicable to the Company.

iii. (a) The Company is a Housing Finance Company and its principal business is to give loans. Accordingly, provisions stated under clause 3(iii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, securities given and terms and conditions in relation to grant of all loans and advances in the nature of loans, investments made and securities given are not prejudicial to the interest of the Company.

(c) In respect of the aforesaid loans and advances in nature of loans, the schedule of repayment of principal and payment of interest have been stipulated by the Company. Considering that the Company is a Housing Finance Company ('HFC'), registered under provisions of the National Housing Bank Act, 1987 and rules made thereunder and engaged in the business of granting loans, the entity-wise details of the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been detailed hereunder because it is not practicable to furnish such details owing to the voluminous nature of data.

Further, except for the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognized necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification (which has been disclosed by the Company in Note 46.18 to the financial statements), the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(d) In respect of the loans/ advances in nature of loans, the total amount overdue for more than ninety days as at March 31, 2025 is Rs. 17,633.90 lakhs. In such instances, in our opinion, based on information and explanations provided to us, reasonable steps have been taken by the Company for the recovery of the principal amounts and the interest thereon.

(e) The Company is a Housing Finance Company and its principal business is to give loans. Accordingly, provisions stated under clause 3(iii)(e) of the Order is not applicable.

(f) According to the information and explanations provided to us, there are no loans and / or advances in the nature of loans, including to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013 either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, the requirement to report under clause 3(iii)(f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, there are no loans, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013, are applicable to the Company. The Company has also not made investments through more than two layer of investment companies in accordance with the provisions of section 186 of the Companies Act, 2013. Hence, the requirement to report under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company.

vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products/ services of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax and cess and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.

vii. (b) According to the information and explanations given to us and the records examined by us, dues relating to sub clause (a) which have not been deposited as on March 31, 2025, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Gross Amount (in lakhs)	Forum where dispute is pending	Remarks, if any
Goods and Services Tax Act, 2017	Section 61 and Rule 99(1)	1.67	Financial Year 2021-22	Appeal - Joint Commissioner (Appeal) GST
Goods and Service Tax Act, 2017	Section 73	10.30	Financial Year 2020-21	Appeal - Joint Commissioner (Appeal) GST
Goods and Service Tax Act, 2017	Section 74	5.47	Financial Year 2018-19 and 2019-20	Appeal - Joint Commissioner (Appeal) GST

There are no other dues relating to employees' state insurance, income-tax, cess and other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate, or joint venture. Accordingly, requirement to report under clause 3(ix)(e) of the order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate, or joint venture. Accordingly, the requirement to report under Clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit except as mentioned in Note 5(ix) to the accompanying financial statements. The Company has initiated necessary action against such instances.

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

M S K A & ASSOCIATES Chartered Accountants

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system comprising internal audit department commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.

xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is a Housing Finance Company having a valid Certificate of Registration under Section 29A of the NHB Act, 1987 and is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 in terms of exemption granted under Master Direction - Exemptions from the provisions of RBI Act, 1934 dated 25 August 2016 (as amended). Accordingly, reporting under clauses 3(xvi) (a) and (b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.

(d) There are no other Companies part of the Group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

M S K A & ASSOCIATES Chartered Accountants

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund as specified in Schedule VII of the Companies Act, 2013 as disclosed in Note 40 to the financial statements.

(b) In respect of ongoing projects, there are no unspent amounts that are required to be transferred to a special account as specified in Schedule VII of the Companies Act, 2013 as disclosed in Note 40 to the financial statements.

xxi. According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

Tushar Kurani
Partner
Membership Number: 118580
UDIN: 25118580BMOHVV7641

Mumbai
April 24, 2025

For Borkar & Muzumdar
Chartered Accountants
ICAI Firm Registration Number: 101569W

Brijmohan Agarwal
Partner
Membership Number: 033254
UDIN: 25033254BMINSH4452

Mumbai
April 24, 2025

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF AAVAS FINANCIERS LIMITED

Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Aavas Financiers Limited on the Financial Statements for the year ended March 31, 2025

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Aavas Financiers Limited (the "Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Management's and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls With reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

Tushar Kurani
Partner
Membership Number: 118580
UDIN: 25118580BMOHVV7641

Mumbai
April 24, 2025

For Borkar & Muzumdar
Chartered Accountants
ICAI Firm Registration Number: 101569W

Brijmohan Agarwal
Partner
Membership Number: 033254
UDIN: 25033254BMINSH4452

Mumbai
April 24, 2025

AAVAS FINANCIERS LIMITED
Balance Sheet as at March 31, 2025

(Rs. in lakh)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Financial assets			
Cash and cash equivalents	2	1,131.30	2,055.80
Bank balance other than cash and cash equivalents	2	1,54,831.88	1,77,726.36
Derivative financial instruments	3	104.87	-
Receivables	4	1,136.54	1,221.93
Loans	5	16,22,970.93	14,00,436.68
Investments	6	23,001.84	18,215.63
Other financial assets	7	41,998.85	36,442.72
Total financial assets		**18,45,176.21**	**16,36,099.12**
Non-financial assets			
Current tax assets (net)		73.25	1,176.31
Property, plant and equipment	8(a)	3,039.88	2,966.40
Capital work-in-progress	8(b)	-	-
Intangible assets under development	8(c)	1,040.09	1,120.53
Intangible assets	8(d)	4,161.37	3,061.20
Right-of-use assets	9	6,169.93	5,571.98
Other non-financial assets	10	2,186.67	1,758.88
Total non-financial assets		**16,671.19**	**15,655.30**
Assets held for sale	11	-	190.94
Total assets		**18,61,847.40**	**16,51,945.36**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables	12		
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		97.48	30.65
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		391.01	3,063.29
Debt securities	13	1,72,747.49	1,41,255.95
Borrowings (other than debt securities)	14	12,12,238.95	10,93,754.83
Lease liabilities	15	6,861.13	6,181.14
Other financial liabilities	16	20,487.86	18,781.62
Total financial liabilities		**14,12,823.92**	**12,63,067.48**
Non-financial liabilities			
Provisions	17	913.56	840.30
Deferred tax liabilities (net)	18	7,557.15	6,024.78
Other non-financial liabilities	19	4,469.54	4,681.28
Total non-financial liabilities		**12,940.25**	**11,546.36**
Total liabilities		**14,25,764.17**	**12,74,613.84**
Equity			
Equity share capital	20	7,915.37	7,913.97
Other equity	21	4,28,167.86	3,69,417.55
Total equity		**4,36,083.23**	**3,77,331.52**
Total liabilities and equity		**18,61,847.40**	**16,51,945.36**
Summary of material accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Tushar Kurani
Partner
Membership No. 118580

For Borkar & Muzumdar
Chartered Accountants
Firm Registration No. 101569W

Brijmohan Agarwal
Partner
Membership No. 033254

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

Nishant Sharma
(Non-executive Promoter Nominee Director)
DIN-03117012

Sachinderpalsingh Jitendrasingh Bhinder
(Managing Director and CEO)
DIN-08697657

Ghanshyam Rawat
(President and Chief Financial Officer)

Saurabh Sharma
(Company Secretary and Compliance Officer)
ACS-60350

Place: Mumbai
Date: April 24, 2025

AAVAS FINANCIERS LIMITED

Statement of profit and loss for the year March 31, 2025

(Rs. in lakh)

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations			
Interest income	22	2,01,767.67	1,73,465.04
Fees and commission income	23	10,753.74	8,671.68
Gain on derecognition of financial instruments under amortised cost category		20,743.56	17,954.91
Net gain on fair value changes	24	2,185.55	1,658.19
Total revenue from operations		**2,35,450.52**	**2,01,749.82**
Other income	25	390.98	279.82
Total income		**2,35,841.50**	**2,02,029.64**
Expenses			
Finance costs	26	1,00,746.84	82,836.07
Fees and commission expense	27	832.45	755.31
Impairment on financial instruments	28	2,712.43	2,447.37
Employee benefits expense	29	37,775.73	35,591.03
Depreciation, amortization and impairment	8&9	3,645.15	3,265.98
Other expenses	30	16,869.99	14,688.90
Total expenses		**1,62,582.59**	**1,39,584.66**
Profit before tax		**73,258.91**	**62,444.98**
Tax expense:	18		
(1) Current tax		14,315.72	12,368.54
(2) Deferred tax		1,532.37	1,007.02
Profit after tax for the year		**57,410.82**	**49,069.42**
Other comprehensive income			
a) Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability	29	31.62	20.26
Income tax effect	18	(7.96)	(5.10)
b) Items that will be reclassified to profit or loss		-	-
Other comprehensive income/(Loss) , net of income tax		**23.66**	**15.16**
Total comprehensive income for the year		**57,434.48**	**49,084.58**
Earnings per equity share	31		
Basic (Rs.)		72.54	62.03
Diluted (Rs.)		71.97	61.93
Nominal value per share (Rs.)		10.00	10.00
Summary of material accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Tushar Kurani
Partner
Membership No. 118580

For Borkar & Muzumdar
Chartered Accountants
Firm Registration No. 101569W

Brijmohan Agarwal
Partner
Membership No. 033254

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

Nishant Sharma
(Non-executive Promoter Nominee Director)
DIN-03117012

Sachinderpalsingh Jitendrasingh Bhinder
(Managing Director and CEO)
DIN-08697657

Ghanshyam Rawat
(President and Chief Financial Officer)

Saurabh Sharma
(Company Secretary and Compliance Officer)
ACS-60350

Place: Mumbai
Date: April 24, 2025

AAVAS FINANCIERS LIMITED
Statement of changes in equity for the year ended March 31, 2025

(Rs. in lakh)

a. Equity Share Capital

Particulars	Amount
Balance as at April 01, 2023	**7,905.69**
Changes in equity share capital during the year	8.28
Balance as at March 31, 2024	**7,913.97**
Changes in equity share capital during the year	1.40
Balance as at March 31, 2025	**7,915.37**

b. Other Equity

Particulars	Share application money pending allotment	Reserves and Surplus				Total
		Securities premium	Share based payments reserve	Special Reserve	Retained earnings	
Balance as at April 01, 2023	**6.68**	**1,35,963.21**	**4,413.82**	**34,847.12**	**1,43,829.48**	**3,19,060.31**
Profit for the year (A)	-	-	-	-	49,069.42	49,069.42
Other comprehensive income for the year (B)	-	-	-	-	15.16	15.16
Total comprehensive income for the year (A+B)	-	-	-	-	**49,084.58**	**49,084.58**
Transfer to special reserve u/s 29C of the National Housing Bank Act, 1987 read with 36 (1) (viii) of the Income Tax Act. 1961.	-	-	-	9,816.92	(9,816.92)	-
Any other change :						
Application money received/(adjusted) during the year	(6.68)	-	-	-	-	(6.68)
Issue of share capital	-	223.60	-	-	-	223.60
Share based payments	-	-	860.46	-	-	860.46
Share options exercised during the year	-	120.13	(120.13)	-	195.28	195.28
Balance as at March 31, 2024	**-**	**1,36,306.94**	**5,154.15**	**44,664.04**	**1,83,292.42**	**3,69,417.55**
Profit for the year (C)	-	-	-	-	57,410.82	57,410.82
Other comprehensive income for the year (D)	-	-	-	-	23.66	23.66
Total comprehensive income for the year (C+D)	-	-	-	-	**57,434.48**	**57,434.48**
Transfer to special reserve u/s 29C of the National Housing Bank Act, 1987 read with 36 (1) (viii) of the Income Tax Act. 1961.	-	-	-	11,486.89	(11,486.89)	-
Any other change:						
Application money received/(adjusted) during the year	0.01	-	-	-	-	0.01
Issue of share capital	-	29.18	-	-	-	29.18
Share based payments	-	-	1,274.96	-	-	1,274.96
Share options exercised during the year	-	157.90	(157.90)	-	11.68	11.68
Balance as at March 31, 2025	**0.01**	**1,36,494.02**	**6,271.21**	**56,150.93**	**2,29,251.69**	**4,28,167.86**

Refer Note No. 1 of Summary of material accounting policies

As per our report of even date

For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Tushar Kurani
Partner
Membership No. 118580

For Borkar & Muzumdar
Chartered Accountants
Firm Registration No. 101569W

Brijmohan Agarwal
Partner
Membership No. 033254

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

Nishant Sharma
(Non-executive Promoter Nominee Director)
DIN-03117012

Sachinderpalsingh Jitendrasingh Bhinder
(Managing Director and CEO)
DIN-08697657

Ghanshyam Rawat
(President and Chief Financial Officer)

Saurabh Sharma
(Company Secretary and Compliance Officer)
ACS-60350

Place: Mumbai
Date: April 24, 2025

AAVAS FINANCIERS LIMITED

Statement of Cash flow for the year ended March 31, 2025

	Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
A	**Cash flow from operating activities:**			
	Net profit before tax as per statement of profit and loss		**73,258.91**	**62,444.98**
	Adjustments for			
	Depreciation and amortisation property, plant and equipment and right of use assets	8 & 9	3,645.15	3,265.98
	Interest on lease liabilities		503.64	627.86
	Net gain on derecognition on assigned loans		(5,851.95)	(5,191.91)
	Loss/(Gain) on voluntary liquidation of erstwhile subsidiary company	28	(5.18)	59.50
	(Gain) on sale of Property, plant and equipment		(47.71)	(30.80)
	Provision for expected credit loss (ECL)	28	2,717.61	2,387.87
	Provision for employee benefits		145.79	191.67
	Net gain on fair value changes	24	(2,315.04)	(1,658.19)
	Derivative mark to market gain	24	129.49	-
	Share based payments	29	1,274.96	860.46
	Operating profit before working capital changes		**73,455.67**	**62,957.42**
	Changes in working capital			
	(Increase) in loans		(2,25,280.01)	(2,54,636.13)
	(Increase)/Decrease in financial and other assets		131.59	(2,192.21)
	Increase/(Decrease) in financial and other liabilities		(1,110.95)	6,875.54
	Total of changes in working capital		**(2,26,259.37)**	**(2,49,952.80)**
	Direct taxes paid		(13,208.92)	(13,055.77)
	Net cash flow (used) in operating activities (A)		**(1,66,012.62)**	**(2,00,051.15)**
B	**Cash flow from investing activities:**			
	Inflow (outflow) on account of :			
	Proceeds from voluntary liquidation of erstwhile subsidiary company		5.18	1,176.34
	Net gain on sale/ purchase of Mutual Fund	24	2,315.04	1,658.19
	Purchase of government securities		(2,305.42)	(7,143.42)
	Investment in Treasury Bills		(2,480.79)	-
	(Investment)/ Redemption of fixed deposits		22,894.48	(57,230.54)
	Purchase of Property, plant and equipment (including capital work-in-progress)/ intangible assets	8	(3,007.06)	(3,274.41)
	Proceeds from sale of Property, plant and equipment		201.11	164.33
	Net cash flow (used) in /from investing activities (B)		**17,622.54**	**(64,649.51)**
C	**Cash flow from financing activities:**			
	Issue of equity shares (including share premium)		30.57	225.20
	Share / debenture issue expenses		(684.99)	(4.99)
	Proceeds from borrowings		4,57,778.28	4,50,973.46
	Repayment of borrowings		(3,07,351.99)	(2,00,026.76)
	Repayment of lease liabilities (including interest)		(2,306.29)	(2,077.33)
	Net Cash flow generated from financing activities (C)		**1,47,465.58**	**2,49,089.58**
	Net (decrease)/increase in cash and cash equivalents (A+B+C)		**(924.50)**	**(15,611.08)**
	Cash and cash equivalents as at the beginning of the year		2,055.80	17,666.88
	Cash and cash equivalents as at the end of the year	2	**1,131.30**	**2,055.80**

MSKA & ASSOCIATES Chartered Accountants

BORKAR & MUZUMDAR MUMBAI F.R. NO. 101569W CHARTERED ACCOUNTANTS

AAVAS FINANCIERS LIMITED

AAVAS FINANCIERS LIMITED

Statement of Cash flow for the year ended March 31, 2025

Components of cash and cash equivalents			
Cash on hand		296.44	336.11
Balance in franking machine*		0.95	0.95
Balance with banks			
In current accounts		2.44	15.81
In cash credit		831.47	1,202.93
In deposit account		-	500.00
Total cash and cash equivalents	2	**1,131.30**	**2,055.80**
Operational Cash Flow from Interest			
Interest Received		1,98,692.33	1,67,334.71
Interest Paid		(95,029.81)	(77,560.11)
Summary of material accounting policies	1		

* The Company can utilize the balance towards stamping of loan agreements executed with their borrowers and also for the agreements executed by the Company for its own borrowings.

Note:-

1. Cash flow statement has been prepared under indirect method as set out in the IND AS 7 "Cash Flow Statement".
2. Refer note no. 14(g) for changes in liabilities arising from financing activities.

As per our report of even date

For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Tushar Kurani
Partner
Membership No. 118580

For Borkar & Muzumdar
Chartered Accountants
Firm Registration No. 101569W

Brijmohan Agarwal
Partner
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For and on behalf of the Board of Directors of
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Nishant Sharma
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(Managing Director and CEO)
DIN-08697657

Ghanshyam Rawat
(President and Chief Financial Officer)

Saurabh Sharma
(Company Secretary and Compliance Officer)
ACS-60350

Place: Mumbai
Date: April 24, 2025

AAVAS FINANCIERS LIMITED
Notes to the Financial Statements for the year ended March 31, 2025

A. Corporate Information

AAVAS FINANCIERS LIMITED ("the Company") (Corporate ID No. L65922RJ2011PLC034297) is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is registered as a housing finance company with National Housing Bank (NHB) vide Registration No. 04.0151.17 and is engaged in the long term financing activity in the domestic markets to provide housing finance. The Company is a public limited company and its shares are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Company has its registered office at ,201-202,2nd Floor, Southend Square, Mansarovar Industrial Area, Jaipur - 302020, Rajasthan, India. The Company has been classified as NBFC- ML (middle layer) as per Scale Based Regulation issued by RBI.

B. Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the 'Act') and the relevant provisions of the National Housing Bank Act, 1987 as amended from time to time and the Non-Banking Financial Company–Housing Finance Company (Reserve Bank) Directions, 2021 ('RBI Directions') as amended from time to time and the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 as amended from time to time.

The Company prepares and presents its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III to the Act and the guidelines and directives issued by the Reserve Bank of India (RBI) and National Housing Bank ('NHB) to the extent applicable. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

The financial statements have been prepared on a historical cost basis, except for, derivative financial instruments and other financial assets held for trading and all of which have been measured at fair value. The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakh, except when otherwise indicated.

The financial statements have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on April 24, 2025.

The Board of Directors of the Company in its meeting held on October 26, 2023 approved Voluntary Liquidation of wholly owned erstwhile subsidiary - Aavas Finserv Limited effective from November 03, 2023 and the company has received dissolution order from NCLT dated January 28, 2025. The Company doesn't have any subsidiary/associate/joint venture company(ies), as on March 31, 2025. Hence it is not require to prepare its consolidated financial statement.

C Use of estimates

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

a) Business Model Assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The company considers the frequency, volume and timing of sales in prior years, the reason for such sales, and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an holistic assessment of how company's stated objective for managing the financial assets is achieved and how cash flows are realised. Therefore, the company considers information about past sales in the context of the reasons for those sales, and the conditions that existed at that time as compared to current conditions.

If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Based on this assessment and future business plans of the Company, the management has measured its financial assets at amortised cost as the asset is held within a business model whose objective is to collect contractual cash flows, and the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest ('the 'SPPI criterion').

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AAVAS FINANCIERS LIMITED

b) Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c) Impairment losses on financial assets

The measurement of impairment losses across all categories of financial assets except assets valued at Fair value through P&L (FVTPL), requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's model, which assigns Probability of default (PD)s
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a lifetime expected credit loss (LTECL) basis
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, and the effect on PDs, Exposure at default (EAD)s and loss given default (LGD)s
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

d) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

e) Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

1 Summary of material accounting policies

1.1 Cash and cash equivalents

Cash and cash equivalent comprises cash in hand, demand deposits and time deposits with original maturity of less than three months held with bank, debit balance in cash credit account and balance in franking machine.

1.2 Revenue recognition

1.2.1 Interest and similar income

Interest income, for all financial instruments measured either at amortised cost or at fair value through other comprehensive income, is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the contractual life of the financial instrument to the gross carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable and are an integral part of the EIR, but not future credit losses.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

1.2.2 Other charges and other interest

1.2.2.1 Overdue interest in respect of loans is recognized upon realisation.

1.2.2.2 Other ancillary charges are recognized upon realisation.

1.2.3 Commission on Insurance Policies

Commission on insurance policies sold is recognised on accrual basis when the Company under its agency code sells the insurance policies.

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AAVAS FINANCIERS LIMITED

1.3 Foreign currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Income and expenses in foreign currencies are initially recorded by the Company at the exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

1.4 Property, plant and equipment (PPE) and Intangible assets

Property, plant and equipment

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

PPEs not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

1.5 Depreciation and amortization

Depreciation

Depreciation on tangible assets is provided over the useful life of the asset as per Schedule-II of Companies Act 2013 and depreciation rates have been worked out by applying written down value method. The Company has used the following useful lives to provide depreciation on its PPE.

Property, plant and equipment (PPE)	Useful Life (In Years)
Freehold Land	NIL
Building	60
Furniture and fixtures	10
Motor Vehicles	8
Servers	6
Office equipment	5
Computers and printers	3

All PPE individually costing Rs. 5,000/- or less are fully depreciated in the year of installation/purchase.

Amortization

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The Company estimates the useful life of an intangible asset to be between four to ten years from the date when the asset is available for use. Life of intangible assets are assessed by the Company on best estimate available at the time of capitalisation and persuasive evidence wherever required.

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AAVAS FINANCIERS LIMITED

1.6 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Measurement of Lease Liability

At the time of initial recognition, the Company measures lease liability as present value of all lease payment discounted using the Company's incremental cost of borrowing rate. Subsequently, the lease liability is

(i) Increased by interest on lease liability;

(ii) Reduced by lease payment made;

Measurement of Right-of-Use asset

At the time of initial recognition, the Company measures 'Right-of-Use assets' as present value of all lease payment discounted using the Company's incremental cost of borrowing rate w.r.t said lease contract. Subsequently, 'Right-of-Use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any re-measurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-Use assets' is provided on straight line basis over the lease period.

The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

1.7 Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

1.8 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

1.9 Contingent liabilities , Contingent assets and Commitments

The Company does not recognize a contingent liability but discloses its existence in the financial statements Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- A present obligation arising from past events, when no reliable estimate is possible.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent liabilities are reviewed at each balance sheet date.

Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

Commitments are future contractual liabilities, classified and disclosed as follows:

- The estimated amount of contracts remaining to be executed on capital account and not provided for;
- Undisbursed commitment relating to loans; and
- Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management

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BORKAR & MUZUMDAR MUMBAI F. R. NO. 101569W CHARTERED ACCOUNTANTS

AAVAS FINANCIERS LIMITED

1.10 Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company provides gratuity benefits which is a defined benefit scheme. The cost of providing gratuity benefits is determined on the basis of actuarial valuation at each year end. Separate actuarial valuation is carried out for each plan using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent years.

Past service costs are recognised in Profit or Loss on the earlier of: The date of the plan amendment or curtailment, and The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss.

Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and Net interest expense or income.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absence as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Other Long term benefits wherein the Company's liability is ascertainable and is payable over a period more than a year is charged to the Profit & loss account on proportionate basis.

1.11 Taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority basis the criteria given in IND as 12 "Income Taxes".

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AAVAS FINANCIERS LIMITED

1.12 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

1.13 Share based payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payments transactions are set out in Note 33.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting year, based on the Company`s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

1.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1.14.1 Financial Assets

1.14.1.1 Initial recognition and measurement

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.
Trade Receivable is measured at their transaction price (as defined in Ind AS 115) on initial recognition.

1.14.1.2 Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI) and through profit or loss (FVTPL)

1.14.1.3 Debt instruments at amortised costs

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

1.14.1.4 Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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1.14.1.5 Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

1.14.1.6 Business Model Test

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis. The Company considers all relevant information available when making the business model assessment. The Company takes into account all relevant evidence available such as:- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel; The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and How managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected). At initial recognition of a financial asset, the Company determines whether newly recognized financial assets are part of an existing business model or whether they reflect a new business model.

1.14.1.7 Equity Instruments

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.
If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.
Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

1.14.2 Financial Liabilities

1.14.2.1 Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

1.14.2.2 Classification and Subsequent measurement - Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

1.14.2.3 Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

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1.14.3 Derivative financial instruments

The Company holds derivative to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations. The counterparty for these contracts is generally a bank.

Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges. Any derivative that is not designated a hedge is categorized as a financial asset or financial liability, at fair value through profit or loss.
Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in Statement of Profit and Loss.

1.14.4 Reclassification of financial assets and liabilities

The company doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

1.14.5 De-recognition of financial assets and liabilities

1.14.5.1 Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Company also de-recognised the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition.
A financial asset is treated as transferred by company if, and only if:
• It has transferred its contractual rights to receive cash flows from the financial asset or
• It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

• The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
• The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
• The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the year between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:
• The Company has transferred substantially all the risks and rewards of the asset or
• The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Company would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

The Company, on de-recognition of financial assets under the direct assignment transactions, recognises the right of excess interest spread (EIS) which is difference between interest on the loan portfolio assigned and the applicable rate at which the direct assignment is entered into with the assignee. The Company records the discounted value of behaviour cash flow of the future EIS, entered into with the assignee, upfront in the Statement of Profit and Loss.The embedded interest component in the future EIS is recognised as interest income in line with Ind AS 109 'Financial instruments'.

1.14.5.2 Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.







1.15 Impairment of financial assets

1.15.1 Overview of the ECL principles

The Company records the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL, together with loan commitments and Excess Interest Spread (EIS) receivable, (in this section all referred to as 'financial instruments'). Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12m ECL). The Company's policies for determining if there has been a significant increase in credit risk are set out in Note 5(a)(3)(v).

The 12m ECL is the portion of LTECL that represent the ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECL and 12m ECL are calculated on collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company's policy for grouping financial assets measured on a collective basis is explained in Note 5(a)(1).

The Company has established a policy to perform an assessment, at the end of each reporting year, of whether a financial instrument's credit risk has increased significantly since initial recognition. This is further explained in Note5(a)(3)(v).

Based on the above process, the Company group its loans into Stage 1, Stage 2, Stage 3, as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12mECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECL. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Loans considered credit-impaired (as outlined in Note 5(a)(3)(i)). The Company records an allowance for the LTECL.

For financial assets for which the company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced.

1.15.2 The calculation of ECL

The Company calculates ECL on loans and EIS Receivable based on a probability-weighted scenarios and historical data to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Loan commitments: When estimating ECL for undisbursed loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.For loan commitments, the ECL is recognised within Provisions.

Provisions for ECL for undisbursed loan commitments are assessed as set out in Note 5(a)(2).

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

• PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed year, if the facility has not been previously derecognised and is still in the portfolio.

• EAD - The Exposure at Default is an exposure at a default date. The EAD is further explained in Note 5(a)(3)(iii).

• LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The LGD is further explained in Note 5(a)(3)(iv).

The maximum year for which the credit losses are determined is the expected life of a financial instrument.

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL is calculated as the portion of LTECL that represent the ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECL. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired (as defined in Note 5(a)(3)(i)), the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

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1.15.3 Forward looking information

The Company considers a broad range of forward-looking information with reference to external forecasts of economic parameters such as GDP growth, Inflation, Government Expenditure etc., as considered relevant so as to determine the impact of macro-economic factors on the Company's ECL estimates.

The inputs and models used for calculating ECLs are recalibrated periodically through the use of available incremental and recent information. Further, internal estimates of PD, LGD rates used in the ECL model may not always capture all the characteristics of the market / external environment as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

Annual data from 2018 to 2028 (including forecasts for 4 years) were obtained from World Economic Outlook, October 2023 published by International Monetary Fund (IMF). IMF provides historical and forecasted data for important economic indicators country-wise. The data provided for India is used for the analysis. Macro variables that were compared against default rates at segment level to determine the key variables having correlation with the default rates using appropriate statistical techniques. Vasicek model has been incorporated to find the Point in Time (PIT) PD. The company has formulated the methodology for creation of macro-economic scenarios under the premise of economic baseline, upside and downside condition. A final PIT PD is arrived as the scenario weighted PIT PD under different macroeconomic scenarios.

1.15.4 Collateral repossession

To mitigate the credit risk on financial assets, the Company seeks to possess collateral, wherever required as per the powers conferred on the HFC under SARFAESI act. In its normal course of business, the company does not physically repossess properties or other assets in its retail portfolio, but generally engages external or internal agents to recover funds generally at auctions to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties under legal repossession are not continued under loans and advances and are treated as assets held for sale at (i) fair value less cost to sell or (ii) principle outstanding, whichever is less, at the repossession date. With effect from April 01, 2022, the Company has discontinued the treatment of accounting and disclosing such cases as asset held for sale (AFS) and such cases continue to be included as part of the loan portfolio (EAD) as at the balance sheet date. Considering the impracticability involved in verifying the cases under SARFAESI till March 31, 2022, the change is effected prospectively by the Company in these financials statement.

1.15.5 Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to Statement of profit and loss account.

1.16 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

The Company recognises gains/loss on fair value change of financial assets measured at FVTPL.

1.17 New Technical Pronouncement

There is no such notification which would have been applicable from April 01, 2025.

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Notes to the Financial Statements for the year ended March 31, 2025

(Rs. in lakh)

2 Cash and bank balances

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents		
Cash on hand (refer note 2(a))	297.39	337.06
Balance with banks		
In Current accounts	2.44	15.81
In Cash credit accounts	831.47	1,202.93
In Deposits with original maturity of less than three months	-	500.00
	1,131.30	**2,055.80**
Bank balances other than above (refer note 2(b))		
Deposit with original maturity of more than 3 months less than 12 months	1,54,200.06	1,76,842.28
Deposit with original maturity of more than 12 months	631.82	884.08
	1,54,831.88	**1,77,726.36**
Total	**1,55,963.18**	**1,79,782.16**

2(a) Cash on hand includes of Rs. 0.95 lakh (P.Y. Rs. 0.95 lakh) balance of franking machine.

2(b) Other Bank Balance in deposit accounts include deposits under lien aggregating to Rs. 2,596.58 lakh (P.Y. Rs 2,596.58 lakh) towards the first loss guarantee provided by the Company under the securitization agreements.

3 Derivative financial instruments

Particulars	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
As at March 31, 2025			
Currency Derivatives:			
Spot and forwards	20,427.76	104.87	-
Total derivative financial instruments	**20,427.76**	**104.87**	**-**
As at March 31, 2024			
Currency Derivatives:			
Spot and forwards	-	-	-
Total derivative financial instruments	-	-	-

3(a) The Company has booked forward contract to manage its foreign currency risk arising from borrowings in foreign currencies. These contract have chosen not to designated in a hedging relationship and are entered into for periods consistent almost with exposure of the underlying transactions.

3(b) Notional amount of respective forward contract have been converted using exchange rate at the balance sheet date.

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(Rs. in lakh)

4 Receivables

Particulars	As at March 31, 2025	As at March 31, 2024
(I) Trade Receivables		
(i) Undisputed Trade receivables -considered good	1,136.54	1,221.93
	1,136.54	**1,221.93**

4(i) Trade receivables includes amounts due from the related parties amounting to Rs. Nil as on March 31, 2025 (P.Y. Rs. 5.00 lakh) (refer Note 36)

4(ii) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

4(iii) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

4(iv) Impairment allowance for trade receivable is Nil and therefore related disclosures are not given in the financial statement.

4(v) Receivables Ageing Schedule:

Particulars	Outstanding for following periods from due date of payment							
As at March 31, 2025	**Unbilled Revenue**	**Not Due**	**Less than 6 months**	**6 months- 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables -considered good	-	-	1,131.51	4.13	0.90	-	-	1,136.54
Total	**-**	**-**	**1,131.51**	**4.13**	**0.90**	**-**	**-**	**1,136.54**

Particulars	Outstanding for following periods from due date of payment							
As at March 31, 2024	**Unbilled Revenue**	**Not Due**	**Less than 6 months**	**6 months- 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables -considered good	-	-	1,221.93	-	-	-	-	1,221.93
Total	**-**	**-**	**1,221.93**	**-**	**-**	**-**	**-**	**1,221.93**

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(Rs. in lakh)

5 Loans

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Housing and Other Loan Assets - Term Loans	16,33,704.07	14,08,918.57
Total Gross	**16,33,704.07**	**14,08,918.57**
Less: Impairment loss allowance	(10,733.14)	(8,481.89)
Total Net	**16,22,970.93**	**14,00,436.68**
Secured by tangible assets (Property including land and building)	16,33,704.07	14,08,918.57
Total Gross	**16,33,704.07**	**14,08,918.57**
Less: Impairment loss allowance	(10,733.14)	(8,481.89)
Total Net	**16,22,970.93**	**14,00,436.68**
Loans in India		
Public Sector	-	-
Others	16,33,704.07	14,08,918.57
Total Gross	**16,33,704.07**	**14,08,918.57**
Less: Impairment loss allowance	(10,733.14)	(8,481.89)
Total Net	**16,22,970.93**	**14,00,436.68**

i) Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

ii) Loans granted by the Company are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security and/or personal guarantees and/or hypothecation of assets and/or assignments of life insurance policies. The process of security creation was in progress for loans to the extent of Rs. 37,515.01 lakh at March 31, 2025 (P.Y. Rs. 35,026.27 lakh)

iii) Loans sanctioned but undisbursed amount is Rs 63,869.02 lakh as on March 31, 2025 (P.Y. 60,625.86 lakh)

iv) The company is not granting any loans against gold jewellery as collateral.

v) The company is not granting any loans against security of shares as collateral.

vi) The Company has assigned a pool of loans amounting to Rs. 1,69,178.29 lakh (P.Y. Rs. 1,38,107.04 lakh) by way of a direct assignment transaction during the year. These loan assets have been de-recognised from the loan portfolio of the Company as the sale of loan assets is an absolute assignment and transfer on a 'no-recourse' basis. The Company continues to act as a servicer to the assignment transaction on behalf of assignee. In terms of the assignment agreement, the Company pays to assignee, on a monthly basis, the pro-rata collection amounts (refer Note no. 47).

vii) The Company has transfered a pool of loans amounting to Rs 12,602.47 lakh (P.Y. 541.30 lakh) by way of a Co-lending transaction during the year.

viii) The Company has granted loans to staff secured by equitable mortgage/registered mortgage of the property amounting to Rs 5,006.24 lakh as on March 31, 2025 (P.Y. Rs. 4,488.76 lakh).

ix) As per RBI Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016 dated September 29, 2016, Loan assets include Four loans of Rs. 85.86 lakh (P.Y. two loan of Rs. 26.18 lakh), which became doubtful due to fraudulent misrepresentation by the borrowers and same has been provided for.

x) Refer to note 1.15.4, loan assets includes cases admitted under SARFAESI aggregating Rs. 6,357.14 lakh (P.Y. Rs. 4,299.55 lakh) with effect from April 01, 2022

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(Rs. in lakh)

5(a)(1) Grouping financial assets measured on a collective basis

As explained in Note 1.15, the Company calculates ECLs on collective basis on following asset classes:

- Housing-Salaried lending
- Housing-Self Employed lending
- Non Housing-Salaried lending
- Non Housing-Self Employed lending

The Company groups these exposure into smaller homogeneous portfolios, based on a combination of internal and external characteristics of the loans such as product type and customer type.

An analysis of changes in the gross carrying amount of loans and the corresponding ECL allowances in relation to loans are, as follows:

Particulars	2024-25				2023-24			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**13,75,074.16**	**20,658.63**	**13,185.78**	**14,08,918.57**	**11,23,184.24**	**20,935.24**	**10,668.99**	**11,54,788.47**
New assets originated	5,60,636.25	-	-	**5,60,636.25**	5,20,067.09	-	-	**5,20,067.09**
Assets derecognised or repaid	(3,28,496.22)	(4,003.03)	(2,898.47)	**(3,35,397.72)**	(2,58,933.07)	(4,056.16)	(2,483.85)	**(2,65,473.08)**
Transfers from Stage 1	(20,259.49)	13,167.39	7,092.10	-	(13,745.49)	8,922.59	4,822.90	-
Transfers from Stage 2	4,151.75	(6,214.89)	2,063.14	-	3,566.83	(5,698.13)	2,131.30	-
Transfers from Stage 3	883.45	472.16	(1,355.61)	-	934.56	555.09	(1,489.65)	-
Amounts written off	-	-	(453.03)	**(453.03)**	-	-	(463.91)	**(463.91)**
Gross carrying amount closing balance	**15,91,989.90**	**24,080.26**	**17,633.91**	**16,33,704.07**	**13,75,074.16**	**20,658.63**	**13,185.78**	**14,08,918.57**

Reconciliation of ECL balance is given below:

Particulars	2024-25				2023-24			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL opening balance	**3,157.74**	**1,524.99**	**3,799.16**	**8,481.89**	**2,596.40**	**1,694.09**	**2,870.53**	**7,161.02**
ECL Remeasurements due to changes in EAD/Credit Risk/Assumptions (Net)	(835.79)	1,216.61	1,870.43	**2,251.25**	585.22	(83.27)	818.92	**1,320.87**
Transfers from Stage 1	(52.03)	33.95	18.08	-	(35.63)	23.00	12.63	-
Transfers from Stage 2	46.83	(172.41)	125.58	-	9.33	(176.22)	166.89	-
Transfers from Stage 3	22.47	71.51	(93.98)	-	2.42	67.39	(69.81)	-
Amounts written off	-	-	-	-	-	-	-	-
ECL closing balance	**2,339.22**	**2,674.65**	**5,719.27**	**10,733.14**	**3,157.74**	**1,524.99**	**3,799.16**	**8,481.89**

5(a)(2) Loan commitments

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loan commitments is, as follows:

Particulars	2024-25				2023-24			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**60,475.93**	**149.93**	**-**	**60,625.86**	**53,729.88**	**142.72**	**29.00**	**53,901.60**
New assets originated	51,034.74	-	-	**51,034.74**	51,747.09	-	-	**51,747.09**
Assets disbursed or cancelled	(47,650.31)	(141.27)	-	**(47,791.58)**	(44,865.69)	(128.14)	(29.00)	**(45,022.83)**
Transfers from Stage 1	(142.22)	142.22	-	-	(142.32)	142.32	-	-
Transfers from Stage 2	-	-	-	-	6.97	(6.97)		-
Transfers from Stage 3	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	**63,718.14**	**150.88**	**-**	**63,869.02**	**60,475.93**	**149.93**	**-**	**60,625.86**

Reconciliation of ECL balance is given below:

Particulars	2024-25				2023-24			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL opening balance	**139.20**	**2.66**	**-**	**141.86**	**123.64**	**2.63**	**6.87**	**133.14**
ECL Remeasurements due to changes in EAD/Credit Risk/Assumptions (Net)	(65.24)	24.32	-	**(40.92)**	15.87	(0.28)	(6.87)	**8.72**
Transfers from Stage 1	(0.38)	0.38	-	-	(0.33)	0.33		-
Transfers from Stage 2	-	-	-	-	0.02	(0.02)		-
Transfers from Stage 3	-	-	-	-	-	-	-	-
ECL closing balance	**73.58**	**27.36**	**-**	**100.94**	**139.20**	**2.66**	**-**	**141.86**

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(Rs. in lakh)

5(a)(3) Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of material accounting policies.

5(a)(3)(i) Definition of default

The Company considers a loan assets as defaulted and considered it as Stage 3 (credit-impaired) for ECL calculations in all cases, when the borrower becomes more than 90 days past due (DPD) on its contractual payments on any day irrespective of reporting cycle. Company upgrade stage 3 cases only if entire arrears of interest and principal are paid by the borrower i.e. DPD becomes zero. The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed year, if the facility has not been previously derecognized and is still in the portfolio.

5(a)(3)(ii) The Company's process for managing risk

Credit risk is the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's main income generating activity is lending to customers and therefore credit risk is a principal risk. Credit risk mainly arises from loans and advances to customers, investments in debt securities and derivatives that are an asset position. The Company considers all elements of credit risk exposure such as counterparty default risk, geographical risk and sector risk for risk management purposes.

5(a)(3)(iii) Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the loan assets subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12mECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the loan assets.

5(a)(3)(iv) Loss given default

The Company segments its retail lending products into smaller homogeneous portfolios (housing and non housing), based on key characteristics that are relevant to the estimation of future cash flows. The data applied is collected loss data and involves a wider set of transaction characteristics (e.g., product type, wider range of collateral types) as well as borrower characteristics.

5(a)(3)(v) Significant increase in credit risk

The Company continuously monitors all assets subject to ECL. In order to determine whether a loan asset or a portfolio of loan assets is subject to 12mECL or LTECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.

During the financial year ended March 31, 2022, RBI issued resolution framework 2.0 dated May 05, 2021 accordance with that Company offered moratorium on payment of all installment and/or interest as applicable to all eligiable borrowers. For all such accounts that were granted moratorium, the prudential assets classification remained standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification under Income Recognition, Asset Classification and Provisioning Norms). The Company continues to monitor such cases and takes necessary action based on the repayments and the resolution framework 2.0.

When estimating ECL on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

5(a)(3)(vi) Risk assessment model

The Company has designed and operates its risk assessment model that factors in both quantitative as well as qualitative information on the loans and the borrowers. The model uses historical empirical data to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of credit behaviour.

5(a)(4) Collateral

The Company holds collateral to mitigate credit risk associated with financial assets.The main types of collateral are registered /equitable mortgage property. The collateral presented relates to loan assets that are measured at amortised cost.

The Company did not hold any loan assets for which no loss allowance is recognised because of collateral at March 31, 2025. Refer note 44(C) for risk concentration based on Loan to value(LTV).

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6 Investments

Particulars	Amortised Cost	At fair Value		Subtotal	Others	Total
		Through other comprehensive income	Through profit or loss			
As at March 31, 2025						
Government Securities (Refer note 6(a))	20,521.05	-	-	-	-	20,521.05
Treasury Bill (Refer note 6(b))	2,480.79	-	-	-	-	2,480.79
Total Gross (A)	**23,001.84**	-	-	-	-	**23,001.84**
Investments outside India	-	-	-	-	-	-
Investments in India	23,001.84	-	-	-	-	23,001.84
Total (B)	**23,001.84**	-	-	-	-	**23,001.84**
Total (A) to tally with (B)	**23,001.84**	-	-	-	-	**23,001.84**
Less: Allowance for Impairment loss (C)	-	-	-	-		-
Total Net D = (A) -(C)	**23,001.84**	-	-	-	-	**23,001.84**
As at March 31, 2024						
Government Securities (Refer note 6(a))	18,215.63	-	-	-	-	18,215.63
Treasury Bill (Refer note 6(b))	-	-	-	-	-	-
Total Gross (A)	**18,215.63**	-	-	-	-	**18,215.63**
Investments outside India	-	-	-	-	-	-
Investments in India	18,215.63	-	-	-	-	18,215.63
Total (B)	**18,215.63**	-	-	-	-	**18,215.63**
Total (A) to tally with (B)	**18,215.63**	-	-	-	-	**18,215.63**
Less: Allowance for Impairment loss (C)	-	-	-	-		-
Total Net D = (A) -(C)	**18,215.63**	-	-	-	-	**18,215.63**

6(a) Detail of investment in Government Securities

Particulars	ISIN No	Deal Date	Maturity Date	Price	As at March 31, 2025	As at March 31, 2024
9.15% GOI 2024	IN0020110048	30-Nov-21	14-Nov-24	110.60	-	2,886.56
8.20% GOI 2025	IN0020120047	01-Dec-21	24-Sep-25	109.09	2,028.21	2,078.36
6.18% GOI 2024	IN0020190396	09-Oct-22	04-Nov-24	98.07	-	2,548.37
5.22% GOI 2025	IN0020200112	01-Dec-22	15-Jun-25	96.13	3,542.04	3,486.11
6.99% GOI 2026	IN0020230028	09-Jun-23	17-Apr-26	100.09	3,096.52	3,097.54
8.33% GOI 2026	IN0020120039	05-Nov-23	09-Jul-26	102.41	2,577.45	2,599.22
8.27% GJ SDL 2026	IN1520150104	27-Feb-24	13-Jan-26	101.68	492.08	496.25
7.39% MH SDL 2026	IN2220160104	28-Feb-24	09-Nov-26	100.18	515.14	515.48
7.06% RJ SDL 2026	IN2920160214	28-Feb-24	14-Dec-26	99.43	508.70	507.74
8.28% GOVT. STOCK 2027	IN0020070069	08-Aug-24	21-Sep-27	104.16	2,589.93	-
7.38% GOVT. STOCK 2027	IN0020220037	19-Nov-24	20-Jun-27	101.55	5,170.98	-
				Total	**20,521.05**	**18,215.63**

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6(b) Detail of investment in Treasury Bill

Particulars	ISIN No	Deal Date	Maturity Date	price	As at March 31, 2025	As at March 31, 2024
182D-TB (15MAY25)	IN002024Y316	28-Feb-25	15-May-25	98.73	2,480.79	-

7 Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued on Bank Deposits	2,369.08	2,699.22
Security Deposit	588.31	529.04
EIS Receivable (Refer note 7(a))	39,189.01	33,337.07
Total Gross	**42,146.40**	**36,565.33**
Less: Impairment loss allowance (on EIS Receivable assets)	(147.55)	(122.61)
Total Net	**41,998.85**	**36,442.72**

7(a) Under Ind AS, with respect to assignment deals, Company has created an Excess Interest Spread (EIS) receivable , with corresponding credit to Statement of profit and loss for the year, which has been computed by discounting EIS to present value.

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8(a) Property, plant and equipment (Rs. in lakh)

Particulars	Building and premises	Computers and printers	Furniture and fixtures	Motor vehicles	Office equipment	Land	Total
Cost							
As at April 01, 2023	1,041.53	2,894.69	2,466.53	930.95	1,171.90	4.95	8,510.55
Purchase	-	476.15	279.11	300.11	228.43	-	1,283.80
Disposals	-	(155.64)	(42.50)	(310.89)	(38.44)	-	(547.47)
As at March 31, 2024	**1,041.53**	**3,215.20**	**2,703.14**	**920.17**	**1,361.89**	**4.95**	**9,246.88**
Purchase	-	729.80	222.07	372.51	209.59	-	1,533.97
Disposals	-	(213.51)	(113.10)	(239.95)	(86.73)	-	(653.29)
As at March 31, 2025	**1,041.53**	**3,731.49**	**2,812.11**	**1,052.73**	**1,484.75**	**4.95**	**10,127.56**
Accumulated depreciation							
As at April 01, 2023	274.19	2,167.78	1,612.50	458.89	838.61	-	5,351.97
Charge for the year	37.41	591.43	321.52	171.56	220.53	-	1,342.45
Disposals	-	(147.85)	(38.91)	(191.81)	(35.37)	-	(413.94)
As at March 31, 2024	**311.60**	**2,611.36**	**1,895.11**	**438.64**	**1,023.77**	**-**	**6,280.48**
Charge for the year	35.55	576.03	290.46	189.93	215.12	-	1,307.09
Disposals	-	(203.28)	(93.48)	(122.19)	(80.94)	-	(499.89)
As at March 31, 2025	**347.15**	**2,984.11**	**2,092.09**	**506.38**	**1,157.95**	**-**	**7,087.68**
Net Block							
As at March 31, 2024	**729.93**	**603.84**	**808.03**	**481.53**	**338.12**	**4.95**	**2,966.40**
As at March 31, 2025	**694.38**	**747.38**	**720.02**	**546.35**	**326.80**	**4.95**	**3,039.88**

8(b) Capital work-in-progress (refer note 8(b)(i))

	PPE	Total
Gross block		
As at April 01, 2023	-	-
Capitalised during the year	-	-
Purchase	-	-
As at March 31, 2024	-	-
Capitalised during the year	-	-
Purchase	-	-
As at March 31, 2025	-	-

8(c) Intangible assets under development (refer note 8(c)(i))

	Software	Total
Gross block		
As at April 01, 2023	2,036.69	2,036.69
Capitalised during the year	(3,168.08)	(3,168.08)
Purchase	2,251.92	2,251.92
As at March 31, 2024	**1,120.53**	**1,120.53**
Capitalised during the year	(1,472.77)	(1,472.77)
Purchase	1,392.33	1,392.33
As at March 31, 2025	**1,040.09**	**1,040.09**

8(d) Intangible assets

	Software / Other intangible assets	Total
Gross block		
As at April 01, 2023	1,476.82	1,476.82
Purchase	2,906.77	2,906.77
Disposals	-	-
As at March 31, 2024	**4,383.59**	**4,383.59**
Purchase	1,553.52	1,553.52
Disposals	-	-
As at March 31, 2025	**5,937.11**	**5,937.11**
Accumulated amortization		
As at April 01, 2023	1,060.62	1,060.62
Charge for the year	261.77	261.77
As at March 31, 2024	**1,322.39**	**1,322.39**
Charge for the year	453.35	453.35
As at March 31, 2025	**1,775.74**	**1,775.74**
Net block		
As at March 31, 2024	**3,061.20**	**3,061.20**
As at March 31, 2025	**4,161.37**	**4,161.37**

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8(b)(i) Capital-Work-in Progress (CWIP)

(a) CWIP aging schedule- There is no balance of Capital-Work-in-Progress(CWIP) available as on March 31, 2025 and March 31, 2024.

(b) No case of capital-work-in progress in which completion is overdue or has exceeded its cost compared to its original plan.

8(c)(i) Intangible assets under development

(a) Intangible assets under development ageing schedule

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025					
Projects in progress	569.85	444.20	26.04	-	1,040.09
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2024					
Projects in progress	823.45	297.08	-	-	1,120.53
Projects temporarily suspended	-	-	-	-	-

(b) No case of intangible assets under development in which completion is overdue or has exceeded its cost compared to its original plan.

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9 Right-of-use assets

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Value of Right of Use Asset	11,771.87	8,800.05
Addition	2,733.02	3,234.38
Disposal	(250.37)	(262.56)
Gross Carrying Value	14,254.52	11,771.87
Depreciation		
Opening Accumulated Depreciation	6,199.89	4,538.14
Depreciation for the year	1,884.70	1,661.75
Closing Accumulated Depreciation	8,084.59	6,199.89
Net Carrying value	**6,169.93**	**5,571.98**

9(a) The Company has only one class of assets i.e. Office Premises. Depreciation is computed on straight line basis over the period of lease.

10 Other non-financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid Expenses	1,377.30	1,137.34
Advance to staff	318.21	212.69
Advance to vendors	424.25	296.44
Other Recoverable	66.91	112.41
Total	**2,186.67**	**1,758.88**

11 Assets held for sale

Particulars	As at March 31, 2025	As at March 31, 2024
Asset obtained by taking possession of collateral (Refer Note 11(a) & Note 1.15.4)	1,091.80	1,294.92
Total Gross	**1,091.80**	**1,294.92**
Less: Impairment loss allowance*	(1,091.80)	(1,103.98)
Total Net	**-**	**190.94**

*The Company has accounted additional provision basis its past experience on realization and time value of money

11(a) Assets obtained by taking possession of collateral

The Company obtained the following assets by taking possession of collateral held as security against loans and advances and held at the year end. The Company's policy is to realise collateral on a timely basis. The Company does not use non-cash collateral for its operations.

Particulars	As at March 31, 2025	As at March 31, 2024
Residential properties	1,091.80	1,294.92
Total assets obtained by taking possession of collateral	**1,091.80**	**1,294.92**

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12 Payables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Payables		
Total outstanding dues of Micro Enterprises and Small Enterprises	97.48	30.65
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	391.01	3,063.29
Total	**488.49**	**3,093.94**

12 (a) Trade Payables Ageing Schedule:

Particulars	Outstanding for following periods from due date of payment						
As at March 31, 2025	**Unbilled Dues**	**Not Due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	-	17.40	80.08	-		-	97.48
(ii) Others	180.21	-	205.26	5.47	0.07	-	391.01
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment						
As at March 31, 2024	**Unbilled Dues**	**Not Due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	-	15.68	14.97	-		-	30.65
(ii) Others	2,589.98	7.86	453.31	2.79	4.49	4.86	3,063.29
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-

12 (b) There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises for the year ended March 31, 2025.

13 Debt Securities

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Secured*		
Debentures (Refer note 13(a))	1,31,651.24	95,215.92
Unsecured		
Debentures (Refer note 13(a))	41,096.25	46,040.03
Total	**1,72,747.49**	**1,41,255.95**
Debt securities in India	1,31,651.24	95,215.92
Debt securities outside India	41,096.25	46,040.03
Total	**1,72,747.49**	**1,41,255.95**

*Exclusive charge on specified loan assets/ receivables and in case of debenture issued vide ISIN INE216P07167 additional first pari passu charge created on Company's immovable property in favour of security Trustee as stated in the respective Debenture Trust Deed in previous year.

13(a) Detail of Redeemable Non-Convertible Debentures

ISIN No.	Date of allotment	Date of redemption	Rate of Interest	As at March 31, 2025	As at March 31, 2024	Secured/ Unsecured	Terms of redemption
INE216P07167	16-Sep-19	15-Sep-24	8.39%*	-	34,590.84	Secured	Redeemed during the year
XS1923066390	20-Dec-18	20-Dec-25	8.93%**	5,010.13	10,010.69	Unsecured	Redeemable at par
INE216P07209	31-Dec-20	31-Dec-25	8.88%**	1,501.01	3,501.70	Secured	Redeemable at par
INE216P07217	26-Nov-21	26-Nov-26	8.75%	10,195.74	10,196.75	Secured	Redeemable at par
INE216P07225	25-Mar-22	25-Mar-27	8.25%**	4,004.09	6,009.15	Secured	Redeemable at par
INE216P07175	30-Mar-20	30-Mar-28	8.645%*	20,435.34	27,221.63	Secured	Redeemable at par
XS2449330336	10-Mar-22	10-Mar-29	9.25%**	36,086.11	36,029.34	Unsecured	Redeemable at par
INE216P07233	20-Jul-23	20-Jul-28	8.35%**	10,651.20	13,695.85	Secured	Redeemable at par
INE216P07241	29-Oct-24	29-Oct-29	8.09%*	64,524.50	-	Secured	Redeemable at par
INE216P07258	15-Jan-25	15-Jan-30	8.42%	10,169.27	-	Secured	Redeemable at par
INE216P07266	15-Jan-25	15-Jan-30	8.46%	10,170.10	-	Secured	Redeemable at par
			Total	**1,72,747.49**	**1,41,255.95**		

*ROI p.a (payable half yearly)
**ROI p.a (payable quarterly)

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Notes to the Financial Statements for the year ended March 31, 2025

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Terms of repayment of Debentures outstanding as at March 31, 2025

Particulars		Due within 1 year		Due 1 to 3 years		Due 3 to 5 years		Due 5 to 10 years		Total	
Original maturity of loan	Interest rate	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount
Quarterly											
Above 3 years	8%-10%	11	6,611.90	12	7,964.41	2	1,493.33	-	-	25	16,069.64
Half yearly											
Above 3 years	8%-10%	6	20,917.98	8	31,532.95	2	8,959.96	-	-	16	61,410.89
Bullet end											
Above 3 years	6%-8%	-	2,134.70	-	-	1	62,719.75	-	-	1	64,854.45
	8%-10%	-	645.53	1	9,855.96	2	19,911.03	-	-	3	30,412.52
Total		17	30,310.11	21	49,353.32	7	93,084.07	-	-	45	1,72,747.50

Terms of repayment of Debentures outstanding as at March 31, 2024

Particulars		Due within 1 year		Due 1 to 3 years		Due 3 to 5 years		Due 5 to 10 years		Total	
Original maturity of loan	Interest rate	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount
Quarterly											
Above 3 years	8%-10%	12	7,192.35	19	11,470.73	6	4,488.55	-	-	37	23,151.63
Half yearly											
Above 3 years	8%-10%	4	12,051.57	10	36,580.51	6	24,773.71	-	-	20	73,405.79
Bullet end											
Above 3 years	8%-10%	1	34,823.73	3	9,874.80	-	-	-	-	4	44,698.53
Total		17	54,067.65	32	57,926.04	12	29,262.26	-	-	61	1,41,255.95

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(Rs. In lakh)

14 Borrowings (other than debt securities)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Secured		
Term loans (refer note 14(i))		
From National Housing Bank (NHB) (Refer note 14(a))	2,57,678.50	3,04,157.86
From Banks (Refer note 14(b))	8,81,574.72	7,27,780.22
From Financial institutions (Refer note 14(c))	27,725.70	4,994.68
From Insurance Companies (Refer note 14(d))	3,123.65	4,372.52
Others		
Cash Credit (refer note 14(e))	9,811.61	13,341.85
Others (refer note 14(f))	32,324.77	39,107.70
Total	**12,12,238.95**	**10,93,754.83**
Borrowings in India	12,12,238.95	10,93,754.83
Borrowings outside India	-	-
Total	**12,12,238.95**	**10,93,754.83**

14(a) Secured term loans from National Housing Bank (NHB) carry rate of interest in the range of 2.80% to 8.50% p.a. The loans are having tenure of 7 to 15 years from the date of disbursement and are repayable in quarterly instalments. These loans are secured by hypothecation (exclusive charge) of the loans given by the Company.

14(b) Secured term loans from Banks include loans from various banks and carry rate of interest in the range of 7.48% to 9.75% p.a. The loans are having tenure of 5 to 15 years from the date of disbursement and are repayable in monthly or quarterly or yearly instalments. These loans are secured by hypothecation (exclusive charge) of the loans given by the Company. Secured term loan from banks also include auto loans of Rs. 452.31 lakh (P.Y. Rs. 382.18 lakh) carrying rate of interest in the range of 8.50% to 9.75% p.a. which are secured by hypothecation of Company's vehicles.

14(c) Secured loans from financial institutions include loan from Small Industries Development Bank of India (SIDBI) at carrying rate of interest in the range of 8.27% to 8.50% p.a. which are secured by hypothecation of receivables. The loans are having tenure of 5 to 10 years from the date of disbursement and are repayable in monthly or quarterly or yearly instalments.

14(d) Secured term loan from Insurance Company carry rate of interest of 9.60% p.a. The loan is having tenure of 8 years from the date of disbursement and is repayable in half yearly instalments. The loan is secured by hypothecation (exclusive charge) of the loans given by the Company.

14(e) Cash credit borrowings from bank are repayable on demand and carry interest rates ranging from 9.15% to 10.50%.

14(f) Other borrowings includes associated liabilities to securitized asset which does not fulfill derecognition criteria as per Ind AS.

14(g) **Changes in liabilities arising from financing activities**

Particulars**	As at March 31, 2024	Cash flows	Other*	As at March 31, 2025
Debt securities (refer note no 13)	1,41,255.95	31,954.42	(462.87)	1,72,747.49
Borrowings	10,93,754.83	1,18,308.96	175.16	12,12,238.95
Subordinate liabilities	-	-	-	-
Total	**12,35,010.78**	**1,50,263.38**	**(287.72)**	**13,84,986.44**

Particulars**	As at March 31, 2023	Cash flows	Other*	As at March 31, 2024
Debt securities (refer note no 13)	1,43,283.91	(1,432.28)	(595.68)	1,41,255.95
Borrowings	8,31,984.54	2,61,812.76	(42.47)	10,93,754.83
Subordinate liabilities	9,992.26	(10,000.00)	7.74	-
Total	**9,85,260.71**	**2,50,380.48**	**(630.41)**	**12,35,010.78**

*Other column includes amortisation of transaction cost.
**For lease liabilities, refer note 15

14(h) The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

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Notes to the Financial Statements for the year ended March 31, 2025

14(i) Terms of repayment of long term borrowings outstanding as at March 31, 2025 **(Rs. in lakh)**

Particulars		Due within 1 year		Due 1 to 3 years		Due 3 to 5 years		Due 5 to 10 years		Above 10 years		Total	
Original maturity of loan	Interest rate	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount
Monthy repayment schedule													
Above 3 years	8%-10%	710	46,744.66	1,312	92,898.52	514	67,530.55	118	53,550.12	-	-	**2,654**	**2,60,723.85**
Quarterly repayment schedule													
Above 3 years	2%-4%	48	14,824.72	124	37,832.14	33	9,892.49	-	-	-	-	**205**	**62,549.35**
	4%-6%	62	12,983.98	126	28,764.09	107	23,552.80	18	3,422.16	-	-	**313**	**68,723.03**
	6%-8%	27	3,882.33	66	10,425.59	48	8,658.19	58	11,099.46	-	-	**199**	**34,065.57**
	8%-10%	300	1,02,849.86	693	2,46,334.86	546	2,00,275.23	494	1,89,941.49	24	1,516.92	**2,057**	**7,40,918.36**
Half yearly repayment schedule													
Above 3 years	8%-10%	2	1,248.52	3	1,873.90	-	-	-	-	-	-	**5**	**3,122.42**
Total		**1,149**	**1,82,534.07**	**2,324**	**4,18,129.10**	**1,248**	**3,09,909.26**	**688**	**2,58,013.23**	**24**	**1,516.92**	**5,433**	**11,70,102.58**

The above table doesn't include associated liabilities to securitized asset which does not fulfill derecognition criteria as per Ind AS amounting to Rs. 32,324.77 lakh (Due within 1 year Rs. 4,940.53 lakh and due more than 1 year Rs. 27,384.24 lakh)

Terms of repayment of long term borrowings outstanding as at March 31, 2024

Particulars		Due within 1 year		Due 1 to 3 years		Due 3 to 5 years		Due 5 to 10 years		Above 10 years		Total	
Original maturity of loan	Interest rate	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount
Monthy repayment schedule													
Above 3 years	8%-10%	609	42,093.83	1,006	88,311.19	549	67,692.40	195	72,644.10	-	-	**2,359**	**2,70,741.52**
	10%-12%	24	4.72	7	1.33	-	-	-	-	-	-	**31**	**6.05**
Quarterly repayment schedule													
Above 3 years	2%-4%	48	14,826.60	128	39,554.03	91	26,985.60	2	959.38	-	-	**269**	**82,325.61**
	4%-6%	63	14,292.53	134	31,853.11	104	27,207.50	48	12,646.58	-	-	**349**	**85,999.72**
	6%-8%	40	6,940.43	95	16,601.52	73	12,899.29	60	11,910.85	-	-	**268**	**48,352.09**
	8%-10%	306	85,876.34	550	1,63,341.45	444	1,36,967.06	450	1,58,214.78	16	5,109.00	**1,766**	**5,49,508.63**
Half yearly repayment schedule													
Above 3 years	8%-10%	2	1,248.68	4	2,498.39	1	624.59	-	-	-	-	**7**	**4,371.66**
Total		**1,092**	**1,65,283.13**	**1,924**	**3,42,161.02**	**1,262**	**2,72,376.44**	**755**	**2,56,375.69**	**16**	**5,109.00**	**5,049**	**10,41,305.28**

The above table doesn't include associated liabilities to securitized asset that has been re-recognised due to non fulfillment of derecognition criteria as per Ind AS amounting to Rs. 39,107.71 lakh (Due within 1 year Rs. 5,874.04 lakh and due more than 1 year Rs. 33,233.66 lakh)

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15 Lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liabilities	6,861.13	6,181.14
Total	**6,861.13**	**6,181.14**

Disclosures as required by Ind AS 116 'Leases' are stated below
Movement of Lease Liability

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	6,181.14	4,658.79
Add: Addition during the year	2,461.95	3,054.41
Interest on Lease Liability	524.34	545.27
Less: Repayment of lease liabilities (Including Interest)	(2,306.30)	(2,077.33)
Closing Balance	**6,861.13**	**6,181.14**

The following is the breakup of current and non-current portion of lease liability as on March 31, 2025

Particulars	As at March 31, 2025	As at March 31, 2024
Current	1,715.28	1,573.09
Non-Current	5,145.85	4,608.05
Total lease liability	**6,861.13**	**6,181.14**

16 Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Due to assignees towards collections in derecognised assets	14,053.63	8,482.25
Employee benefits payable	4,957.87	4,616.72
Others	1,476.36	5,682.65
Total	**20,487.86**	**18,781.62**

17 Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Leave availment	447.58	389.78
Gratuity	365.04	308.66
ECL on undisbursed loan commitment	100.94	141.86
Total	**913.56**	**840.30**

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(Rs. in lakh)

18 Tax Expenses

The major components of income tax expense for the year ended March 31, 2025
Profit or loss section

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current income tax:		
Current income tax charge	14,315.72	12,368.54
Adjustments in respect of current income tax of previous year	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	1,532.37	1,007.02
Income tax expense reported in the statement of profit or loss	**15,848.09**	**13,375.56**

OCI
Deferred tax related to items recognised in OCI during the year:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net loss/(gain) on re-measurements of defined benefit plans	7.96	5.10
Income tax charged to OCI	**7.96**	**5.10**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2025:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Accounting profit before tax from continuing operations	73,258.91	62,444.98
Profit/(loss) before tax from a discontinued operation	-	-
Accounting profit before income tax	73,258.91	62,444.98
Tax at statutory Income Tax rate of 25.17% (P.Y. 25.17%)	18,437.80	15,716.15
Expenses Disallowed in Income tax Act	387.33	344.47
Other permanent difference	(369.52)	(451.76)
Expenses Disallowed u/s 43B of Income tax Act	14.55	16.43
Provision for special reserve u/s 29C of NHB Act read with section 36 (1) (viii) of IT Act, 1961	(2,619.40)	(2,240.85)
Incremental deferred tax liabilities /(assets) on account of Financial assets and other items	(2.67)	(8.89)
Tax at effective Income Tax rate (a)	15,848.09	13,375.56
Tax on Other comprehensive income (b)	7.96	5.10
Total Tax expenses (a+b)	**15,856.05**	**13,380.66**

Deferred Tax liabilities / (assets)	As at March 31, 2025	As at March 31, 2024
Deferred tax liability		
Unamortized Borrowings cost	417.24	285.84
Upfront EIS income	9,863.09	8,390.27
Gross deferred tax liability	**10,280.33**	**8,676.11**
Deferred tax asset		
Expected credit loss (ECL)	(1,583.03)	(1,506.77)
Unamortized Processing fee	(580.61)	(487.78)
Fair Valuation of SARFAESI	(39.72)	(46.92)
Provision for gratuity and Leave availment	(70.72)	(76.58)
Difference between tax depreciation and depreciation/amortization charged for the financial reporting	(242.55)	(298.51)
Loss on voluntary liquidation of erstwhile subsidiary company (Refer note no. B)	-	(81.46)
Other adjustments	(206.55)	(153.31)
Gross deferred tax asset	**(2,723.18)**	**(2,651.33)**
Net Deferred Tax Liability	**7,557.15**	**6,024.78**

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Deferred Tax charged to statement of profit and loss account	Year ended March 31, 2025		Year ended March 31, 2024	
	Profit and Loss	OCI	Profit and Loss	OCI
Unamortized Borrowings cost	131.40	-	(50.74)	-
Upfront EIS income	1,472.82	-	1,306.70	-
Expected credit loss (ECL)	(76.26)	-	(239.91)	-
Unamortized Processing fee	(92.83)	-	60.67	-
Difference between tax depreciation and depreciation/amortization charged for the financial reporting	55.96	-	48.81	-
Loss on voluntary liquidation of erstwhile subsidiary company	81.46	-	(81.46)	-
Other adjustments	(40.18)	7.96	(37.05)	5.10
Deferred Tax charged to statement of profit and loss account	**1,532.37**	**7.96**	**1,007.02**	**5.10**

The proportionate amount of business income from housing loan segment for Special Reserve u/s 29C of the NHB Act read with section 36 (1) (viii) of Income Tax Act, 1961 has been computed by giving weightage of housing loan for more than 60 months to total loan assets of the Company. The total housing loan for more than 60 months for the year under consideration is Rs. 12,03,453.84 lakh (PY Rs. 10,15,984.73 lakh).

19 Other Non-financial Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory Dues Payable	773.57	854.81
Provision for Expenses	3,192.48	2,535.60
GST payable	372.20	450.00
Others	131.29	840.87
Total	**4,469.54**	**4,681.28**

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20 Equity share capital

(Rs. in lakh)

Details of authorized, issued, subscribed and paid up share capital

Particulars	As at March 31, 2025	As at March 31, 2024
Authorized share Capital		
8,50,00,000 (P.Y. 8,50,00,000) Equity Shares of Rs. 10/- each	8,500.00	8,500.00
	8,500.00	**8,500.00**
Issued, Subscribed & Paid up capital		
Issued and Subscribed Capital		
7,91,53,665 (P.Y. 7,91,39,705) Equity Shares of Rs. 10/- each	7,915.37	7,913.97
Called-Up and Paid Up Capital		
Fully Paid-Up		
7,91,53,665 (P.Y. 7,91,39,705) Equity Shares of Rs. 10/- each	7,915.37	7,913.97
Total	**7,915.37**	**7,913.97**

20(a) The reconciliation of equity shares outstanding at the beginning and at the end of the reporting year.

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Rs. In lakh	No. of shares	Rs. In lakh
Equity Share at the beginning of year	7,91,39,705	7,913.97	7,90,56,874	7,905.69
Add:				
Equity Share Allotted during year				
Shares issued under ESOP	13,960	1.40	82,831	8.28
Equity share at the end of year	**7,91,53,665**	**7,915.37**	**7,91,39,705**	**7,913.97**

20(b) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% of holding	No. of shares	% of holding
Aquilo House Pte.Ltd.	1,78,08,116	22.50%	-	0.00%
1,78,08,116 Equity Shares of Rs. 10/- each fully paid				
Lake District Holdings Limited	1,23,46,641	15.60%	1,23,46,641	15.60%
1,23,46,641 Equity Shares of Rs. 10/- each fully paid				
Partners Group ESCL Limited	59,78,718	7.55%	59,78,718	7.55%
59,78,718 Equity Shares of Rs. 10/- each fully paid				
SBI Mutual Fund through various funds	43,616	0.06%	70,12,611	8.86%
43,616 Equity Shares of Rs. 10/- each fully paid				
Total	**3,61,77,091**	**45.71%**	**2,53,37,970**	**32.01%**

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

20(c) Rights, preferences and restrictions attached to shares

Equity shares:
The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend as and when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

20(d) Aggregate number of bonus shares issued during the year of five years immediately preceding the reporting date

Particular	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	-	-	-







20(e) For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, refer note 33

20(f) Shareholding of Promoters

Shares held by promoters at the end of March 31, 2025

Promoter name	No. of Shares	% of total shares	% Change during the year
Lake District Holdings Limited	1,23,46,641	15.60%	0.00%
Partners Group ESCL Limited	59,78,718	7.55%	0.00%
Partners Group Private Equity Master Fund LLC	26,23,753	3.32%	0.00%
Total	**2,09,49,112**	**26.47%**	

Shares held by promoters at the end of March 31, 2024

Promoter name	No. of Shares	% of total shares	% Change during the year
Lake District Holdings Limited	1,23,46,641	15.60%	-32.11%
Partners Group ESCL Limited	59,78,718	7.55%	-32.58%
Partners Group Private Equity Master Fund LLC	26,23,753	3.32%	-32.58%
Total	**2,09,49,112**	**26.47%**	

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(Rs. in lakh)

21 Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
Securities premium (refer note 21(a))	1,36,494.02	1,36,306.94
Special reserve u/s 29C of the National Housing Bank Act, 1987 read with 36 (1) (viii) of income tax Act. 1961(refer note 21(a))	56,150.93	44,664.04
Share Based Payments Reserve (refer note 21(a))	6,271.21	5,154.15
Retained earnings	2,29,251.69	1,83,292.42
Share Application money received	0.01	0.00
Total	**4,28,167.86**	**3,69,417.55**

21(a) Nature and purpose of reserve

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

Special reserve

Section 29C (i) of the National Housing Bank Act, 1987 defines that every housing finance institution which is a Company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. For this purpose any special reserve created by the Company under Section 36(1) (viii) of Income tax Act 1961, is considered to be an eligible transfer. During the year ended March 31, 2025, the Company has transferred an amount of Rs. 10,407.66 lakh (P.Y. Rs. 8,903.57 lakh) to special reserve in terms of Section 36(1) (viii) of the Income Tax Act 1961 considered eligible for special reserve u/s 29C of NHB Act 1987 and also transferred an amount of Rs. 1,079.24 lakh (P.Y. Rs. 913.34 lakh) to the Reserve in terms of Section 29C of the National Housing Bank ("NHB") Act, 1987.

Share Based Payments Reserve

This Reserve relates to stock options granted by the Company to employees under various ESOP Schemes. This Reserve is transferred to Securities Premium Account on exercise of vested options.

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(Rs. in lakh)

22 Interest income

Particulars	Year ended March 31, 2025			Year ended March 31, 2024		
	On financial assets measured at fair value through OCI	On financial assets measured at Amortised cost	Interest income on financial assets classified at fair value through profit and loss	On financial assets measured at fair value through OCI	On financial assets measured at Amortised cost	Interest income on financial assets classified at fair value through profit and loss
Interest on Loans (Refer note 22(a))	-	1,87,998.47	-	-	1,59,326.67	-
Interest on deposits with Banks	-	12,438.21	-	-	13,195.68	-
Interest on Government securities	-	1,289.33	-	-	930.94	-
Interest on Treasury Bill	-	41.66	-	-	11.75	-
Total	**-**	**2,01,767.67**	**-**	**-**	**1,73,465.04**	**-**

22(a) Loan origination income included in interest income on loan is disclosed net of the direct incremental costs of Rs. 8,436.96 lakh for year ended March 31, 2025 (P.Y. Rs. 8,034.25 lakh) associated with the origination of the underlying loans.

23 Fees and commission Income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Insurance commission	3,770.22	2,689.64
Other fee income	6,983.52	5,982.04
Total	**10,753.74**	**8,671.68**

24 Net gain on fair value changes

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a) Net gain on financial instruments at fair value through profit and loss		
i) On trading portfolio		
Investments in mutual fund	2,315.04	1,658.19
b) Others		
Derivatives	(129.49)	-
Total Net gain on fair value changes	**2,185.55**	**1,658.19**
Fair value changes		
Realised	2,315.04	1,658.19
Unrealised- MTM gain	(129.49)	-
Total Net gain on fair value changes	**2,185.55**	**1,658.19**

25 Other income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net gain on derecognition of property, plant and equipment	47.71	30.80
Other income	343.27	249.02
Total	**390.98**	**279.82**

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(Rs. in lakh)

26 Finance Costs

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
	On financial liabilities measured at fair value through Profit or loss	On financial liabilities measured at Amortised cost	On financial liabilities measured at fair value through Profit or loss	On financial liabilities measured at Amortised cost
Interest on borrowings	-	85,235.83	-	67,518.30
Interest on debt securities		12,911.06		12,406.10
Interest on Subordinated liabilities	-	-	-	678.59
Interest on Securitised pool	-	2,075.61	-	1,687.81
Interest on lease liability	-	524.34	-	545.27
Total	-	**1,00,746.84**	-	**82,836.07**

27 Fees and commission expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Resource mobilisation expenses	609.48	555.00
Bank charges and commission	194.59	180.41
Brokerage and Commission	28.38	19.90
Total	**832.45**	**755.31**

28 Impairment on financial instruments

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
	On financial instruments measured at fair value through OCI	On financial instruments measured at Amortised cost	On financial instruments measured at fair value through OCI	On financial instruments measured at Amortised cost
Investment in erstwhile subsidiary Company (refer Note B)	-	(5.18)	-	59.50
Loan Assets	-	2,235.28	-	1,318.66
Provision on Assets held for sale		(12.18)		563.19
Write offs	-	453.03	-	463.91
Assets acquired under SARFAESI	-	41.48	-	42.11
Total	-	**2,712.43**	-	**2,447.37**

29 Employee Benefits Expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and wages	34,451.33	32,566.13
Contribution to provident and other funds	1,533.83	1,449.39
Share Based Payments to employees	1,274.96	860.46
Staff welfare expenses	515.61	715.05
Total	**37,775.73**	**35,591.03**

Defined Contribution plan

The Company operates defined contribution plan (Provident fund) for all qualifying employees of the Company. The employees of the Company are members of a retirement contribution plan operated by the government. The Company is required to contribute a specified percentage of payroll cost to the retirement contribution scheme to fund the benefits. The only obligation of the Company with respect to the plan is to make the specified contributions. The Company's contribution to provident fund aggregating Rs. 1,360.22 lakh (P.Y. Rs. 1,278.66 lakh) has been recognised in the statement of profit and loss under the head employee benefits expense.

Gratuity and other post-employment

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to such limit as prescribed by the Payment of Gratuity Act, 1972 as amended from time to time.

The following tables summarize the components of net benefits expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

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Notes to the Financial Statements for the year ended March 31, 2025

(Rs. in lakh)

Statement of profit and loss

Net employee benefit expense recognized in the employee cost

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	474.12	414.21
Interest cost	22.53	15.19
Expected Return on plan assets	-	-
Net remeasurement (gain) / loss recognized in the year	-	-
Net expense	**496.65**	**429.40**

Remeasurement (gains)/ loss recognised in other comprehensive income:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Actuarial loss/(gain) due to change in financial assumptions	89.09	30.68
Actuarial loss/(gain) due to change in demographic assumption	-	-
Actuarial loss/ (gain) due to experience adjustments	(97.56)	(44.80)
Return on plan assets excluding amounts included in interest income	(23.14)	(6.14)
Remeasurement (gain) / loss arising during the year	**(31.61)**	**(20.26)**

Actual Return on plan asset

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Expected return on plan asset	-	-
Interest Income on Plan Asset	57.95	53.55
Actuarial gain/(loss)	23.14	6.14
Actual Return on plan asset	**81.09**	**59.69**

Balance Sheet

Net defined benefit liability

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Present value of defined benefit obligation	1,437.80	1,114.04
Fair value of plan assets	(1,072.76)	(805.37)
Plan liability	**365.04**	**308.67**

Changes in the present value of the defined benefit obligation are as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening defined benefit obligation	1,114.03	928.09
Current service cost	474.12	414.21
Interest cost	80.48	68.74
Benefits paid during the year	(222.36)	(282.88)
Remeasurement (gain)/loss on obligation	(8.48)	(14.12)
Closing defined benefit obligation	**1,437.79**	**1,114.04**

Changes in the present value of the plan assets are as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Fair value of plan asset at the beginning	805.37	725.56
Interest Income on Plan Asset	57.95	53.55
Expected return on plan asset	-	-
Contribution made	408.67	303.00
Benefit paid during the year	(222.36)	(282.88)
Actuarial Gain/(Loss) on plan assets	23.14	6.14
Fair value of plan asset at the the end of the year	**1,072.77**	**805.37**

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(Rs. in lakh)

The principle assumptions used in determining gratuity obligations for the Company are shown below:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	6.85%	7.30%
Salary escalation rate	6.00%	6.00%
Employee Turnover	age 30 = 5%	age 30 = 5%
	age 31-40 = 3%	age 31-40 = 3%
	age 41-50 = 2%	age 41-50 = 2%
	age 51 & above=1%	age 51 & above=1%
Mortality Rates	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Experience adjustment for the reported years are as below:

Particulars	March 31, 2025	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Defined benefit obligation	1,437.79	1,114.04	928.09	758.09	659.25
Plan assets	(1,072.77)	(805.37)	(725.56)	(690.02)	(604.95)
(Surplus)/Deficit	365.03	308.67	202.53	68.07	54.30
Experience adjustments on plan liabilities(Gain)/ Loss	(97.56)	(44.80)	(80.80)	(70.12)	(91.54)
Experience adjustments on plan assets	-	-	-	-	-

Sensitivity Analysis:
A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a) Effect of 1% change in assumed discount rate		
- 1% increase	1,250.25	972.08
- 1% decrease	1,668.09	1,287.56
(b) Effect of 1% change in assumed salary escalation rate		
- 1% increase	1,644.57	1,274.32
- 1% decrease	1,261.27	977.87

The sensitivity analysis have been determined based on reasonably possible changes of the respective 'assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Funding Arrangement and Policy

The contribution by the Corporation to fund the liabilities of the plan has to be invested. The trustees of the 'plan are required to invest the funds as per the prescribed pattern of investments laid out in the income tax 'rules for such approved schemes. Due to the restrictions in the type of investments that can be held by the 'fund, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively.

Maturity Analysis of the Benefit Payments: From the Fund

Projected Benefits Payable in Future Years From the Date of Reporting	Year ended March 31, 2025	Year ended March 31, 2024
1st Following Year	36.57	32.63
2nd Following Year	41.58	39.69
3rd Following Year	66.90	38.73
4th Following Year	73.49	62.49
5th Following Year	61.22	67.14
Sum of Years 6 to 10	434.38	330.43

Other Benefits

The Company has provided for compensatory leaves which can be availed and not encashed as per policy of the Company as present value obligation of the benefit at related current service cost measured using the Projected Unit Credit Method on the basis of an actuarial valuation.

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(Rs. in lakh)

30 Other expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Advertisement and brand promotion	305.15	864.60
AMC charges	250.20	143.25
Auditor's remuneration (note 30(a))	149.58	102.92
Collection and legal recovery expenses	1,132.12	989.15
Communication costs	615.38	683.61
CSR expenses (refer note 40)	1,085.93	904.79
Directors' fees and commission	163.50	130.80
Electricity and water	537.14	468.79
General office expenses	806.87	628.79
IT and analytics Expenses	2,849.63	2,072.19
Consultancy and professional charges	865.31	1,081.65
Manpower management cost	5,178.56	3,757.92
Postage and courier expenses	289.76	312.57
Printing and stationery	203.17	182.32
Rent, rates and taxes Expenses	243.57	288.44
Repairs and maintenance	174.46	271.88
Travelling and conveyance	2,019.66	1,805.23
Total	**16,869.99**	**14,688.90**

30(a) Auditor's remuneration

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Audit fees	141.68	81.12
Tax audit fees	5.45	5.45
Other services	2.45	16.35
	149.58	**102.92**

31 Earning per share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Following reflects the profit and share data used in EPS computations:		
Basic		
Weighted average number of equity shares for computation of Basic EPS (in lakh)	791.43	791.10
Net profit for calculation of basic EPS (Rs.in lakh)	57,410.82	49,069.42
Basic earning per share (In Rs.)	**72.54**	**62.03**
Diluted		
Weighted average number of equity shares for computation of Diluted EPS (in lakh)*	797.72	792.27
Net profit for calculation of Diluted EPS (Rs.in lakh)	57,410.82	49,069.42
Diluted earning per share (In Rs.)	**71.97**	**61.93**
Nominal value of equity shares (In Rs.)	**10.00**	**10.00**

*Effect of potential issue of shares / stock rights outstanding is 6.30 lakh as on March 31, 2025 (P.Y. 1.17 lakh)

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32 Maturity analysis of assets and liabilities

The following tables set forth, for the periods indicated, the assets and liabilities line items expected to be recovered or settled within and after twelve months after factoring prepayment assumptions.

(Rs. in lakh)

Particulars	As at March 31, 2025			As at March. 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	1,131.30	-	1,131.30	2,055.80	-	2,055.80
Bank balance other than cash and cash equivalents	1,54,200.06	631.82	1,54,831.88	1,76,842.28	884.08	1,77,726.36
Derivative financial instruments	104.87	-	104.87	-		-
Receivables	1,136.54	-	1,136.54	1,221.93	-	1,221.93
Loans	2,58,923.66	13,64,047.27	16,22,970.93	2,19,354.23	11,81,082.45	14,00,436.68
Investments	8,543.11	14,458.73	23,001.84	5,434.93	12,780.70	18,215.63
Other financial assets	20,348.62	21,650.23	41,998.85	18,297.60	18,145.12	36,442.72
Non-financial assets						
Current tax assets (net)	73.25	-	73.25	1,176.31	-	1,176.31
Property, plant and equipment	-	3,039.88	3,039.88	-	2,966.40	2,966.40
Capital work-in-progress	-	-	-	-	-	-
Intangible assets under development	-	1,040.09	1,040.09	-	1,120.53	1,120.53
Intangible assets	-	4,161.37	4,161.37	-	3,061.20	3,061.20
Right-of-use assets	-	6,169.93	6,169.93	-	5,571.98	5,571.98
Other non-financial assets	2,119.93	66.74	2,186.67	1,727.35	31.53	1,758.88
Assets held for sale	-	-	-	190.94	-	190.94
Total Assets	**4,46,581.34**	**14,15,266.06**	**18,61,847.40**	**4,26,301.37**	**12,25,643.99**	**16,51,945.36**
LIABILITIES						
Financial liabilities						
Payables						
(I) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	97.48	-	97.48	30.65	-	30.65
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	391.01	-	391.01	3,063.29	-	3,063.29
Debt securities	30,310.11	1,42,437.39	1,72,747.49	54,067.66	87,188.29	1,41,255.95
Borrowings (other than debt securities)	1,97,286.20	10,14,952.75	12,12,238.95	1,84,499.02	9,09,255.81	10,93,754.83
Lease liabilities	1,715.28	5,145.85	6,861.13	1,573.09	4,608.05	6,181.14
Other financial liabilities	20,290.25	197.61	20,487.86	18,638.80	142.82	18,781.62
Non-financial liabilities						
Provisions	421.45	492.10	913.56	358.90	481.40	840.30
Deferred tax liabilities (net)	-	7,557.15	7,557.15	-	6,024.78	6,024.78
Other non-financial liabilities	4,469.54	-	4,469.54	4,681.28	-	4,681.28
Total Liabilities	**2,54,981.32**	**11,70,782.85**	**14,25,764.17**	**2,66,912.69**	**10,07,701.15**	**12,74,613.84**
Net Assets	**1,91,600.02**	**2,44,483.21**	**4,36,083.23**	**1,59,388.68**	**2,17,942.84**	**3,77,331.52**

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33 Stock options

I The Company has formulated various share-based payment schemes for its employees , management and directors. Details of all grants in operation during the Year ended March 31, 2025 are as given below:

Particulars	ESOP 2016 I (a)	ESOP 2016 I (b)	ESOP 2016 III	ESOP 2019	ESOP 2020	ESOP 2021	ESOP 2022	ESOP 2016 I (c)	ESOP 2016 I (d)	ESOP 2016 I (e)
Scheme Name	Equity stock option plan for Employees 2016 (ESOP 2016 I)	Equity stock option plan for Employees 2016 (ESOP 2016 I)	Equity stock option plan for Directors 2016 (ESOP 2016 III)	Equity stock option plan for Employees 2019 (ESOP 2019)	Equity stock option plan for Employees 2020 (ESOP 2020)	Equity stock option plan for Employees 2021 (ESOP 2021)	Equity stock option plan for Employees 2021 (ESOP 2022)	Equity stock option plan for Employees 2016 (ESOP 2016)	Equity stock option plan for Employees 2016 (ESOP 2016 I)	Equity stock option plan for Employees 2016 (ESOP 2016 I)
No. of options approved*	12,87,901		7,19,084	3,00,000	3,00,000	3,00,000	8,50,000	1,25,000	4,500	89,500
Date of grant	23-Feb-17	24-Jan-18	23-Feb-17	03-Oct-19	13-Jul-21	18-Aug-21	22-Aug-22	30-Mar-23	01-Feb-24	15-Oct-24
No. of options granted	9,80,118	4,24,687	7,19,084	3,00,000	3,00,000	3,00,000	8,50,000	1,25,000	4,500	89,500
Exercise price per option (in Rs.)	215.25	328	215.25	1580.2	2887.05	2477.15	2241.25	1606.4	1476.55	1776.35
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting year and conditions	A) 50% options to vest as per stipulated vesting schedule ("Fixed Vesting") B) 50% options to vest as per stipulated vesting schedule on fulfillment of stipulated conditions ("Conditional Vesting")									
A) Fixed Vesting year is as follows on following dates :-										
1st vesting "12 months from the date of grant	98,012	42,469	71,908	30,000	30,000	30,000	85,000	12,500	450	17,900
2nd vesting "On expiry of four months from the 1st vesting date"	98,012	NA	71,908	NA	NA	NA	NA	NA	NA	NA
2nd vesting "On expiry of one year from the 1st vesting date"	NA	42,469	NA	30,000	30,000	30,000	85,000	12,500	450	17,900
3rd vesting "On expiry of one year from the 2nd vesting date"	98,012	42,469	Refer note A	30,000	30,000	30,000	85,000	12,500	450	17,900
4th vesting "On expiry of one year from the 3rd vesting date"	98,012	42,469	-	30,000	30,000	30,000	85,000	12,500	450	17,900
5th vesting "On expiry of one year from the 4th vesting date"	98,011	42,469	-	30,000	30,000	30,000	85,000	12,500	450	17,900
B) Conditional Vesting	Linked with conditions over the next five years as stipulated in respective stock option plan		Linked with conditions over the next five years as stipulated in respective stock option plan	Linked with conditions over the next five years as stipulated in respective stock option plan	Linked with conditions over the next five years as stipulated in respective stock option plan	Linked with conditions over the next five years as stipulated in respective stock option plan	Linked with conditions over the next five years as stipulated in respective stock option plan	Linked with conditions over the next five years as stipulated in respective stock option plan	Linked with conditions over the next five years as stipulated in respective stock option plan	Linked with conditions over the next five years as stipulated in respective stock option plan
Exercise year	Four years from the date of each vesting									

Particulars	PSOP 2023 (a)	PSOP 2023 (b)	PSOP 2023 (c)	PSOP 2023 (d)	PSOP 2024
Scheme Name	Performance stock option plan (PSOP 2023)	Performance stock option plan (PSOP 2023)	Performance stock option plan (PSOP 2023)	Performance stock option plan (PSOP 2023)	Performance stock option plan (PSOP 2024)
No. of options approved*	71,044	1,22,139	5,256	23,904	4,00,000
Date of grant	12-Dec-23	15-Oct-24	18-Oct-24	12-Dec-24	30-Jan-25
No. of options granted	71,044	1,22,139	5,256	23,904	4,00,000
Exercise price per option (in Rs.)	10.00	10.00	10.00	10.00	10.00
Method of settlement	Equity	Equity	Equity	Equity	Equity
Vesting year and conditions	Vesting is based on company performance condition over the future years				
A) Fixed Vesting year is as follows on following dates :-					
1st vesting "12 months from the date of grant	17,761	30,535	1,314	5,976	1,00,000
2nd vesting "On expiry of one year from the 1st vesting date"	17,761	30,535	1,314	5,976	1,00,000
3rd vesting "On expiry of one year from the 2nd vesting date"	17,761	30,535	1,314	5,976	1,00,000
4th vesting "On expiry of one year from the 3rd vesting date"	17,761	30,535	1,314	5,976	1,00,000
B) Conditional Vesting	linked with company's Profitability-Profit After Tax and Asset Quality-Gross Non-Performing Assets and such other parameter as the NRC may decide.				
Exercise year	Four years from the date of each vesting				

*After adjusting subsequent cancellations, if any

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Notes to the Financial Statements for the year ended March 31, 2025

Note:

A. During year ended March 31, 2025, pursuant to the Board/Nomination and Remuneration Committee approval dated October 15, 2024 options granted to employees under PSOP 2023.
B. During year ended March 31, 2025, pursuant to the Board/Nomination and Remuneration Committee approval dated October 15, 2024 options granted to employees under ESOP 2016.
C. During year ended March 31, 2025, pursuant to the Board/Nomination and Remuneration Committee approval dated October 18, 2024 options granted to employees under PSOP 2023.
D. During year ended March 31, 2025, pursuant to the Board/Nomination and Remuneration Committee approval dated December 12, 2024 options granted to employees under PSOP 2023.
E. During year ended March 31, 2025, pursuant to the Board/Nomination and Remuneration Committee approval dated January 30, 2025 options granted to employees under PSOP 2024.

II **Computation of fair value of options granted during the year ended March 31, 2025**

The Black-Scholes Model has been used for computing the weighted average fair value considering the following:

Particulars	ESOP 2016 I (e)	PSOP 2023 (b)	PSOP 2023 (c)	PSOP 2023 (d)	PSOP 2024
Share price on the date of grant	1776.35	1776.35	1731.15	1678.05	1689.70
Exercise price	1776.35	10.00	10.00	10.00	10.00
Expected volatility (%)	29.33%-35.44%	29.33%-33.20%	29.35%-33.18%	28.56%-32.90%	27.85%-32.06%
Life of the options granted (years)					
First Vesting	1 years	1 years	1 years	1 years	1 years
Second Vesting	2 years	2 years	2 years	2 years	2 years
Third Vesting	3 years	3 years	3 years	3 years	3 years
Forth Vesting	4 years	4 years	4 years	4 years	4 years
Fifth Vesting	5 years				
Risk-free interest rate (%)	Vesting 1 - 6.76% Vesting 2 - 6.76% Vesting 3 - 6.80% Vesting 4 - 6.82% Vesting 5 - 6.84%	Vesting 1 - 6.63% Vesting 2 - 6.76% Vesting 3 - 6.76% Vesting 4 - 6.80%	Vesting 1 - 6.64% Vesting 2 - 6.77% Vesting 3 - 6.79% Vesting 4 - 6.84%	Vesting 1 - 6.66% Vesting 2 - 6.78% Vesting 3 - 6.80% Vesting 4 - 6.78%	Vesting 1 - 6.71% Vesting 2 - 6.70% Vesting 3 - 6.74% Vesting 4 - 6.73%
Expected dividend rate (%)	0%	0%	0%	0%	0%
Fair value of the option	Tranche 1 - 399.88 Tranche 2 - 544.37 Tranche 3 - 650.76 Tranche 4 - 764.82 Tranche 5 - 842.79	Tranche 1 - 1766.99 Tranche 2 - 1767.61 Tranche 3 - 1768.19 Tranche 4 - 1768.73	Tranche 1 - 1721.81 Tranche 2 - 1722.44 Tranche 3 - 1723.05 Tranche 4 - 1723.65	Tranche 1 - 1668.69 Tranche 2 - 1669.32 Tranche 3 - 1669.90 Tranche 4 - 1670.43	Tranche 1 - 1680.35 Tranche 2 - 1680.95 Tranche 3 - 1681.53 Tranche 4 - 1682.06

III **Reconciliation of options**

Particulars	ESOP 2016 I (a)	ESOP 2016 I (b)	ESOP 2016 III	ESOP 2019	ESOP 2020	ESOP 2021	ESOP 2022	ESOP 2016 I (c)	ESOP 2016 I (d)	ESOP 2016 I (e)
Year ended March 31, 2025										
Options outstanding at April 1, 2024	5,380	18,805	-	1,49,527	1,67,009	2,01,194	5,67,060	1,25,000	4,500	-
Granted during the year	-	-	-	-	-	-	-	-	-	89,500
Forfeited during the year	-	-	-	-	-	-	-	-	-	-
Exercised during the year	-	3,250	-	1,200	-	-	-	-	-	-
Expired / lapsed during the year	1,587	-	-	55,967	38,452	40,750	1,13,284	-	-	-
Outstanding at March 31, 2025	3,793	15,555	-	92,360	1,28,557	1,60,444	4,53,776	1,25,000	4,500	89,500
Exercisable at March 31, 2025	3,793	15,555	-	92,360	76,477	96,544	1,79,996	50,000	900	-
Weighted average remaining contractual life (in years)	0.001	0.08	-	1.49	3.26	3.34	4.37	4.96	5.82	6.55
Weighted average share price at the time of exercise*	-	1,807	-	1,859	-	-	-	-	-	-

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Particulars	ESOP 2016 I (a)	ESOP 2016 I (b)	ESOP 2016 III	ESOP 2019	ESOP 2020	ESOP 2021	ESOP 2022	ESOP 2016 I (c)	ESOP 2016 I (d)	ESOP 2016 I (e)
Year ended March 31, 2024										
Options outstanding at April 1, 2023	22,685	67,962	20,000	1,79,695.00	2,41,194.00	2,55,687.00	6,13,700.00	1,25,000.00	-	-
Granted during the year	-	-	-	-	-	-	-	-	4,500.00	-
Forfeited during the year	-	-	-	-	-	-	-	-	-	-
Exercised during the year	15,302	47,529	20,000	-	-	-	-	-	-	-
Expired / lapsed during the year	2,003	1,628	-	30,168.00	74,185.00	54,493.00	46,640.00	-	-	-
Outstanding at March 31, 2024	5,380	18,805	-	1,49,527	1,67,009	2,01,194	5,67,060	1,25,000	4,500	-
Exercisable at March 31, 2024	5,380	18,805		1,13,177	65,429	78,794	1,11,460	25,000	-	-
Weighted average remaining contractual life (in years)	0.01	0.08	-	2.41	4.52	4.62	5.63	6.22	7.09	-
Weighted average share price at the time of exercise*	1,457.80	1,569.66	1,475.58	-	-	-	-	-	-	-

Particulars	PSOP 2023 (a)	PSOP 2023 (b)	PSOP 2023 (c)	PSOP 2023 (d)	PSOP 2024
Year ended March 31, 2025					
Options outstanding at April 1, 2024	71,044	-	-	-	-
Granted during the year	-	1,22,139	5,256	23,904	4,00,000
Forfeited during the year	-	-	-	-	-
Exercised during the year	9,510	-	-	-	-
Expired / lapsed during the year	17,436	4,344	-	-	-
Outstanding at March 31, 2025	44,098	1,17,795	5,256	23,904	4,00,000
Exercisable at March 31, 2025	3,724	-	-	-	-
Weighted average remaining contractual life (in years)	4.42	6.05	6.05	6.20	6.34
Weighted average share price at the time of exercise*	1,705.91	-	-	-	-

Particulars	PSOP 2023 (a)	PSOP 2023 (b)	PSOP 2023 (c)	PSOP 2023 (d)	PSOP 2024
Year ended March 31, 2024					
Options outstanding at April 1, 2023	-	-	-	-	-
Granted during the year	71,044	-	-	-	-
Forfeited during the year	-	-	-	-	-
Exercised during the year	-	-	-	-	-
Expired / lapsed during the year	-	-	-	-	-
Outstanding at March 31, 2024	71,044	-	-	-	-
Exercisable at March 31, 2024	-	-	-	-	-
Weighted average remaining contractual life (in years)	6.45	-	-	-	-
Weighted average share price at the time of exercise*	-	-	-	-	-

* Disclosure of weighted average share price at the time of exercise is applicable only for plans where there has been an exercise of options in current financial year.

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AAVAS FINANCIERS LIMITED

(Rs. in lakh)

34 Segment information

The Company has only one reportable business segment, i.e. lending to borrowers within India, which have similar nature of products and services, type/class of customers and the nature of the regulatory environment (which is banking), risks and returns for the purpose of Ind AS 108 on 'Segment Reporting'. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment. No revenue from transactions with a single external customer aggregates to 10% or more of the Company's total revenue during the year ended March 31, 2025 and March 31, 2024.

35 The Company has been granted Certificate of Registration (No. 08.0095.11) to commence/carry on the business as a housing finance company without accepting public deposits by National Housing Bank on August 04, 2011 and got a revised Certificate of Registration (02.0104.13) after conversion of Company from a private limited company to a public limited company on February 08, 2013. Further, the name of Company was changed to AAVAS FINANCIERS LIMITED, pursuant to a Shareholders resolution passed at the EOGM held on February 23, 2017. A fresh certificate of incorporation consequent to such change of name was issued on March 29, 2017 by the Registrar of companies, Jaipur and subsequently the revised certificate of Registration (No.04.0151.17) was issued on April 19, 2017 by National Housing Bank.

36 Related party

a. Names of related parties identified in accordance with Ind AS -24 "Related Party Disclosures"

1. Entities where control exists:

Shareholders having Substantial Interest

Lake District Holdings Limited

Wholly owned erstwhile subsidiary Company

Aavas Finserv Limited (Upto November 02, 2023) (Refer note no. B)

Entity in which director of the Company is a director

Perfios Software Solution Private Limited

Entity having significant influence

Partners Group ESCL Limited

Partners Group Private Equity (Master Fund), LLC

2. Directors and Key Management Personnel

Mr. Sandeep Tandon	Chairperson and Independent Director
Mr. Sachinderpalsingh Jitendrasingh Bhinder	Managing Director and Chief Executive Officer
Mrs. Kalpana Kaushik Mazumdar	Independent Director
Mrs. Soumya Rajan	Independent Director
Mr. Ramachandra Kasargod Kamath	Non-Executive Nominee Director
Mr. Vivek Vig	Non-Executive Nominee Director
Mr. Nishant Sharma	Non-executive Promoter Nominee Director
Mr. Manas Tandon	Non-executive Promoter Nominee Director
Mr. Rahul Mehta	Non-executive Promoter Nominee Director (w.e.f. May 21, 2024)
Mr. Kartikeya Dhruv Kaji	Non-executive Promoter Nominee Director (Upto May 21, 2024)
Mr. Ghanshyam Rawat	President and Chief Financial Officer
Mr. Ashutosh Atre	President and Chief Risk Officer
Mr. Sharad Pathak*	Chief Compliance Officer
Mr. Saurabh Sharma*	Company Secretary and Compliance Officer

*Mr. Sharad Pathak resigned from the post of Company Secretary and Compliance Officer, w.e.f. closing hours of January 30, 2025 and continues to hold the office as Chief Compliance Officer, while Mr. Saurabh Sharma appointed as the Company Secretary and Compliance Officer w.e.f. January 31, 2025.

3. Post Employment Benefit Plan

Aavas Gratuity Trust

4. Enterprises under significant influence of the Key Management Personnel

Aavas foundation

5. Close members of Key Managerial Personnel

None

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(Rs. in lakh)

b. The nature and volume of transactions carried out with the above related parties in the ordinary course of business are as follows :

Name of related party	Nature of transactions	March 31, 2025			March 31, 2024		
		Amount received	Amount paid	Receivable/ (Payable)	Amount received	Amount paid	Receivable/ (Payable)
Aavas Finserv Limited	Reimbursement of expenses	-	-	-	2.31	2.31	-
	Reimbursement of Statutory payments	-	-	-	0.11	0.07	-
	Proceeds from voluntary liquidation (Refer note no. B)	-	-	-	1,172.02	-	5.00
Mr. Sandeep Tandon	Commission	-	32.70	-	-	26.16	-
Mr. Sachinderpalsingh Jitendrasingh Bhinder	Remuneration	-	332.24	-	-	271.31	-
	Share based Payment	-	344.90	-	-	211.57	-
Mr. Ghanshyam Rawat	Remuneration	-	289.53	-	-	270.59	-
	Share based Payment	-	152.85	-	-	146.84	-
Mr. Ashutosh Atre	Remuneration	-	222.70	-	-	215.55	-
	Share based Payment	-	145.26	-	-	144.83	-
Mrs. Kalpana Iyer	Commission	-	32.70	-	-	26.16	-
Mrs. Soumya Rajan	Commission	-	32.70	-	-	26.16	-
Mr. Ramachandra Kasargod Kamath	Issue of Equity shares	-	-	-	43.05	-	-
	Commission	-	32.70	-	-	26.16	-
Mr. Vivek Vig	Commission	-	32.70	-	-	26.16	-
Mr. Saurabh Sharma	Remuneration	-	1.50	-	-	-	-
	Share based Payment	-	3.15	-	-	-	-
Mr. Sharad Pathak	Issue of Equity shares	3.28	-	-	-	-	-
	Remuneration	-	79.36	-	-	44.44	-
	Loan given (Refer Note 5)	-	-	26.86	-	-	28.43
	Loan repaid	1.57	-	-	1.78	-	-
	Interest on Loan	1.29	-	-	1.65	-	-
	Share based Payment	-	10.00	-	-	9.53	-
Mr. Sushil Kumar Agarwal #	Remuneration	-	-	-	-	292.53	-
Aavas Foundation	Contribute as a Settler (CSR)	-	521.06	-	-	429.10	-
Aavas Gratuity Trust	Gratuity Contribution	-	408.67	-	-	303.00	-
Perfios Software Solution Private Limited	Purchase of Goods/Services	-	52.72	(5.33)	-	5.64	(4.13)

Mr. Sushil Kumar Agarwal resigned from the post of managing director, w.e.f. closing hours of May 03, 2023.

Note :

1. All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.
2. Consolidated Remuneration is paid to Non-Executive Directors as profit linked commission instead of paying Sitting fees and Commission separately.
3. The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.
4. Issue of equity shares includes Share premium amount.
5. The Company granted loan to Mr. Sharad Pathak under employee home loan policy of the Company amounting to Rs 30.50 lakhs at the rate of 5.6% for a period of 12 years, approved by the Audit Committee of the Company. It is a fully secured loan. The company has provided Expected Credit Loss (ECL) of Rs 0.02 lakh as at March 31, 2025 on the same loan.

37 The Company's pending litigations comprise of claims against the Company primarily by the customers. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements of the Company as at March 31, 2025.







(Rs. in lakh)

38 Commitments and contingencies

a Capital and other commitments:

Particulars	As at March 31, 2025		
	Estimated Project cost	Paid during the year	Balance Payable
Property, plant and equipment	448.75	81.37	367.38
Other intangible assets	1,827.47	1,040.09	787.38

Particulars	As at March 31, 2024		
	Estimated Project cost	Paid during the year	Balance Payable
Property, plant and equipment	227.36	49.93	177.43
Other intangible assets	2,474.29	1,089.12	1,385.17

Refer note 5(iii) for undisbursed commitment relating to loans.

b Contingent Liabilities not provided for in respect of

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Disputed claims against the Company not acknowledged as debts - Taxation*	17.44	-
Claims against the Company not acknowledged as debts - others	-	-

*The Company is party to various indirect taxation matters pertaining to input tax credit in respect of which appeals are pending. The Company expects the outcome of appeals to be favourable. The Company's assessment is supported by the facts of the matter, own judgement, experience & advices from legal & independent tax consultants wherever considered necessary.

39 Expenditure in Foreign currency

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest paid*	3,991.85	3,563.24
Other Expenses**	643.23	809.38

*Interest expenses does not includes provision for interest on Rupee Denominated Bond (RDB) issued outside india on March 10, 2022 payable to CDC Group amounting to Rs 215.39 lakh (PY Rs. 220.95 lakh).
**Other expenses does not includes provision for consultancy and professional charges payable to Intralinks Inc. amounting to Rs. 20.00 lakh (PY Rs. Nil).

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40 CSR expenses

Operating expenses include Rs. 1,085.94 lakh for the year ended March 31, 2025 (P.Y. Rs. 904.79 lakh) towards Corporate Social Responsibility (CSR), in accordance with Companies Act, 2013. Gross amount (including excess spending/Deficit of previous year) required to be spent by the Company during the year is Rs. 1,085.94 lakh. (P.Y. Rs. 904.79 lakh).

The Board of Directors of the Company has approved an amount of CSR of Rs. 1,085.94 lakh.

a. The details of amount spent during the respective year towards CSR are as under:

Particulars	March 31, 2025			March 31, 2024		
	Amount Spent	Yet to be paid	Total	Amount Spent	Yet to be paid	Total
Construction/acquisition of any asset	86.14	-	86.14	10.00	-	10.00
On purposes other than above	1025.66	-	1025.66	893.52	-	893.52

b. Amount of shortfall at the end of year

No short fall during the FY 2024-25 and FY 2023-24

c. Unspent amount as per Section 135 (5) of the Companies Act, 2013

(Rs. in lakh)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening Balance (A)	-	-
Amount required to be spent during the year (B)	-	-
Amount spent during the year (restricted to sum of A and B above)	-	-
Closing Balance - Unspent amount	-	-

d. Excess spent amount as per Companies Act, 2013

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening Balance - Excess Spent	(31.34)	(32.61)
Amount required to be spent during the year	1,085.94	904.79
Amount spent during the year (including any excess for future periods)	1,111.80	903.52
Closing Balance - Excess Spent	(57.20)	(31.34)

e. Details of ongoing projects for financial year 2024-25

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In CSR Unspent Bank A/C		From Company's Bank A/C	From CSR Unspent Bank A/C	From Company's Bank A/C	From CSR Unspent Bank A/C
31.34	-	1,085.94	1,111.80	-	57.20	-

During the year ended March 31, 2025, the Company has spent excess amount of CSR amounting to Rs. 57.20 lakh. The said pre-spent shall be carried forward in next financial year in accordance with the provisions of Company Act, 2013.

f. Reason of shortfall at the end of year

No short fall for the FY 2024-25.

g. Nature of CSR activities

1. Plantation, Renewable Energy and Traditional Energy Sources e.g. Solar Energy, Bio Gas, and Promoting Green Home Practices.
2. Aavas Udaan: Skill Development: focusing on industry specific and new age courses.
3. Aavas Gurukul: School Infrastructure, Resources and Scholarship.
4. Khelodaya: Sports Training, Scholarship, Sponsorship.
5. Road Safety and other Awareness programs.
6. Vishwakarma: Construction Worker Development- Focus on Construction Workers and their Families, Skill Building, Health and Safety, Social Security, Decent Work Environment.
7. Aavas Aahar Program, Health Care and Wellness, improving Health Infrastructure in Rural and Peri-Urban Areas, Health Camps.
8. Gram Siddhi- Enterprise Development, E-Commerce & Digital Marketing, Refresher Training to existing Gram Siddhis.
9. Association with Academic Institutions for R&D in the field of Green Housing; Environment Friendly Material, Designs and Construction Waste Management.

h. Details of related party transactions

The Company has paid Rs. 521.06 lakh for CSR expenditure to Aavas Foundation, public trust registered under section 12A and 80G of Income Tax Act 1961, established by the Company singly for the purpose of CSR.

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(Rs. in lakh)

41 Fair value measurement

41(a) Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly/ indirectly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

41(b) Fair Value of financial instruments which are not measured at Fair Value

The carrying amounts and fair value of the Company's financial instruments are reasonable approximations of fair values at financial statement level.

Valuation methodologies of financial instruments not measured at fair value

Loans

Most of the loans are repriced frequently, with interest rate of loans reflecting current market pricing. Hence carrying value of loans is deemed to be equivalent of fair value.

Borrowings

The most of the Company's borrowings are at floating rate which approximates the fair value.
Debt securities and subordinate liabilities are fixed rate borrowings and fair value of these fixed rate borrowings is determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans and carrying value approximates the fair value for fixed rate borrowing at financial statement level.

Short Term and Other Financial Assets and Liabilities

The management assessed that cash and cash equivalents, investments, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Assets held for sale

Real estate properties are valued based on a well progressed sale process with price quotes.

42 Transfer of Financial assets

Transfers of financial assets that are not derecognised in their entirety

Securitisation:

The Company uses securitisations as a source of finance. Such transactions generally result in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Securitisation has resulted in the continued recognition of the securitised assets.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

Loans and advances measured at amortised cost	As at March 31, 2025	As at March 31, 2024
Carrying amount of transferred assets measured at amortised cost	32,839.77	39,737.82
Carrying amount of associated liabilities	(32,307.38)	(39,093.24)

The carrying amount of above assets and liabilities is a reasonable approximation of fair value.

Assignment Deal:

During the year ended March 31, 2025, the Company has sold some loans and advances measured at amortised cost as per assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet.

The management has evaluated the impact of assignment transactions done during the year for its business model. Based on the future business plan , the company business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain on derecognition.

Loans and advances measured at amortised cost	Year ended March 31, 2025	Year ended March 31, 2024
Carrying amount of derecognised financial assets	1,69,178.29	1,38,107.04
Gain from derecognition	20,743.56	17,954.91

Co-lending Deal:

During the year ended March 31, 2025, the Company has transfered a pool of loans amounting to Rs. 12,602.47 lakh (P.Y. 541.30 lakh) by way of a Co-lending transaction during the year. These loan assets have been de-recognised from the loan portfolio of the Company as the sale of loan assets is an absolute assignment and transfer on a 'no-recourse' basis. The Company continues to act as a servicer to the Co-lending transaction on behalf of lender.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain on derecognition.

Loans and advances measured at amortised cost	Year ended March 31, 2025	Year ended March 31, 2024
Carrying amount of derecognisèd financial assets	12,602.47	541.30
Gain from derecognition	-	-

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(Rs. in lakh)

43 Capital management:

For the purpose of the Company's capital management, capital includes issued equity capital, Securities premium and all other equity reserves attributable to the equity holders of the Company net of intangible assets. The primary objective of the Company's capital management is safety and security of share capital and maximize the shareholder value.

The Company manages its capital structure in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is total debt divided by net worth. The Company's policy is to keep the gearing ratio at reasonable level of 6-8 times in imminent year while the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 currently permits HFCs to borrow up to 12 times of their net owned funds ("NOF"). The Company includes with in debt, its all interest bearing loans and borrowings.

Debt to net worth ratio

Particulars	As at March 31, 2025	As at March 31, 2024
Debts	13,84,986.44	12,35,010.78
Net worth	4,30,881.77	3,73,149.79
Debt to Net worth (in times)	**3.21**	**3.31**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

44 Financial risk management objectives and policies

The Company's Principal financial liabilities comprise loans and borrowings. The main purpose of these financial liabilities is to finance the company's operations. At the other hand company's Principal financial assets include loans and cash and cash equivalents that derive directly from its operations.

As a lending institution, Company is exposed to various risks that are related to lending business and operating environment. The Principal Objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks. Company 's risk management framework is driven by Board and its subcommittees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications, conservative loan to value, and required term cover for insurance. The major types of risk Company face in businesses are liquidity risk, credit risk, interest rate risk.

(A) Liquidity risk

Liquidity Risk refers to the risk that the company can not meet its financial obligations. The objective of Liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirement. The unavailability of adequate amount of funds at optimum cost and co-terminus tenure to repay the financial liabilities and further growth of business resultantly may face an Asset Liability Management (ALM) mismatch caused by a difference in the maturity profile of Company assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. The Company manages liquidity risk by maintaining adequate cash reserves and undrawn credit facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company has given cash collateral for the securitisation transactions and do not expect any net cash outflow and hence guarantees given for securitisation transactions have not been shown as part of below table. Further, undisbursed loan amount being cancellable in nature are not disclosed as part of below mentioned maturity profile.

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities.

Maturity profile of Financial liabilities as on March 31, 2025			
Particulars	**Borrowings**	**Payables**	**Other Financial liabilities**
1 Day to 1 year	3,24,134.12	488.49	20,290.25
Over 1 year to 3 years	6,26,661.88	-	197.61
Over 3 year to 5 years	4,93,823.54	-	-
Over 5 year	3,05,592.11	-	-
Total	**17,50,211.65**	**488.49**	**20,487.86**

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AAVAS FINANCIERS LIMITED

(Rs. In lakh)

Maturity profile of Financial liabilities as on March 31, 2024			
Particulars	**Borrowings**	**Payables**	**Other Financial liabilities**
1 Day to 1 year	3,22,744.99	3,093.93	18,638.80
Over 1 year to 3 years	5,38,848.38	-	142.81
Over 3 year to 5 years	3,80,432.03	-	-
Over 5 year	3,17,058.34	-	-
Total	**15,59,083.74**	**3,093.93**	**18,781.61**

(B) Credit risk

Credit Risk arises from the risk of loss that may occur from the default of Company's customers under loan agreements. Customer defaults and inadequate collateral may lead to higher credit impaired assets. Company address credit risks by using a set of credit norms and policies, which are approved by Board and backed by analytics and technology. Company has implemented a structured and standardized credit approval process, including customer selection criteria, comprehensive credit risk assessment and cash flow analysis, which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of a potential customer. Actual credit exposures, credit limits and asset quality are regularly monitored and analysed at various levels. Company has created a robust credit assessment and underwriting practice that enables to fairly price credit risks.

The Company has created more than 60 templates of customer profiles through its experience over the years, with risk assessment measures for each geography in which it operates. The Company continuously seek to develop and update such profiles in order to identify and source reliable customers and improve efficiencies. The Company also conduct an analysis of the existing cash flow of customer's business to assess their repayment abilities. The Company has implemented a four prong system of credit assessment comprising underwriting, legal assessments, technical assessments and a risk containment unit.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 16,72,893.09 lakh and Rs. 14,42,255.64 lakh as of March 31, 2025 and March 31, 2024 respectively, being the total of the carrying amount of Loan assets and EIS receivable.

(C) Analysis of risk concentration

The Company's concentrations of risk are managed based on Loan to value (LTV) segregation as well as geographical spread. The following tables stratify credit exposures from housing and other loans to customers by range of loan-to-value (LTV) ratio .LTV is calculated as the ratio of gross amount of the loan - or the amount committed for loan commitments - to the value of the collateral. The value of the collateral for housing and other loans is based on collateral value at origination.

Loans to customers:

LTV wise bifurcation:

As at March 31, 2025

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	3,69,705.82	5,666.18	4,099.99	3,79,471.99
41%-60%	5,66,226.99	8,656.28	6,154.04	5,81,037.31
61%-80%	5,17,513.72	7,785.78	5,476.95	5,30,776.45
More than 80%	1,38,543.37	1,972.02	1,902.93	1,42,418.32
Total	**15,91,989.90**	**24,080.26**	**17,633.91**	**16,33,704.07**

As at March 31, 2024

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	3,16,316.60	5,277.17	1,957.65	3,23,551.42
41%-60%	5,03,189.78	7,156.94	3,137.12	5,13,483.84
61%-80%	4,35,940.96	6,713.00	3,682.58	4,46,336.54
More than 80%	1,19,626.82	1,511.52	4,408.43	1,25,546.77
Total	**13,75,074.16**	**20,658.63**	**13,185.78**	**14,08,918.57**

Customer profile

As at March 31, 2025

Customer profile	Stage 1	Stage 2	Stage 3	Total
HOUSING:				
Salaried	6,91,097.50	4,632.92	3,795.80	6,99,526.22
Self employed	5,91,359.85	12,157.17	9,603.60	6,13,120.62
NON-HOUSING:	-	-	-	
Salaried	1,81,929.31	1,683.80	651.99	1,84,265.10
Self employed	1,27,603.24	5,606.37	3,582.52	1,36,792.13
Total	**15,91,989.90**	**24,080.26**	**17,633.91**	**16,33,704.07**

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Customer profile	Stage 1	Stage 2	Stage 3	Total
HOUSING:				
Salaried	5,00,347.87	3,537.44	2,325.75	5,06,211.06
Self employed	5,97,489.36	10,275.02	7,540.23	6,15,304.61
NON-HOUSING:	-	-	-	
Salaried	91,548.39	1,350.11	642.27	93,540.77
Self employed	1,85,688.54	5,496.06	2,677.53	1,93,862.13
Total	**13,75,074.16**	**20,658.63**	**13,185.78**	**14,08,918.57**

Loan Commitments:

LTV wise bifurcation:

As at March 31, 2025

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	14,106.08	23.39	-	14,129.47
41%-60%	29,019.22	75.42	-	29,094.64
61%-80%	15,378.35	34.34	-	15,412.69
More than 80%	5,214.49	17.73	-	5,232.22
Total	**63,718.14**	**150.88**	**-**	**63,869.02**

As at March 31, 2024

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	12,965.63	15.26	-	12,980.89
41%-60%	27,873.70	42.66	-	27,916.36
61%-80%	14,286.46	86.00	-	14,372.46
More than 80%	5,350.14	6.01	-	5,356.15
Total	**60,475.93**	**149.93**	**-**	**60,625.86**

Customer profile:

As at March 31, 2025

Customer profile	Stage 1	Stage 2	Stage 3	Total
Salaried	45,960.54	49.53	-	46,010.07
Self employed	17,757.60	101.35	-	17,858.95
Total	**63,718.14**	**150.88**	**-**	**63,869.02**

As at March 31, 2024

Customer profile	Stage 1	Stage 2	Stage 3	Total
Salaried	24,658.06	49.84	-	24,707.90
Self employed	35,817.87	100.09	-	35,917.96
Total	**60,475.93**	**149.93**	**-**	**60,625.86**

(D) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of interest rate risk.

(I) Interest Rate Risk:-

The company is subject to interest rate risk, primarily since it lends to customers at rates and for maturity years that may differ from funding sources. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the company seek to optimize borrowing profile between short-term and long-term loans. The company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.

Due to the very nature of housing finance, the company is exposed to moderate to higher Interest Rate Risk. This risk has a major impact on the balance sheet as well as the income statement of the company. Interest Rate Risk arises due to:

i) Changes in Regulatory or Market Conditions affecting the interest rates
ii) Short term volatility
iii) Prepayment risk translating into a reinvestment risk
iv) Real interest rate risk.

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(Rs. in lakh)

In short run, change in interest rate affects Company's earnings (measured by NII or NIM) and in long run it affects Market Value of Equity (MVE) or net worth. It is essential for the company to not only quantify the interest rate risk but also to manage it proactively. The company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings. Further company carries out Earnings at risk analysis and maturity gap analysis at quarterly intervals to quantify the risk.

Interest Rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity:

Particulars	Basis Points	Effect on Profit before tax and equity	
		As at March 31, 2025	As at March 31, 2024
Loans			
Increase in basis points	50	5,723.47	4,611.02
Decrease in basis points	-50	(5,721.59)	(4,609.78)
Borrowings			
Increase in basis points	50	(4,629.95)	(3,447.26)
Decrease in basis points	-50	4,629.95	3,447.26

(II) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Company's exposure to the risk of changes in foreign exchange rates relates primary to the foreign currency borrowings taken from bank.

(E) Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.

The Company recognizes that operational risk event types that have the potential to result in substantial losses includes Internal fraud, External fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management.

The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

45 In compliance with RBI circular number RBI/2020-21/16/DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 ,the Company has not invoked or implemented resolution plan under the "Resolution Framework for COVID-19 related Stress" for any of its borrower accounts.

Disclosure pursuant to RBI Notification -RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021

Type of Borrower	As at March 31, 2025				
	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at September 30, 2024 (A)	of (A) aggregate debt that slipped into NPA during the half year ended March 31, 2025	Of (A) amount written off during the half year ended March 31, 2025	Of (A) amount paid by the borrower during the half year ended March 31, 2025*	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at March 31, 2025
Personal Loan	6,369.26	147.57	7.14	250.17	5,964.38
Corporate Loan	-	-	-	-	-
Of Which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**6,369.26**	**147.57**	**7.14**	**250.17**	**5,964.38**

* Amount paid by the borower during the half year is net of additions.

Impairment loss allowance on account of Covid-19 restructuring 2.0. is Rs. 426.06 lakh as on March 31, 2025 (P.Y. Rs. 844.07 lakh)







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Notes to the Financial Statements for the year ended March 31, 2025

(Rs. in lakh)

Type of Borrower	As at September 30, 2024				
	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at March 31, 2024 (A)	of (A) aggregate debt that slipped into NPA during the half year ended September 30, 2024	Of (A) amount written off during the half year ended September 30, 2024	Of (A) amount paid by the borrower during the half year ended September 30, 2024*	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at September 30, 2024
Personal Loan	7,341.48	467.38	67.61	437.23	6,369.26
Corporate Loan	-	-	-	-	-
Of Which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**7,341.48**	**467.38**	**67.61**	**437.23**	**6,369.26**

* Amount paid by the borower during the half year is net of additions.

Type of Borrower	As at March 31, 2024				
	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at September 30, 2023 (A)	of (A) aggregate debt that slipped into NPA during the half year ended March 31, 2024	Of (A) amount written off during the half year ended March 31, 2024	Of (A) amount paid by the borrower during the half year ended March 31, 2024*	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at March 31, 2024
Personal Loan	7,975.61	244.34	43.84	345.95	7,341.48
Corporate Loan	-	-	-	-	-
Of Which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**7,975.61**	**244.34**	**43.84**	**345.95**	**7,341.48**

* Amount paid by the borower during the half year is net of additions.

Type of Borrower	As at September 30, 2023				
	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at March 31, 2023 (A)	of (A) aggregate debt that slipped into NPA during the half year ended September 30, 2023	Of (A) amount written off during the half year ended September 30, 2023	Of (A) amount paid by the borrower during the half year ended September 30, 2023*	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at September 30, 2023
Personal Loan	9,026.79	770.56	68.83	211.80	7,975.61
Corporate Loan	-	-	-	-	-
Of Which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**9,026.79**	**770.56**	**68.83**	**211.80**	**7,975.61**

* Amount paid by the borower during the half year is net of additions.

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46 Disclosures required by the Reserve Bank of India /National Housing Bank as per Notification no. DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17. 2021- Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 (as amended)

46.1 Summary of Material Accounting Policies

The accounting policies regarding key areas of operations are disclosed as note 1 to the Financial Statement for the year ended March 31, 2025.

Disclosure:

46.2 Capital

Particulars	As at March 31, 2025	As at March 31, 2024
CRAR (%)	44.50%	43.98%
CRAR - Tier I capital (%)	44.38%	43.76%
CRAR - Tier II capital (%)	0.12%	0.23%
Amount of subordinated debt raised as Tier- II Capital	-	-
Amount raised by issue of perpetual Debt instruments	-	-

46.3 Reserve Fund u/s 29C of NHB Act, 1987

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory Reserve u/s 29C of the National Housing Bank Act, 1987		
Opening Balance	44,664.04	34,847.12
Additional during the year	11,486.89	9,816.92
Appropriation during the year	-	-
Closing Balance	**56,150.93**	**44,664.04**

Particulars	As at March 31, 2025	As at March 31, 2024
Special Reserve u/s 29C of The National Housing Bank Act, 1987 read with section 36 (1) (viii) of Income Tax Act, 1961		
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	4,983.52	4,070.18
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	39,680.52	30,776.94
c) Total	**44,664.04**	**34,847.12**
Addition /Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	1,079.23	913.34
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	10,407.66	8,903.58
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision under section 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	6,062.75	4,983.52
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	50,088.18	39,680.52
c) Total	**56,150.93**	**44,664.04**

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46.4 Investments

Particulars	As at March 31, 2025	As at March 31, 2024
Value of Investment		
Gross Value of Investment	**23,001.84**	**18,215.63**
In India	23,001.84	18,215.63
Outside India	-	-
Provision for Depreciation	-	-
In India	-	-
Outside India	-	-
Net Value of Investment	**23,001.84**	**18,215.63**
In India	23,001.84	18,215.63
Outside India	-	-
Movement of Provision held towards depreciation on Investment		
Opening Balance	-	(264.15)
Add: Provisions made during the year	-	-
Less: Write off/Write Back Excess provision during the year	-	264.15
Closing Balance	-	-

46.5 Derivatives

a) Forward Rate Agreement/Interest Rate Swap

Particulars	As at March 31, 2025	As at March 31, 2024
(i) The notional principal of swap agreements*	20,427.76	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	104.87	-
(iii) Collateral required by the NBFC upon entering into swaps	NA	NA
(iv) Concentration of credit risk arising from the swaps	NA	NA
(v) The fair value of the swap book	104.87	-

* As a part of currency risk management, the Company has entered into forward exchange contract of a notional amount of Rs. 20,427.76 lakh during the year ended March 31, 2025 (P.Y. Rs. Nil). The total outstanding amount of Foreign Currency Term Loan (FCTL) as on March 31, 2025 is Rs. 20,137.03 lakh ((P.Y. Rs. Nil).

b) Quantitative Disclosure - Currency Derivatives

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Derivatives (Notional Principal Amount)	20,427.76	-
(ii) Market to Market Positions		
(a) Assets (+)	104.87	-
(b) Liability (-)	-	-
(iii) Credit Exposure	104.87	-
(iv) Unhedged Exposures	-	-

Qualitative Disclosure:

The Company's Board of Directors ("Board") has laid down Foreign Currency Risk Management Policy ("Policy") with respect managing foreign currency and related risk which include exchange and interest rate risk by using appropriate derivative instruments.

Board has empowered the Executive Committee of Board (hereinafter referred to as "EC") to decide the hedging level by using appropriate derivative instruments for borrowing transactions and, based on ALCO Committee review and recommendation, for non borrowing transaction.

Management continuously identifies potential foreign currency and related risks for any foreign currency borrowing at each and every transaction level, analyse them and takes precautionary steps such as hedging and/ or use of appropriate derivative instrument to reduce/curb the foreign currency and related risk as per the Policy.

Periodical report of all hedging/derivative transactions are being presented to Risk Management Committee of the Board and/or ALCO.

As per the Companies Act, 2013 and with reference to various guidelines issued by RBI/NHB from time to time, the company is following the applicable accounting standards issued by ICAI for accounting of such transactions and accordingly due disclosures has been made in notes to accounts. During the period under review the Company has used Forward Contracts to mitigate exchange rate risk with respect to all contractual cash flows of Foreign Currency Term Loan of USD 2.367 Cr availed by Company.

2) The company has unhedged foreign currency liability on March 31, 2025 of Rs. Nil (P.Y. 156.30 lakh)

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46.6 Securitisation

a. Disclosure as per Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021, assignment /securitisation transactions as an originator:

Particulars	No. / Amount	
	As at March 31, 2025	As at March 31, 2024
1. No of SPVs sponsored by the HFC for securitisation transactions	4	4
2. Total amount of securitised assets as per books of the SPVs sponsored	32,814.58	39,737.82
3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet		
(I) Off-balance sheet exposures towards Credit Concentration		
First Loss	-	-
Others	-	-
(II) On-balance sheet exposures towards Credit Concentration		
First Loss (In the form of Fixed Deposits)	2,596.58	2,596.58
Series A PTCs	532.32	644.58
4. Amount of exposures to securitisation transactions other than MRR		
(I) Off-balance sheet exposures towards Credit Concentration		
a) Exposure to own securitizations		
First Loss	-	-
Others (Guarantees provided by banks on behalf of the Company*)	430.70	430.70
b) Exposure to third party securitisations		
First Loss	-	-
Others	-	-
(II) On-balance sheet exposures towards Credit Concentration		
a) Exposure to own securitisations		
First Loss	-	-
Others	-	-
b) Exposure to third party securitisations		
First Loss	-	-
Others	-	-
5. Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	-	-
6. Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-
Liquidity Support		
Number of transaction		
Outstanding Value		
Post Securitisation Assets servicing		
Number of transaction	4	4
Outstanding Value	32,814.58	39,737.82
7. Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
Credit enhancement facility		
No of Transaction	4	4
a) Amount paid	-	-
b) Repayment received	-	-
c) Outstanding amount	3,027.28	3,027.28
Servicing Agent		
No of Transaction	4	4
a) Amount paid	-	-
b) Repayment received	-	-
c) Outstanding amount	32,814.58	39,737.82
8. Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc		
Asset Class- RMBS	1.08%	0.93%
9. Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc		
Asset Class- RMBS		
Number of additional/ Top Up Loan	169	358
Amount of additional/ Top Up Loan	822.91	1,504.30
10. Investor complaints		
a) Directly/Indirectly received and	-	-
b) Complaints outstanding	-	-

* Second Loss facility

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(Rs. in lakh)

b. Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Number of accounts	-	-
Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
Aggregate consideration	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-
Aggregate gain/loss over net book value	-	-

c. Details of Assignment transactions undertaken by company

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Number of accounts	17,783	16,934
Aggregate value (net of provisions) of accounts assigned*	1,52,260.46	1,24,296.34
Aggregate consideration	1,52,260.46	1,24,296.34
Additional consideration realized in respect of accounts transferred in earlier years	-	-
Aggregate gain/loss over net book value	-	-

* Represents amount related to share of asignee.

d. Details of non-performing financial assets purchased/sold

i **Details of non-performing financial assets purchased:**

The company has not purchased non-performing financial assets in the current and previous year.

ii **Details of non-performing financial assets sold:**

The company has not sold non-performing financial assets in the current and previous year.

46.7 Asset liability management

Maturity pattern as on March 31, 2025

Particulars	Liabilities				Assets			
	Deposits	Borrowings from banks**	Market borrowings	Foreign currency Liability #	Advance	Investments	Fixed Deposits*	Foreign currency Assets
1 to 7 Days	-	2,586.67	-	-	17,731.64	-	-	-
8 to 14 Days	-	141.00	-	-	5,461.75	-	-	-
15 Days to 30/31 Days	-	3,419.17	3,035.13	-	10,353.79	-	26,500.00	-
Over 1 month to 2 month	-	7,616.09	-	232.84	20,354.47	2,480.79	20,505.88	-
Over 2 month to 3 month	-	10,750.23	3,683.90	-	20,301.20	3,542.04	16,500.00	-
Over 3 month to 6 month	-	53,521.96	9,630.20	-	61,796.70	2,028.21	88,602.56	-
Over 6 month to 1 year	-	1,19,251.09	13,960.88	1,413.59	1,22,924.10	492.08	126.86	-
Over 1 year to 3 years	-	4,27,343.94	49,197.42	5,679.90	4,59,693.18	14,458.72	-	-
Over 3 year to 5 years	-	3,17,809.86	93,239.96	5,690.31	3,92,908.04	-	-	-
Over 5 years	-	2,69,798.95	-	7,120.39	5,22,179.20	-	-	-
Total	**-**	**12,12,238.96**	**1,72,747.49**	**20,137.03**	**16,33,704.07**	**23,001.84**	**1,52,235.30**	**-**

Maturity pattern as on March 31, 2024

Particulars	Liabilities				Assets			
	Deposits	Borrowings from banks**	Market borrowings	Foreign currency Liability	Advance	Investments	Fixed Deposits*	Foreign currency Assets
1 to 7 Days	-	1,849.70	-	-	14,837.16	-	5,300.00	-
8 to 14 Days	-	-	-	-	4,727.36	-	25,700.00	-
15 Days to 30/31 Days	-	5,085.64	911.19	-	8,990.31	-	22,100.00	-
Over 1 month to 2 month	-	7,088.94	-	-	17,153.16	-	76,200.00	-
Over 2 month to 3 month	-	14,924.50	3,717.45	-	17,126.33	-	46,202.04	-
Over 3 month to 6 month	-	46,608.20	39,781.29	-	52,356.75	-	126.62	-
Over 6 month to 1 year	-	1,08,942.03	9,657.72	-	1,04,163.16	5,434.93	1.12	-
Over 1 year to 3 years	-	3,53,018.31	57,899.89	-	3,90,942.39	12,780.70	-	-
Over 3 year to 5 years	-	2,81,938.44	29,288.41	-	3,36,896.32	-	-	-
Over 5 years	-	2,74,299.07	-	-	4,61,725.63	-	-	-
Total	**-**	**10,93,754.83**	**1,41,255.95**	**-**	**14,08,918.57**	**18,215.63**	**1,75,629.78**	**-**

* Fixed deposits included in cash and bank balance other than those pledged towards first loss guarantee have been disclosed in the above table as these are considered as investment of surplus funds held by the Company for the purpose of this disclosure.

**including foreign currency borrowing

Borrowing from Banks includes a Foreign Currency Term Loan (FCTL) of USD 2.367 crore availed by converting a Rupee Term Loan (RTL) of INR 200 crores. In terms of sanction conditions, the FCTL will have short tenor with option to roll-over further or reconvert into RTL on maturity date. The reconverted RTL will be repayable as per the actual repayment terms of original schedule of RTL and in view of the same, the maturity buckets in foreign currency liability and in borrowings above has been stated on basis of repayment schedule of RTL. However, the contractual maturity of current outstanding FCTL, before conversion or roll-over on maturity, will be Over 1 month to 2 month bucket.

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46.8 Exposure

a. Exposures to real estate sector

Category	As at March 31, 2025	As at March 31, 2024
(A) Direct exposure-		
i) Residential mortgages : Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Individual housing loans upto Rs. 15 lakh : Rs 6,36,031.01 lakh (PY Rs. 5,75,952.38 lakh)	16,13,934.04	13,94,514.27
ii) Commercial real estate : Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc). Exposure would also include non-fund based (NFB) limits. (It includes CRE-RH loans of Rs. 19,559.72 Lakh (P.Y. Rs. 14,164.19 Lakhs).	19,770.04	14,404.31
iii) Investments in mortgage backed securities (MBS) and other securitized exposures :		
(a) Residential	-	-
(b) Commercial real estate.	Nil	Nil
(B) Indirect exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).		
Total Exposures to real estate sector	16,33,704.08	14,08,918.58

b. Exposure to Capital Market

The Company has no exposure to capital market directly or indirectly in the current and previous year.

c. Sectoral exposure

Sectors	Year ended March 31, 2025			Year ended March 31, 2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry						
i. Micro and Small	1,91,227.70	1,687.54	0.88%	1,67,402.24	804.94	0.48%
Total of Industry	**1,91,227.70**	**1,687.54**	**0.88%**	**1,67,402.24**	**804.94**	**0.48%**
3. Services						
i. Commercial real estate*	24,414.50	106.42	0.44%	18,236.47	33.77	0.19%
Total of Services	**24,414.50**	**106.42**	**0.44%**	**18,236.47**	**33.77**	**0.19%**
4. Personal Loans						
i. Housing Loan (including priority sector Housing)	13,00,264.04	12,796.98	0.98%	11,19,537.42	9,486.43	0.85%
ii. Loan against property	1,81,666.86	3,042.96	1.68%	1,64,368.30	2,860.64	1.74%
Total of Personal Loans (i+ii)	**14,81,930.90**	**15,839.94**	**1.07%**	**12,83,905.72**	**12,347.07**	**0.96%**
5. Others, if any(please specify)	-	-	-	-	-	-
Total	**16,97,573.10**	**17,633.90**	**1.04%**	**14,69,544.43**	**13,185.78**	**0.90%**

*It includes CRE-RH loans of Rs. 24190.01 lakh (P.Y. Rs. 17,977.50 lakh)

d. Details of financing of parent company products

There is no financing of parent company products.

e. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

The company has not exceeded the Single Borrower Limit and Group Borrower Limit as prescribed by NHB during the financial year.

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(Rs. in lakh)

f. Unsecured Advances

The company has not financed any unsecured advances against intangible securities such as rights, licenses, authority etc as collateral security.

g. Exposure to group companies engaged in real estate business

The company has no exposure to group companies engaged in real estate business in current and previous year.

46.9 Additional Disclosures

a. Provisions and Contingencies

Break up of "Provisions and Contingencies"shown under the head Expenditure in Profit and Loss Account	Year ended March 31, 2025	Year ended March 31, 2024
1. Provisions for depreciation on investment	-	-
2. Provision made towards current tax	14,315.72	12,368.54
3. Provision towards NPA	1,891.95	1,487.04
4. Provision for Standard Assets (with details like teaser loan , CRE , CRE-RH etc.)*	331.15	394.81

*Provision for Standard Assets includes CRE of Rs. (0.33) lakh (P.Y Rs (1.29) lakh) , CRE-RH of Rs. (19.30) lakh (P.Y Rs. 8.93 lakh) and Non CRE of Rs. 350.78 lakh (P.Y Rs. 384.59 lakh).

Break up of Loan & Advances and Provisions thereon	Housing		Non-Housing	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Standard Assets				
a) Total Outstanding Amount	12,52,501.13	10,71,059.11	3,63,569.04	3,24,673.68
b) Provisions made	3,623.35	3,443.01	1,390.53	1,239.72
Sub-Standard Assets				
a) Total Outstanding Amount	6,519.96	4,745.78	2,547.87	2,068.78
b) Provisions made	1,543.93	1,123.80	603.34	489.89
Doubtful Assets - Category - I				
a) Total Outstanding Amount	2,607.36	2,425.33	954.06	931.38
b) Provisions made	657.77	592.33	242.27	226.59
Doubtful Assets - Category - II				
a) Total Outstanding Amount	2,524.47	2,014.18	966.00	595.71
b) Provisions made	1,062.59	812.35	389.75	222.96
Doubtful Assets - Category - III				
a) Total Outstanding Amount	1,122.84	265.71	248.80	68.13
b) Provisions made	882.49	214.33	194.58	46.13
Loss Assets				
a) Total Outstanding Amount	127.89	68.06	14.66	2.72
b) Provisions made	127.89	68.06	14.66	2.72
TOTAL				
a) Total Outstanding Amount	**12,65,403.65**	**10,80,578.17**	**3,68,300.43**	**3,28,340.40**
b) Provisions made	**7,898.02**	**6,253.88**	**2,835.13**	**2,228.01**

b. Draw Down from Reserves

There has been no draw down from reserves during the year ended March 31, 2025 (P.Y. Nil)

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c. **Concentration of Public Deposits , Advances , Exposures and NPAs**

Particulars	As at March 31, 2025	As at March 31, 2024
Concentration of Public Deposits		
Total Deposits of twenty largest depositors	NA	NA
(%) of Deposits of twenty largest depositors to Total Deposits of the Company	NA	NA
Concentration of Advances		
Total Loans & Advances to twenty largest borrowers	4,883.09	4,048.15
(%) of Loans & Advances to twenty largest borrowers to Total Advances of the Company	0.30%	0.29%
Concentration of all Exposures (including off-balance sheet exposure)		
Total Exposures to twenty largest borrowers/Customers	5,386.42	4,505.42
(%) of Exposures to twenty largest borrowers/Customers to Total Exposures of the Company on borrowers/customers	0.32%	0.31%
Concentration of NPAs		
Total Exposures to top ten NPA accounts	690.58	588.52

Sector-Wise NPAs

Sector	% of NPAs to total Advances in that sector	
	As at March 31, 2025	As at March 31, 2024
A. Housing Loans:		
1 Individuals*	1.01%	0.88%
2 Builders/Project Loans	0.01%	0.00%
3 Corporates	0.00%	0.00%
4 Others	0.00%	0.00%
B. Non Housing Loans:		
1 Individuals*	1.28%	1.12%
2 Builders/Project Loans	0.00%	0.00%
3 Corporates	0.00%	0.00%
4 Others	0.00%	0.00%

*Percentage has been computed taking the amount of Housing Loans and Non Housing Loans respectively

d. **Movement of NPAs**

(Rs. in lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
(I) Net NPAs to Net Advances (%)	0.73%	0.67%
(II) Movement of NPAs (Gross)		
a) Opening Balance	13,185.78	10,668.99
b) Additions during the year	8,955.28	6,755.42
c) Reductions during the year	(4,507.15)	(4,238.63)
d) Closing Balance	**17,633.91**	**13,185.78**
(III) Movement of Net NPAs		
a) Opening Balance	9,386.62	7,798.46
b) Additions during the year	5,877.03	4,731.47
c) Reductions during the year	(3,349.01)	(3,143.31)
d) Closing Balance	**11,914.64**	**9386.62**
(IV) Movement of Provisions for NPAs (excluding provisions on standard assets)		
a) Opening Balance	3,799.16	2,870.53
b) Provisions made during the year	3,078.25	2,023.94
c) Write-off/Write-Back of excess provisions	(1,158.14)	(1,095.31)
d) Closing Balance	**5,719.27**	**3,799.16**

e. **Overseas Assets**

The Company does not have any overseas assets.

f. **Off-Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)**

The Company does not have any off balance sheet Special Purpose Vehicle (SPV) which are required to be consolidated as per accounting norms.

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46.10 Miscellaneous

a. Registration obtained from other Financial sector regulators

Regulator	Registration No.
Insurance Regulatory and Development Authority of India:	CA0537
As Corporate Agent (Composite)	

b. Disclosure of penalties imposed by NHB or RBI and any other regulator/ supervisor/ enforcement authority

During FY 2024-25, there were no penalties imposed by NHB or RBI and any other regulator/ supervisor/ enforcement authority.

c. Related Party Transactions

(Rs. in lakh)

Related Party/ Items	Subsidiaries		Key Management Personnel		Enterprises under significant influence of the Key Management Personnel		Others		Total	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Proceeds from voluntary liquidation (Refer note no. B)	-	1,172.02	-	-	-	-	-	-	-	1,172.02
Issue of Equity shares	-	-	3.28	43.05	-	-	-	-	3.28	43.05
Remuneration	-	-	925.33	1,094.43	-	-	-	-	925.33	1,094.43
Share based Payment	-	-	656.17	512.77	-	-	-	-	656.17	512.77
Commission	-	-	163.50	130.80	-	-	-	-	163.50	130.80
Loan outstanding #	-	-	26.86	28.43	-	-	-	-	26.86	28.43
Loan repaid	-	-	1.57	1.78	-	-	-	-	1.57	1.78
Interest on Loan	-	-	1.29	1.65	-	-	-	-	1.29	1.65
Contribute as a Settler (CSR)	-	-	-	-	521.06	429.10	-	-	521.06	429.10
Gratuity Contribution	-	-	-	-	-	-	*408.67	*303.00	408.67	303.00
Receivable from voluntary liquidation	-	5.00	-	-	-	-	-	-	-	5.00
Others Received	-	2.42	-	-	-	-	-	-	-	2.42
Others payable	-	-	-	-	-	-	**5.33	**4.13	5.33	4.13
Others Paid	-	2.38	-	-	-	-	**52.72	**5.64	52.72	8.02
Total	**-**	**1,181.82**	**1,778.00**	**1,812.91**	**521.06**	**429.10**	**466.72**	**312.77**	**2,765.78**	**3,736.60**

*Post Employment Benefit Plan

** Maximum Amount outstanding for services received from Entity in which director of the Company is a director during the current year is Rs. 22.42 lakh (P.Y. Rs. 6.40 lakh)

Maximum Amount outstanding for loan given to key management personnel during the current year is Rs. 28.27 lakh (P.Y. Rs. 30.07 lakh)

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d. Ratings assigned by credit rating agencies and migration of ratings during the year:

During the year, CARE has reaffirmed long term rating of AA/Stable and short term rating of A1+ to the company. ICRA has reaffirmed long term rating of AA/Stable and short term rating of A1+ to the company. India Ratings has reaffirmed short term credit rating of A1+ to the company during the year.

Aavas Financiers Limited Ratings are as under :

S.No.	Name of the Rating Agency	Programme	Rating Assigned	Migration of ratings during the year
1	CARE	Long Term Banking Facilities	CARE AA/ Stable	-
		Non-Convertible Debentures	CARE AA/ Stable	-
		Commercial Paper	CARE A1+	-
2	ICRA	Non- Convertible Debenture	ICRA AA/ Stable	-
		Long Term Bank Lines	ICRA AA/ Stable	-
		Commercial Paper	ICRA A1+	-
		PTC Securitization (Prime home Loan Trust I)	ICRA AAA(SO)	-
		PTC Securitization (Prime home Loan Trust II)	ICRA AAA(SO)	-
		PTC Securitization (Prime home Loan Trust III)	ICRA AA(SO)	-
		PTC Securitization (Prime home Loan Trust IV)	ICRA AA(SO)	-
3	INDIA RATINGS	Short Term Debts	IND A1+	-

e. Intra-group exposures

There are no Intra-group exposures in the current and previous year.

f. Remuneration of Directors

Details of Remuneration of Directors are disclosed in Note no. 36 Related party transactions.

g. Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no prior period items and changes in accounting policies that have impact on the current year's profit and loss.

h. Revenue Recognition

There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

I. Consolidated Financial Statements (CFS)

The Company does not have any subsidiary/associate/joint venture company(ies), Hence it is not require to prepare its consolidated financial statement.

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46.11 Disclosure of Complaints

a. Customers Complaints

Sr. No	Particulars	As at March 31, 2025	As at March 31, 2024
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	0	0
2	Number of complaints received during the year	400	380
3	Number of complaints disposed during the year	400	380
3.1	Of which, number of complaints rejected by the NBFC	0	0
4	Number of complaints pending at the end of the year	0	0
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	0	0
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	0	0
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	0	0
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

Top five grounds of complaints received by the NBFCs from customers

Sr. No	Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
	1	2	3	4	5	6
	As at March 31, 2025					
1	Delivery of documents	0	117	Increased by 22%	0	0
2	Related to charges(ROI/Foreclosure/Overdue/PDC etc.)	0	79	Increased by 44%	0	0
3	Disbursement related	0	62	Decreased by 14%	0	0
4	Post Disbursement/After closure services	0	29	Increased by 4%	0	0
5	Property papers/NOC	0	25	Increased by 9%	0	0
6	Others	0	88		0	0
	Total	0	**400**		0	0

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	As at March 31, 2024					
1	Delivery of documents	0	96	Increased by 191%	0	0
2	Disbursement related	0	72	Increased by 260%	0	0
3	Related to charges(ROI/Foreclosure/Overdue/PDC etc.)	0	55	Increased by 28%	0	0
4	Post Disbursement/After closure services	0	28	Increased by 367%	0	0
5	Property papers/NOC	0	23	Increased by 21%	0	0
6	Others	0	106		0	0
	Total	0	**380**		0	0

46.12 Diagrammatic representation of group structure

The Company does not have any subsidiary/associate/joint venture company(ies), at the end of current and previous year.

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46.13 Liquidity Risk Management Framework

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

(Rs. in lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Number of significant counter parties	18	19
Amount	13,24,629.00	11,87,579.56
Percentage of funding concentration to total deposits	NA	NA
Percentage of funding concentration to total liabilities*	92.91%	93.17%

* Total liabilities excludes net worth

(ii) Top 20 large deposits

Particulars	As at March 31, 2025	As at March 31, 2024
Total amount of top 20 deposits	N/A	N/A
Percentage of amount of top 20 deposits to total deposits	N/A	N/A

(iii) Top 10 borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Total amount of top 10 borrowings	11,19,968.49	9,84,095.45
Percentage of amount of top 10 borrowings to total borrowings	80.86%	79.68%

(iv) Funding Concentration based on significant instrument/product

Particulars	As at March 31, 2025	Percentage of total liabilities	As at March 31, 2024	Percentage of total liabilities
Borrowings from Banks	8,81,574.72	61.83%	7,27,780.22	57.10%
Borrowings from National Housing Bank (NHB)	2,57,678.50	18.07%	3,04,157.86	23.86%
Debt securities	1,31,651.24	9.23%	95,215.93	7.47%
External Commercial Borrowings (including Rupee Denominated Bonds)	41,096.25	2.88%	46,040.03	3.61%
Borrowings from Financial institutions	27,725.70	1.94%	4,994.68	0.39%
Subordinated liabilities	-	0.00%	-	0.00%
Securitisation	32,324.77	2.27%	39,107.70	3.07%
Borrowings from Insurance Companies	3,123.65	0.22%	4,372.52	0.34%
Cash Credit	9,811.61	0.69%	13,341.85	1.05%

(v) Stock ratio

Particulars	As at March 31, 2025	As at March 31, 2024
Commercial paper as a percentage of total public funds	N/A	N/A
Commercial paper as a percentage of total liabilities	N/A	N/A
Commercial paper as a percentage of total assets	N/A	N/A
Non convertible debentures (original maturity of less than one year) as a percentage of total public funds	N/A	N/A
Non convertible debentures (original maturity of less than one year) as a percentage of total liabilities	N/A	N/A
Non convertible debentures (original maturity of less than one year) as a percentage of total assets	N/A	N/A
Other short term liabilities as a percentage of total public funds	18.41%	21.61%
Other short term liabilities as a percentage of total liabilities	17.88%	20.94%
Other short term liabilities as a percentage of total assets	13.70%	16.16%

(vi) Institutional set-up for liquidity risk Management

The company has an Asset Liability Management Committee (ALCO) to monitor asset liability mismatches to ensure that there is no imbalances or excessive concentration on the either side of the balance sheet. The company maintains a judicious mix of borrowings in the form of Term Loans, Refinance, Capital Market Instruments, Securitization, Working Capital and continues to diversify its source of borrowings with the emphasis on longer tenor borrowings. The company has diversified mix of investors/lenders which includes Banks, National Housing Bank, Development Financial Institution, Mutual Funds, Insurance Companies etc.

The Liquidity Risk Management (LRM) of the company is governed by the LRM Policy approved by the Board. The Asset Liability Committee (ALCO) is responsible for implementing and monitoring the liquidity risk management strategy of the company in line with its risk management objectives and ensures adherence to the risk tolerance/limits set by the Board.

Refer note no. 44 of financial statements.

46.14 Loans against security of shares - Nil

Refer to the note no. 5(v) of Loans

46.15 Loans against security of single product - gold jewellery - Nil

Refer to the note no. 5(iv) of Loans

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(Rs. In lakh)

46.16 Institutional set-up for liquidity risk management

Quarter on quarter Liquidity Coverage Ratio for the financial year ended March 31, 2025 :

Sr No	Particulars	As at June 30, 2024		As at September 30, 2024		As at December 31, 2024		As at March 31, 2025	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
HIGH QUALITY LIQUID ASSETS									
1	**Total High Quality Liquid Assets (HQLA)	20,212.62	20,212.62	23,125.18	23,125.18	20,972.61	20,972.61	22,028.79	22,028.79
CASH OUTFLOWS									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	1,172.08	1,347.89	325.77	374.64	1,140.39	1,311.45	310.40	356.96
4	Secured wholesale funding	15,518.63	17,846.43	29,684.99	34,137.74	18,806.00	21,626.89	19,942.02	22,933.32
5	Additional requirements, of which	-	-	-	-	-	-	-	-
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	1.77	2.04	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	36,887.84	42,421.02	25,108.86	28,875.19	27,114.37	31,181.52	35,534.93	40,865.17
6	Other contractual funding obligations	5,397.25	6,206.84	5,891.31	6,775.00	6,236.41	7,171.88	5,733.33	6,593.33
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	TOTAL CASH OUTFLOWS	58,975.80	67,822.18	61,010.93	70,162.57	53,298.94	61,293.78	61,520.68	70,748.78
CASH INFLOWS									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	30,520.57	22,890.43	31,282.79	23,462.09	32,193.06	24,144.80	33,483.80	25,112.85
11	Other cash inflows	1,06,672.52	80,004.39	1,25,303.03	93,977.27	97,812.82	73,359.62	1,09,470.74	82,103.06
12	TOTAL CASH INFLOWS	1,37,193.09	1,02,894.82	1,56,585.82	1,17,439.36	1,30,005.88	97,504.42	1,42,954.54	1,07,215.91
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value	
13	TOTAL HQLA		20,212.62		23,125.18		20,972.61		22,028.79
14	TOTAL NET CASH OUTFLOWS		16,955.55		17,540.64		15,323.44		17,687.19
15	LIQUIDITY COVERAGE RATIO (%)		119.21%		131.84%		136.87%		124.55%

**Component of HQLA

Sr No	**High Quality Liquid Assets (HQLA)	As at June 30, 2024		As at September 30, 2024		As at December 31, 2024		As at March 31, 2025	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
1	Assets to be included as HQLA without any Haircut	20,212.62	20,212.62	23,125.18	23,125.18	20,972.61	20,972.61	22,028.79	22,028.79
2	Assets to be considered For HQLA with a minimum haircut of 15%	-	-	-	-	-	-	-	-
3	Assets to be considered For HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-

Quarter on quarter Liquidity Coverage Ratio for the financial year ended March 31, 2024 :

Sr No	Particulars	As at June 30, 2023		As at September 30, 2023		As at December 31, 2023		As at March 31, 2024	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
HIGH QUALITY LIQUID ASSETS									
1	**Total High Quality Liquid Assets (HQLA)	12,723.21	12,723.21	15,131.02	15,131.02	17,280.71	17,280.71	18,420.37	18,420.37
CASH OUTFLOWS									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	1,148.67	1,320.97	269.55	309.98	4,665.70	5,365.55	273.12	314.09
4	Secured wholesale funding	12,375.63	14,231.98	15,314.36	17,611.51	14,627.53	16,821.66	17,017.92	19,570.60
5	Additional requirements, of which	-	-	-	-	-	-	-	-
(i)	Outflows related to derivative	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	23,914.73	27,501.94	27,006.62	31,057.61	30,032.03	34,536.83	39,168.34	45,043.60
6	Other contractual funding obligations	4,994.51	5,743.68	5,866.85	6,746.88	6,054.35	6,962.50	5,673.08	6,524.04
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	TOTAL CASH OUTFLOWS	42,433.54	48,798.57	48,457.38	55,725.98	55,379.61	63,686.54	62,132.46	71,452.33

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CASH INFLOWS									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing	25,199.53	18,899.65	25,607.06	19,205.30	26,783.39	20,087.54	28,504.40	21,378.30
11	Other cash inflows	1,30,891.36	98,168.52	1,42,713.73	1,07,035.30	1,31,925.85	98,944.38	1,17,929.40	88,447.05
12	TOTAL CASH INFLOWS	1,56,090.89	1,17,068.17	1,68,320.79	1,26,240.60	1,58,709.24	1,19,031.92	1,46,433.80	1,09,825.35
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value	
13	TOTAL HQLA		12,723.21		15,131.02		17,280.71		18,420.37
14	TOTAL NET CASH OUTFLOWS		12,199.64		13,931.50		15,921.64		17,863.08
15	LIQUIDITY COVERAGE RATIO (%)		104.29%		108.61%		108.54%		103.12%

Sr No	**High Quality Liquid Assets (HQLA)	As at June 30, 2023		As at September 30, 2023		As at December 31, 2023		As at March 31, 2024	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
1	Haircut	12,723.21	12,723.21	15,131.02	15,131.02	17,280.71	17,280.71	18,420.37	18,420.37
2	minimum haircut of 15%	-	-	-	-	-	-	-	-
3	minimum haircut of 50%	-	-	-	-	-	-	-	-

Qualitative Disclosure of LCR

RBI had issued guidelines on liquidity risk management for NBFCs/HFCs vide Circular No. RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 wherein RBI introduced Liquidity Coverage Ratio (LCR). The objective of the guidelines is to ensure that NBFCs/HFCs maintains a liquidity buffer in terms of LCR in addition to various process related aspects of liquidity risk management framework. LCR has to be maintained in the form sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for subsequent 30 calendar days. LCR is one of the key parameters closely monitored by RBI to enable a more resilient financial sector. Further, RBI vide Circular No. RBI/2020-21/60 DOR. NBFC (HFC).CC. No.118/03.10.136/2020-21 dated October 22, 2020, provided non deposit taking HFCs with time extension for minimum LCR of 50% to be maintained by December 01, 2021 which is to be gradually increased to 100% by December 01, 2025. The LCR is expected to improve the ability of financial sector to absorb the shocks arising from financial and/or economic stress, thus reducing the risk of spill over from financial sector to real economy.

The liquidity risk management including LCR of the Company is governed by the Liquidity Risk Management (LRM) Policy approved by the board. The Asset Liability Committee (ALCO) is responsible for managing the LCR of the Company in line with the LRM Policy. Company regularly reviews the position of inflows, outflows and the liquidity buffers and ensures maintenance of sufficient quantum of High Quality Liquid Assets.

For computation of stressed cash outflow, all expected and contracted cash outflows are considered by applying a stress of 15%. Similarly, stressed cash inflows for the Company is arrived at by considering all expected and contracted inflows by applying a haircut of 25%. Finally, Net Cash Outflow is arrived by deducting the stressed cash inflows from stressed cash outflow. However, total net cash outflows will be subjected to a minimum of 25% of total stressed cash outflows. The LCR is computed by dividing the stock of HQLA by its total net stressed cash outflows over next 30 days

Cash outflow under secured wholesale funding majorly includes contractual obligations under Term loans, NHB Re-Finance, NCDs, interest payable within next 30 days. Outflow under credit and liquidity facilities, the Company considers the expected cash outflow of the committed credit facilities contracted with the customers. Outflow under other contractual funding obligations primarily includes outflow on account of expected operating expenses and other dues. In inflows from fully performing exposures, Company considers the collection from performing advances in next 30 days. Other Cash inflows includes investments in mutual funds, FDs which can be liquidate within 30 days including interest receivable thereon. Company has no meaningful currency mismatch in LCR and Company is not expecting any cash outflow within next 30 days on account of derivative exposure and potential collateral requirement. For concentration of funding sources refer disclosure on the Liquidity Risk Management Framework as per note 46.13.

Tabled above the Intra-period changes as well as changes over time in the various components of the LCR, HQLA & average LCR. The Average LCR for the quarter ended March 31, 2025 was 124.55% which is well above present prescribed minimum requirement of 85% and the average LCR of previous periods during the year were also well above the prescribed minimum requirement of respective period.

As on March 31, 2025 most of the HQLAs of the Company are in the form of unencumbered government securities and unencumbered Cash and Bank balances and composition of unencumbered government securities in the HQLA was 96.74% for the quarter ended March 31, 2025.

46.17 Principal Business Criteria for HFCs

"Housing finance Company" shall mean a Company incorporated under the Companies Act, 2013 that fulfils the following conditions:
a) It is an NBFC whose financial assets, in the business of providing finance for housing, constitute at least 60% of its total assets (netted off by intangible assets).
b) Out of the total assets (netted off by intangible assets), not less than 50% should be by way of housing financing for individuals.

RBI vide its circular number RBI/2020-21/73/DOR.NBFC (HFC) CC.NO 120/03.10.136/2020-21 dated february 17,2021 (as Amended) defined the principal business criteria for HFCs. The Company meets the aforesaid principal business criteria for HFCs.

Particulars	As at March 31, 2025	As at March 31, 2024
Total Assets*	18,22,805.93	16,18,730.90
Less: Intangible assets	(5,201.46)	(4,181.73)
Net total Assets	18,17,604.47	16,14,549.17
Housing Finance	12,57,505.63	10,74,324.29
Individual Housing Finance	12,37,920.74	10,60,083.88
Percentage of housing finance to total assets (netted off intangible assets)	69.18%	66.54%
Percentage of individual housing finance to total assets (netted off intangible assets)	68.11%	65.66%
Percentage of individual housing finance to housing finance	98.44%	98.67%

*Total Assets excludes Net EIS receivable

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(Rs. in lakh)

46.18 In compliance with RBI circular number RBI/2019-20/170/DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020, the comparison between provisions required under income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial Instruments' is as below:

	As at March 31, 2025					
Asset Classification as per RBI Norms	**Asset classification as per Ind AS 109**	**Gross Carrying Amount as per Ind AS**	**Loss Allowances (Provisions) as required under Ind AS 109**	**Net Carrying Amount**	**Provisions taken as IRACP Norms**	**Difference between Ind AS 109 provisions and IRACP norms**
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	15,59,582.97	2,288.50	15,57,294.47	4,564.69	(2,276.19)
	Stage 2	23,761.34	2,648.61	21,112.73	668.06	1,980.55
Subtotal		**15,83,344.31**	**4,937.11**	**15,78,407.20**	**5,232.75**	**(295.64)**
Non-Performing Assets (NPA)						
Substandard	Stage 3	8,927.40	2,114.01	6,813.39	1,351.80	762.21
Doubtful - up to 1 year	Stage 3	3,506.67	886.88	2,619.79	962.22	(75.34)
1 to 3 years	Stage 3	3,410.84	1,411.01	1,999.83	1,418.86	(7.85)
More than 3 years	Stage 3	1,336.80	1,045.19	291.61	1,340.54	(295.35)
Subtotal for doubtful		**8,254.31**	**3,343.08**	**4,911.24**	**3,721.62**	**(378.54)**
Loss	Stage 3	142.55	142.55	-	142.55	-
Subtotal for NPA		**17,324.26**	**5,599.64**	**11,724.63**	**5,215.97**	**383.67**
Other items such as loan commitments, EIS etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	1,34,679.52	192.36	1,34,487.16	-	192.36
	Stage 2	872.88	76.87	796.01	-	76.87
	Stage 3	541.14	175.66	365.48	-	175.66
Subtotal		**1,36,093.54**	**444.89**	**1,35,648.65**	**-**	**444.89**
Total	**Stage 1**	16,94,262.49	2,480.86	16,91,781.63	4,564.69	(2,083.83)
	Stage 2	24,634.22	2,725.48	21,908.74	668.06	2,057.41
	Stage 3	17,865.40	5,775.30	12,090.11	5,215.97	559.34
	Total	**17,36,762.11**	**10,981.64**	**17,25,780.48**	**10,448.71**	**532.92**

	As at March 31, 2024					
Asset Classification as per RBI Norms	**Asset classification as per Ind AS 109**	**Gross Carrying Amount as per Ind AS**	**Loss Allowances (Provisions) as required under Ind AS 109**	**Net Carrying Amount**	**Provisions taken as IRACP Norms**	**Difference between Ind AS 109 provisions and NHB norms**
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	13,35,578.37	3,066.45	13,32,511.92	3,915.32	(848.87)
	Stage 2	20,381.25	1,511.77	18,869.48	809.34	702.43
Subtotal		**13,55,959.62**	**4,578.22**	**13,51,381.40**	**4,724.66**	**(146.44)**
Non-Performing Assets (NPA)						
Substandard	Stage 3	6,699.89	1,586.53	5,113.36	1,007.94	578.59
Doubtful - up to 1 year	Stage 3	3,335.24	813.84	2,521.40	852.21	(38.37)
1 to 3 years	Stage 3	2,530.91	1,005.28	1,525.63	1,044.52	(39.24)
More than 3 years	Stage 3	312.31	238.94	73.37	313.06	(74.12)
Subtotal for doubtful		**6,178.46**	**2,058.06**	**4,120.40**	**2,209.79**	**(151.73)**
Loss	Stage 3	70.78	70.78	-	70.78	-
Subtotal for NPA		**12,949.13**	**3,715.37**	**9,233.76**	**3,288.51**	**426.86**
Other items such as loan commitments, EIS etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	1,32,873.13	313.24	1,32,559.89	-	313.24
	Stage 2	726.49	23.41	703.08	-	23.41
	Stage 3	373.12	116.11	257.01	-	116.11
Subtotal		**1,33,972.74**	**452.76**	**1,33,519.98**	**-**	**452.76**
Total	**Stage 1**	14,68,451.50	3,379.69	14,65,071.81	3,915.32	(535.63)
	Stage 2	21,107.74	1,535.18	19,572.56	809.34	725.84
	Stage 3	13,322.27	3,831.49	9,490.77	3,288.51	542.98
	Total	**15,02,881.51**	**8,746.36**	**14,94,135.14**	**8,013.17**	**733.19**

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Notes to the Financial Statements for the year ended March 31, 2025

(Rs. in lakh)

46.19 Schedule to the Balance Sheet of an HFC

Particulars			As at March 31, 2025		As at March 31, 2024	
Liabilities side			**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**
(1)	**Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:**					
	(a)	Debentures : Secured	1,31,651.24	-	95,215.93	-
		: Unsecured	41,096.25	-	46,040.03	-
		(other than falling within the meaning of public deposits)				-
	(b)	Deferred Credits	-	-		-
	(c)	Term Loans	11,70,102.57	-	10,41,305.28	-
	(d)	Inter-corporate loans and borrowing	-	-	-	-
	(e)	Commercial Paper	-	-	-	-
	(f)	Public Deposits	NA	-	NA	-
	(g)	Other Loans (Cash credit, Securitization and Subordinated Liabilities)	42,136.39	-	52,449.55	-
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**					
	(a)	In the form of Unsecured debentures	NA	NA	NA	NA
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	NA	NA	NA	NA
	(c)	Other public deposits	NA	NA	NA	NA

Assets side				As at March 31, 2025	As at March 31, 2024
(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:**				
	(a)	Secured		16,33,704.07	14,08,918.57
	(b)	Unsecured		-	-
(4)	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities**				
	(i)	Lease assets including lease rentals under sundry debtors			
		(a)	Financial lease	-	-
		(b)	Operating lease	-	-
	(ii)	Stock on hire including hire charges under sundry debtors			
		(a)	Assets on hire	-	-
		(b)	Repossessed Assets	-	-
	(iii)	Other loans counting towards asset financing activities			
		(a)	Loans where assets have been repossessed	-	-
		(b)	Loans other than (a) above	-	-
(5)	**Break-up of Investments**				
	Current Investments				
	1.	Quoted			
		(i)	Shares		
			(a) Equity	-	-
			(b) Preference	-	-
		(ii)	Debentures and Bonds	-	-
		(iii)	Units of mutual funds	-	-
		(iv)	Government Securities	6,062.33	5,434.93
		(v)	Treasury Bills	2,480.79	-
	2.	Unquoted			
		(i)	Shares		
			(a) Equity	-	-
			(b) Preference	-	-
		(ii)	Debentures and Bonds	-	-
		(iii)	Units of mutual funds	-	-
		(iv)	Government Securities	-	-
		(v)	Treasury Bills	-	-

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Notes to the Financial Statements for the year ended March 31, 2025

(Rs. in lakh)

	Long Term Investments				
	1.	Quoted			
		(i)	Share		
			(a) Equity	-	-
			(b) Preference	-	-
		(ii)	Debentures and Bonds	-	-
		(iii)	Units of mutual funds	-	-
		(iv)	Government Securities	14,458.73	12,780.70
		(v)	Others	-	-
	2.	Unquoted			
		(i)	Shares		
			(a) Equity	-	-
			(b) Preference	-	-
		(ii)	Debentures and Bonds	-	-
		(iii)	Units of mutual funds	-	-
		(iv)	Government Securities	-	-
		(v)	Others	-	-

(6)	Borrower group-wise classification of assets financed as in (3) and (4) above:				
	As at March 31, 2025		Amount net of provisions		
			Secured	Unsecured	Total
	1.	Related Parties			
		(a) Subsidiaries	-	-	-
		(b) Companies in the same group	-	-	-
		(c) Other related parties	-	-	-
	2.	Other than related parties	16,22,970.93	-	16,22,970.93
		Total	**16,22,970.93**	**-**	**16,22,970.93**

	As at March 31, 2024		Amount net of provisions		
			Secured	Unsecured	Total
	1.	Related Parties			
		(a) Subsidiaries	-	-	-
		(b) Companies in the same group	-	-	-
		(c) Other related parties	28.89	-	28.89
	2.	Other than related parties	14,00,407.79	-	14,00,407.79
		Total	**14,00,436.68**	**-**	**14,00,436.68**

(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :					
	Category		As at March 31, 2025		As at March 31, 2024	
			Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
	1.	Related Parties				
		(a) Subsidiaries	-	-	-	-
		(b) Companies in the same group	-	-	-	-
		(c) Other related parties	-	-	-	-
	2.	Other than related parties	-	-	-	-
	Total		-	-	-	-

(8)	Other information			
	Particulars		As at March 31, 2025	As at March 31, 2024
	(i)	Gross Non-Performing Assets		
		(a) Related parties	-	-
		(b) Other than related parties	17,633.90	13,185.78
	(ii)	Net Non-Performing Assets		
		(a) Related parties	-	-
		(b) Other than related parties	11,914.64	9,386.62
	(iii)	Assets acquired in satisfaction of debt	-	190.94

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AAVAS FINANCIERS LIMITED

(Rs. in lakh)

47 Disclosures pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021

(a) Details of transfer through assignment in respect of loans not in default during the year.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Entity	NBFC (Housing Finance Company)	NBFC (Housing Finance Company)
Count of loan accounts assigned	17,783 Loans	16,934 loans
Amount of loan accounts assigned	Rs. 1,69,178.29 lakh	Rs. 1,38,107 lakh
Weighted average maturity	131 months	134 months
Weighted average holding period	9 months	11 months
Retention of beneficial economic interest (MRR)	10%	10%
Coverage of tangible security coverage	100%	100%
Rating wise distribution of rated loans	Unrated	Unrated

(b) The Company has not transferred or acquired, any stressed loans during the year.
(c) The Company has not acquired, any loans not in default during the year.

(d) Details of transfer through Co-lending in resepct of loans not in default during the year ended March 31, 2025

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Entity	NBFC (Housing Finance Company)	NBFC (Housing Finance Company)
Count of loan accounts assigned	840 Loans	30 loans
Amount of loan accounts assigned	Rs 12,602.47 lakh	Rs. 541.30 lakh
Weighted average maturity	182 months	127 months
Weighted average holding period	2 Months	2 months
Retention of beneficial economic interest (MRR)	20%	20%
Coverage of tangible security coverage	100%	100%
Rating wise distribution of rated loans	Unrated	Unrated

48 Loans to Directors, Senior Officers and relatives of Directors

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	282.06	270.87

49 Additional Regulatory Information

49.1 There is no immovable property whose title deeds are not held in the name of the Company in current year and previous year.

49.2 There are no investment property as on March 31, 2025 (P.Y. Rs. Nil)

49.3 The Company has not revalued its Property, Plant and Equipment (including Right-of Use Assets) based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 in current year and previous year.

49.4 The Company has not revalued its Intangible assets based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 in current year and previous year.

49.5 Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:
(a) repayable on demand or
(b) without specifying any terms or period of repayment

As on March 31, 2025

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	0.00%
Directors	-	0.00%
KMPs	-	0.00%
Related Parties	-	0.00%

As on March 31, 2024

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	0.00%
Directors	-	0.00%
KMPs	-	0.00%
Related Parties	-	0.00%

49.6 No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) as amended and rules made thereunder in current year and previous year.

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BORKAR & MUZUMDAR MUMBAI FR. NO. 101[illegible]W CHARTERED ACCOUNTANTS

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(Rs. in lakh)

49.7 The Company has not taken borrowings from banks or financial institutions on the basis of security of current assets in current year and previous year.

49.8 The Company has not been declared wilful defaulter by any bank or financial institution or other lender in current year and previous year.

49.9 The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 in current year and previous year.

49.10 No charges or satisfaction yet to be registered with ROC beyond the statutory period.

49.11 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

49.12 No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

49.13 Utilisation of Borrowed funds and share premium

(a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) in current year and previous year to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:-
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(b) The Company has not received any fund in current year and previous year from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall :-
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

49.14 There are no transaction or undisclosed income that need to be disclosed in accordance with the provision of Income Tax Act, 1961 in current year and previous year.

49.15 The Company has not traded or invested in Crypto currency or Virtual Currency during current year and previous year.

50 Breach of covenants

The Company has complied with all the material covenants of borrowing facilities throughout the year ended March 31, 2025 and March 31, 2024.

51 There has been no divergence in asset classification and provisioning requirements as assessed by NHB during the year ended March 31, 2025 and March 31, 2024.

52 Previous year figures have been regrouped/ reclassified wherever applicable. The impact, if any, are not material to Financial Statements.

For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Tushar Kurani
Partner
Membership No. 118580

For Borkar & Muzumdar
Chartered Accountants
Firm Registration No. 101569W

Brijmohan Agarwal
Partner
Membership No. 033254

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

Nishant Sharma
(Non-executive Promoter Nominee Director)
DIN-03117012

Sachinderpalsingh Jitendrasingh Bhinder
(Managing Director and CEO)
DIN-08697657

Ghanshyam Rawat
(President and Chief Financial Officer)

Saurabh Sharma
(Company Secretary and Compliance Officer)
ACS-60350

Place: Mumbai
Date: April 24, 2025

SAPNE AAPKE, SAATH HAMAARA

Notice to Members,

NOTICE is hereby given that the **15th Annual General Meeting** ("AGM") of the Members of Aavas Financiers Limited ("the Company") will be held on **Tuesday, September 16, 2025, 2025 at 03:30 P.M.,** Indian Standard Time ("IST") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") Facility to transact the following businesses:

ORDINARY BUSINESSES:

1. **ADOPTION OF AUDITED FINANCIAL STATEMENTS**

   To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2025 together with the reports of the Board of Directors and Auditors thereon.

2. **TO CONSIDER AND APPROVE REMUNERATION OF JOINT STATUTORY AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2025-26**

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

   "RESOLVED THAT in accordance with the provisions of Section 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the Companies (Audit and Auditors) Rules, 2014 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(s) thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company's Policy on Appointment of Statutory Auditors and with reference to the resolution passed by the Members in the 14th Annual General Meeting held on August 07, 2024 for appointment of Statutory Auditors and fixing their remuneration thereon and as recommended by the Audit Committee and the Board of Directors of the Company, M/s. M S K A & Associates, Chartered Accountant (FRN: 105047W) and M/s. Borkar & Muzumdar, Chartered Accountant (FRN: 101569W), who were appointed as Joint Statutory Auditors of the Company for a period of 3 (three) consecutive years (until the conclusion of the 17th AGM of the Company to be held in the calendar year 2027) be paid the remuneration of upto Rs. **1,35,00,000/-** (Rupees One Crore Thirty Five Lakh only) for Limited Review, Statutory Audit, Tax Audit, Certain Regulatory Certifications in addition to any out-of-pocket expenses, applicable taxes, reimbursements, and other outlays as applicable for the Financial Year 2025-26, payable in one or more installments.

   RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary and Compliance Officer and the Audit Committee, be and are hereby severally authorised to decide and finalise the proportion of remuneration of the Joint Statutory Auditors on the basis of allocation of work and to do all other acts, matters, deeds and things as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto."

SPECIAL BUSINESSES:

3. **TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. ELCID VERGARA, (DIN: 10769790) AS A NON-EXECUTIVE NOMINEE DIRECTOR**

AAVAS FINANCIERS LIMITED

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

"RESOVLED THAT pursuant to the provisions of Section 149, 152 and 161 and other applicable provision, if any of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 and other applicable 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, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI (LODR) Regulations, 2015"), and other applicable laws, Mr. Elcid Vergara (DIN: 10769790) who was appointed as an Additional Director by the Board of Directors with effect from June 30, 2025, based on the recommendation of the Nomination and Remuneration Committee of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Nominee Director of the Company, liable to retire by rotation, for a term of 5 (five) years.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary and Compliance Officer of the Company, be and are hereby severally authorized to do all acts, deeds, matters and things and execute all documents and give such directions as may be required, necessary, expedient or desirable in connection with or incidental thereto, with power to settle all questions, difficulties or doubts that may arise in regard to the said appointment as it may in its sole discretion deem fit and necessary, filing of the requisite forms and documents for and on behalf of the Company in connection therewith with any person, statutory and/or governmental authority."

4. TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. ANANT JAIN, (DIN: 06648006) AS A NON-EXECUTIVE NOMINEE DIRECTOR

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

"RESOVLED THAT pursuant to the provisions of Section 149, 152 and 161 and other applicable provision, if any of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and other applicable regulations and guidelines (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of the Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI (LODR) Regulations, 2015"), and other applicable laws, Mr. Anant Jain (DIN: 06648006) who was appointed as an Additional Director by the Board of Directors with effect from June 30, 2025, based on the recommendation of the Nomination and Remuneration Committee of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Nominee Director of the Company, liable to retire by rotation, for a term of 5 (five) years.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary and Compliance Officer of the Company, be and are hereby severally authorized to do all acts, deeds, matters and things and execute all documents and give such directions as may be required, necessary, expedient or desirable in connection with or incidental thereto, with power to settle all questions, difficulties or doubts that may arise in regard to the said appointment as it may in its sole discretion deem fit and necessary, filing of the requisite forms and documents for and on behalf of the Company in connection therewith with any person, statutory and/or governmental authority."

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5. **TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. NIKHIL OMPRAKASH GAHROTRA, (DIN: 01277756) AS A NON-EXECUTIVE NOMINEE DIRECTOR**

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

"RESOVLED THAT pursuant to the provisions of Section 149, 152 and 161 and other applicable provision, if any of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and other applicable 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, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI (LODR) Regulations, 2015"), and other applicable laws, Mr. Nikhil Omprakash Gahrotra, (DIN: 01277756) who was appointed as an Additional Director by the Board of Directors with effect from June 30, 2025, based on the recommendation of the Nomination and Remuneration Committee of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Nominee Director of the Company, liable to retire by rotation, for a term of 5 (five) years.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary and Compliance Officer of the Company, be and are hereby severally authorized to do all acts, deeds, matters and things and execute all documents and give such directions as may be required, necessary, expedient or desirable in connection with or incidental thereto, with power to settle all questions, difficulties or doubts that may arise in regard to the said appointment as it may in its sole discretion deem fit and necessary, filing of the requisite forms and documents for and on behalf of the Company in connection therewith with any person, statutory and/or governmental authority."

6. **TO CONSIDER AND APPROVE THE APPOINTMENT OF MRS. NEHA SUREKA, (DIN: 10759936) AS A NON-EXECUTIVE NOMINEE DIRECTOR**

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

"RESOVLED THAT pursuant to the provisions of Section 149, 152 and 161 and other applicable provision, if any of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and other applicable regulations and guidelines (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of the Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI (LODR) Regulations, 2015"), and other applicable laws, Mrs. Neha Sureka, (DIN: 10759936) who was appointed as an Additional Director by the Board of Directors with effect from June 30, 2025, based on the recommendation of Nomination and Remuneration Committee of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Nominee Director of the Company, liable to retire by rotation, for a term of 5 (five) years.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary and Compliance Officer of the Company, be and are hereby severally authorized to do all acts, deeds, matters and things and execute all documents and give such directions as may be required, necessary, expedient or desirable in connection with or incidental thereto, with power to settle all questions, difficulties

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or doubts that may arise in regard to the said appointment as it may in its sole discretion deem fit and necessary, filing of the requisite forms and documents for and on behalf of the Company in connection therewith with any person, statutory and/or governmental authority."

7. **TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. SIDDHARTH TAPASWIN PATEL, (DIN: 07803802) AS A NON-EXECUTIVE NOMINEE DIRECTOR**

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

"RESOVLED THAT pursuant to the provisions of Section 149, 152 and 161 and other applicable provision, if any of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 and other applicable 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, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI (LODR) Regulations, 2015"), and other applicable laws, Mr. Siddharth Tapaswin Patel (DIN: 07803802) who was appointed as an Additional Director by the Board of Directors with effect from June 30, 2025, based on the recommendation of the Nomination and Remuneration Committee of the Company and in respect of whom the Company has received a notice in writing from a member of the Company under Section 160 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Nominee Director of the Company, not liable to retire by rotation, for a term of 5 (five) years.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary and Compliance Officer of the Company, be and are hereby severally authorized to do all acts, deeds, matters and things and execute all documents and give such directions as may be required, necessary, expedient or desirable in connection with or incidental thereto, with power to settle all questions, difficulties or doubts that may arise in regard to the said appointment as it may in its sole discretion deem fit and necessary, filing of the requisite forms and documents for and on behalf of the Company in connection therewith with any person, statutory and/or governmental authority."

8. **TO CONSIDER AND APPROVE REVISION IN THE REMUNERATION OF MR. SACHINDERPALSINGH JITENDRASINGH BHINDER (DIN: 08697657), MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER OF THE COMPANY**

To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company at their meeting held on January 30, 2025 and in modification of the relevant resolution passed by the Members at the 13th Annual General Meeting held on July 19, 2023 and pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (**"Act"**) and the rules made thereunder, RBI Guidelines on Compensation of Key Managerial Personnel ("KMP") and Senior Management in NBFCs dated April 29, 2022 and other applicable provisions (if any) of the Act and the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and all other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force, applicable provisions of the Articles of Association of the Company, the consent and approval of the Members be and is hereby accorded for revision in fixed remuneration of Mr. Sachinderpalsingh Jitendrasingh Bhinder (DIN: 08697657), Managing Director & Chief

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Executive Officer of the Company from existing limit of Rs. 2,50,00,000 (Rupees Two Crore Fifty Lakh only) per annum to Rs. 3,75,00,000/- (Rupees Three Crore Seventy Five Lakh only) per annum, for his remaining tenure i.e. till May 02, 2028 as per the details given in in the explanatory statement forming part of this notice.

RESOLVED FURTHER THAT save as provided in the explanatory statement forming part of this notice, all other terms and conditions as approved by the Members on July 19, 2023 in the 13th Annual General Meeting of the Company at the time of appointment of Mr. Sachinderpalsingh Jitendrasingh Bhinder (DIN: 08697657), Managing Director & Chief Executive Officer, shall remain unchanged.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary and Compliance Officer of the Company be and are hereby severally authorized on behalf of the Company to do all such acts, deeds, matters and things as may be considered necessary, proper or desirable or expedient for the purpose of giving effect to this resolution."

9. TO CONSIDER AND APPROVE THE APPOINTMENT OF M/S CHANDRASEKARAN ASSOCIATES, PRACTICING COMPANY SECRETARIES, AS SECRETARIAL AUDITORS OF THE COMPANY

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

"RESOLVED THAT pursuant to the provision of the Section 204 of the Companies Act, 2013 and other applicable provisions, if any, read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of of 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) read with SEBI Circular dated December 31, 2024, FAQs issued by of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 on April 23, 2025 and on the basis of recommendation of the Audit Committee and the Board of Directors of the Company, in its meetings held on April 24, 2025, M/s Chandrasekaran Associates, Practicing Company Secretaries (Firm Registration No: P1988DE002500), be and is hereby appointed as the Secretarial Auditors of the Company for a term of 5 (five) consecutive year i.e. from Financial Year 2025-26 upto Financial Year 2029-30, subject to their continuity of fulfilment of the applicable eligibility norms each year at such professional fees as mentioned in the explanatory statement for Financial Year 2025-26 and re-imbursement of out of pocket expenses, if any.

RESOLVED FURTHER THAT the Board of Directors and the Audit Committee be and are hereby authorised to fix and pay the Secretarial Audit Fee including re-imbursement of out of pocket expenses, if any as may be deemed fit for their remaining tenure and to do all such acts, deeds, matters and things and to settle all questions or difficulties that may arise in this regard and to execute any documents, papers, etc. as may be necessary or desirable in connection with or incidental to give effect to this resolution."

10. TO CONSIDER AND APPROVE THE 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) to borrow from time to time such sum or sums of money as it may deem requisite for the purpose of business of the Company not exceeding ₹ 32,000/- crore (Rupees Thirty Two Thousand Crore only) (including the money already borrowed by the Company and remaining outstanding) in Indian Rupees or in any equivalent thereof in 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 creating interest, or lien or 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 outstanding 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 Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021.

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 ₹ 32,000/- crore (Rupees Thirty Two Thousand Crore only) in Indian Rupees or equivalent thereof in any foreign currency(ies) in aggregate (including the monies already borrowed by the Company and remaining outstanding) on such terms and conditions as the Board may deem fit, by way of Term Loans, Cash Credit facilities or Loans/Financial assistance from various Bank(s), Financial Institution(s) and/or Mutual Fund(s), Non-Resident Indians ("NRIs"), Foreign Institutional Investors ("FIIs") or any other Person(s), Body(ies) Corporate, etc other lender(s), whether Securities holders of the Company or not or issue of debentures/ Bonds/Commercial Paper/Triparty Repo ("TREPS") or other Securities or instruments.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors and the Company Secretary and Compliance Officer of the Company, be and are hereby severally authorized to arrange or finalize 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."

11. TO CONSIDER AND APPROVE THE 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 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 favour 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 availed by way of issue of security or term loan or otherwise together with interest, cost, charges and expenses thereon for amount not exceeding ₹ 32,000/- crore (Rupees Thirty Two Thousand Crore only) at any point of time (including the money already borrowed by the Company and remaining outstanding 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 the Company Secretary and Compliance Officer of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution".

12. TO CONSIDER AND APPROVE THE ISSUANCE OF NON-CONVERTIBLE DEBENTURES, IN ONE OR MORE TRANCHES 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 Section 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") including any amendments, statutory modification(s) and/or re-enactment(s) thereof for the time being in force) the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and 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 Master circular dated May 22, 2024 (as amended from time to time), 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 and other applicable regulations and guidelines (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of the 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 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 and/or allot, in one or more tranches/series, Listed/Unlisted Non-Convertible Debentures (NCDs), whether secured or unsecured, 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 ₹ 8,500/- crore (Rupees Eight Thousand Five Hundred 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), body(ies) corporate, 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 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 the Company from time to time.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary and Compliance Officer of the Company, be and are hereby severally authorized to do all acts, deeds, matters and things and execute all documents and give such directions as may be required, necessary, expedient or desirable in connection with or incidental thereto, with power to settle all questions, difficulties or doubts, that may arise, in its sole discretion as deem fit and necessary, filing of the requisite forms and documents for and on behalf of the Company in connection therewith with any person, statutory and/or governmental authority."

13. TO APPROVE THE 'AAVAS FINANCIERS LIMITED - EQUITY STOCK OPTION PLAN - 2025' ("ESOP -2025").

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

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the rules made thereunder, applicable regulations of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, if any), 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 any other Regulations/Guidelines/ Circulars/Notifications prescribed by the Securities and Exchange Board of India, the Reserve Bank of India, the National Housing Bank or any relevant authority, from time to time, to the extent applicable and subject to such conditions and modifications as may be prescribed while granting such approvals, permissions and sanctions, the approval of the Members of the Company be and is hereby accorded to formulate and implement 'Aavas Financiers Limited - Equity Stock Option Plan 2025' ("ESOP-2025"), the salient features of which are detailed in the Explanatory Statement to this Notice, and the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include the Nomination & Remuneration Committee ("NRC") of the Board, which the Board has constituted to exercise its power including the power conferred by this resolution), be and is hereby authorized to create, offer, grant, issue and allot to the benefit of such person(s), who are eligible employees of the Company (present or future) (as defined in the ESOP-2025) and as may be identified by the Board, from time to time, in one or more tranches, not exceeding 23,74,191 (Twenty Three Lakh Seventy Four Thousand One Hundred Ninety One) options exercisable into not more than 23,74,191 (Twenty Three Lakh Seventy Four Thousand One Hundred Ninety One) equity shares of face value of ` 10/-



(Rupees Ten only) each fully paid up, under the ESOP-2025 ranking pari-passu with the existing equity shares of the Company on such terms and conditions as may be decided by the Board under ESOP-2025 in accordance with applicable laws.

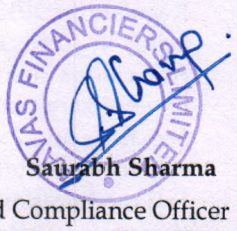
RESOLVED FURTHER THAT up to 23,74,191 (Twenty Three Lakh Seventy Four Thousand One Hundred Ninety One) options shall be granted, in one or more tranches as may be determined by the Board, which shall entitle the option holder one fully paid-up equity share of face value of 10/- of the Company against each option exercised and accordingly, up to 23,74,191 (Twenty Three Lakh Seventy Four Thousand One Hundred Ninety One) equity shares of face value of `10/- each shall be allotted to the eligible Employees under the ESOP-2025.

RESOLVED FURTHER THAT upon vesting, 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 of any Corporate Action including but not limited to right issue, bonus issue, merger/demerger, change in capital structure or the equity shares are either sub-divided or consolidated, then the outstanding options or number of equity shares to be allotted under the ESOP-2025 and/or the exercise price and/or such other fair and equitable adjustment, as may be required, in the absolute discretion of the Board and as permitted by applicable regulations shall be suitably adjusted to ensure there is no change in the economic value for the option holder and fair and equitable benefits are passed under ESOP-2025, without affecting any other rights or obligations of the said allottees.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take requisite steps for listing of the equity shares allotted under the ESOP-2025 on the stock exchanges where the equity shares of the Company are listed in due compliance with SEBI SBEB & SE Regulations and other applicable laws.

RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company to devise, formulate, modify, change, vary, alter, amend, suspend or terminate the ESOP-2025, subject to compliance with the applicable laws, rules and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members of the Company and execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to the ESOP-2025 and to do all other things incidental to and ancillary thereof."

By order of the Board of Directors
For Aavas Financiers Limited



Saurabh Sharma
Company Secretary and Compliance Officer
(Membership No.: ACS - 60350)

Date: August 18, 2025
Place: Jaipur

Registered and Corporate Office:
201-202, 2nd Floor, Southend Square,
Mansarovar Industrial Area, Jaipur
302020, Rajasthan, India
CIN: L65922RJ2011PLC034297
Tel: +91 141-4659221
E-mail: investorrelations@aavas.in
Website: www.aavas.in

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("**the Act**") setting out material facts concerning Special Businesses under Item Nos. 3 to 13 of the accompanying Notice, is annexed hereto. The Board of Directors have considered that the Special businesses under Item Nos. 3 to 13 being considered unavoidable, be transacted at the 15th Annual General Meeting ("AGM") of the Company to be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") Facility.

2. In view of General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 20/2021 21/2021, 02/2022, 10/2022, 09/2023 and 09/2024 dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022, December 28, 2022, September 25, 2023 and September 19, 2024 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, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 , SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 (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, 2015"), the Notice of the 15th AGM along with the Annual Report for the Financial Year 2024-25 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories Participant. Additionally in accordance with Regulation 36(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is also sending a letter to Shareholders whose e-mail addresses are not registered with Company/Depositories Participant, providing the weblink of Company's website from where the Annual Report for the Financial Year 2024-25 can be accessed.

   The 15th 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 15th 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 through 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 1,000 members on first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve 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 15th AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the 15th AGM through VC/OAVM Facility and participate there at and cast their votes through e-Voting.

5. Attendance of the Members participating in the 15th AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

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6. 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, 2015 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 15th 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 15th AGM will be provided by NSDL.

7. 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.

8. Members may please note that the Notice and Annual Report of the 15th AGM will also be available on the website of the Company at www.aavas.in, websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and also on the website of NSDL at www.evoting.nsdl.com.

9. 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 15th AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM and during the AGM Members seeking to inspect such documents can send an e-mail to investorrelations@aavas.in

10. The Board of Directors of the Company ("the Board") has appointed Mr. Rupesh Agarwal (Membership No. A16302, COP No. 5673), failing him, Mr. Shashikant Tiwari (Membership No. F11919, COP No. 13050), Practicing Company Secretaries, failing him, Mr. Lakhan Gupta (Membership No. F12682, COP No. 26704) Practicing Company Secretaries and Partners of M/s. Chandrasekaran Associates as the Scrutinizer, to scrutinize the remote e-Voting process as well as e-Voting process during the AGM in a fair & transparent manner.

11. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through e-Voting (i.e. votes cast during the AGM and votes cast through remote e-Voting) and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairperson or any other person authorized by him in writing, who shall countersign the same. The results will be announced within 2 working days or 3 days, whichever is earlier, from the conclusion of the 15th AGM.

12. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.aavas.in and on the website of NSDL at www.evoting. nsdl.com and also shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the Company's equity shares are listed and be made available on their respective websites. The Company will also display the results at its Registered Office.

13. Details as required in sub-regulation (3) of Regulation 36 of the SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meeting ("SS-2") of ICSI, in respect of the Directors seeking Appointment at the 15th AGM, forms integral part of the Notice of the 15th AGM as **Annexure-1.** Requisite declarations have been received from the Directors for seeking Appointment.



14. Disclosure as required in sub-regulation (5) of Regulation 36 of SEBI (LODR) Regulations, 2015 in respect of the appointment of Secretarial Auditor are forming part of the explanatory statement to the Notice.

15. We urge Members to support our commitment to environmental protection by choosing to receive the Company's communication and documents including Annual Reports from time to time in electronic form to the e-mail address provided by the Members. 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 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. Mitsubishi UFJ Trust & Banking Corporation, a Member of MUFG, a global financial group, has acquired Link Group, parent Company of Link Intime India Private Limited. Accordingly, the name of Registrar and Share Transfer Agent (RTA) of the Company has changed from Link Intime India Private Limited (TSR Consultants Private Limited had merged with Link Intime India Private Limited) to MUFG Intime India Private Limited w.e.f. December 31, 2024.

20. Members are requested to contact MUFG Intime India Private Limited (RTA of the Company) in case of any change of address or queries relating to their shares at the information given below-

    MUFG Intime India Private Limited
    (Formerly Link Intime India Private Limited)
    Address: C-101, 1st floor, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai 400083 Maharashtra, India
    Tel: +91 81081 18484
    Website: www.in.mpms.mufg.com
    Link to register queries- https://web.in.mpms.mufg.com/helpdesk/Service_Request.html

21. MUFG Intime India Private Limited has implemented below investor initiatives as part of their constant endeavor to enhance investor servicing:

    a. 'SWAYAM' is a secure, user-friendly web-based application developed by our RTA, that empowers investors to effortlessly access various services. Investors are requested to get registered on this application which can be accessed at https://swayam.in.mpms.mufg.com/

    b. 'iDIA' is a Chatbot developed by our RTA that utilizes conversational technology to provide investors with a round-the-clock intuitive platform to ask questions and get information about queries. Talk to iDIA by logging in to https://web.in.mpms.mufg.com

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c. FAQs –The FAQ section on the RTA's website has very detailed answers to almost all probable investor queries. Please visit https://in.mpms.mufg.com/ to find answers to your queries related to securities.

22. 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.

23. Members who would like to express their views/ask questions as a speaker during the Meeting may pre-register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, PAN, e-mail ID, mobile number at investorrelations@aavas.in till September 09, 2025, before 5:00 P.M. (IST) only those Members who have registered themselves as a speaker will 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.

24. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 04, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_ IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting options to resolve their grievances with the RTA/ Company directly or through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at https://smartodr.in/login and the same can also be accessed through the Company's website at https://www.aavas.in/.

25. No Director of the Company is liable to retire by rotation at the ensuing AGM as per the current composition of the Board of the Company.

26. **Instructions for Members for remote e-Voting, and joining the 15th AGM are as under:**

a. The remote e-Voting period will commence on Thursday, September 11, 2025 (9:00 A.M. IST) and ends on Monday, September 15, 2025 (5:00 P.M. IST). During this period, Members of the Company, holding shares as on the cut-off date i.e. as on Tuesday, September 09, 2025 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 subsequently change it. 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 15th 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 15th AGM and holds shares as on the cut-off date i.e. on Tuesday, September 09, 2025, may obtain the user ID and password by sending a request to e-mail address evoting@nsdl.com. 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.

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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 Investors (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.com.

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.

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 send a request at evoting@nsdl.com or contact to Ms. Prajakta Pawle, Executive or Ms. Pallavi Mhatre, Sr. Manager, National Securities Depository Ltd., 301, 3rd Floor, Naman Chambers, G Block, Plot No- C-32, Bandra Kurla Complex, Bandra East, Mumbai- 400051, at the designated e-mail IDs: evoting@nsdl.com or call at: 022 - 4886 7000 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.

g. The details of the process and manner for remote e-Voting are explained herein below:
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in Demat mode.

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 e-mail 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.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered e-mail id/mobile number and

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	click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. 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 & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** 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 **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on Company name or **e-Voting service provider i.e. NSDL** 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 & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. 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. 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 **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 & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience.

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	NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user ID and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible Companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & e-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	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 & voting during the meeting.

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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 evoting@nsdl.com or call at 022 - 4886 7000
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 helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

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 :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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**********

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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 user 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 e-mail ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail 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 e-mail ID is not registered, please follow steps mentioned below in **process for those shareholders whose e-mail 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.
   b) Click on "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on 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.com 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.

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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 print out 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 / rupesh@cacsindia.com / lakhan@cacsindia.com with a copy marked to evoting@nsdl.com. 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. 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.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Ltd. at evoting@nsdl.com.

27. Process for those Shareholders whose e-mail ids are not registered with the depositories for procuring user id and password and registration of e-mail ids 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 e-mail 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 Shareholder holding securities in demat mode.**

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3. Alternatively Shareholder/Members may send a request to evoting@nsdl.com 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 e-mail ID correctly in their demat account in order to access e-Voting facility.

28. The instructions for Members for e-Voting on the day of the AGM are as under

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. 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.
3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. 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.

29. Instructions for Members for attending the AGM through VC/OAVM are as under

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, e-mail id, mobile number at investorrelations@aavas.in. The same will be replied by the Company suitably.

30. Transcript of AGM

The transcript of the AGM shall be made available on the website of the Company at https://www.aavas.in/investor-relations/outcome.

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EXPLANATORY STATEMENT PURSUANT TO THE SECTION 102 OF THE COMPANIES ACT, 2013 AND SEBI (LODR) REGULATIONS, 2015

The following statements sets out all material facts relating to the Special Businesses mentioned under Resolution Nos. 3 to 13 of this Notice. Explanation to Ordinary Business mentioned under Resolution No. 2 has been also given on voluntary basis.

ITEM NO. 2

The Members of the Company in the 14th Annual General Meeting held on August 07, 2024, approved the appointment of M/s. M S K A & Associates, Chartered Accountant (FRN: 105047W) and M/s. Borkar & Muzumdar, Chartered Accountant (FRN: 101569W), as Joint Statutory Auditors of the Company for a period of 3 (three) consecutive years to hold office until the conclusion of the 17th Annual General Meeting of the Company (to be held in the calendar year 2027), subject to them continuing to fulfil the applicable eligibility norms.

The Members had approved payment of fees amounting upto Rs. 1,25,00,000 (Rupees One Crore Twenty Five Lakhs Only) towards statutory audit, limited review and certifications (excluding applicable taxes, reimbursements and other outlays) for the Financial Year 2024-25. Now it is proposed to fix remuneration payable to Joint Statutory Auditors for the Financial Year 2025-26.

Based on the recommendation of Audit Committee, the Board of Directors of the Company has approved payment of remuneration to the Joint Statutory Auditors of the Company amounting upto Rs. 1,35,00,000 (Rupees One Crore Thirty Five Lakh only) for Limited Review, Statutory Audit, Tax Audit, Certain Regulatory Certifications in addition to any out-of-pocket expenses, applicable taxes, reimbursements, and other outlays as applicable for the Financial Year 2025-26 and may be paid in one or more instalments.

The remuneration between both firms have been allocated on the basis of work allocation and their respective scope of work for the Financial Year 2025-26 as follows:

- M/s. Borkar & Muzumdar, Chartered Accountants up to Rs. 75,60,000 (Rupees Seventy Five Lakh Sixty Thousand only)
- M/s. M S K A & Associates, Chartered Accountants up to Rs. 59,40,000 (Rupees Fifty Nine Lakh Forty Thousand only)

The fee payable to the Joint Statutory Auditors, as proposed herein is commensurate with the size and operations of the Company, roles and responsibilities of the Joint Statutory Auditors and increased regulatory compliance.

The Board of Directors of the Company recommends the Ordinary Resolution set out at Item No. 2 of this Notice for approval of the Members.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested, financially or otherwise in the resolutions set out at Item No. 2, except to the extent of their shareholding in the Company, if any.

ITEM NO. 3 to 7

In terms of Article 16.11(b) of the Articles of Association of the Company, Aquilo House Pte. Ltd., Promoter of the Company has the right to nominate 5 (five) directors to the Board of the Company.

Accordingly, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on June 30, 2025, considered and recommended

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to the members the appointment of Mr. Elcid Vergara, Mr. Anant Jain, Mr. Nikhil Omprakash Gahrotra, Mrs. Neha Sureka and Mr. Siddharth Tapaswin Patel, as nominated by Aquilo House Pte. Ltd.

In terms of Section 161 of the Companies Act, 2013 (**"Act"**) an Additional Director shall hold office up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. Further in terms of Regulation 17 (1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI LODR Regulations"**), the listed entity shall ensure that approval of Members for appointment or re-appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

In compliance with the above, approval of the Members is being sought for the appointment of Mr. Elcid Vergara, Mr. Anant Jain, Mr. Nikhil Omprakash Gahrotra, Mrs. Neha Sureka and Mr. Siddharth Tapaswin Patel (collectively referred to as **"Directors"**) as Non-Executive Non-Independent Directors on the Board. The Company has received a notice under Section 160 of the Act from a Member signifying their candidatures as Directors of the Company.

All the Directors have given their consent to act as Directors of the Company pursuant to Section 152 of Act.

Further, the Company has received a declaration of fit and proper criteria from each of the Directors as prescribed under Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021. The Company has also received a confirmation from each of the Directors that none of the Directors are disqualified nor debarred from holding the office of director under the Act or pursuant to any order issued by the SEBI or any other authority.

The brief profile and other details as required under Regulation 36 (3) of the SEBI LODR Regulations and Secretarial Standards of ICSI is given as an "Annexure-1" to this Notice.

The Board is of the view that the association of the Directors with the Company will be of great benefit, owing to their rich experience and vast knowledge.

The Board of Directors recommends the Ordinary Resolutions as set out at Item nos. 3 to 7 of this Notice for the approval of Members.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Elcid Vergara, Mr. Anant Jain, Mr. Nikhil Omprakash Gahrotra, Mrs. Neha Sureka and Mr. Siddharth Tapaswin Patel and their 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. 8

The Shareholders of the Company had passed an ordinary resolution in the Annual General Meeting on July 19, 2023 (**"AGM"**), approving the appointment of Mr. Bhinder (DIN: 08697657) as Managing Director & Chief Executive Officer (**"CEO"**) of the Company for a period of 5 (Five) years, effective from date May 3, 2023 to May 02, 2028 (**"Tenure"**) and approved the fixed remuneration up to a maximum of Rs. 1,90,00,000/- (Rupees One Crore Ninety Lakh only) per annum in accordance with applicable provisions of the Companies Act, 2013 ("Act") read with Schedule V of the Act, RBI Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs dated April 29, 2022 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions (if any) of the Act, and the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) with the liberty to the Board to increase the fixed remuneration during his tenure up to an amount not exceeding Rs. 2,50,00,000/- (Rupees Two Crore Fifty Lakh only) per annum, provided such increments and/or revision is carried out in accordance with provisions of Section 197, 198 of the Act read with Schedule

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V to the Act, and other applicable provisions (if any) of the Act and the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Nomination and Remuneration Committee of the Board ("**NRC**") and the Board of Directors of the Company ("**Board**") are of the view that Mr. Bhinder's continued presence as Managing Director & CEO of the Company has been of value. Mr. Bhinder's key mandate at the Company is to drive inclusive growth, aligned to the vision of the Company. Mr. Bhinder is responsible for overall business strategy, direction for the organization, new initiatives, strategic alliances etc.

Further, keeping in view his fruitful association with the Company, his expertise, qualifications, the NRC recommended to the Board the revision in the remuneration of Mr. Bhinder, subject to necessary approvals.

The details of the proposed revision in the remuneration of Mr. Sachinderpalsingh Jitendrasingh Bhinder (DIN: 08697657), are as under:

I. Fixed Remuneration

Mr. Bhinder, for his remaining tenure i.e. upto May 02, 2028, shall be entitled to a maximum of fixed remuneration of upto Rs. 3,75,00,000/- (Rupees Three Crore Seventy Five Lakh only) per annum ("**Fixed Remuneration**") (which is increased from the previously approved limit of Rs. 2,50,00,000/- (Rupees Two Crore Fifty Lakh only) per annum with the liberty to the Board to fix the annual fixed remuneration payable to Mr. Bhinder and to grant such increments from time to time within the overall limit of Fixed Remuneration in accordance with Section 197 of the Act read with Schedule V to the Act, RBI Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs dated April 29, 2022, Nomination and Remuneration Policy of the Company and other applicable provisions (if any) of the Act, and the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

For the purpose of this clause, the term "Fixed Remuneration" shall mean and include: (i) basic salary payable to Mr. Bhinder; (ii) Company's contribution to provident fund as per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952; and (iii) Company's contribution to gratuity fund as per provisions of the Payment of Gratuity Act, 1972.

II. Perquisites and Allowances

Mr. Bhinder shall, in addition to the Fixed Remuneration as may be approved by the Board on recommendation of the NRC, be eligible for perquisites and allowances as per the policies of the Company amended from time to time including but not limited to reimbursements against residential accommodation, driver's salary, and other allied ancillary expenses, leave and leave encashment as per the rules of the Company and any insurance premium paid by the Company for and on behalf of Mr. Bhinder, in accordance with Section 197 of the Act.

III. Performance Linked Bonus

In addition to above total Fixed Remuneration and perquisite and allowances, Mr. Bhinder shall also be entitled to performance linked bonus of such amount as may be recommended by the NRC and approved by the Board for each Financial Year or part thereof and which shall not exceed 100% (one hundred percent) of the aggregate of total Fixed Remuneration and perquisites and allowances of such Financial Year after taking into consideration various criteria, including the performance of Mr. Bhinder and the performance of the Company ("**Performance Linked Bonus**").

IV. Employees Stock Options

Mr. Bhinder may be granted stock options by the NRC as per the employee stock option schemes of the Company, the perquisite value of which upon exercise of vested options shall not form part of the Fixed Remuneration, perquisites and allowances and Performance Linked Bonus.

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Total No. of options granted and outstanding as on the date of this Notice is 2,60,749 options.

V. Minimum Remuneration and Other Terms and Conditions

(a) The aggregate of Fixed Remuneration, perquisite and allowances, performance linked bonus and perquisite value of employee stock options, if exercised during the year, shall be within the overall limit of 5% of the net profit for the particular Financial Year.

(b) If, in any Financial Year, the Company has no profits or its profits are inadequate, then the Fixed Remuneration, perquisites and allowances, performance linked bonus and perquisite value of employee stock options, if exercised during the year, payable to Mr. Bhinder shall be paid by the Company in accordance with the provisions of section II of part II of Schedule V of the Act and other applicable provisions (if any) of the Act and the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) after obtaining requisite approvals from the Shareholders, as may be required.

Following is the current and proposed remuneration structure of Mr. Bhinder:

Particulars	Current Remuneration	Proposed Remuneration
Fixed Remuneration	Upto INR 2,50,00,000/-	Upto INR 3,75,00,000/-
Variable/performance bonus	Upto 100 % of total Fixed Remuneration and perquisites and allowances	Upto 100 % of total Fixed Remuneration and perquisites and allowances
Perquisites and Allowances	As per Company policy.	As per Company policy.
ESOPs/PSOPs	As per Schemes & approval of NRC	As per Schemes & approval of NRC

The Members are requested to take note that apart from increase in fixed remuneration, all other terms and conditions as approved by the Members on July 19,2023 in the 13th AGM of the Company at the time of appointment of Mr. Bhinder, shall remain unchanged.

Accordingly, the approval of the Members is sought for the revision in remuneration of Mr. Bhinder till the end of his tenure i.e. upto May 02, 2028.

The agreement between the Company and Mr. Bhinder is available for inspection by the Members in terms of Section 190 of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Bhinder and his relatives, are concerned or interested, financially or otherwise except to the extent of his shareholding in the Company, in the resolution set out at Item No. 8 of the accompanying Notice.

The brief profile in terms of Secretarial Standard-2 on the General Meetings ("SS-2") has been provided in annexure attached to this Notice.

The Board recommends the resolution for approval by the Members as an ordinary resolution as set out at Item No. 8 of the Notice.

ITEM NO. 9

Pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules"), the Audit Committee and the Board of Directors at their respective meetings held on April 24, 2025, have approved and recommended the appointment of M/s.

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Chandrasekaran Associates, Practicing Company Secretaries (FRN: P1988DE002500), as the Secretarial Auditors of the Company on the following terms and conditions:

a) **Term of Appointment**: For a period of 5 (five) consecutive years, w.e.f. Financial Year 2025-26 to Financial Year 2029-30.

b) **Proposed fee**: Fees of Rs. 11,00,000 (Rupees Eleven Lakh Only), in addition to applicable taxes and reimbursement of out-of-pocket expenses on actuals, in connection with the Secretarial Audit for Financial Year 2025-26 and for subsequent years of term, at such fee as determined by the Board on recommendation of the Audit Committee.

c) **Basis of Recommendations**: The recommendation is based on the fulfilment of the eligibility criteria and qualification prescribed under the Companies Act, 2013 and rules thereunder and SEBI (LODR) Regulations, 2015. While recommending, the Board of Directors have also considered, various factors, including the firm's capability to handle a diverse and complex business environment, its existing experience in the Company's business segments, its industry standing, the clientele it serves, and its technical expertise. M/s Chandrasekaran Associates found to be well-equipped to manage the scale, diversity, and complexity associated with the Secretarial Audit of the Company.

d) **Credentials**: M/s. Chandrasekaran Associates, Company Secretaries is a firm of Company Secretaries having professional experience spanning over more than 36 years specializing in Secretarial Audit, Due Diligence,. Assurance Audit, Corporate Compliance Management, Representation services and Transaction Advisory Services to the Corporate world on various matters. M/s. Chandrasekaran Associates is a peer reviewed and a well-established firm of Practicing Company Secretaries, registered with the Institute of Company Secretaries of India (ICSI), New Delhi. The firm is led by experienced Partners, all of whom are distinguished professionals in the field of Corporate Governance and compliance.

M/s. Chandrasekaran Associates have confirmed that they are not disqualified to be appointed as Secretarial Auditors of the Company and also confirmed that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India (ICSI) and hold a valid certificate issued by the Peer Review Board of the ICSI.

They have also provided their consent to be appointed as Secretarial Auditors of the Company for a term of 5 (five) consecutive years commencing from Financial Year 2025-26 to Financial Year 2029-30.

Accordingly, the consent of the Members is sought for the appointment of M/s. Chandrasekaran Associates as the Secretarial Auditors of the Company. The Board of Directors recommends the resolution for approval by the Members, as an Ordinary Resolution, as set out at Item No. 9 of the Notice.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested, financially or otherwise in the resolutions set out at Item No. 9, except to the extent of their shareholding in the Company, if any.

ITEM NO. 10 & 11

The Board of Directors of the Company (**"Board"**) envisages requirements of increased funds in future. As per the provisions of Section 180(1)(c) of the Companies Act, 2013 (**"the 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 and remaining outstanding (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

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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 Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (**"RBI Master Directions"**) no Housing Finance Company can have its total Borrowing limit in aggregate, in excess of 12 times of its Net Owned Fund (NOF).

The Members of the Company at the 14th AGM held on August 07, 2024, approved and authorized the Board of Directors to borrow from time to time, such amounts as they may deem necessary for the purpose of business of the Company, not exceeding ₹27,000/- crore (Rupees Twenty Seven Thousand Crore only) over and above the paid-up share capital and free reserves of the Company and in terms of provisions of Section 180(1)(a) of the Companies Act, 2013 to mortgage and/or create a charge on any of the movable and/or immovable properties and/or the whole or any part of undertaking(s) of the Company to secure its borrowings up to the limits of Section 180(1)(c) of the Act.

Taking into account the increased fund requirements, and considering the consistent growth in business & operations and after assessing existing and future projections of the Company, the Company would be required to borrow funds from time to time by way of Term Loans, Cash Credit facilities or Loans/ Financial assistance or in any other form whatsoever including but not limited to issue of Debentures/ Bonds/Commercial Paper/Triparty Repo("TREPS") or other Securities, hence now, it is proposed to empower and authorize the Board to borrow money from any Bank(s), Financial Institution(s) and/or Mutual Fund(s), Non-Resident Indians ("NRIs"), Foreign Institutional Investors ("FIIs") or any other person(s), Body(ies) Corporate, etc other lender(s), whether Securities holders of the Company or not, in excess of paid up share capital and free reserves and securities premium of the Company from the existing limit of ₹ 27,000/- crore (Rupees Twenty Seven Thousand Crore only) to an amount not exceeding ₹ 32,000/- crore (Rupees Thirty Two Thousand Crore only) (including the money already borrowed by the Company and remaining outstanding) 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. 10 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 ₹ 32,000/- crore (Rupees Thirty Two Thousand Crore only) or equivalent thereof in any foreign currency (ies) (including the money already borrowed by the Company and remaining outstanding).

The said borrowings by way of Term Loans, Cash Credit facilities or Loans/Financial assistance 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 Companies Act, 2013, 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. 11 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. 10 & 11 of the Notice.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested, financially or otherwise in the resolutions set out at Item No. 10 and 11, except to the extent of their shareholding in the Company, if any.

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ITEM NO. 12

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"**), Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulation 2021, SEBI Master Circular dated May 22, 2024 (as amended from time to time), Debt Listing Agreement and Guidelines as issued by Reserve Bank of India, National Housing Bank in this regards.

The Members of the Company at the 14th AGM held on August 07, 2024, approved the issuance of listed or unlisted, secured/unsecured redeemable Non-convertible Debentures on a private placement basis in terms of applicable rules and regulations for an amount not exceeding ₹ 8,500/- crore (Rupees Eight Thousand Five Hundred Crore only) during a period of 1 (one) year from the date of the said AGM.

Further, the Board of Directors of the Company in its meeting held on April 24, 2025 passed the resolution and recommend to Members to approve the amount of ₹ 8,500/- crore (Rupees Eight Thousand Five Hundred Crore only) in aggregate to be raised by way of issue of listed or unlisted, secured/unsecured redeemable Non-convertible Debentures on a private placement for general corporate purposes and for onward lending business of the Company.

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 the Board. The amount to be raised by way of issue of listed/unlisted, secured/unsecured redeemable Non-convertible Debentures on a private placement basis shall not exceed ₹ 8,500/- crore (Rupees Eight Thousand Five Hundred Crore only) in aggregate, in one or more series/ tranches on private placement basis.

The aforesaid borrowings are within overall borrowing limits authorized by the Members, from time to time. It may be noted that as per Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) 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, approval 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 upto ₹ 8,500/- crore (Rupees Eight Thousand Five Hundred 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. 12 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. 12 of the Notice for the approval of the Members.

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

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ITEM NO. 13

The Company believes that equity-based compensation schemes/plans are an effective tool to reward the talent working with the Company for delivering long-term sustainable performance and creation of stakeholder value. In order to motivate the employees of the Company, to align their interests with the long-term growth and financial success of the Company, to retain and reward the best available talent, the Company has been granting stock options.

The Company has structured this plan for the benefit of its employees. The purpose of this plan are as under:

a) Drive performance
b) Retention of employees
c) Employee ownership and wealth creation for the employees
d) Share benefits of corporate growth with the employees
e) Attract Talent

Based on the recommendation of the Nomination and Remuneration Committee **("NRC or Committee")** and the Board of Directors **("Board")** of the Company at their meetings held on August 18, 2025, a proposal for adoption of the 'Aavas Financiers Limited - Equity Stock Option Plan - 2025' **("ESOP-2025")** is being placed before the Members of the Company for approval by way of Special Resolution in terms of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **("SEBI SBEB & SE Regulations").**

Particulars of disclosures as required under Rule 12 (2) of the Companies (Share Capital and Debentures) Rules, 2014 and SEBI SBEB & SE Regulations and circulars issued by SEBI are given below:

a) Brief description of the scheme:

The Company aims to introduce ESOP-2025 with a view to promote the culture of employee ownership, to attract, retain talent of the Company and to give opportunity to share benefits of corporate growth with the employees, hence serving the motive of wealth creation for employees. The ESOP-2025 contemplates grant of stock options, as Time Based options and Performance Based options, thereby, acting as a retention tool as well as driving performance of employees.

Every grant of ESOP-2025 shall be followed by vesting. After vesting, the eligible employees earn a right but not an obligation to exercise the vested stock options within the predefined exercise period. The Company shall issue shares upon exercise of vested stock options subject to payment of exercise price and satisfaction of consequential tax obligations.
The NRC of the Company shall act as Compensation Committee for the supervision of scheme and shall administer the scheme under the guidance of the Board. All questions of interpretation of the scheme shall be determined by NRC as per the terms of the scheme.

b) Total number of options to be offered and granted:

Total number of options to be offered and granted shall not exceed 23,74,191 (Twenty Three Lakh Seventy Four Thousand One Hundred Ninety One) options. The maximum number of Shares that may be issued pursuant to Exercise of options granted to the participants under this plan shall not exceed 23,74,191 fully paid shares ('share pool'). The Company reserves the right to increase or reduce such number of shares as it deems fit as per Applicable Laws.

Notwithstanding the foregoing provisions as stated above, shares with respect to which an option is granted under this plan that remain unaccepted, or unexercised at the time of expiration, or are not entitled for vesting or forfeited or lapsed or cancelled shall be added back to the number of options that are pending to be granted. The Company through the Board/Committee may, at their discretion, grant

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such options within the overall limit determined in accordance with the plan. The quantum of first grant will be upto 65% of the share pool and remaining options will be made in subsequent grants.

In case of corporate action, the Board in accordance with applicable laws shall ensure while taking into consideration the global best practices in this area that adjustment to exercise price, number of options granted, accelerated vesting, etc., shall be appropriately made without prejudice to the interest of the participant. The decision of the Board on whether such action is necessary and the extent of such action by the Board shall be final and binding.

The Board/ Committee may determine the procedure for making fair and reasonable adjustments to the number of options and the terms of the plan in case of corporate actions such as further capitalization, mergers, sale of division and others (so as to ensure the economic value of the benefits granted are not materially altered by either the corporate action, or the adjustment required as a result of the corporate action).

The Board/Committee shall, subject to compliance with applicable laws and the limitations set out in the plan, determine the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall, inter alia, be taken into consideration by the Committee:

i. the number and price of options shall be adjusted in a manner such that total value to the employee of the options remains the same after the corporate action;
ii. the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the employee(s) who is granted such options.

c) Identification of classes of employees entitled to participate in the scheme:

Following classes of employees are entitled to participate in ESOP-2025:

(i) an employee as designated by the Company, who is exclusively working in India or outside India; or

(ii) a director of the Company, whether a whole-time director or not, including a non- executive director who is not a promoter or member of the promoter group, but at all times excluding an independent director of the Company;

(iii) but does not include–

(a) an employee who is a promoter or a person belonging to the promoter group; or

(b) a director who, either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the Company.

d) Requirements of vesting and period of vesting:

Vesting of options under ESOP 2025, would be subject to compliance with terms and conditions set forth under the plan and continued employment or directorship (as the case may be) with the Company. The minimum vesting period shall be 1 (one) year from the date of grant. Subject to the condition of continuous employment, the vesting schedule for Time-Based options will be as under:

Vesting of Time-Based Options- 30% of the Total Options Granted:

Twenty per cent (20%) of the total Time-Based Options shall vest on the 1st anniversary of the grant date.



Twenty per cent (20%) of the total Time-Based Options shall vest on the 2nd anniversary of the grant date.
Twenty per cent (20%) of the total Time-Based Options shall vest on the 3rd anniversary of the grant date.
Twenty per cent (20%) of the total Time-Based Options shall vest on the 4th anniversary of the grant date.
Twenty per cent (20%) of the total Time-Based Options shall Vest on the 5th anniversary of the grant date.

Vesting of Performance-Based Options- 70% of the Total Options Granted:

The number of Performance-Based Options that shall vest with the participants shall be subject to Company's performance targets as provided in this clause and shall be subject to the condition of continuous employment.

Particulars	Number of Performance-Based options that are 'Eligible for Vesting'	Company Performance Criteria – 'Target PAT'	Number of options that shall Vest
1st Anniversary of Grant Date	20% of the total Performance-Based option	PAT for the Financial Year ("FY") should be equal to or exceeds as provided in the grant letter subject to change at the sole discretion of the Board/Committee based on the audited financial statement for the said FY	Where Actual PAT achieved by the Company based on the audited financial statements is ≤ 95% of the Target PAT, then 0 (i.e. Nil) options that are eligible to vest shall vest with the participants. Where achievement by the Company based on the audited financial statements is > 95% of the Target PAT, 50% vesting at 95% achievement and 100% vesting at 100% achievement with linear interpolation.
2nd Anniversary of Grant Date	20% of the total Performance-Based option	PAT for the FY should be equal to or exceeds as provided in the grant letter subject to change at the sole discretion of the Board/Committee based on the audited financial statement for the said FY	
3rd Anniversary of Grant Date	20% of the total Performance-Based option	PAT for the FY should be equal to or exceeds as provided in the grant letter subject to change at the sole discretion of the Board/Committee based on the audited financial statement for the said FY	
4th Anniversary of Grant Date	20% of the total Performance-Based option	PAT for the FY should be equal to or exceeds as provided in the grant letter subject to change at the sole discretion of the Board/Committee based on the audited financial statement for the said FY	
5th Anniversary of Grant Date	20% of the total Performance-Based option	PAT for the FY should be equal to or exceeds as provided in the grant letter subject to change at the sole discretion of the Board/Committee based on the	

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		audited financial statement for the said FY	

Note: Notwithstanding anything contained in above table, where Gross NPA as per the audited financial statements for the respective FY exceed as provided in the grant letter subject to change at the sole discretion of the Board/Committee, *0 (i.e. Nil) options shall Vest with the participants.*

The Committee may update above Performance-Based-vesting relationship which will be intimated to the grantee from time to time.

e) Maximum period (subject to regulation 18(1) of SEBI Share Based Employee Benefits and Sweat Equity Regulations, 2021) within which the options shall be vested:

Vesting of options under this ESOP 2025 would be subject to compliance with terms and conditions set forth under the plan and continued employment or directorship (as the case may be) with the Company.

f) Exercise price:

The exercise price per option for first grant shall be Rs. 1700 per option. The exercise price for any subsequent grants made under the plan shall be the prevailing Market price or Committee has a power to provide suitable variance, as deems fit, subject to a limit of upto 20% on market price at the time of grant. The specific exercise price shall be intimated to the participant in the grant letter at the time of grant.

g) Exercise period and the process of exercise:

The exercise period shall be 5 (Five) years from the date of respective vesting of options. The employee can exercise options at any time after the vesting date either in full or in tranches by making payment of exercise price and applicable taxes and by execution of such documents as may be prescribed by the NRC, from time to time. However, no vested option shall be exercisable in its fractional form and each option entitles to apply for and be allotted 1 (one) share each on the payment of the aggregate exercise price during the exercise period, subject to the terms and conditions specified in the letter of grant.

In the event of Separation, options will be exercised as defined in the ESOP-2025 in accordance with SEBI SBEB & SE Regulations.

All unexercised options that lapse, shall revert to the ESOP-2025 pool and may be granted at the discretion of the Board/Committee to any other Eligible Employee.

The detailed terms and conditions of Exercise period is mentioned in the ESOP-2025.

h) The appraisal process for determining the eligibility of the employees for the scheme:
The eligible employees will be eligible to participate in the plan subject to such criteria as may be decided by the Board/ Committee at its own discretion, including, but not limited to the date on which the employee joins the Company, grade of the employee, period of service with the Company, criticality or any other criteria, as the NRC may deem fit.

i) Maximum number of options to be offered per employee and in aggregate under the scheme:
The maximum number of Options to be Granted to any Grantee during one year under this Plan will be determined by the Board/ Committee which shall not exceed 1 percent of the total share capital of the Company at the time of the Grant unless an approval from the Shareholders is taken by way of special resolution in a General Meeting.

j) Maximum quantum of benefits to be provided per employee under the scheme:
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.

k) Whether the scheme is to be implemented and administered directly by the Company or through a trust:

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The ESOP-2025 may be implemented and administered directly by the Company, through NRC or through a trust.

l) Whether the scheme involves new issue of shares by the Company or secondary acquisition by the trust or both:

The ESOP-2025 involves both new issue of shares by the Company and secondary acquisition of shares by the trust.

m) The amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.:

The Company may lend monies to the trust on appropriate terms and conditions to acquire the shares either through new issue or secondary acquisition, for the purposes of implementation of this plan, subject to the requirements of Companies Act, 2013 and other applicable laws, as amended from time to time, as may be applicable.

n) Maximum percentage of secondary acquisition that can be made by the trust for the purpose of the scheme:

The trust for the purpose of scheme can make secondary acquisition in a financial year not exceeding two per cent of the paid-up equity capital of the Company as at the end of the previous financial year.

o) A statement to the effect that the Company shall conform to the accounting policies specified in regulation 15 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations:

The Company shall comply with the disclosures and accounting policies prescribed in SEBI (SBEB & SE) Regulations, 2021, Reserve Bank of India and any other authorities as applicable, from time to time.

p) The method which the Company shall use to value its options:

The Company shall use the fair value method for valuation of the options as prescribed under the Indian Accounting Standards and/or any relevant Accounting Standards/Guidance Note, as may be prescribed by the Institute of Chartered Accountants of India, from time to time or any other regulations, as applicable and notified by appropriate authorities from time to time.

q) Period of lock-in:

The shares allotted/ transferred pursuant to the exercise of the vested Performance-based options under Clause 16 of the plan shall be subject to lock-in specified in Clause 23 of the plan, unless the Board/ Committee decides otherwise.

The shares allotted/ transferred pursuant to the exercise of the vested Performance-based options under Clause 16 of the plan shall remain in lock-in for a period of 18 months from the date of vesting.

On completion of the above, the shares that are subject to lock-in shall be released.

r) Terms & conditions for buyback, if any, of specified securities covered under SEBI regulations:

The Board/NRC in accordance with Applicable Laws may determine the procedure for buy-back of specified securities (as defined under Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018), if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

i. Permissible sources of financing for buy-back;
ii. Any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
iii. Limits upon quantum of specified securities that the Company may buy-back in a financial year.

s) Listing:

Equity Shares allotted pursuant to the exercise of the ESOP-2025 shall be listed on BSE Limited and National Stock Exchange of India Limited.

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t) Applicability of Malus and Clawback:

Notwithstanding any clause of the plan, in case of gross negligence, integrity breach, materially inaccurate financial statements due to the result of misconduct including fraud, poor compliance in respect of corporate governance and regulatory matters, etc., by the KMPs and SMP and such other situations as decided by the Board shall invite immediate action of the Board and Malus/Claw-back shall be triggered for KMPs and SMPs.

Notwithstanding any clause of the plan, the deferred compensation, if any for KMPs and SMPs as approved by the Board, shall be subject to malus/clawback arrangements in accordance with the applicable Law. While setting criteria for the application of malus and clawback, the Company may also specify a period during which malus and/or clawback can be applied, covering at least the deferral and retention periods.

As the ESOP-2025 would require issue of further equity shares, in terms of Section 62(1)(b) and rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013 as amended and the SEBI (SBEB & SE) Regulations 2021, approval of the Members of the Company is required by way of passing a Special Resolution.

A draft copy of the ESOP-2025 is available for inspection as per details mentioned in note no. 13 to accompanying this AGM Notice.

None of the Directors and Key Managerial Personnel of the Company or their relatives are in any way (or may be deemed to be) concerned or interested financially or otherwise, in the resolution set out at Item No. 13 of the notice except to the extent of the stock options which may be granted to them under ESOP-2025 and to the extent of their shareholding in the Company, if any.

The Board of Directors of the Company recommends the passing of the resolution set out at Item No. 13 for approval of Members by way of a Special Resolution.

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By order of the Board of Directors
For Aavas Financiers Limited



Saurabh Sharma
Company Secretary and Compliance Officer
(Membership No: ACS- 60350)

Date- August 18, 2025
Place-Jaipur

Registered and Corporate Office:
201-202, 2nd Floor, Southend Square,
Mansarovar Industrial Area, Jaipur 302020, Rajasthan, India
CIN: L65922RJ2011PLC034297
Tel: +91 141-4659221
E-mail: investorrelations@aavas.in
Website: www.aavas.in

Annexure-1

Details of Directors seeking 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) and Details of Director whose revision in remuneration is proposed vide this Notice pursuant to Secretarial Standards on General Meetings issued by Institute of Company Secretaries of India (ICSI) are as follows:

Name of Director	Mr. Elcid Vergara	Mr. Anant Jain	Mr. Nikhil Omprakash Gahrotra	Mrs. Neha Sureka	Mr. Siddharth Tapaswin Patel	Mr. Sachinderpalsingh Jitendrasingh Bhinder
DIN	10769790	06648006	01277756	10759936	07803802	08697657
Age (in years)	47	43	46	41	48	52
Qualification	Master of Sciences in Economics (London School of Economics and Political Science, 2003) Bachelor of Arts degree in Economics (Harvard University, 2002)	M.B.A from Harvard Business School B.B.A from University of Michigan, Ann Arbor	MBA Finance, (ISB, Hyderabad (Indian School of Business) Bachelor of Engineering (electronics) (VJTI, University of Mumbai)	Bachelors In Engineering-Computer Science (University of Mumbai) Masters in Management Studies (Jamnalal Bajaj Institute of Management Studies)	Master of Arts and Bachelor of Arts from the University of Oxford in the United Kingdom	B.E. Chemical, MBA and MRICS (Member of Royal Institute of Chartered Surveyors).
Brief Resume and Experience	Mr. Elcid Vergara is a Senior Managing Director at CVC Asia Pacific (Singapore) Pte. Ltd. He has over 19 years of experience in banking and Finance. Elcid is a member of the CVC Southeast Asia team and is based in Bangkok. Prior to joining CVC, he was a vice president at Phatra, a leading investment bank in Thailand where he advised on M&A transactions forb more than eight years.	Mr. Anant Jain joined CVC in October 2020 and currently serves as a Managing Director. Anant is a Member of the CVC India team and is based in Mumbai. Prior to joining CVC, Anant was a Principal in the deal team of Warburg Pincus India where he worked for 10 years. From 2006 to 2008, he worked for Leonard Green & Partners as a Private Equity Associate. He has 18 years of experience in financial services including 16 years of experience in private equity investment.	Mr. Nikhil Omprakash Gahrotra has over 21 years of financial services experience and 19 years of private equity investment experience including 7 years with Apollo Global Management, a leading global alternate asset manager with >$600 billion in assets under management, most recently as a Partner leading their Financial Investments Group in India, 3 years with BanyanTree Growth Capital, a domestic private equity firm, 5 years with the growth capital team at 3i Group Plc in India and as a founding member of the India office of Q Investments, a U.S.-based hedge fund. He led the first ever private-equity buyout of a defaulting company, Monnet Ispat & Energy Limited in 2018, under the newly	Mrs. Neha Sureka is a Principal at CVC Advisers (India) Private Limited. She has over 17 years of experience in consulting and operating roles across various organizations. She has Worked with Aditya Birla Finance Ltd. (Part of Aditya Birla Capital) from Dec 2016 to June 2022.	Mr. Siddharth Tapaswin Patel sits on various committees at CVC, including the Asia Investment Committee, which Oversees investments including in the Financial Services Sector. He also led the investment into and sits on the board of OANDA Global Corporation, which is a Financial Services company regulated in the US. He is also an Appointed representative licensed with the Monetary Authority of Singapore since 2018. He has over 24 years of experience in Private Equity Investing.	Mr. Bhinder has over 25+ years of experience with leadership roles in P & L Management, Business Development, Partnerships, Strategic Alliances, Compliance & Governance with Kotak Mahindra Bank, ICICI Lombard GIC, Standard Chartered and HDFC Limited. Prior to Aavas, Mr. Bhinder was with Kotak Mahindra Bank Limited, serving as Executive Vice President, where he set up, built, and scaled the Mortgage Book upto ~INR 40,000 Crores AUM across 130 Locations Pan India. He also set up and managed the Mortgage and Retail Asset Cross Sell Business for Kotak Mahindra Bank which

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Name of Director	Mr. Elcid Vergara	Mr. Anant Jain	Mr. Nikhil Omprakash Gahrotra	Mrs. Neha Sureka	Mr. Siddharth Tapaswin Patel	Mr. Sachinderpalsingh Jitendrasingh Bhinder
			enacted Insolvency and Bankruptcy Code, 2016 and was on the board of JSW Ispat Special Products Ltd (formerly known as Monnet Ispat & Energy) and oversaw the turnaround of the business and its eventual merger with JSW Steel Limited. The transaction helped resolve over $1.5 billion of claims.			Included Working Capital (Micro and MSME), Unsecured Business Loans, Personal Loans, Rural Housing, LAS & Credit Cards.
Nature of expertise in specific functional areas	Banking, Financial Services, Governance	Private Equity Investment, Financial Services, Governance	Private Equity Investment, Financial Services, Assets & Liability and Risk Management, Governance	Financial Investments consultancy, Information Technology and Digital, Assets & Liability and Risk Management, Governance	Private Equity Investment, Financial Services, Governance	Banking, Financial Services, Insurance, P & L Management, Business Development, Partnerships, Strategic Alliances, Compliance & Governance
Relationships with Directors, Manager and other Key Managerial Personnel inter-se	None	None	None	None	None	None
Directorships held in other Public Limited Companies and Listed Companies	Nil	Cohizon Life Sciences Limited formerly known as Sajjan India Limited), Public Limited Company	Nil	Cohizon Life Sciences Limited formerly known as Sajjan India Limited), Public Limited Company	Cohizon Life Sciences Limited formerly known as Sajjan India Limited), Public Limited Company	Nil
Membership / Chairmanship of Statutory Committees of Board of other Companies excluding Directorship in Private and Section 8 Companies	Nil	Member of Audit committee of Cohizon Life Sciences Limited (formerly known as Sajjan India Limited).	Nil	Nil	Nil	Nil
Equity listed Companies from which he/she resigned in the past three years	None	None	JSW Ispat Special Products Limited	None	HealthCare Global Enterprises Limited	None



Name of Director	Mr. Elcid Vergara	Mr. Anant Jain	Mr. Nikhil Omprakash Gahrotra	Mrs. Neha Sureka	Mr. Siddharth Tapaswin Patel	Mr. Sachinderpalsingh Jitendrasingh Bhinder
No. of Equity shares held in the Company including beneficial ownerships	None	None	None	None	None	1,040 Equity Shares
Key terms and conditions of appointment	Appointment as Non-Executive Nominee Director liable to retire by rotation. Further terms and conditions as per the resolution set out at Item No. 3 read with the explanatory statement thereto.	Appointment as Non-Executive Nominee Director liable to retire by rotation. Further terms and conditions as per the resolution set out at Item No. 4 read with the explanatory statement thereto.	Appointment as Non-Executive Nominee Director liable to retire by rotation. Further terms and conditions as per the resolution set out at Item No. 5 read with the explanatory statement thereto.	Appointment as Non-Executive Nominee Director liable to retire by rotation. Further terms and conditions as per the resolution set out at Item No. 6 read with the explanatory statement thereto.	Appointment as Non-Executive Nominee Director not liable to retire by rotation. Further terms and conditions as per the resolution set out at Item No. 7 read with the explanatory statement thereto.	-
Remuneration proposed to be paid	Nil	Nil	Nil	Nil	Nil	Refer explanatory statement for details
Remuneration last drawn	Nil	Nil	Nil	Nil	Nil	Rs 332.24 Lakhs (fixed and variable)
Date of first appointment on Board	June 30, 2025	June 30, 2025	June 30, 2025	June 30, 2025	June 30, 2025	May 03, 2023
Number of meetings of the Board attended during the Financial Year 2024-25	NA	NA	NA	NA	NA	7 out of 7



INFORMATION AT A GLANCE

1. Day, Date and Time of AGM	Tuesday, September 16, 2025 at 3:30 P.M. (IST)
2. Mode of Conduct	Video Conference ("VC") or Other Audio Visual Means ("OAVM")
3. Link for Participating in the meeting through VC/OAVM	Member can login from 3.00 P.M. (IST) on the date of AGM at https://www.evoting.nsdl.com/ (Please refer e-Voting procedure in Note 27 of Notice)
4. Contact information for VC or e-Voting related issues	E-mail: evoting@nsdl.com or helpdesk.evoting@cdslindia.com or contact at toll free no. 022-4886-7000 or 1800-21-0911 Members can connect with: Ms. Pallavi Mhatre (Senior Manager- NSDL) at evoting@nsdl.com
5. Cut-off Date for e-Voting	Tuesday, September 09, 2025
6. Speaker Shareholder Registration before AGM	Send E-mail at investorrelations@aavas.in till September 09, 2025 (Please mention name, demat account number/folio number, PAN, mobile number in the e-mail sent for registration along with your queries)
7. EVEN Number	135497
8. Remote E-Voting start date and time	Date: Thursday, September 11, 2025 Start Time: 9:00 A.M. (IST)
9. Remote E-Voting end date and time	Date: Monday, September 15, 2025 End Time: 5:00 P.M. (IST)
10. Name of E-Voting Service Provider	National Security Depository Limited ("NSDL")
11. Remote E-Voting website	https://www.evoting.nsdl.com/ https://eservices.nsdl.com/
12. Name of Registrar & Share Transfer Agent	MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)
13. Registration of Members' e-mail IDs for the purpose of the receiving Annual report through electronic mode	Please send e-mail at investorrelations@aavas.in (Please refer documents in Note 26 of this AGM Notice, that are required to sent with e-mail)



Private and Confidential

The Board of Directors,
Aavas Financiers Limited
Regd. & corp. Office: 201-202, 2nd Floor,
Southend Square, Mansarovar Industrial Area
Jaipur-302020

Dear Sir,

Sub: Eligibility for re-appointment as Statutory Auditors of the Company for the Financial Years 2025-26.

In connection with our discussion on the captioned subject, we hereby declare and confirm that:

1. M/S Borkar & Muzumdar, Chartered Accountants is eligible for appointment as Statutory Auditor and is not disqualified for appointment under the Companies Act, 2013 (the "Act"), the Chartered Accountants Act, 1949 and the rules and regulations made thereunder.

2. We are eligible to be appointed as statutory auditor of the Company as per the requirements of Reserve Bank of India Circular dated 27 April 2021. (Refer Form B attached herewith)

3. Our re-appointment will be as per the term provided under the Act;

4. Our re-appointment will be within the limits laid down by or under the authority of the Act; and

5. Further, in terms of Rules 4(1) (d) of the Companies (Audit and Auditors) Rules, 2014, we confirm that to the best of our knowledge as on date, there are no proceedings pending against the firm or any of our partners, with respect to professional matters of conduct.

For Borkar & Muzumdar
Chartered Accountants
Firm Registration No. 101569W

Brijmohan Agarwal
Partner

Place: Mumbai
Date: 4rd April, 2025

Form B: Eligibility Certificate from M/s. Borkar & Muzumdar, Chartered Accountants, Firm Registration Number 101569W as on 4th April, 2025

A. Particulars of the firm:

Asset Size of Entity as on 31st March of Previous Year	Number of Full-Time partners (FTPs) associated with the firm for a period of three (3) years	Out of total FTPs, Number of FCA Partners associated with the firm for a period of three (3) years	Number of Full Time Partners/ Paid CAs with CISA/ISA Qualification	Number of Years of Audit Experience#	Number of Professional staff
Above INR 15000 Crore	17 Nos. of Partners are Full Time Partners exclusively associated with the firm for a period of at least three (3) years	15 Nos. of the FTPs are FCA Partners exclusively associated with the firm for a period of at least three (3) years	6 of the Full Time Partners and 1 paid CA are DISA qualified	Over 30 years of experience in Statutory Central/Branch Auditor of Commercial Banks (excluding RRBs)/ UCBs/NBFCs/ AIFIs	120 Professional staff (Audit and article clerks with knowledge of book-keeping and accountancy and who are engaged in on-site audits).

B. Additional Information:

Sr. No.	Particulars	Details
(i)	Copy of Constitution Certificate.	Refer attached as Appendix 1
(ii)	Whether the firm is a member of any network of audit firms or any partner of the firm is a partner in any other audit firm? If yes, details thereof.	Our firm is not a member of any network of audit firms. One part-time partner of our firm is proprietor in other audit firm as per below: 1. NAIK ANANT NAGESH: Proprietor of M/s. A N NAIK & CO (123829W)
(iii)	Whether the firm has been appointed as SCA/SA by any other Commercial Bank (excluding RRBs) and/or All India Financial Institution (AIFI)/RBI/NBFC/UCB in the present financial year? If yes, details thereof.	Our firm has been appointed as Statutory auditor by following organisations for FY 2025-26 1 Vastu Housing Finance Corporation Ltd 2 Kotak Mahindra Prime Limited 3 Anand Rathi Global Finance Limited 4 Barclays Investments & Loans (India) Private Ltd. 5 ICICI Home Finance Ltd.
(iv)	Whether the firm has been debarred from taking up audit assignments by any regulator/Government agency? If yes, details thereof.	No

(v)	Details of disciplinary proceedings etc. against firm by any Financial Regulator/Government agency during last three years, both closed and pending.	Nil

C. Declaration from the firm

The firm complies with all eligibility norms prescribed by RBI regarding appointment of SCAs/SAs of Commercial Banks (excluding RRBs)/UCBs/NBFCs (as applicable). It is certified that neither I nor any of our partners / members of my / their families (family will include besides spouse, only children, parents, brothers, sisters or any of them who are wholly or mainly dependent on the Chartered Accountants) or the firm / company in which I am / they are partners / directors have been declared as wilful defaulter by any bank / financial institution.

It is confirmed that the information provided above is true and correct.

For Borkar & Muzumdar
Chartered Accountants
Firm Registration No. 101569W



Brijmohan Agarwal
Partner

Date : 4th April, 2025

Place : Mumbai

MSKA & Associates
Chartered Accountants

HO
602, Floor 6, Raheja Titanium
Western Express Highway, Geetanjali
Railway Colony, Ram Nagar,
Goregaon (E) Mumbai 400063, INDIA
Tel: +91 22 6238 0519

To,
The Board of Directors
Aavas Financiers Limited
201-202, 2nd Floor,
Southend Square, Mansarovar Industrial Area,
Jaipur-302020.

Sirs,

Re: Re-Appointment as the Statutory Auditors of Aavas Financiers Limited for the Financial Year 2025-26

We thank you for your email dated March 27, 2025, informing us that it is proposed to appoint M S K A & Associates ("we" or "us" or 'the Firm') as joint statutory auditors of Aavas Financiers Limited for the Financial Year 2025-26.

We would be happy to accept the re-appointment, if made.

Further, as required under section 139(1) of the Companies Act, 2013, as amended (the Act') read with rules made thereunder and to the best of our knowledge, we hereby certify that:

(i) we are eligible for the re-appointment and are not disqualified for appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder;

(ii) the proposed appointment is as per the term provided under the Act;

(iii) the proposed appointment is within the limits laid down by or under the authority of the Act;

(iv) no proceedings are pending against the Firm or any of its partners with respect to professional matters of conduct; and

(v) we comply with the criteria provided in section 141 of the Act and are eligible for appointment.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

Tushar Kurani
Partner
Membership Number: 118580

April 21, 2025
Mumbai

MSKA & Associates
Chartered Accountants

HO
602, Floor 6, Raheja Titanium
Western Express Highway, Geetanjali
Railway Colony, Ram Nagar,
Goregaon (E) Mumbai 400063, INDIA
Tel: +91 22 6238 0519

To,
The Board of Directors
Aavas Financiers Limited

FORM B

Eligibility Certificate from M S K A & Associates (ICAI Firm Registration No. 105047W) ("the Firm")

A. Particulars of the Firm

Asset size of Aavas Financiers Limited as on 31st March 2024	No. of Full-Time partners (FTPs) associated with the firm for a period of three (3) years	Out of total FTPs, No. of FCA Partners associated with the Firm for a period of three (3) years	No. of Full Time Partners/ Paid CAs with CISA/ISA Qualification	No. of Years of Audit Experience	No. of Professional staff
Total Assets: 16,519 crores	19	10	6	22 Years	814 (including partners, employees)

B. Additional Information

i) Refer Annexure 1 for the Copy of the Firm's Constitution Certificate.

ii) We confirm that the Firm is not a member of any Indian network of audit firms. The following partners of the firm are partners in another audit firm which does not carry out audit of any Non-Banking Financial Companies ('NBFCs').

Sr. No	Name of Partner	Membership No	Firm Name
1	Bhavik Lalit Shah	122071	M S K C & Associates LLP, FRN 001595S/S000168
2	Manish Bathija	216706	M S K C & Associates LLP, FRN 001595S/S000168
3	Geetha Jeyakumar	029409	M S K C & Associates LLP, FRN 001595S/S000168
4	Rahul Aggarwal	505676	M S K C & Associates LLP, FRN 001595S/S000168
5	Nipun Gupta	502896	M S K C & Associates LLP, FRN 001595S/S000168
6	Prateek Khandelwal	139144	M S K C & Associates LLP, FRN 001595S/S000168
7	Vinod Gupta	503690	M S K C & Associates LLP, FRN 001595S/S000168
8	Ajit Burli	133147	M S K C & Associates LLP, FRN 001595S/S000168
9	Pankaj Bhauwala	233552	M S K C & Associates LLP, FRN 001595S/S000168
10	Rajesh Murarka	120521	M S K C & Associates LLP, FRN 001595S/S000168
11	Dipak Jaiswal	063682	M S K C & Associates LLP, FRN 001595S/S000168
12	Ojas Joshi	109752	M S K C & Associates LLP, FRN 001595S/S000168
13	Sriparna De	060978	M S K C & Associates LLP, FRN 001595S/S000168
14	Deepak Khatri	130795	M S K C & Associates LLP, FRN 001595S/S000168
15	Sumit Verma	509426	M S K C & Associates LLP, FRN 001595S/S000168
16	Manikandan S	226060	M S K C & Associates LLP, FRN 001595S/S000168

iii) As on date the Firm has not been appointed as Statutory Central Auditor (SCA) for any of the NBFCs for the year ending March 31, 2026.

iv) We confirm that the Firm has not been debarred from taking up audit assignments by any regulator/Government agency.

v) We confirm that there are no disciplinary proceedings etc. against Firm by any Financial Regulator/Government agency during last three years, both closed and pending.

vi) We confirm that there are more than two partners with continuous association with the Firm for more than ten years.

vii) We confirm that there are more than two CAs with CISA / ISA qualification with continuous association with the Firm for more than one year.

C. Declaration of the Firm

The Firm complies with all eligibility norms prescribed by the Reserve Bank of India regarding appointment of statutory auditors of Aavas Financiers Limited. It is certified that neither I nor any of our partners / members of my / their families (family will include besides spouse, only children, parents, brothers, sisters or any of them who are wholly or mainly dependent on the Chartered Accountants) or the Firm / Company in which I am / they are partners / directors have been declared as wilful defaulter by any bank / financial institution.

It is confirmed that the information provided above is true and correct.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

Tushar Kurani
Partner
Membership Number: 118580

Mumbai
April 21, 2025

Head Office: 602, Floor 6, Raheja Titanium, Western Express Highway, Geetanjali Railway Colony, Ram Nagar, Goregaon (E), Mumbai 400063, INDIA, Tel: +91 22 6238 0519
Ahmedabad | Bengaluru | Chennai | Goa | Gurugram | Hyderabad | Kochi | Kolkata | Mumbai | Pune www.mska.in

AQUILO HOUSE PTE. LTD.

38 Beach Road, #29-11 South Beach Tower Singapore 189767

Date: August 1, 2025

To,
Company Secretary and Compliance Officer
Aavas Financiers Limited
201-202, 2nd Floor,
South End Square Mansarover Industrial Area,
Jaipur, Rajasthan,
India - 302020.

Attn: Saurabh Sharma

Sub.: Notice under Section 160 of the Companies Act, 2013

Dear Sir,

We, **Aquilo House Pte. Ltd.**, hold 38,757,228 equity shares of the Aavas Financiers Limited ("**Company**"). In accordance with the terms of Article 16.11 of the articles of association of the Company, and the share sale agreement dated August 10, 2024 entered into by Aquilo House Pte. Ltd. and the Company, with each of Lake District Holdings Limited, Partners Group ESCL Limited, and Partners Group Private Equity (Master Fund) LLC, we hereby propose the candidatures of the following individuals, for their appointment as a Non-Executive Director of the Company at the forthcoming Annual General Meeting of the Company:

1. Mr. Elcid Vergara (DIN: 10769790)
2. Mr. Anant Jain (DIN: 06648006)
3. Mr. Nikhil Omprakash Gahrotra (DIN: 01277756)
4. Mrs. Neha Sureka (DIN: 10759936)
5. Mr. Siddharth Tapaswin Patel (DIN: 07803802). Mr. Patel will not be liable to retire by rotation.

Thanking you,

Yours sincerely,

For and on behalf of **Aquilo House Pte. Ltd.**



Name: **Jia Shen Marvin Choo**
Designation: **Director**

BRIEF PROFILE OF DIRECTORS TO BE APPOINTED

1. Mr. Elcid Vergara

(Non-Executive nominee Director)
DIN- 10769790

Mr. Elcid Vergara joined CVC in 2013 and currently serves as a Senior Managing Director. Elcid is a member of the CVC Southeast Asia team and is based in Bangkok. Prior to joining CVC, he was a vice president at Phatra, a leading investment bank in Thailand where he advised on M&A transactions for more than eight years. Elcid holds a bachelor's degree in Economics from Harvard University, US and a master's degree in Economics from the London School of Economics, UK.

2. Mr. Anant Jain

(Non-Executive Nominee Director)
DIN- 06648006

Mr. Anant Jain joined CVC in October 2020 and currently serves as a Managing Director. Anant is a member of the CVC India team and is based in Mumbai. Prior to joining CVC, Anant was a Principal in the deal team of Warburg Pincus India where he worked for 10 years. From 2006 to 2008, he worked for Leonard Green & Partners as a Private Equity Associate. He holds a BBA degree from University of Michigan and an MBA from Harvard Business School.

3. Mr. Nikhil Omprakash Gahrotra

(Non-Executive Nominee Director)
DIN- 01277756

Mr. Nikhil Gahrotra is currently a Senior Managing Director with CVC, with 20 years of private equity experience. Prior to CVC, Nikhil was a Partner with the Financial Institutions Group at Apollo Global, one of the largest alternate investment firms. Nikhil also spent time at firms including BanyanTree Growth Capital, an India-focused structured private equity fund, 3i Group Plc in India in the Growth Capital team, and Q Investments, a US based hedge fund, where he was a founding member of their India office and Citigroup’s investment banking team.

4. Mrs. Neha Sureka

(Non-Executive Nominee Director)
DIN- 10759936

Mrs. Neha Sureka serves as Principal & Member of Operations Team at CVC Capital Partners, based in Mumbai. Prior to joining CVC, she spent nearly a decade building digital and technology first businesses, and scaling them up at Aditya Birla Finance and Bharti Airtel in India. Neha started out in her professional career, as a management consultant with McKinsey and Company where she primarily served consumer-facing clients and tech services businesses for over six years. She holds her Masters in Management as well as undergrad degree as a Computer Science Engineer from the University of Mumbai.

5. Mr. Siddharth Tapaswin Patel

(Non-Executive Nominee Director)
DIN- 07803802

Mr. Siddharth Patel joined CVC in 2010 and currently serves as a Managing Partner based in Singapore, overseeing activities in India as well as Technology, Media and Telecom in Asia. Siddharth was based in the London office for seven years in the global TMT team and, as of 2017, is based in Singapore where his responsibilities include the CVC India office. Prior to joining CVC, he was with Apax Partners where he spent nine years in the technology and telecommunications team leading or co-leading transactions across the sector. He holds first class MA and BA degrees from the University of Oxford.



EMPLOYMENT AGREEMENT

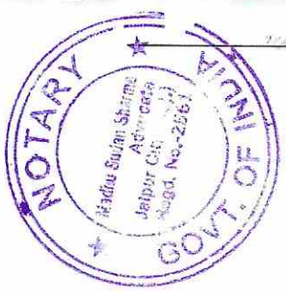
BETWEEN

AAVAS FINANCIERS LIMITED ("COMPANY")

AND

Mr. SACHINDERPALSINGH JITENDRASINGH BHINDER

(MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER)





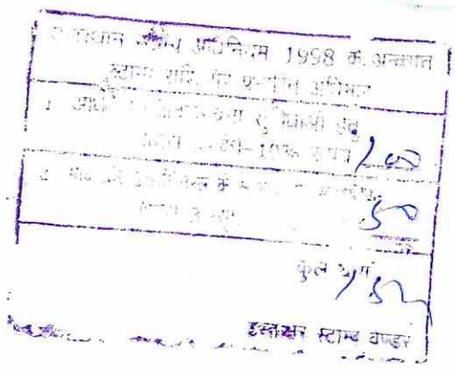
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Aavas Financiers Limited
Mansarovar Jaipur
Agreement

रामकिशोर वर्मा
ला नं 41/09
स्वतन्त्र विक्रेता, जयपुर



EMPLOYMENT AGREEMENT

This employment agreement ("**Agreement**") is made and executed at Jaipur, on May 03, 2023 is made by and between:

AAVAS FINANCIERS LIMITED bearing corporate identification number **L65922RJ2011PLC034297,** a public company incorporated under the provisions of Companies Act, 1956 and having its registered office at 201-202, 2nd Floor, South End Square Mansarover Industrial Area, Jaipur - 302020, Rajasthan, India (hereinafter referred to as the "**Company**", which expression shall, unless repugnant to the context or meaning thereof, include its successor(s), agent(s) and permitted assign(s)) of the **FIRST PART**

AND

SACHINDERPALSINGH JITENDRASINGH BHINDER [DIN: 08697657], aged about 50 years, son of Jitendrasingh Kartarsingh Bhinder, an Indian inhabitant residing at 1301 Glen Dale, Cliff Avenue, Opp. Heritage Park Hiranandani Gardens, Mumbai, Maharashtra, India-400076 (hereinafter referred to as the **"Executive",** which expression shall, unless contrary to or repugnant to the context or meaning thereof, mean and include its legal heir(s), legal representative(s), administrator(s), successor(s) and permitted assign(s)) of the **SECOND PART**

Hereinafter the Company and the Executive shall be collectively referred to as the "**Parties**" and individually referred to as a "**Party**".

WHEREAS:

A. The Company is a housing finance company registered with the National Housing Bank ("**NHB**") and is, *inter alia*, engaged in the business of providing affordable home loans to customers belonging to low and middle income segment in semi-urban and rural areas ("**Business**").

B. [The Executive has the requisite skills and qualifications required by a person to become a Managing Director ("**MD**") and Chief Executive Officer ("**CEO**") as per the provisions of the Applicable Law(s) *(as defined below).*

C. Relying upon the qualifications and professional experience of the Executive, the Executive was appointed as a CEO of the Company w.e.f. 02nd February, 2023 for a period of 5 (five) years, in accordance with the resolution passed in the meeting of the Board of Directors of the Company ("**BoD**") dated 02nd February 2023 and *vide* appointment letter dated 2nd February 2023 as subsequently amended *vide* addendums to the appointment letters dated 23rd February 2023, (such appointment letter and addendums together, hereinafter referred as, "**Initial Appointment Letter**").

D. The BoD in their meeting dated 03rd May 2023, approved to: (i) appoint the Executive as the Managing Director of the Company, and (ii) change the designation of the Executive from CEO, to MD and CEO, of the Company, with effect from 03rd May, 2023 for a period of 5 (Five) years subject to the approval of the Shareholders of the Company.

E. That Parties are desirous of executing this Agreement to record the terms and conditions on the basis of which the Executive has been appointed as the MD and CEO of the Company. The Parties hereto have agreed that this Agreement including the schedules attached hereunder supersedes all prior agreements and writings including the Initial Appointment Letter, in relation to the appointment of the Executive as the CEO of the Company, and constitutes the entire understanding between the Parties with respect to his Employment (*as defined below*).

NOW, THEREFORE in consideration of the mutual promises and the covenants contained herein and for good and value consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

1. DEFINITIONS

Unless the context otherwise requires, when used in this Agreement, the following terms, when capitalized, shall have the meanings assigned herein:

1.1. **"Act"** shall mean Companies Act, 2013.

1.2. **"Applicable Law(s)"** shall mean: (a) statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines or policies of any applicable jurisdiction (including jurisdictions in which the relevant Party is incorporated and/or carry on any business or activities) including but not limited to the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI

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guidelines on Compensation of Key Managerial Personnel and Senior Management in NBFCs; (b) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or government approvals of, or agreements with, any governmental authority; (c) rules, regulations of any recognized stock exchange; conventions and protocols; as applicable, may be in force and have effect of law from time to time.

1.3. **"BoD"** shall mean the Board of Directors of the Company;

1.4. **"Business"** shall have the meaning ascribed to it in **Recital A** of this Agreement;

1.5. **"Charter Documents"** shall mean article of association and memorandum of association of the Company collectively;

1.6. **"Confidential Information"** shall mean all information or data made available to the Executive (whether furnished orally in writing, electronically or through any other form or medium and regardless of whether it is specifically marked or identified as confidential) or any part thereof, concerning or relating to the Company, including without limitation business plans, business related functions, business systems, processes and services, customer details, trade secrets, know how, proprietary information, business strategies, marketing strategies, analyses, forecasts, reports, studies, agreements and other documents and other confidential information, relating to the Business and/or the Company.

1.7. **"Financial Year"** shall mean financial year of the Company which is a 12 (twelve) months' period commencing on 1st April and ending on 31st March of the next year.

1.8. **"Person"** shall mean an individual, corporation, partnership, limited liability partnership, association, trust or other entity or organisation, including a government or political subdivision or an agency or instrumentality thereof;

1.9. **"Remuneration"** shall have the meaning ascribed to it in Clause 3.1 of this Agreement;

1.10. **"Term"** shall have the meaning ascribed to it in Clause 6.1(a) of this Agreement

2. SCOPE OF EMPLOYMENT

2.1. **Employment:** Subject to the terms and conditions set forth in this Agreement, the Company hereby agrees to appoint the Executive as a Managing Director and Chief Executive Officer of the Company and the Executive hereby agrees and undertakes that he shall, upon such appointment, *inter alia* perform the duties and responsibilities as are normally associated with the position of the MD and CEO of a company and act as an employee of the Company as per the terms and conditions laid down under this Agreement ("**Employment**").

2.2. **Powers:** During the course of his Employment, the Executive shall be responsible for the day-to-day management of all the affairs of the Company and subject to the provisions of Applicable Laws(s), the Executive shall have the powers and authorizations set forth in **Schedule I** to this Agreement, and such additional powers and authorizations as may be delegated by the BoD from time to time. Further, the Executive shall exercise his powers subject to the superintendence, control and direction of the BoD of the Company.

2.3. **Duties:** The Executive shall perform and discharge the duties as set out in **Schedule II** to this Agreement and such other duties, which may be assigned to him from time to time by the BoD of the Company. The Executive's Employment shall be governed by the Company's policies, rules and regulations in force for the time being and as amended from time to time. The Executive hereby agrees and covenants to comply with all the Company policies, rules and procedures as may be applicable to the key managerial employees of the Company from time to time.

2.4. **Delegation:** The Executive shall be entitled to delegate his duties and functions in such manner that will ensure the effective and efficient functioning of the Company. Notwithstanding any such delegation, the Executive shall, at all time, continue to be liable for the due and proper performance of such duties and functions, and shall be required to supervise the exercise of any such delegated duties and functions.

3. REMUNERATION AND OTHER BENEFITS

3.1. In consideration of the services provided to the Company by the Executive as per the terms of this Agreement and by virtue of the Executive being an employee of the Company, the Executive shall be entitled to receive from the Company such remuneration as may be agreed between the Parties, and which is more specifically set out in **Schedule III** to this Agreement, as per the terms and conditions set out herein ("**Remuneration**"). It is hereby clarified that while deciding the Remuneration of the Executive, the Company has taken into consideration the policy on nominations & remuneration for directors, key managerial personnel and senior management of the Company, as amended from time to time.

3.2. The Remuneration shall be paid to the Executive on a monthly basis on or before the 7th of every succeeding month either through cheque or online transfer of such Remuneration to such bank account as may be designated by the Executive in writing to the Company.

3.3. The said Remuneration shall be subject to the deduction of taxes at source (if any), as required under the Applicable Law(s). The Company shall provide the Executive with necessary certificate for such deduction of tax at source in respect of all amounts withheld from amounts payable to the Executive under this Agreement, within the time period prescribed under the Applicable Law(s). However, it shall be the sole responsibility of the Executive to meet his own tax liabilities under Applicable Law(s).

3.4. In addition to the Remuneration, the Executive shall be entitled to receive from the Company, reimbursement for expenses which are genuinely and actually incurred by him in efficient discharge of

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his duties and which are wholly, necessarily and exclusively incurred for or in connection with the business and affairs of the Company ("**Reimbursement**"). The Reimbursement shall be made by the Company only upon fulfillment of the following conditions:

(a) the Executive shall comply with the reimbursement policies implemented by the Company from time to time; and

(b) while raising the claim of Reimbursement, the Executive shall submit, to the Company, sufficient documentary proof of expenses in relation to which reimbursement is sought by the Executive from the Company.

(c) Parties hereby agree and acknowledge that the remuneration payable by the Company to the Executive under this Agreement shall constitute full and adequate compensation for all employment and other services rendered by the Executive to the Company and the Executive shall not be entitled to receive from the Company or its group companies or affiliates, in or outside India, any additional payments, commissions, bonuses or compensation for employment and other services rendered by the Executive to the Company under this Agreement. Payment(s) made or to be made (if any) of the above nature, shall be solely at Company's discretion.

In the event of any dispute between the Parties with respect to the Remuneration payable under this Agreement, the Company shall not be liable to pay such disputed Remuneration till the resolution of the said dispute. Non-payment of such disputed Remuneration by the Company under such circumstances shall not constitute a breach or default of this Agreement by the Company.

3.5. The Company shall be entitled to deduct, pursuant to a prior consultation with the Executive, from the Remuneration or compensation or any other amounts payable to the Executive under this Agreement, any and all amounts as may be owed by the Executive to the Company, including advances and loans.

3.6. The Executive hereby acknowledges and agrees that the BoD reserves the right to alter, vary or modify, from time to time, the provisions relating to the Remuneration as mentioned in **Schedule III**, as BoD deems fit, subject to the limits prescribed for yearly remuneration payable to managerial personnel under Section 197 reach with **Schedule V** to the Act and RBI Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs dated April 29, 2022 (including any statutory modification or re-enactment thereof) and/or under any other Applicable Law(s).

3.7. The Executive shall be entitled to other benefits, perquisites and allowances more specifically mentioned in **Schedule III** attached to this Agreement herewith ("**Benefits**").

3.8. The Executive served as the chief executive officer of the Subsidiary (Aavas Finserv Limited) w.e.f. January 06, 2020 and his employment with the Company on and from 02nd February 2023 has been contractually agreed to be on a continuation of service basis. For the purpose of calculating the service related retiral benefits to which the Executive may be entitled to (including gratuity as per the provisions of the Payment of Gratuity Act, 1972), the Executive's term of employment with the Subsidiary will be included in his period of employment with the Company and commencement of the Executive's service / employment with the Company shall be calculated from January 06, 2020. For the avoidance of doubt it is hereby clarified that appointment of the Executive by the Company has been agreed to contractually not be treated as a stoppage of the Executive's services.

3.9. Parties hereby agree that if, in any Financial Year, the Company has no profits or its profits are inadequate, the Remuneration and other Benefits payable to the Executive shall be paid by the Company in accordance with the provisions of **Schedule V** of the Act.

4. PLACE OF WORK

4.1. **Place of Work**

The place of work of the Executive shall be the offices of the Company at Jaipur, Rajasthan or Mumbai, Maharashtra or such other places as may be decided by the Board . The Executive may be transferred to any other office, branch, establishments, divisions and/or associates/affiliates within India of the Company, as the Company may, from time to time, direct in consultation with the Executive. The Executive hereby undertakes to comply with any such reasonable requirements of the Company. Such transfer shall not be deemed to constitute a change in conditions of service of the Executive and shall not create/give any right to the Executive to ask for revision in Remuneration or other terms and conditions of his Employment. For the avoidance of doubt, it is hereby clarified that upon such transfer, the Executive's employment will be governed by the Company's policies, rules and regulations applicable to the establishment in which he is transferred/posted.

Notwithstanding anything to the contrary contained herein, the Executive shall be entitled to seek transfer to other office, branch, establishments, divisions and/or associates/affiliates within India of the Company, in consultation with the Company, and the Company hereby agrees that such request for the transfer shall be accepted and / rejected by the Board at its sole discretion.

5. PAID LEAVES

5.1. The Executive shall be entitled to eighteen (18) days of paid casual leaves ("**Privileged Leave**") in each Financial Year during the Term of his Employment. The Executive shall provide to the Company at least seven (7) days prior notice in writing for availing such paid leave.

5.2. The Executive shall be entitled to twelve (12) days of paid casual leaves ("**Casual Leave**") in each Financial Year during the Term of his Employment. At the option of the Company, the Executive may at any time and from time to time be required to undergo a medical check-up at the cost of the Company.

5.3. The Company shall provide paid leaves to the Executive on twelve (12) national holidays in each Financial Year during the Term of Employment of the Executive. The national holidays observed by the Company

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are subject to adjustment or reduction from time to time.

5.4. The Company shall be entitled to deduct from the Remuneration payable to the Executive under this Agreement a proportionate amount for such number of days of leave taken (if any) by the Executive in excess of the number of paid leaves provided to the Executive by the Company under Clause 5.1 and Clause 5.2 of this Agreement, unless otherwise agreed between the Company and the Executive.

5.5. The paid leaves which the Executive is entitled to avail under this Agreement may be rolled over and accumulated up to a maximum of thirty (30) days. All the paid leaves accumulated in excess of thirty (30) days shall be forfeited by the Company against compensation of a proportionate amount at the end of each relevant Financial Year.

5.6. For the avoidance of doubt it is hereby clarified that, the facilities, amenities and leave granted to the Executive in excess of the statutory requirements under Applicable Law do not form part of the conditions of service and are subject to change at the discretion of the Board.

6. TERM AND TERMINATION OF EMPLOYMENT

6.1. **Term**

(a) This Agreement shall come into effect on 03rd May, 2023 ("**Effective Date**"), the term of this Agreement shall be valid for a period of 5 (five) years from the Effective Date, unless terminated earlier in accordance with the terms of this Agreement ("**Term**"). It is hereby clarified that the Employment of the Executive as the MD and CEO of the Company shall start from the Effective Date; provided that, the Term of this Agreement shall continue to be valid till the later of his appointment as CEO and/or MD, and in the event of his resignation / termination from one of the aforesaid two designations, the Term shall continue for the other designation and the Agreement shall be accordingly construed.

(b) Upon expiry of the Term, this Agreement shall automatically cease to have any effect but the Executive shall, subject to the provisions of Applicable Laws(s), be eligible for re-election or re-appointment as MD and /or CEO of the Company.

(c) Notwithstanding anything mentioned in this Agreement, the Executive shall not be liable to retire by rotation as per the provisions of the Act.

6.2. **Termination**

(a) The Executive shall be entitled to resign from the office of MD and / or CEO of the Company at any time by providing prior written notice of 6 (six) months along with the reasons of such resignation, to the Company. Similarly, the Company may terminate the employment of the Executive as the MD and / or CEO of the Company at any time without providing any reason, by: (i) providing prior written notice of 6 (six) months to the Executive or (ii) by providing 6 (six) months' gross salary in lieu of the prior written notice.

(b) At any time during the Term, the Company may For Cause, immediately and without any notice or additional payment, terminate this Agreement and the Employment of the Executive. It is hereby clarified that "**For Cause**" termination of the Agreement means termination on account of occurrence of any of the following events:

;

(i) The Executive having committed fraud, gross negligence or willful misrepresentation, which has been proven by a court of law;

(ii) The Executive being convicted for any crime, sentencing him to imprisonment of a term exceeding 6 (six) months;

(iii) The Executive committing a material violation of the Company's policies as amended from time to time.

(iv) Upon occurrence of Disability of the Executive during the Term of this Agreement. For the purpose of the present clause, "**Disability**" shall mean the Executive's inability to perform, with or without reasonable accommodation, the essential functions and/or the duties he is required to perform during the course of his Employment, for a period of thirty (90) consecutive days due to mental or physical incapacity, as determined by a physician mutually decided by the Parties.

(v) If the Executive becomes insolvent or becomes the subject matter of insolvency proceedings under any insolvency laws.

(vi) A court of competent jurisdiction orders the Company to cease the employment of the Executive.

(vii) If the Executive incurs any disqualifications to act as an employee of the Company and/or to hold office as a MD and/or CEO of the Company under Applicable Law(s), or is found guilty under or breaches/contravenes, any provisions of any Applicable Law(s) including but not limited to Section 164 and Section 167 of the Act,

(c) Upon termination of this Agreement or expiry of the Term in accordance with the terms of this Agreement, the Executive shall vacate the office of MD and / or CEO of the Company (as the case may be).

7. REPRESENTATIONS, WARRANTIES AND COVENANTS

7.1. The Executive hereby represent, warrants and covenants as follows:

(a) That the Executive shall act only within the powers as laid down in Charter Documents of the Company and under any other Applicable Law(s) and regulations.

(b) The Executive covenants that, he shall, while carrying on his duties and functions as per the terms

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of this Agreement:

(i) at all times while dealing with the customers or prospective customers of the Company, represent himself as an employee of the Company, and all agreements entered by the Executive with the customers or prospective customers of the Company shall be for and on behalf of the Company;

(ii) affirm compliance with the code of conduct of BoD on an annual basis.

(iii) always comply with and adhere to all Applicable Law including applicable directions, notifications and circulars issued by the NHB and the Reserve Bank of India (to the extent applicable) from time to time, and shall co-operate with the Company in relation to rendering of any declaration, undertaking, assurance, affirmation, information of any kind whatsoever and/or signing of any deed/agreement, which the Executive is required to render or sign as per Applicable Law(s).

(iv) follow the prohibitions laid down under Foreign Corrupt Practices Act of 1977 and Indian Prevention of Corruption Act, 1988 and abide by the law and bribery provisions as stated in the Act.

(v) not (directly or indirectly) make, promise, offer or receive cash, gifts or anything of value in order to get, keep or provide Business, to learn confidential information or to influence official action or inaction by a government official.

8. CONFIDENTIALITY AND INTELLECTUAL PROPERTY RIGHTS

The Executive agrees as follows:

8.1. The Executive hereby acknowledges that in the course of the performance of his Employment, and in connection with the Business, the Executive shall come into possession of, and receive (and shall continue to come into possession of, and receive), Confidential Information pertaining to the Company's Business and operations. During the Term and for a period of 6(six) months thereafter from the expiry of the Term, the Executive shall keep and hold in confidence and shall not use, disclose or publish any part of the Confidential Information for his own benefit or the benefit of any Person or company or entity or to the detriment of the Company, unless expressly permitted in writing by the Company.

8.2. Upon termination of this Agreement, the Executive shall return to the Company (and will not keep in his possession, recreate or deliver to anyone else), all assets and properties of the Company, Confidential Information, devices, records, data, notes, proposals, lists, correspondences and / or other documents or property (or reproduction of any aforementioned items developed by the Executive), in the Executive's possession or otherwise acquired during his Employment. The Executive shall have no right of retention of the assets or documents of the Company.

8.3. During the Term, Except with the prior written approval of the Board, the Executive shall not make any public statement, or author any book, report, article or writing, in relation to: (i) the Business and affair of the Company (ii) the Executive's Employment or profession The Company hereby agrees and acknowledges that the said obligations of the Executive shall not be applicable in the event there are any unplanned or unscheduled interviews, public statements undertaken or made by the Executive during the Term or thereafter.

8.4. The Executive understands and agrees that all work product developed or invented by him in the course of performance of his employment with the Company shall belong to the Company. The Executive hereby assigns and agrees to assign to the Company all of its intellectual property rights (including moral rights) in and to any products developed, inventions, written materials, electronic data and other materials and documents created in the course of his Employment with the Company. The Executive shall not retain any rights or interest in any property, materials, products, data, or documents created in the course of his Employment with the Company.

8.5. During the Executive's Employment with the Company, the Executive agrees to execute without any compensation all such other deeds and documents and do all such acts as may be reasonably required by the Company for further and better protecting the Company's rights to all and any property, materials, products, data or documents created by the Executive in the course of his employment with the Company.

8.6. During the Employment with the Company, the Executive shall:

(a) Not publish, directly or indirectly, except with the prior written consent of the Company, any information in relation to any intellectual property, Confidential Information, or trade secrets of the Company;

(b) maintain complete secrecy about the Confidential Information of the Company which may come to the Executive's knowledge during the period of his employment with the Company in any capacity, including but not limited to all analyses, forecasts, reports, studies, agreements and other documents whether prepared by Executive or a third party;

(c) keep and render faithful account of all properties of the Company entrusted to the Executive in the course of your employment with the Company.

9. NON-COMPETITION AND NON-SOLICITATION

9.1. The Executive shall not, and shall cause his affiliates, nominees or their respective investment entities not to, directly or indirectly, either individually or in partnership with, as part of a joint venture with, or as a shareholder or officer or employee or consultant or otherwise in conjunction in any other manner with any other Person:

(a) During the Term: (A) assume any executive responsibility, directly or indirectly, in any other company or with any other Person (other than the Company and its subsidiaries), or (B) engage in any other profession, employment, occupation, consultancy or other business;

(b) During the Term and for a period of 6 (six) months thereafter s: (A) use or disclose any client database of the Company or its subsidiaries or channel partners or other know-how or other information

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pertaining to the clients of the Company or its subsidiaries, or (B) deal with, approach, induce, solicit or persuade any Person or entity, who or which, was or is a customer, supplier or partner or prospective customer, supplier or partner of the Company, to cease doing business with the Company or reduce the amount of business which the person or entity would normally do with the Company, or cause in any way or knowingly encourage any existing clients, customers, agents or channel partners of the Company or its subsidiaries, to do the Business with any other Person;

(c) During the Term and for a period of 6 (six) months thereafter, employ, solicit, entice away or attempt to employ, solicit, entice away from the Company any person who is an officer, manager, consultant or employee of the Company, or induce or attempt to induce any such employees to terminate or breach their employment agreement with the Company or its subsidiaries (other than a person covered by section 9.1(d) below);

(d) During the Term and for a period of 6 (six) months thereafter employ, solicit, entice away or attempt to employ, solicit, entice away from the Company any person who is a key managerial personnel/employee of the Company, or induce or attempt to induce any such employees to terminate or breach their employment agreement with the Company or its subsidiaries;

(e) As long as the Executive continues to be employed by the Company in any capacity, and for a period of 6 (six) months (including the notice period) thereafter, take up any position with or provide any services to any Person who is engaged in the Business , however not applicable if notice is paid for by Company (other than in the situation covered by (f) below);

(f) As long as the Executive continues to be employed by the Company in any capacity, and for a period of 12 (twelve) months thereafter (including the notice period) promote, be a part of the founders/ founding team of, or take up any position with or provide any services to, any Person who has within the prior 12 (twelve) months commenced, or is proposing to commence a business similar to the Business;

(g) During the Term employ, make any statement that is professionally or personally disparaging about, or adverse to, the interests of the Company, or any of its affiliates, group companies, or of its officers, directors, shareholders, employees, agents, or strategic business partners including, but not limited to, any statement that disparages any Person, product, service, financing, financial condition, capability or other aspect of the business of the Company or any of its officers, directors, shareholders, employees, agents, or strategic business partners. The Executive further agrees that during the course of his Employment with the Company, he will not engage in any conduct that is intended to or has the result of inflicting harm upon the professional or personal reputation of the Company or any of its officers, director, shareholders, or employees.

9.2. During the Term, the Executive: (a) shall direct all new initiatives and commercial opportunities related to the Business that are available to the Executive or his affiliates, to the Company and/or the subsidiaries, (b) shall not use such commercial opportunity for his benefit or for the benefit of his affiliates, and (c) shall endeavor his best to promote the Company's interests.

10. DATA PROTECTION

For the purposes of the data protection, the Executive consents to the Company and such other Persons and entities designated by the Company for collecting, holding and processing personal data relating to the Executive whether provided to the Company or otherwise received by the Company for all purposes, including, but not limited to: administering and maintaining personnel records; paying and reviewing salary and other remuneration and benefits; providing and administering benefits; undertaking performance appraisals and reviews; maintaining sickness and other absence records; taking decisions as to the Executive's fitness for work;, governmental and quasi-governmental bodies for social security and other purposes; surveillance where criminal activity is suspected; monitoring e-mail/internet usage; transferring information about you to a country or territory outside India.

11. ARBITRATION

Any dispute, difference, controversy or claim ("**Dispute**") arising between the Parties out of or in relation to or in connection with this Agreement, of the breach, termination, effect, validity, interpretation or application of this Agreement or as to their rights, duties or liabilities thereunder or as to any act, matter or thing arising out of, consequent to or in connection with this Agreement shall be settled by the Parties by mutual negotiations and agreement. If, for any reason, such dispute cannot be resolved amicably by the Parties, the same shall then be referred to and settled by way of arbitration proceedings in accordance with the Arbitration and Conciliation Act, 1996 or any subsequent enactment or amendment thereto ("**Arbitration Act**"); Each of the Parties shall appoint an arbitrator within 30 (thirty) days of the receipt by a Party of the other Party's request to initiate arbitration. The 2 (two) arbitrators so appointed shall then jointly appoint a third arbitrator within 15 (fifteen) days of the date of appointment of the second arbitrator; such third arbitrator shall act as the chairman of the tribunal. The arbitrators not appointed within the time limit set forth in this Clause shall be appointed in accordance with the Arbitration Act. The decision of the arbitrators shall be final and binding upon the Parties. The venue of arbitration proceedings shall be Mumbai. The language of the arbitration and the award shall be English. The cost of appointment of arbitrators and other costs of arbitration shall be borne by the Parties in equal proportions.

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JAIPUR
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12. MISCELLANEOUS

12.1. **Notices:** Notices pursuant to this Agreement shall be sent to either of the Party in writing to the addresses given in the title clause of this Agreement. Such notices will be deemed received at such addresses upon the earlier of: (a) actual receipt or (b) delivery in person, by fax with written confirmation of receipt, or by certified mail return receipt requested.

12.2. **Governing Law and Jurisdiction:** The provisions of this Agreement shall be governed by and construed in all respects in accordance with the laws of India and the Courts at Mumbai shall have exclusive jurisdiction with respect to the subject matter hereof and any disputes hereunder.

12.3. **Insurance Policy: The Company shall obtain and maintain the directors' and officers' liability insurance** (for the benefit of the Executive) with a coverage limit of at least INR 100 Crore), which shall be procured by the Company on or before the execution of this Agreement., and shall survive in perpetuity.

12.4. **Severability:** If, at any time any clause of this Agreement becomes illegal, invalid or unenforceable in any respect, neither the legality, validity nor enforceability of the remaining clauses of this Agreement shall in any way be affected or impaired thereby and the Parties further agree that they shall mutually substitute for the part(s) held to be illegal, invalid or unenforceable, lawful provisions so as to give effect to the original intent of this Agreement.

12.5. **No Waiver:** The failure of either Party to enforce the other Party's strict performance of any provision of this Agreement shall not constitute a waiver of its rights by such Party to subsequently enforce such provision of any other provision of this Agreement.

12.6. **Counterparts:** This Agreement may be executed in 2 (two) counterparts, each of which shall be deemed an original, but both of which together shall constitute one and the same Agreement.

12.7. **Authority:** Each of the Parties warrants its power to enter into this Agreement and has obtained all necessary approvals to do so.

12.8. **Assignment:** The Company shall have the right to assign any of its rights and/or liabilities arising from this Agreement to any other person, entity and/or company for whole or part of the terms and conditions, as the Company's deems fit. The cost, expenses in relation to the assignment shall be borne by the Company. Further, the Executive agrees that it shall accept such an assignment without any protest. However, the Executive shall not be allowed to assign its right and/or liabilities under this Agreement to any third party.

12.9. **Amendment:** Unless otherwise provided in this Agreement, no amendment, change, variation or addition of any term or provision hereof shall be effective unless made in writing and signed by both Parties hereto and as per Applicable Law(s).

12.10. **Cost:** Each Party acknowledges that it shall bear its own legal, accounting, professional and advisory fees, incurred by it in connection with this Agreement and the transactions contemplated herein. Stamp duty and registration charges payable in relation to this Agreement shall be borne by the Parties in equal proportion.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date written hereinabove:

SIGNED AND DELIVERED
By the Executive

Sachinderpalsingh Jitendrasingh Bhinder

Date: May 05, 2023
Place: Jaipur

SIGNED AND DELIVERED
For and on behalf of the Company

Aavas Financiers Limited

Through its authorized signatory

Nishant Sharma
(Non-Executive Promoter Nominee Director)

Date: May 03, 2023
Place: Mumbai

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JAIPUR
- 5 MAY 2023

Witnesses:

Name: Sharad Pathak
Address: 66/108, Pratap Nagar, Jaipur.
Signature:

Name: Saurabh Sharma
Address: SRK apartment, near Iskon temple Jaipur, Raj.
Signature:


NOTARY

SCHEDULE I

POWERS AND AUTHORIZATIONS OF THE EXECUTIVE

The Executive shall in all matters under his charge, have powers delegated to him by the BoD. Subject to the Charter Documents of the Company and the BoD, the Executive shall have the powers and authorization to:

1. Recruit, retain and terminate relevant staff members, officers, managers of the Company.
2. Prescribe the duties of all officers and staff of the Company and exercise such supervision and disciplinary control as may be necessary.
3. Make financial, economic, and business decisions on behalf of the Company within the scope of authority, as set forth in the Applicable Law(s), the Charter Documents, and this Agreement.
4. Manage the day to day operation of the Company.
5. File, contest and defend suit in favor of or against the Company.
6. Enter into Contracts on behalf of the company.
7. Day to day management of funds including authority to operate bank accounts of the Company.

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AVAS FINANCIERS LIMITED

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NOTARY PUBLIC
JAIPUR
- 5 MAY 2023

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SCHEDULE II

DUTIES OF THE EXECUTIVE

1. When performing his duties and responsibilities, the Executive should act reasonably and in good faith and in the best interests of the Company and its shareholders.

2. The duties of the Executive shall be determined by the Charter Documents, the bye-laws for the executive bodies, BoD as well as the Applicable Law(s). The Executive shall:

(a) Manage the day to day business and financial operations of the company with the purpose of increasing shareholder value;

(b) Ensure that the decisions of BoD are properly executed;

(c) Protect and efficiently utilize the assets of the Company, including immovable property, for the purpose of achieving the Business and commercial goals of the Company in accordance with the Applicable Law(s) and the Company's Charter Documents and internal documents;

(d) Act in compliance with the requirement of the Applicable Law(s), the Charter Documents, and relevant by-laws and other internal documents of the company;

(e) Protect the interest of the Company in courts of laws, arbitration proceeding and dealings with governmental authorities;

(f) Inform the BoD and the external auditors of the Company in writing of any personal interest in any transaction, deal ,contract, and project of the Company in those cases specifically provided for in laws, and additionally, divulge any position held in legal entities competing with the Company, or as to any participation in such legal entities, all on a timely basis;

(g) Not disclose any confidential or insider information or any information which constitutes a trade or commercial secret of the Company that became known to him in the course of performing his official duties;

(h) not enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company, unless prior approval for the same has been obtained from the BoD as well as public shareholders by way of an ordinary resolution.

(i) at the first meeting of the BoD in which he participates as a director and thereafter at the first meeting of the BoD in every Financial Year or whenever there is any change in the disclosures already made, then at the first BoD meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding, in such manner and form as specified in relevant Applicable Law(s).

(j) The Executive shall render/perform/carry out all such duties/obligations/functions which are prescribed/specified/laid down in the Applicable Law(s) and/or imposed on the Executive from time to time under Applicable Law(s) and/or by BoD.

SCHEDULE III

REMUNERATION AND OTHER BENEFITS TO THE EXECUTIVE

1. **Fixed Remuneration:**

(a) The Executive from the Effective Date, shall be entitled to a fixed remuneration up to a maximum of Rs. 1,90,00,000/- (Indian Rupees one crores ninety lakh only) per annum ("**Fixed Remuneration**")

(b) The Board shall have the authority to grant such increments to the Executive and/or revise the Salary and/or the components thereof, from time to time during the term of his employment, subject to recommendation of the Nomination and Remuneration Committee of the Company, up to an amount not exceeding Rs. 2,50,00,000/- (Indian Rupees two crores fifty lakh only) per annum, subject to the provisions of the RBI Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs dated April 29, 2022, Section 197, 198 of the Act read with Schedule V to the Act, and other applicable provisions (if any) of the Act and the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). For the purpose of this Schedule and for this Schedule III, the term "**Salary**" shall mean and include: (i) basic salary payable to the Executive; (ii) Company's contribution to provident fund as per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952; and (iii) Company's contribution to gratuity fund as per provisions of the Payment of Gratuity Act, 1972.

(c) For the avoidance of doubt, it is hereby clarified that any increments granted by the Company to the Executive shall not be automatic, but will be subject to satisfactory work , regular attendance and good conduct.

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2. **Perquisites and Allowances**

(a) The Executive shall, in addition to the Fixed Remuneration, be eligible for perquisites and allowances as per the policies of the Company amended from time to time, provided such perquisites and allowances does not exceed the overall ceiling prescribed under Section 197 of the Act read with Schedule V to the Act, RBI Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs dated April 29, 2022 and other applicable provisions (if any) of the Act and the rules framed thereunder (including any statutory modification or re-enactment thereof) ("Perquisites Ceiling").

S. No.	Perquisites	Amount (INR)
1.	Reimbursement of expenses on actual basis enabling executive to stay in Jaipur, Rajasthan.	Upto INR 2,00,000 per month
2.	Incur onetime expense towards installation of movable furniture and fitting at residential accommodation availed by the executive in Jaipur, Rajasthan	Upto INR 10,00,000

(b) In addition to the Perquisites, the Executive shall also be entitled to the following benefits, which shall not be included while computing the aforementioned Perquisites Ceiling:

(i) Contribution to provident fund, superannuation or annuity fund which are not taxable under the provisions of the Income Tax Act, 1961;

(ii) Gratuity payable which shall not exceed half of 1 (one) month's basic salary of the Executive for each completed year of service as per the rules and policies of the Company.

(iii) Leave and leave encashment as per the rules of the Company;

(iv) Any insurance premium paid by the Company for and on behalf of the Executive in accordance with Section 197 of the Act.

3. **Performance Linked Bonus**

(a) In addition to Fixed Remuneration, the Executive shall also be entitled to performance linked bonus of such amount as may be recommended by the Nomination and Remuneration Committee of the Company and approved by the board of directors of the Company for each Financial Year or part thereof, within the overall limits as specified under Section 197 of the Act read with Schedule V to the Act, RBI Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs dated April 29, 2022 and other applicable provisions (if any) of the Act and the rules framed thereunder (including any statutory modification or re-enactment thereof), after taking into consideration various criteria, including, basic salary, grade, the performance of the Executive and the performance of the Company in the previous financial year ("**Performance Linked Bonus**"). The Performance Linked Bonus shall be calculated and paid annually, however, depending on the type of work in some cases this Performance Linked Bonus may be replaced by an incentive plan where incentives are paid monthly.

(b) The total Performance Linked Bonus/ incentive plan for a financial year shall not exceed 100% (one hundred percent) of the Total Fixed Remuneration of such Financial Year.

(c) For the purpose of this Schedule, the term "**Total Fixed Remuneration**" shall mean the aggregate of and shall include, during a financial year: (a) all fixed components (including Salary) of the Executive's remuneration, and (b) value of all allowances and perquisites payable by the Company to the Executive as per this Agreement and the Company's policy in force from time to time. It is hereby clarified that the Total Fixed Remuneration shall not include Performance Linked Bonus.

4. **Other benefits**

The Executive shall be granted stock options by the Nomination and Remuneration Committee of the Company as per the employee stock option schemes of the Company, to the extent applicable.

AVAS FINANCIERS LIMITED

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JAIPUR
- 5 MAY 2023

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INDIA NON JUDICIAL

Government of Rajasthan

e-Stamp

Certificate No.	:	**IN-RJ43720754641045W**
Certificate Issued Date	:	08-May-2024 12:41 PM
Account Reference	:	NONACC (SV)/ rj3015604/ MANSAROVAR/ RJ-JP
Unique Doc. Reference	:	SUBIN-RJRJ30156047397241837315 3W
Purchased by	:	AAVAS FINANCIERS LTD
Description of Document	:	Article 5(g) Simple Agreement
Property Description	:	MANSAROVAR JAIPUR
Consideration Price (Rs.)	:	0 (Zero)
First Party	:	AAVAS FINANCIERS LTD
Second Party	:	OTHERS
Stamp Duty Paid By	:	AAVAS FINANCIERS LTD
Stamp Duty Payable (Rs.)	:	500 (Five Hundred only)
Surcharge for Infrastructure Development (Rs.)	:	50 (Fifty only)
Surcharge for Propagation and Conservation of Cow (Rs.)	:	50 (Fifty only)
Surcharge for Relief from Natural and Man-made Calamities (Rs.)	:	50 (Fifty only)
Stamp Duty Amount(Rs.)	:	650 (Six Hundred And Fifty only)

This stamp paper is part and parcel of Service Agreement (1st Addendum) executed between Mr. Sachinderpalsingh Jitendrasingh Bhinder, Managing Director & CEO and Aavas Financiers Limited dated June 25, 2025.

QE 0007037067

Statutory Alert:

1. The authenticity of this Stamp certificate should be verified at 'www.shcilestamp.com' or using e-Stamp Mobile App of Stock Holding Any discrepancy in the details on this Certificate and as available on the website / Mobile App renders it invalid.
2. The onus of checking the legitimacy is on the users of the certificate.
3. In case of any discrepancy please inform the Competent Authority.

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ADDENDUM TO EMPLOYMENT AGREEMENT

This Addendum is made on this 25th of June 2025, By and Between Aavas Financiers Limited, a company incorporated under the provisions of Companies Act, 1956 and having its registered office at 201-202, 2nd Floor, South End Square Mansarover Industrial Area, Jaipur -302020, Rajasthan, India (hereinafter referred to as the "Company") **and Mr. Sachinderpalsingh Jitendrasingh Bhinder**, the Managing Director and CEO of the Company (hereinafter referred to as the "Executive")

WHEREAS:

A. The Company and the Executive entered into an Employment Agreement dated May 03, 2023 ("Agreement").

B. Considering escalation in housing and maintenance costs in Jaipur and to ensure suitable and uninterrupted residential arrangements for the Executive, the Board of Directors, vide its Resolution dated June 24, 2025, approved for revision in limit of Perquisites and Allowances, from Rs. 2,00,000 per month to upto Rs. 4,00,000 per month, towards reimbursement of residential accommodation, driver's salary, and other related ancillary expenses on actual basis.

C. The parties now desire to amend the Agreement in accordance with such approval.

NOW, THEREFORE, IT IS HEREBY AGREED as follows:

1. **Amendment to Schedule III – Perquisites and Allowances** table appearing at Clause (2)(a) of Schedule III of the Agreement shall be substituted in its entirety with the following:

S.No.	Perquisites	Amount (INR)
1.	*Reimbursement of expenses on actual basis enabling the Executive to stay in Jaipur, Rajasthan*	Upto Rs. 4,00,000 per month

This revised limit is intended to serve as an umbrella limit for the reimbursement of rent, maintenance, applicable GST, drivers' salary and other allied ancillary expenses and shall remain in effect for the duration of Mr. Bhinder's tenure with the Company, unless otherwise modified with mutual consent or as per applicable Company policies.

2. **Other terms remain unchanged** All other provisions of the Agreement shall remain unchanged and in full force and effect. This Addendum shall be governed by the same terms and conditions as set forth in the original Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the date first above written.

Signed And Delivered
By the Executive

Mr. Sachinderpalsingh Jitendrasingh Bhinder

Date: 25.06.2025
Place: London

Witness:
Name: Aishwarya Pande
Address: SOC Euro, Exotica, Manarover, Jaipur.
Signature:

Signed and Delivered
For and on behalf of the Company

Aavas Financiers Limited
Mr. Saurabh Sharma
Company Secretary & Compliance Officer
Date: 25.06.2025
Place: Jaipur

Name: Aaroni Pareek
Address: Gandhipath, west, Vaishali Nagar, Jaipur
Signature:

To,
The Board of Directors,
Aavas Financiers Limited
201-202, 2nd Floor, South End Square Mansarover Industrial Area,
Jaipur, Rajasthan, India - 302020

Sir,

Sub: Consent and eligibility Letter for Appointment as Secretarial Auditors of your Company for the Financial year 2025-26 to 2029-30.

We, Chandrasekaran Associates, Company Secretaries *(hereinafter referred as "CACS" or "We" or "Us")*, do hereby agree to act as Secretarial Auditors of the **Aavas Financiers Limited** ('Company') pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("**the Act**") & Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and are pleased to confirm the following:

1) We are a peer-reviewed firm in terms of Guidelines for Peer Review of Attestation and Audit Services by Company Secretaries in Practice issued by the Institute of Company Secretaries of India ("ICSI") and holds a valid Peer Review Certificate issued by ICSI and the same has been annexed herewith and marked as **Annexure-A**.

2) We are eligible for appointment as Secretarial Auditor and not disqualified for appointment as a Secretarial Auditor of the Company under Section 204 of the Act, Listing Regulations and circulars issued thereunder, Companies Secretaries Act, 1980, other applicable provisions, if any and rules and regulations made thereunder. Further, after appointment, during the continuation as Secretarial Auditor of your Company if we'll incur any of the disqualifications, then we'll immediately inform you to take the necessary steps in this regard.

3) We haven't rendered and will not render any prohibited services under Regulation 24A(1B) of SEBI Listing Regulations and circulars issued thereunder, ensuring auditor independence.

4) We are not having any substantial conflict of interest with the Company as detailed in Auditing Standard on Audit Engagement (CSAS-1) issued by Institute of Company Secretaries of India;

5) The proposed appointment is within the limits laid down by or under the authority of the aforesaid Act;

6) There are no proceedings pending against either of the partners or the firm with respect to professional matters of conduct.

7) We are not debarred to undertake the Secretarial audit under any law or under the disciplinary mechanism of the ICSI.

8) There is no pending proceeding relating to professional matters of conduct as on date or any order passed against either of the partners or the firm by ICSI / Securities Exchange Board of India / Ministry of Corporate Affairs /any other competent authority/Court, both in India and outside India, during past 5 years.

Kindly confirm our appointment.

Thanking You

Yours faithfully

RUPESH AGARWAL
Digitally signed by RUPESH AGARWAL
Date: 2025.04.14 13:14:55 +05'30'

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.: 5715/2024

Date: April 14, 2025
Place: Delhi

Enclosed: Peer Review Certificate

THE INSTITUTE OF
Company Secretaries of India
भारतीय कम्पनी सचिव संस्थान
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)

Certificate No. 5715/2024

PEER REVIEW

Certificate

Certified that in terms of the Guidelines for Peer Review of Attestation and Audit Services by Practicing Company Secretaries in Practice issued by the Council, the Certification and Audit Services provided by M/s. Chandrasekaran Associates Company Secretary (ies) in Practice bearing Unique Identification No. P1988DE002500 having his / her / its office at Delhi has been reviewed for the year 2023-24.

The Certificate is effective from the date of issue and shall remain valid till 31st May, 2029.

Date : 16th May, 2024

CS Sonia Baijal
Secretary
Peer Review Board

CS Mohan Kumar
Chairman
Peer Review Board

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

To,
The Members
Aavas Financiers Limited
201-202, 2nd Floor, South End Square Mansarover Industrial Area
Jaipur- 302020 (Rajasthan)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by Aavas Financiers Limited (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2025 ('**Audit Period'**) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 ("**Period under review**") according to the provisions of:

(i) The Companies Act, 2013 ('**the Act'**) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('**SCRA'**) and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**'):-

i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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info@cacsindia.com | www.cacsindia.com

ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

iv. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 to the extent applicable;

v. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 to the extent applicable;

vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (**Not applicable to the Company during the Audit Period**)

viii. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**

(vi) The following other laws are specifically applicable to the Company for which the Management has confirmed that the Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively:

(a) National Housing Bank (NHB) Act, 1987;

(b) Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 as amended from time to time;

(c) Master Direction – Know Your Customer (KYC) Direction, 2016;

(d) Master Direction- Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016 and Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies);

(e) Master Circular – Returns to be submitted by Housing Finance Companies (HFCs)

(f) Guidelines and Regulations issued by Insurance Regulatory and Development Authority to the extent applicable;

(g) Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023 as amended from time to time.

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We have also examined compliance with the applicable clauses/Regulations of the following:

i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs;

ii) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**")

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance except in cases where meetings were convened at a shorter notice. The Company has complied with the provisions of Act for convening meeting at the shorter notice. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, following major events have happened in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

a. The Company has obtained the approval of shareholders in its Annual General Meeting held on August 07 2024, for:

i. Issuance of Non – Convertible Debentures in one or more tranches on Private Placement basis for an amount not exceeding Rs. 8,500/- crore (Rupees Eight Thousand Five Hundred Crore Only).

ii. 'Aavas Financiers Limited - Performance Stock Option Plan- 2024' ("PSOP-2024"), to create, offer, grant, issue and allot to the eligible employees of the Company not

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exceeding 4,00,000 (Four lakh) options exercisable into not more than 4,00,000 equity shares of face value of Rs. 10/- (Rupees Ten only) each fully paid up.

b. The Nomination and Remuneration Committee of the Company has allotted 13,960 (Thirteen Thousand Nine Hundred Sixty) equity shares of INR 10/- (Indian Rupees Ten) each pursuant to exercise of equivalent number of Employee Stock Option under following plans:

i. Equity Stock Option Plan for Employees 2016-I: 1,875 equity shares of INR 10/- each;
ii. Equity Stock Option Plan for Employees 2016-I: 1,000 equity shares of INR 10/- each;
iii. Equity Stock Option Plan for Employees 2019: 1,200 equity shares of INR 10/- each;
iv. Performance Stock Option Plan 2023: 5,791 equity shares of INR 10/- each;
v. Equity Stock Option Plan for Employees 2016-I: 375 equity shares of INR 10/- each
vi. Performance Stock Option Plan 2023: 3,719 equity shares of INR 10/- each;

Considering the above said allotment of Equity shares, issued and paid-up capital of the Company stands increased to 7,91,53,665 Equity Shares of Rs. 10/- each.

c. The Company had issued and allotted following debt securities:

i. 63,000 (Sixty-Three Thousand) Rated, Listed, Senior, Unsubordinated, Secured, Transferable, Redeemable, Indian Rupee denominated Non-Convertible Debentures ("NCDs") having a face value INR 1,00,000 (Indian Rupees One Lakh Only) each aggregating up to INR 630.00 Crore (Indian Rupees Six Hundred and Thirty Crore Only) on Private Placement basis.

ii. 20,000 (Twenty Thousand) Senior, Secured, Rated, Listed, Transferable, Redeemable Non-Convertible Debenture ("NCDs") in two Series being Series A of 10000 (Ten Thousand) and Series B of 10000 (Ten Thousand) having face value INR 1,00,000 (Indian Rupees One Lakh Only) each, aggregating up to INR 200.00 Crore (Indian Rupees Two Hundred Crore Only) on Private Placement basis.

d. The Company has fully redeemed the following Non-Convertible Debentures of the following debenture holder:

i. International Finance Corporation amounting to INR 345,00,00,000.

e. Aavas Finserv Limited, the wholly owned subsidiary ("subsidiary") of the Company, which was under the process of voluntary liquidation has been dissolved vide order dated January 28, 2025 passed by the Hon'ble National Company Law Tribunal, Jaipur Bench ("NCLT") under Section 59 of the Insolvency and Bankruptcy Code, 2016.

f. (i) Lake District Holdings Limited **("LDHL")**, Promoter of Company (ii) Partners Group ESCL Limited **("PGEL"),** Promoters of Company & (iii) Partners Group Private Equity (Master Fund), LLC **("PGPE")** Promoter Group of Company *(LDHL, PGEL and PGPE collectively referred as 'Sellers')* and the Company entered into share sale agreements

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('SPA') dated August 10, 2024 with Aquilo House Pte. Ltd. *('**Purchaser'**)* wherein, the Purchaser has agreed to acquire in aggregate 2,09,49,112 equity shares of the Company from the Sellers, constituting 26.47% of the paid-up share capital of the Company, subject to necessary approvals.

Further, the Purchaser had made a mandatory open offer in accordance with the terms of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Open Offer") for acquiring up to 20,739,711 Equity Shares representing 26.00% of the paid-up share capital of the Company after obtaining requisite approvals.

Pursuant to SPA and Open offer, the Purchaser has acquired 17,808,116 equity shares. This represents 22.50% of the paid-up share capital of the Company on non-diluted basis as on March 31, 2025.

g. The Company has obtained the approval of shareholders in its Extra Ordinary General Meeting held on March 28, 2025, for:

i. Alteration of the Articles of Association of the Company to increase the maximum number of Directors on the Board, subject to consents from lenders of the Company and Closing as defined in Share Sale Agreements executed on August 10, 2024, (*hereinafter referred as SPAs*) by and between Lake District Holdings Limited **("LDHL")**, Promoter of Company (ii) Partners Group ESCL Limited **("PGEL"),** Promoters of Company & (iii) Partners Group Private Equity (Master Fund), LLC **("PGPE")** Promoter Group of Company *(LDHL, PGEL and PGPE collectively referred as 'Sellers')*, the Company and Aquilo House Pte. Ltd. *('**Purchaser'**) having occurred*.

ii. Alteration of the Articles of Association of the Company to include Director nomination rights of promoter and relevant definitions, with effect from the Closing Date as defined under the SPAs.

iii. Alteration of the Articles of Association of the Company to include Director nomination rights of promoter on the Committees of the Board, with effect from the Closing Date as defined under the SPAs.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.:- 5715/2024

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715
UDIN: F001644G000186103
Date: 24.04.2025
Place: New Delhi

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Notes:

(i) *This report is to be read with our letter of even date which is annexed as Annexure-A to this Report and forms an integral part of this report.*

(ii) *We conducted the secretarial audit by examining records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct.*

(iii) *This Report is limited to the Statutory Compliances on laws/ regulations / guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to financial year ended March 31, 2025.*

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ANNEXURE-A

To,
The Members
Aavas Financiers Limited
201-202, 2nd Floor, South End Square Mansarover Industrial Area
Jaipur- 302020 (Rajasthan)

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.:- 5715/2024

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715
UDIN: F001644G000186103

Date: 24.04.2025
Place: New Delhi

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Aavas Financiers Limited

Equity Stock Option Plan 2025

EQUITY STOCK OPTION PLAN 2025

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1 NAME OF THIS PLAN

This plan shall be termed the Aavas Financiers Limited – Equity Stock Option Plan 2025 ("**Plan**" or "**ESOP 2025**")[1]. This Plan has been formulated by the Board of Aavas Financiers Limited , a company incorporated under the Companies Act, 2013 and having its registered office at 201-202, 2nd Floor, Southend Square, Mansarover Industrial Area, Jaipur-302020 (CIN No.L65922RJ2011PLC034297) and has received approval of its Shareholders by way of a special resolution[2] passed on _____ at the _____ Meeting of the Company in order to grant Options to Employees of the Company.

2 PURPOSE

The Company has structured this Plan for the benefit of its employees. The purpose of this Plan are as under:

a) Drive performance
b) Retention of employees
c) Employee ownership and wealth creation for the employees
d) Share benefits of corporate growth with the employees
e) Attract Talent

These purposes are sought to be achieved through the Grant of Options to employees of the Company.

3 APPLICABILITY, TERM AND CONDITIONALITY

3.1 This Plan applies only to Eligible Employees, and as selected by the Board and/or the Committee, as the case may be, from time to time.

3.2 This ESOP 2025 shall terminate upon the date on which all the Options available for issuance under this ESOP 2025 have been issued pursuant to the Grant of Options and have been Exercised by the Participant. Notwithstanding anything contained herein, this ESOP 2025 thereunder shall subsist or continue purely at the discretion of the Board and/ or Committee and can be terminated at any time at the sole discretion of the Board and/ or Committee in accordance with Applicable Law but without the consent of, and without notice to the Eligible Employees.

3.3 The Board or the Committee may, subject to compliance with Applicable Laws currently applicable to the Company, at any time suspend or terminate this ESOP 2025. However, termination of this ESOP 2025 shall not affect the Grant, Vesting or Exercise of the Options already issued/Granted under this ESOP 2025.

4 DEFINITIONS

In this Plan, except where the context otherwise requires, the following expressions or terms when capitalized shall have the meanings indicated there against:

4.1 "Abandonment" shall mean that in the event a Grantee/Participant abandons employment or his office (i.e. absents himself) for a continuous period of 30 (thirty) days or as specified by the relevant internal policy of the Company or as specified by the Board and/ or the Committee as abandonment as per Company policy and also includes discontinuation of employment or not attending office or work by a Grantee/Participant without giving notice or without serving a period of notice as specified by the Company from time to time;

---

[1] To comply with Regulation 2(1)(j) of the SEBI Regulations, 2021

[2] To comply with Rule 12(1) of the Companies (Shares Capital and Debentures) Rules, 2014 and Regulation 6(1) of the SEBI Regulations, 2021. Requirement under the company law is to pass Ordinary Resolution but under the SEBI Regulation Special resolution is required. Therefore, on a conservative basis, special resolution is recommended

4.2 "Act" shall mean the Companies Act, 2013 and includes any rules, regulations, circulars or guidelines issued thereunder, as amended from time to time and shall, include any statutory replacement or re-enactments thereof, if the context so requires and as may be applicable;

4.3 "Affiliate" in relation to a Person,

(i) being a corporate entity, shall mean any entity or Person, which Controls, is Controlled by, or is under the common Control of such Person;

(ii) being an individual, shall mean any entity or Person, which is Controlled by such individual or a Relative (the term "Relative" would have the meaning as ascribed to it under the Act, as amended, modified, re-enacted from time to time) of such individual;

4.4 "Applicable Laws" shall means any prevailing Act, Rule or Regulation relating to Employee Stock Options, including and without limitation to the Companies Act, 2013, Securities and Exchange Board of India Act, 1992, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, Companies (Share Capital and Debenture) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 each as amended, modified and substituted from time to time. Accordingly, any actions taken hereunder shall be governed by and construed in accordance with the laws of India, without regard to the application of the conflicts of laws' provisions thereof;

4.5 "Articles of Association" shall mean the articles of association of the Company, as amended from time to time;

4.6 "Beneficiary" or "Nominee" shall mean the person or persons, trust or trusts designated by the Participant, or in the absence of any designation by the Participant, a person or persons who is/ are entitled by the will or probate of the Participant to receive the benefits specified in this Plan, the legal heirs of the Participant, if the Participant dies intestate and includes the Participant's executors or administrator, if no other Beneficiary is designated and able to act under the circumstances and such other persons as may be added from time to time to the class of beneficiaries by notice in writing and by the Nomination Form in the exercise of any powers conferred under this Plan or any other agreements forming part thereof;

4.7 "Board"[3] shall mean the board of directors of the Company, constituted in accordance with the incorporation documents of the Company and as may be constituted/ re-constituted in accordance with the Applicable Laws from time to time and shall include a committee of the board of directors as may be authorized to take certain decisions and / or perform certain actions as delegated to it by the board of directors

4.8 "Cause" shall mean any act or omission by an Eligible Employee amounting to misconduct, fraud, breach of any contract with the Company (including breach of a non-compete covenant), negligence, unethical practices or any other non-compliance or non-performance or violation of any Applicable Laws in India or any policies of the Company and includes any misconduct under the Company's policies and/ or under labour laws or any act as determined by the Board/ Committee to be detrimental to the Company, its financial position and its interests, in any manner;

4.9 "Closing Date" shall mean 30 days from the Grant Date during which options can be accepted by the Grantee. In case such date is a non-working day, then it shall be the immediately following working day;

4.10 "Company"[4] shall mean Aavas Financiers Limited, a company incorporated and registered under the Companies Act, 2013 having its registered office at 201-202, 2nd Floor, Southend Square, Mansarover Industrial Area, Jaipur – 302020 and having its Corporate Identity Number:

[3] In accordance with Section 2(10) of the Companies Act, 2013

[4] In accordance with Clause 2(20) of the Companies Act,2013

L65922RJ2011PLC03429;

4.11 "Committee" or "Compensation Committee" or "Nomination and Remuneration Committee"[5][6] shall mean committee of such members of the Board of Directors of the company as provided under Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and section 178 of the Companies Act, 2013, as amended from time to time and will also constitute and act as the compensation committee for the purposes of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

4.12 "Control"[7] shall mean as defined under Section 2(27) of the Companies Act, 2013;

4.13 "Corporate Action" shall have meaning as understood under Applicable Law and also includes change in control of the Company;

4.14 "Director"[8] means a director appointed to the Board of the Company;

4.15 "Eligible Employee"[9] shall mean an Employee identified in accordance with Clause 7 of this Plan to whom the Grant of Options shall be made;

4.16 "Employee"[10] shall mean:

(i) an employee as designated by the company, who is exclusively working in India or outside India; or

(ii) a director of the company, whether a whole time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director;

(iii) but does not include

a) an employee who is a promoter or a person belonging to the promoter group; or
b) a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

4.17 "Exercise"[11] shall mean making of an application by the Participant/ Beneficiary to the Company for issue of Shares, against Vested Options in pursuance of this Plan on payment of Exercise Price;

4.18 "Exercise Date" shall mean the date on which the Participant/ Beneficiary exercises his Vested Options and in case of partial Exercise, shall mean each date on which the Participant/ Beneficiary exercises part of his Vested Options;

4.19 "Exercise Application" shall mean the application form by which Exercise of Vested Options in accordance with Clause 16 of this Plan, is communicated by the Participant/ Beneficiary to the Company, substantially in the form provided in pursuance of this ESOP 2025;

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[5] To comply with Regulation 5(2) of the SEBI Regulations, 2021
[6] As per the Regulation 19 of the SEBI (LODR) Regulations, 2015
[7] In accordance with Clause 2(27) of the Companies Act,2013
[8] In accordance with Clause 2(34) of the Companies Act, 2013
[9] To comply with Regulation 4 of the SEBI Regulations, 2021
[10] In accordance with explanation to Rule 12(1) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 2(1)(i) of the SEBI Regulations, 2021
[11] To comply with Regulation 2(1)(l) of the SEBI Regulations, 2021

4.20 "Exercise Period"[12] shall mean the time period within which the Participant/ Beneficiary should Exercise his right to apply for Shares against the Vested Options in pursuance of this ESOP 2025 as mentioned in Clause 16 below.

4.21 "Exercise Price"[13] shall mean the purchase price of each Share payable by the Participant/ Beneficiary for exercising the Vested Options Granted to the Participant as per Clause 15 of this Plan and shall be communicated in the Grant letter;

4.22 "Fair Market Value" or "Market Price"[14] shall mean the latest available closing price on a recognised stock exchange on which the shares of the company are listed on the date immediately prior to the relevant date. If such shares are listed on more than one recognised stock exchange, then the closing price on the recognised stock exchange having higher trading volume shall be considered as the Market Price or Fair Market Value;

4.23 "General Meeting" shall mean a general meeting (including an Annual and Extraordinary General Meeting) of the Shareholders of the Company held in accordance with the Articles of Association and Applicable Laws;

4.24 "Grant"[15] means the process by which the Company issues Options under this Plan.

4.25 "Grant Date"[16] shall mean the date on which the Options are approved by the Committee and are granted to the Participant by the Company as per Clause 11 of this Plan;

4.26 "Grantee"[17] shall mean an Eligible Employee who is the recipient of Letter of Grant on the Grant Date in furtherance of a Grant;

4.27 "Group"[18] means two or more companies which, directly or indirectly, are in a position to—

i) exercise twenty-six per cent. or more of the voting rights in the other company; or
ii) appoint more than fifty per cent. of the members of the Board of Directors in the other company; or
iii) control the management or affairs of the other company;

4.28 "Holding Company"[19] means a holding company as defined in sub-section (46) of section 2 of the Companies Act, 2013;

4.29 "INR" or "Rupee" shall mean Indian Rupee, the currency of the Republic of India for the time being in force;

4.30 "Independent Director"[20] shall have the meaning as defined under the Companies Act, 2013;

4.31 "Key Managerial Persons" or "KMPs"[21] shall mean key managerial personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013;

4.32 "Letter of Acceptance" shall mean the letter required to be submitted by a Grantee, in the form provided in pursuance of this ESOP 2025, indicating their acceptance of the Options granted pursuant

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[12] To comply with Regulation 2(1)(m) of the SEBI Regulations, 2021
[13] To comply with Regulation 2(1)(n) of the SEBI Regulations, 2021
[14] To comply with Regulation 2(1)(x) of the SEBI Regulations, 2021
[15] To comply with Regulation 2(1)(p) of the SEBI Regulations, 2021
[16] To comply with Regulation 2(1)(q) of the SEBI Regulations, 2021
[17] To comply with Regulation 2(1)(aa) of the SEBI Regulations, 2021
[18] To comply with Regulation 2(1)(r) of the SEBI Regulations, 2021
[19] In accordance with Section 2(46) of the Companies Act, 2013 and Regulation 2(1)(m) of SEBI (LODR) Regulations, 2015
[20] In accordance with Regulation 2(1)(u) of the SEBI Regulations, 2021 and in accordance with Regulation 16(1)(b) of SEBI (LODR) Regulation, 2015
[21] In accordance with Regulation 2(1)(w) of the SEBI Regulations, 2021 and in accordance with Regulation 2(1)(o) of SEBI (LODR) Regulation, 2015

to a Letter of Grant and to acknowledge acceptance of the terms and conditions of this ESOP 2025 within the Closing date.

4.33 "Letter of Grant" shall mean the letter issued by the Company, in the form provided for in this ESOP 2025 by which Grant of Options is communicated to an Eligible Employee for acquiring a specified number of Shares at the Exercise Price as per the Vesting conditions and Vesting Period described therein;

4.34 "Long Leave" refers to the period of leave taken by an Employee with or without pay for a period exceeding 90 days or takes any sick leave or any other bona fide leave of absence, appropriately approved or without any approval, for 15 (fifteen) days or more; or leave as per policy of Company whichever is a lower period;

4.35 "Non-performing assets"[22] shall have the same meaning as mentioned in Paragraph 14.2 and14.3 in Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as may be amended from time to time.

4.36 "Option"[23] means the Option given to an Eligible Employee, which gives him a right to purchase but not an obligation or subscribe at a future date, the Shares offered by the Company, directly or indirectly, at the Exercise Price;

4.37 "Participant" shall mean the holder of an outstanding Option granted in accordance with Clause 11 of this Plan;

4.38 "Permanent Disability/ Incapacity" shall mean any disability of whatsoever nature, be it physical, mental or otherwise, which in the opinion of the Board/ Committee (as the case may be), incapacitates or prevents or handicaps an Employee from being able to continue performing the duties he had performed before such disablement/ impairment for such period at the discretion of Board/Committee in accordance with the Company Policy, if any, based on a certificate of a medical expert identified by the Board/ Committee or its authorized representative;

4.39 "Plan" or "Stock Option Plan" or "ESOP 2025" shall mean this Aavas Financiers Stock Option Plan 2025 under which the Shareholders authorized the Board to offer to Eligible Employees, through Grant of Options, the opportunity to purchase Company's shares after a given period of time and under certain conditions at a price fixed at the time the Options are granted and shall include any alterations, amendments, additions, deletions, modifications, or variations thereof from time to time;

4.40 'Profit After Tax" or "PAT" shall mean net profit of a company after deducting all expenses, including operating costs, interest, depreciation, and taxes from its total revenue as provided in the audited financial statements of the Company.

4.41 "Promoter"[24] shall mean a promoter as per SEBI Regulations, 2021, as amended from time to time;

4.42 "Promoter Group" [25]shall mean promoter group as defined under SEBI Regulations, 2021, as amended from time to time;

4.43 "Recognized Stock Exchange"[26] shall mean a recognized stock exchange as defined under Securities Contracts (Regulation) Act, 1956, as amended from time to time;

---

[22] In accordance with Paragraph 14.2 and 14.3 Master Direction – RBI (NBFC – Scale Based Regulation) Directions, 2023

[23] In accordance with Section 2(37) of the Companies Act, 2013 and in accordance with Regulation 2(1)(z) of the SEBI Regulations, 2021

[24] In accordance with Section 2(69) of the Companies Act, 2013 and Regulation 2(1)(cc) of the SEBI Regulations, 2021

[25] In accordance with Section 2(69) of the Companies Act, 2013 and Regulation 2(1)(dd) of the SEBI Regulations, 2021

[26] In accordance with Section 2(73) of the Companies Act 2013 and in accordance with Regulation 2(1)(ee) of the SEBI Regulations, 2021

4.44 "Relative"[27]shall mean relative as defined under sub-section (77) of section 2 of the Companies Act, 2013 and rules prescribed there under;

4.45 "Relevant date"[28] means –
(i) in the case of grant, the date of the meeting of the Committee/Board on which the grant is made; or
(ii) in the case of exercise, the date on which the notice of exercise is given to the company or to the trust by the employee;

4.46 "Retirement" shall mean retirement as per the Company's internal policy from time to time;

4.47 "SEBI Regulations, 2021"[29] shall mean the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time and the circulars, notifications, clarifications, FAQs, etc. issued by SEBI in this regard;

4.48 "Securities Laws"[30] means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company;

4.49 "Share"[31] shall mean an equity share of the Company having face value of INR 10;

4.50 "Shareholder" shall mean the registered holder of a Share from time to time;

4.51 "Stock Exchange"[32] means a recognised stock exchange as defined under clause (f) of section 2 of the Securities Contracts (Regulation) Act, 1956;

4.52 "Subsidiary Company"[33] shall have the meaning as defined under the Companies Act, 2013;

4.53 "Tax" or "Taxes" shall mean any income tax, perquisite tax, fringe benefits tax or any other taxes or any levy or any contribution or any sums due (by whatever name it is called) imposed on the Company or on the Employee, with respect to the Grant, Vesting and/ or Exercise of the Options in pursuance of this ESOP 2025 or on sales of Shares acquired under the ESOP 2025;

4.54 "Termination Date" shall means the date on which the notice of resignation is tendered by the employee to the Company;

4.55 "Trust"[34] means an employee welfare trust established in accordance with the Applicable Laws by Aavas Financiers Limited with the objective of facilitating the administration of the Plan;

4.56 "Trustee"[35]means trustee as defined under the SEBI Regulations, 2021 as amended from time to time;

4.57 "Unvested Option" shall mean an Option in respect of which the relevant Vesting conditions have not been satisfied and includes Eligible to Vest Options (if any) and which the Participant is or have been surrendered by the Participant;

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[27] In accordance with Section 2(77) of the Companies Act, 2013, Regulation 2(1)(gg) of the SEBI Regulations, 2021 and Regulation 2(1)(zd) of the SEBI (LODR) Regulation, 2015
[28] In accordance with Regulation 2(1)(hh) of the SEBI Regulations, 2021
[29] In accordance with Regulation 1 of the SEBI Regulations, 2021
[30] In accordance with Regulation 2(1)(zf) of the SEBI (LODR) Regulation, 2015
[31] In accordance with Section 2(84) of the Companies Act, 2013 and Regulation 2(1)(pp) of the SEBI Regulations, 2021
[32] In accordance with Regulation 2(1)(zk) of the SEBI (LODR) Regulation, 2015
[33] In accordance with Section 2(87) of the Companies Act, 2013
[34] In accordance with Regulation 2(1)(uu) of the SEBI Regulations,2021
[35] In accordance with Regulation 2(1)(vv) of the SEBI Regulations,2021

4.58 "Vested Option" shall mean an Option in respect of which, the relevant Vesting conditions have been satisfied in terms of this ESOP 2025 and the Participant has become eligible to Exercise the Option;

4.59 "Vesting"[36] shall mean the process by which the Participant/ Beneficiary becomes entitled to apply for Shares against the Options granted in accordance with Clause 11 of this Plan.

4.60 "Vesting Date" shall mean the respective dates on and from which the Option Vests with the Participant/ Beneficiary and thereby becomes exercisable in pursuance of the provisions stipulated hereunder;

4.61 "Vesting Period"[37] shall mean the period during which the Vesting of Option granted under this Plan takes place;

4.62 "Secondary Acquisition"[38] shall mean acquisition of existing shares of the Company by the Trust on the platform of a Recognized Stock Exchange for cash consideration or from Employee in accordance with this Plan;

All other expressions unless defined herein shall have the same meaning as have been assigned to them under the Act, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (read with applicable circulars, notifications etc.), as amended from time to time, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (read with applicable circulars, notifications etc.), as amended from time to time, the Securities Contracts (Regulation) Act, 1956, or the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Reserve Bank of India Regulations applicable to Non-Banking Financial Companies or any statutory modification or re-enactment thereof, as the case may be.

5 INTERPRETATION

5.1 In this ESOP 2025, unless the context thereof otherwise requires:

5.1.1 the terms mentioned herein shall have the same meaning as ascribed to them in this Plan;

5.1.2 words importing a particular gender include any other gender;

5.1.3 words using the singular or plural number also include the plural or singular number, respectively;

5.1.4 the terms "hereof," "herein," "hereby" and derivative or similar words refer to this entire ESOP 2025 and not to any particular Clause, sub-Clause or section of this ESOP 2025;

5.1.5 whenever this ESOP 2025 refers to a number of days, such number shall refer to calendar days unless otherwise specified;

5.1.6 any reference to any statute or statutory provision shall include:

(i) all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated); and

(ii) such statute or provision as may be amended, modified, re-enacted or consolidated;

5.1.7 headings and captions are used for convenience only and shall not affect the interpretation of this ESOP 2025;

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[36] To comply with Regulation 2(1)(xx) of the SEBI Regulations, 2021
[37] To comply with Regulation 2(1)(yy) of the SEBI Regulations, 2021
[38] In accordance with Regulation 2(1)(nn) of the SEBI Regulations,2021

5.1.8 references to Recitals, Clauses, sub-Clauses and Appendices shall be deemed to be a reference to the recitals, clauses, sub-clauses and schedules/ appendices of this ESOP 2025;

5.1.9 reference to a Clause number shall also include reference to all its sub-Clauses; and

5.1.10 reference to any Appendix hereto includes a reference to any part of that Appendix which is incorporated by reference.

5.1.11 words and expressions used and not defined but defined in the Applicable Laws and any statutory modification or reenactment thereto, shall have the meanings respectively assigned to them in those legislation.

5.2 In the event of any inconsistency between the provisions of this ESOP 2025 and the provisions of the employment offer letter or employment agreement of the Eligible Employee, the provisions of this ESOP 2025 shall prevail.

5.3 In the event of any inconsistency between the provisions of this ESOP 2025 and the Articles of Association, then the provisions of the Articles of Association shall prevail and be deemed to have been incorporated herein by reference.

6 NOTIFICATION OF PLAN

6.1 The Board shall frame the Plan including but not limited to Eligible Employees, maximum quantum of Options to be Granted, Grant criteria, Method and manner of Acceptance, Closing date for acceptance, Vesting criteria or conditions, Vesting Period, Exercise Price, Exercise Conditions, Exercise method, Exercise Period, Lock-in Period, etc. with the parameters provided herein. This Plan shall be approved by the Board.

6.2 The Board may implement the Plan either directly or by setting up an irrevocable trust, and shall be permitted to alter the mode of implementation of the Plan, subject to a fresh approval of the shareholders by a Special Resolution being obtained prior to implementing such a change and where such change is not prejudicial to the interests of the employees.

7 ELIGIBILITY

7.1 Eligible Employees will be as identified by the Board or Committee in accordance with Clause 4.15 of the Plan.

7.2 Such Eligible Employees will be eligible to participate in the Plan subject to such criteria as may be decided by the Board/ Committee at its own discretion, including, but not limited to the date on which the Employee joins the Company, grade of the Employee, period of service with the Company, criticality or any other criteria, as the Board Compensation Committee.

7.3 The Plan shall be applicable to the Company and Options may be granted to the Employees of the Company as determined by the Board and/ or Committee at their own discretion.

8 ADMINISTRATION OF THIS PLAN

8.1 This Plan shall be administered by the Committee working under the powers delegated by the Board[39][40], which may delegate its duties and powers in whole or in part as it may determine to the Trust or any other person[41]. Pursuant to Board resolution held on August 18, 2025 the Board/Committee is authorized to interpret this Plan, to establish, amend and rescind any rules and regulations relating to this Plan, and to make any other determinations that it deems necessary or desirable for the administration and implementation of this Plan. The Board/ Committee may correct

[39] In accordance with Section 179(1) and 179(3) of the Companies Act, 2013
[40] To comply with Table-F II. 71(ii) of the Companies Act, 2013
[41] In accordance with Regulation 3(1) and 5(1) of SEBI Regulations, 2021

any defect, omission or reconcile any inconsistency in this Plan in the manner and to the extent the Board/Committee deems necessary or desirable, and to resolve any difficulty in relation to implementation of this Plan and take any action which the Board is entitled to take in relation thereto. No member of the Committee may act upon matters under this Plan specifically relating to such member of the Committee.

8.2 The acts of majority of the members of the Board/Committee present at any meeting (at which the quorum is present) or acts approved in writing by a majority of the entire Committee shall be the acts of the Committee for the purpose of the Plan. Any decision of the Board/ Committee in the interpretation and administration of this Plan, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Employee, Grantee, Participant/ Nominee and their Beneficiaries and successors). The Company (including the Committee) shall not be liable for any action or determination made in good faith with respect to this Plan or any Option granted thereunder.

8.3 The Board/Committee[42] shall, subject to compliance with Applicable Laws and the limitations set out in the Plan, inter alia, do the following:

a) Adopt rules and regulations for implementing the Plan from time to time;
b) Identify the Employees eligible to participate under the Plan;
c) Grant Options to the identified Employees and determine the Grant Date;
d) Determine the quantum of the Options, shares or benefits as the case may be, to be granted under the Plan per Employee and in aggregate under a Plan;
e) Determine the number of additional Options to be granted to the Employees from time to time;
f) Determine the conditions under which Options, shares or other benefits as the case may be, may vest in employees and may lapse in case Cause;
g) Determine whether an Employee has been terminated for Cause;
h) Notify the Participants if the Options become eligible for Exercise;
i) Determine the right of a Participant to Exercise all the Vested Options at one time or various points in time when the Options have become capable of being Exercised;
j) Determine and notify the Exercise Period within which the employee can exercise the Options and when the Options would lapse on failure to exercise the same within the Exercise Period;
k) Determine the specified time period within which Employees shall exercise the vested Options in the event of termination or resignation;
l) Where any corporate actions may warrant adjustment to the number of Options and/ or the Exercise Price, refer such matters to the Board;
m) Determine the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of Options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall, inter alia, be taken into consideration by the Committee:
    i. the number and price of Options shall be adjusted in a manner such that total value to the employee of the options remains the same after the corporate action;
    ii. the vesting period and the life of the Options shall be left unaltered as far as possible to protect the rights of the employee(s) who is granted such Options;
n) Determine the grant, vesting and exercise of shares or Options in case of employees who are on long leave;
o) Refer to the Board any decision to amend the Grant, Vesting and/ or Exercise of Options for Employees who are on long leave;
p) Refer to the Board for any decision to alter/ modify the vesting schedule and/ or Exercise Price for subsequent Grants;
q) Refer to the Board for any decision to alter/ amend the Plan subject to Clause 32 of the Plan;
r) Determine the procedure for funding the exercise of Options;
s) Determine the procedure for buy-back of specified securities (as defined under Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018) issued under the SEBI Regulations, 2021, if to be undertaken at any time by the Company, and the applicable terms

[42] In accordance with Regulation 5(3) of SEBI Regulations, 2021

and conditions, including:

i. permissible sources of financing for buy-back;
ii. Any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
iii. Limits upon quantum of specified securities that the Company may buy-back in a financial year.

t) Take any other actions and make any other determinations or decisions that it deems necessary or appropriate in connection with the Plan or the administration or interpretation thereof;
u) Decide all other matters that must be determined in connection with a Grant under the Plan;
v) Construe and interpret the terms of the Plan, and the Options granted pursuant to the Plan;
w) Refer to the Board any issue arising as a result of any inconsistency in the Plan, unless such inconsistency is of an administrative nature only; and
x) Perform such other functions and duties as shall be required under the Applicable Laws.

8.4 Where applicable, the Board/ Committee[43] shall frame suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 by the Company, the Trust and its Employees, as applicable.

8.5 The Company may implement Plan directly or through a Trust(s) as permitted under the SEBI Regulations.

8.6 The Board/ Committee[44] shall, *inter alia,* formulate the detailed terms and conditions of the Plan which shall include the provisions to the extent it is not in violation of the Companies Act, 2013.

9 IMPLEMENTATION OF PLAN THROUGH THE TRUST

9.1 This Plan may be implemented using Trust.

9.2 The Trust can hold the share for and on behalf of the Employee, in respect of Shares acquired under this Plan by the Employee. Trust can also act for and on behalf employee, under the Power of Attorney given by the employee to honor the various obligations, terms and conditions to be fulfilled by the Employee under this plan.

9.3 The Trust may, at the discretion of Board and subject to the Applicable laws acquire Shares through subscription of share capital by direct allotment from the Company or Secondary Acquisition for the purposes of implementing this Plan subject to the limits specified and other provisions contained in the SEBI Regulations (subject to the limits specified in Clause 9.4 and Clause 9.5 below and other provisions contained in the SEBI Regulations, 2021[45]) or can purchase shares from the Employee in accordance with this Plan.

9.4 Secondary Acquisition in a financial year by the Trust shall not exceed two[46] per cent of the paid-up equity capital of the Company as at the end of the previous financial year.

9.5 The total number of Shares under secondary acquisition held by the Trust shall at no point of time exceed five[47] per cent of the paid-up equity capital of the Company as at the end of the financial year immediately prior to the year in which the shareholders' approval is obtained for such secondary acquisition.

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[43] In accordance with Regulation 5(4) of SEBI Regulations, 2021
[44] In accordance with Regulation 5(3) of SEBI Regulations, 2021
[45] In accordance with Regulation 3(10), and 3(11) of SEBI Regulations, 2021
[46] In accordance with Regulation 3(10) of SEBI Regulations, 2021
[47] In accordance with Regulation 3(11) of SEBI Regulations, 2021

Explanation 1,—The above limits shall automatically include within their ambit the expanded or reduced capital of the company where such expansion or reduction has taken place on account of corporate action(s) including issue of bonus shares, split, rights issue, buy-back or scheme of arrangement.

Explanation 2,— If a company has multiple trusts and schemes, the aforesaid ceiling limit shall be applicable for all such trusts and schemes taken together at the company level and not at the level of individual trust or scheme.

Explanation 3,—The above ceiling limit will not be applicable where shares are allotted to the trust by way of new issue or gift from promoter or promoter group or other shareholders.

Explanation 4,—In the event that the options or shares granted under any of the schemes exceeds the number of shares that the trust may acquire through secondary acquisition, then such shortfall of shares shall be made up by the company through new issue of shares to the trust in accordance with the provisions of new issue of shares under the applicable laws.[48]

9.6 The Trust may utilize the Shares of the Company acquired through fresh subscription of shares or through Secondary Acquisition and held by it for the purpose of either transferring them to the Participants or selling them and transferring the requisite Shares for and behalf of the Participants upon exercise/ cashless exercise of the Options in accordance with this Plan.

9.7 Subject to the requirements of Companies Act, 2013 and other Applicable Laws, as amended from time to time, as may be applicable, the Company may lend monies to the Trust on appropriate terms and conditions to acquire the shares either through new issue or Secondary Acquisition, for the purposes of implementation of this Plan.

10 SHARE POOL

10.1 Subject to Clause 26 of this Plan, the maximum number of Shares that may be issued pursuant to Exercise of Options granted to the Participants under this Plan shall not exceed 23,74,191 fully paid Shares ('Share pool'). The Company reserves the right to increase or reduce such number of Shares as it deems fit as per Applicable Laws.

10.2 Notwithstanding the foregoing provisions of Clause 10.1, Shares with respect to which an Option is granted under this Plan that remain unaccepted, or unexercised at the time of expiration, or are not entitled for vesting or forfeited or lapsed or cancelled shall be added back to the number of Options that are pending to be granted. The Company through the Board/Committee may, at their discretion, Grant such Options within the overall limit determined in accordance with this Plan. The quantum of first grant will be upto 65% of the share pool and remaining options will be made in subsequent grants.

11 GRANT OF OPTIONS

11.1 The Company/Committee/Board/Trust shall Grant the Options to the identified Eligible Employees in accordance with the terms and conditions stipulated herein.

11.2 Subject to Clause 10 of the Plan and in accordance with Clause 7 of the Plan, the maximum number of Options Granted to any Grantee during one year under this Plan shall not exceed 1 percent of the total share capital of the Company at the time of the Grant unless an approval from the Shareholders is taken by way of special resolution in a General Meeting[49].

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[48] In accordance with Regulation 3(11) of SEBI Regulations, 2021

[49] To comply with Rule 12(4)(b) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 6(3)(d) of the SEBI Regulations, 2021

11.3 Subject to the conditions stipulated herein, each Option Granted would entitle the Participant to acquire one Share of the Company on payment of the Aggregate Exercise Price.

11.4 The Grant of the Options by the Company /Board / Committee / Trust to the Eligible Employee shall be made in writing or through any other electronic medium identified by the Company and communicated by a Letter of Grant. Upon receipt of such letter, Eligible Employee shall become Grantee. The Letter of Grant shall specify the Grant date, number of Options, the Vesting Period, schedule of Vesting, conditions for Vesting, the Exercise Price, Exercise Period, Closing Date and any other terms and conditions that the Board and/ or Committee may deem necessary.

11.5 Total Options granted to an employee shall be categorized into Time-Based Options and Performance-Based Options. Time-Based Options shall be 30% of the Total Options granted to the employees and balance options shall be considered as Performance-Based Options. The same shall also be mentioned in the Grant Letter.

11.6 The Grant of Options under the Plan does not guarantee any entitlement to any future grant of Options under the Plan.

11.7 The Grant of Options is of an occasional and extraordinary nature and constitutes a gratuitous and discretionary act by the Company. Consequently, no benefit derived from the Options granted under the Plan, forms or shall form a part of any Participant's normal, habitual or expected remuneration.

11.8 An offer made under this Clause is personal to the Grantee and cannot be transferred in any manner whatsoever[50].

12 METHOD OF ACCEPTANCE

12.1 The Grantee will be required to submit a signed copy of or electronically sign the Letter of Acceptance to acknowledge acceptance of the terms and conditions of this ESOP 2025 within the period of 30 days from the date of receipt of the Letter of Grant, or such extended time as the Board and/ or Committee may determine in its sole discretion.

12.2 The Closing Date of accepting the offer shall not be more than 30 days from the Grant Date.

12.3 Upon receipt of a duly completed Letter of Acceptance from the Grantee in respect of the Grant, the Grantee will become a Participant and each Option shall, on such acceptance, become an Unvested Option. The Committee may then if it deems fit issue to the Participant a statement, in such form as it deems appropriate, showing the number of Options to which the Participant is entitled pursuant to the acceptance of such Grant and the number of Shares for which the Participant will be entitled to subscribe pursuant to such Grant.

12.4 Subject to the terms contained herein, acceptance of a Grant made to a Grantee, shall conclude a contract between the Grantee and the Company.

12.5 If a Grantee fails to return the Acceptance Form (physical or electronic) within the time prescribed in the Grant Letter or the Acceptance Form is received by the Company after the Closing Date, the Options granted to such Grantee will not be valid and shall stand cancelled without any obligations whatsoever on the Company (including the Board or Committee) and no rights in that regard will accrue to the Grantee after such date unless the Board/ Committee determines otherwise. Such Options, so cancelled, shall revert to the ESOP 2025 pool and may be granted at the discretion of the Board or Committee to any other Eligible Employee.

13 VESTING OF OPTIONS

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[50] To comply with Rule 12(8)(a) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 9(1) of the SEBI Regulations, 2021

13.1 Subject to applicable Laws, Clause 13.5, Clause 20.1 and Clause 20.2 of the Plan, the minimum vesting period shall be one year from the date of grant[51].

13.2 Vesting of Options under this ESOP 2025 would be subject to compliance with terms and conditions set forth under the Plan and continued employment or directorship (as the case may be) with the Company.

13.3 Where the number of Options that vest are computed in fractional number, then the number of options that vest shall be rounded off to the nearest higher number.

13.4 Notwithstanding anything mentioned in this Plan, Options which are not vested shall automatically lapse after the Vesting Date and the contract referred to in Clause 12.4 shall automatically be terminated without any obligations whatsoever on the Company (including the Board or Committee) and no rights in that regard will accrue to the Participant after such date. Such Unvested Options shall revert to the ESOP 2025 pool and may be granted at the discretion of the Board or Committee to any other Eligible Employee.

13.5 Subject to Applicable Laws, and unless the Committee decides otherwise, no Options shall vest in a Participant, if such Participant carries on or engages in, directly or indirectly, whether through partnership or as a shareholder, joint venture partner, collaborator, consultant or agent or in any other manner whatsoever, whether for profit or otherwise, any business which competes directly or indirectly with the whole or any part of the business carried on by the Company or any activity related to the business carried on by the Company. Decision of the Board and/ or Committee in this regard shall be final and conclusive and cannot be called in question by the Participant. For the sake of clarity, the restriction contained in this Clause shall not apply to any investment held as a portfolio by the Participant or any activity/ business carried out by the Participant pursuant to his duties as an Employee and shall not apply to the Nominee of the Participant.

13.6 **Vesting of Time-Based Options:**

13.6.1 Subject to the condition of continuous employment, the Vesting schedule for Time-Based Options will be as under:

Time-Based Options
Twenty per cent (20%) of the Total Time-Based Options shall Vest on the 1st anniversary of the Grant date.
Twenty per cent (20%) of the Total Time-Based Options shall Vest on the 2nd anniversary of the Grant date .
Twenty per cent (20%) of the Total Time-Based Options shall Vest on the 3rd anniversary of the Grant date .
Twenty per cent (20%) of the Total Time-Based Options shall Vest on the 4th anniversary of the Grant date .
Twenty per cent (20%) of the Total Time-Based Options shall Vest on the 5th anniversary of the Grant date.

13.6.2 All the Time-Based Options that does not Vest as on the respective anniversary dates of the Grant Date shall automatically lapse on that date and the contract referred to in Clause 12.4 of the Plan shall automatically be terminated without any obligations whatsoever on the Company (including the Board or Nomination and Compensation Committee) and no rights in that regard will accrue to the Participant after such date. Such Unvested Options shall revert to the ESOP 2025 pool and may be granted at the discretion of the Board or Committee to any other Eligible Employee.

[51] To comply with Rule 12(6)(a) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 18(1) of the SEBI Regulations, 2021

13.7 **Performance-Based Options:**

13.7.1 The number of Performance-Based Options that shall vest with the Participants shall be subject to company performance targets as provided in this Clause and shall be subject to the condition of continuous employment.

13.7.2 Subject to clause 13.7.5 below, the Performance Criteria for vesting of Performance-Based Options shall be as follows:

Particulars	**Number of Performance-Based Options that are 'Eligible for Vesting'**	**Company performance criteria – 'Target PAT'**	**Number of Options that shall Vest**
1st Anniversary of Grant Date	20% of the total Performance-Based Option	PAT for the Financial Year ('FY') should be equal to or exceeds as provided in the Grant letter subject to change at the sole discretion of the committee/board based on the audited financial statement for the said FY	Where Actual PAT achieved by the Company based on the audited financial statements is ≤ 95% of the Target PAT, then 0 (i.e. Nil) Options that are Eligible to Vest shall Vest with the Participants. Where achievement by the Company based on the audited financial statements is > 95% of the Target PAT, 50% vesting at 95% achievement and 100% vesting at 100% achievement with linear interpolation between > 95% and < 100%.
2nd Anniversary of Grant Date	20% of the total Performance-Based Option	PAT for the FY should be equal to or exceeds as provided in the Grant letter subject to change at the sole discretion of the committee/board based on the audited financial statement for the said FY	
3rd Anniversary of Grant Date	20% of the total Performance-Based Option	PAT for the FY should be equal to or exceeds as provided in the Grant letter subject to change at the sole discretion of the committee/board based on the audited financial statement for the said FY	
4th Anniversary of Grant Date	20% of the total Performance-Based Option	PAT for the FY should be equal to or exceeds as provided in the Grant letter subject to change at the sole discretion of the committee/board based on the audited financial statement for the said FY	
5th Anniversary of Grant Date	20% of the total Performance-Based Option	PAT for the FY should be equal to or exceeds as provided in the Grant letter subject to change at the sole discretion of the committee/board based on the audited financial statement for the said FY	

13.7.3 Where the number of Options that vest based on Clause 13.7.2 above are computed in fractional number, then the number of options that vest shall be rounded off to the nearest higher number.

13.7.4 Notwithstanding anything contained in Clause 13.7.2, the number of Options that vest in accordance with Clause 13.7.2 above shall not exceed 100% of the options that qualify as Eligible to Vest.

13.7.5 Notwithstanding anything contained in Clause 13.7.2 above, where Gross NPA as per the audited financial statements for the respective FY exceed as provided in the Grant letter subject to change at the sole discretion of the committee/board, 0 (i.e. Nil) options shall Vest with the Participants.

13.7.6 All the Performance Options that does not Vest as on the respective anniversary of the Grant Date shall automatically lapse on that date and the contract referred to in Clause 12.4 of the Plan shall automatically be terminated without any obligations whatsoever on the Company (including the Board or Nomination and Compensation Committee) and no rights in that regard will accrue to the

Participant after such date. Such Unvested Options shall revert to the ESOP 2025 pool and may be granted at the discretion of the Board or Committee to any other Eligible Employee.

14 ACCELERATION OF VESTING IN CERTAIN CASES

14.1 Notwithstanding anything stipulated in the Plan, but subject to Clause 26 of this Plan and the minimum vesting period being one year from the Grant Date, provisions of the Companies Act, 2013, as the case may be, and other Applicable Laws, the Board/ Committee, acting in its absolute discretion with or without the consent or approval of the Participant/Beneficiary, as it may deem fit, in case of Unvested Options may Vest all of such Options in an accelerated manner for any Participant/Beneficiary on the date decided by the Board/Committee at its discretion.

15 EXERCISE PRICE

15.1 The Exercise Price per Option for first grant shall be INR 1700 per option. The exercise price for any subsequent grants made under the plan shall be the prevailing Market price or Committee has a power to provide suitable variance, as deems fit, subject to a limit of upto 20% on market price at the time of grant. The specific Exercise Price shall be intimated to the Participant in the grant letter at the time of Grant.

15.2 The Exercise Price and/or the number of Options granted may be adjusted for any Corporate Action(s) announced by the Company prior to the Exercise Period pertaining to the relevant Options, as may be decided by the Board/Committee. The adjustment shall be separately intimated to the Participants.

15.3 The Exercise Price, in case, payable at the time of Grant of Option may be forfeited by the Company if the Option is not exercised by the Employee within the Exercise Period or may be refunded to the Employee if any conditions are not fulfilled in case of an Unvested Options as per the Plan[52].

15.4 The Aggregate Exercise Price shall be paid in full upon the Exercise of the Vested Options. Payment must be made by one of the methods specified in Clause 16 of the Plan.

16 EXERCISE OF OPTIONS/ ALLOTMENT OF SHARES

16.1 The Participant/ Beneficiaries can exercise the vested Options within a period of 5 years from the date of Vesting.

16.2 Subject to terms of this Plan and subject to Applicable Laws, a Participant/ Beneficiary can Exercise Vested Options only within the Exercise Period by applying to the Company/Trust during the Exercise Period, by way of an Exercise Application and upon payment of the Aggregate Exercise Price in accordance with the Plan.[53]

16.3 The Committee can decide the procedure for the exercise of Options and Allotment/Transfer of Shares.

16.4 No Vested Option shall be exercisable in its fractional form and each Option entitles the Participant thereof to apply for and be allotted 1 (one) Share each on the payment of the Aggregate Exercise Price during the Exercise Period, subject to the terms and conditions specified in the Letter of Grant, pursuant to the Plan.

16.5 Exercise of the Vested Options shall take place at the time and place designated by the Committee/Board/Trust/Company and by executing such documents as may be required under the Applicable Laws or by the Board and/ or Committee to pass a valid title of the relevant Shares to the

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[52] To comply with Rule 12(7)(a) and 12(7)(b) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 20 of the SEBI Regulations, 2021

[53] To comply with Rule 12(8)(c) and 12(8)(d) of the Companies (Share Capital and Debentures) Rules, 2014

Participant/ Nominee, free and clear of any liens, encumbrances and transfer restrictions save for those set out therein.

16.6 A Vested Option shall be deemed to be validly exercised only when the Company/Board and/ or Committee/Trust or any other person authorized by the Board and/ or Committee/Company in this regard, receives written and physical or electronically signed notice of Exercise Application from the Participant/ Beneficiary and, subject to Clause 15 of this Plan and, the full payment of the Exercise Price, taxes (wherever arising) and any other sums due referred to in Clause 27 to the Company as per this Plan in respect of Exercise of the Option ('Aggregate Exercise Price').

16.7 The Aggregate Exercise Price shall be paid in full upon the Exercise of the Vested Options. Payment must be made by one of the following methods:

(i) Cheque or demand draft issued in the name of the Company/Board /Trust as the Committee may specify; or

(ii) Remittance directly from the Participant's bank to the bank account of the Company/Board/Trust (wire transfer) as the Committee may specify; or

(iii) Any combination of such methods of payment or any other method acceptable to the Committee/Board/Trust at its sole discretion.

16.8 Participant/Nominee, at the discretion of the Board/Committee, shall execute a Power of Attorney ("POA") in favor of the Trust or Trustees authorizing to ensure cashless exercise on behalf of Participant/Nominee and to do all such other and further acts, deeds and things as may be necessary, proper, expedient or incidental to effectuate the above.

16.9 At the time of allotment/ transfer of Shares pursuant to a valid Exercise, the Participant/ Nominee will be required to sign such papers (including POA if required by Board/Committee), if any, as may be considered necessary by the Committee to lawfully execute/ enforce various provisions of this Plan.

16.10 The Company/Committee/Board/Trust shall endeavor to ensure that the process of allotment/ transfer of Shares to the Participant who has validly exercised his Vested Options is completed within a reasonable period of time from the time of receiving the Exercise Application by the Board and/ or Committee.

16.11 Notwithstanding anything stipulated in the Plan and, if the Participant/ Nominee does not Exercise his Vested Options within the time period as specified by terms of this Plan, the Options shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 12.4 of this Plan shall stand automatically terminated and the Vested Options will automatically lapse without any obligations whatsoever on the Company (including the Board and/ or Committee) and no rights in that regard will accrue to the Participant after such date.

16.12 Subject to the Applicable Laws, and unless the Committee decides otherwise, no Participant shall be entitled to make an Exercise, if such Participant carries on or engages in, directly or indirectly, whether through partnership or as a shareholder, joint venture, partner, collaborator, consultant or agent or in any other manner whatsoever, whether for profit or otherwise, any business which competes directly or indirectly with the whole or any part of the business carried on by the Company or any activity related to the business carried on by the Company. Decision of the Board and/ or Committee in this regard shall be final and conclusive and cannot be called in question by the Participant. For the sake of clarity, the restriction contained in this Clause shall not apply to any investment held as a portfolio by the Participant or any activity/ business carried out by the Participant pursuant to his duties as an Employee and shall not apply to the Nominee of the Participant.

16.13 If the Exercise of Options within the Exercise Period, is prevented by any law or regulation in force, the Board or Committee shall defer or not permit the Exercise of Options till such time as it is

prohibited by the Applicable Laws or regulations and in such an event the Company shall not be liable to pay any compensation or similar payment to the Grantee for any loss suffered due to such refusal.

16.14 All such unexercised Options that so lapse, shall revert to the ESOP 2025 pool and may be granted at the discretion of the Board and/ or Committee to any other Eligible Employee.

16.15 Subject to Clause 20 of the Plan, the Participant/ Nominee can Exercise the Vested Options within the Exercise Period. Any Vested Options not exercised within this aforesaid period shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 12.4 of the Plan shall stand automatically terminated without any obligations whatsoever on the Company or the Board or the Nomination and Remuneration Committee and no rights in that regard will accrue to the Participant after such date.

17 DURATION OF THE PLAN

17.1 Plan shall continue to be in effect unless terminated by the Company through the Board / Nomination and Remuneration Committee.

18 ISSUE/TRANSFER OF SHARES UPON EXERCISE

18.1 Upon Exercise, the number of Shares proportionate to the number of Vested Options Exercised will be allotted/transferred in the name of the Participant/Beneficiary or to the Trust to be held for and on behalf of the Participant or Beneficiary within a reasonable time period as specified under the Plan.

18.2 All stamp duty or other Taxes imposed by Applicable Laws payable on allotment/transfer of Shares shall be borne by the Participant/Company/Beneficiary, as specified in the Applicable Laws. However, Company, at their discretion, may bear of tax in full or part on ESOP benefits.

18.3 Neither the Participant nor any person entitled to exercise the Participant's rights in the event of death of the Participant, shall have any right or status of any kind as a Shareholder, including the right to receive any dividend or to vote or in any manner or enjoy benefits available to a shareholder in respect of any Options covered by the Grant unless the Participant/ Beneficiary exercises the Vested Options and becomes a registered holder of the Shares. Upon becoming a registered holder of the Shares by the Exercise, the Participant/Beneficiary shall be entitled to all rights and obligations as a Shareholder from the date of allotment or date of transfer effected of Shares pursuant to the Exercise under this ESOP 2025 and in accordance with the Articles of Association.[54] Provided however that, in case of POA upon such Exercise, the rights in relation to Shares will be exercised by Trustee/Trust in the manner stated in Clauses 16.8 to 16.11 of the Plan.

18.4 For the purposes of this Plan and subject to Clause 16.8, the Trust would hold and exercise rights in connection with the Shares on behalf of Participant/Beneficiary pursuant to a POA issued by Participant/Beneficiary to the Trust. In any event, the Trust/Trustees will not be construed as the legal or beneficial owner of the Exercised allotted to the Participant/Beneficiary under this Plan.

18.5 Subject to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Code Of Conduct For Prevention Of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information adopted by the Company, as applicable, the Board and/ or Committee /or any other person authorized by the company shall also have the right to impose a 'quiet period' at its discretion, during which period, any Participant/Beneficiary /the Trustee or the Trust who has been issued/transferred Shares (on the Exercise of Vested Options) shall not be permitted to transfer, sell or dispose-off his/ her Shares acquired under this ESOP 2025 in any manner whatsoever, other than as may be determined by the Board and/ or Committee.

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[54] To comply with Rule 12(6)(c) of the Companies (Share Capital and Debentures) Rules, 2014 and with Regulation 19 of the SEBI Regulations, 2021

19 NON-TRANSFERABILITY OF OPTIONS[55]

19.1 Except as provided herein under this ESOP 2025, the Options held by a Participant are not transferable to any person except the Participant's legal heir(s) or nominee(s) as the case may be, and as specified in the Nomination Form in the event of death of the Participant or in the event the employee suffers a permanent incapacity, while in employment,[56] Legal heir or nominee will have to complete all legal formalities mentioned in Applicable Laws and produce requisite documents to prove his/ her/their right within a reasonable period.

19.2 The Options cannot be pledged, hypothecated, charged, mortgaged, assigned, alienated or disposed of in any other manner.

20 TERMINATION OR CESSATION

20.1 On death of a Participant[57]

In case of cessation of employment in the event of death of a Participant while in employment or while serving as a Director, all Unvested Options granted to the Participant shall immediately vest, with effect from his/ her death in the legal heirs or nominees of the deceased Participant, as the case may be, as indicated in the Nomination Form. All the Vested Options, including the Options vested in accordance with the preceding sentence, may be exercised by the Participant's nominee or legal heirs within 1 year from the Vesting Date or such other higher period as specified by the Board and/ or Committee. Vested Options not exercised within such time by the Participant's nominee or legal heirs shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 12.4 of this Plan shall stand automatically terminated without any obligations whatsoever on the Company (including the Board or the Committee) and no rights in that regard will accrue to the Participant's nominee or legal heirs after such date.

All such unexercised Vested Options that so lapse shall revert to the ESOP 2025 pool and may be granted at the discretion of the Board or the Committee to any other Eligible Employee.

20.2 On Permanent Disability/ Incapacity of Participant[58]

In case of Permanent Disablement of a Participant, while in employment or while serving as a Director, resulting in the cessation of employment or directorship (as the case maybe) of such Participant, all Unvested Options shall vest in such Participant immediately on the day of the Permanent Disablement/ Incapacity. The Participant may Exercise his or her Vested Options including Options vested in accordance with the preceding sentence, immediately, within 1 year from the Vesting Date or such other higher period as specified by the Board/ Committee. Vested Options that are not exercised within such time by the Participant or by the Participant's nominee within the period specified herein shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 12.4 of this Plan shall stand automatically terminated without any obligations whatsoever on the Company (including the Board or the Committee) and no rights in that regard will accrue to the Participant after such date.

All such unexercised Vested Options that so lapse shall revert to the ESOP 2025 pool and may be granted at the discretion of the Board or the Committee to any other Eligible Employee.

It is clarified that legal heirs or nominees of the Permanent Disable. incapacity of a Participant shall also be required to comply with the terms of this Plan including the requirement to issue POA in

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[55] To comply with Rule 12(8)(a) and 12(8)(b) of the Companies (Share Capital and Debentures) Rules 2014 and Regulation 9(1), 9(3), 9(5) and 9(6) of the SEBI Regulations, 2021

[56] In accordance with Regulation 9(5) & (6) of SEBI Regulation, 2021

[57] In accordance with Rule 12(8)(d) of the Companies (Share Capital and Debentures) Rules 2014 and Regulation 9(4) of the SEBI Regulations, 2021

[58] To comply with Rule 12(8)(e) of the Companies (Share Capital and Debentures) Rules 2014 and Regulation 9(5) of the SEBI Regulations, 2021

favor of Trust as mentioned in Clause 16.8 (if required by the Board/Committee).

20.3 **Termination with Cause**

If the Participant's employment with the Company is terminated by the Company for Cause as defined in Clause 4.8 above, then all Unvested Options and Vested Options that have not been exercised, shall lapse immediately on the date of such Cause, and the contract referred to in Clause 12.4 of this Plan shall stand automatically terminated without any obligations whatsoever on the Company (including the Board or the Committee) and no rights in that regard will accrue to the Participant after such date. The date of such Cause shall be determined by the Board, and its decision on this issue shall be binding and final.

All such Options that so lapse shall revert to the ESOP 2025 pool and may be granted at the sole discretion of the Board and/ or the Committee to any Eligible Employee.

With respect to Shares received by the Employee pursuant to Exercise of Options, the Employee agrees to transfer the same to such person or persons as may be nominated by the Company at such price as Company may, in this regard, directs[59].

20.4 **On Abandonment**

In the event of abandonment, all Unvested Options and Vested Options granted to the Participant, including the Vested Options, which were not exercised at the time of abandonment of employment, shall stand terminated and cancelled with immediate effect and the contract referred to in Clause 12.4 of this Plan shall stand automatically terminated without any obligations whatsoever on the Company (including the Board or the Committee) and no rights in that regard will accrue to the Participant after such date. The Board and/ or the Committee, at its sole discretion shall decide the date of abandonment by the Participant and such decision shall be binding on all concerned parties.

All such Options that so terminated/Cancelled shall revert to the ESOP 2025 pool and may be granted at the discretion of the Board or the Committee to any other Eligible Employee.

20.5 **On Resignation or other modes of termination[60]**

Other than in the case of retirement under a voluntary retirement scheme of the Company, if any, or retirement on attaining the superannuation age or onwards, which have been dealt with separately, if (a) the Participant voluntarily resigns from his employment or directorship (other than an employee director), as the case may be or (b) the Company and the Participant mutually separate from an employment relationship or (c) the employment of the Participant with the Company is terminated for any reason other than specified in this sub-clause above or specified in Clauses 20.1 to 20.4 and Clause 20.6 below of this Plan, then:

(i) all Unvested Options held by such Participant, as on the date of serving notice of resignation/termination by relevant party, shall immediately and automatically lapse on the date of servicing of notice of such resignation/ terminations from/ of employment/ directorship and the contract referred to in Clause 12.4 of this Plan shall stand automatically terminated without any obligations whatsoever on the Company, the Board or the Committee and no rights in that regard will accrue to the Participant after such date;

subject to the provisions under Clause 12.4, all Unvested Options that lapse shall revert to the ESOP 2025 pool and may be granted at the discretion of the Board or the Committee to any other Eligible Employee;

(ii) all Vested Options which have not been Exercised by such Participants on the Termination date

[59] In accordance with Section 199 of the Companies Act, 2013

[60] To comply with Rule 12(8)(f) of the Companies (Share Capital and Debentures) Rules 2014 and Regulation 9(6) of the SEBI Regulations, 2021

can be exercised immediately after resignation or termination but in no event, later than 90 days from the date of Serving the Notice of termination to the Company or within the Exercise Period whichever is earlier. Vested Options that are not exercised within the aforementioned period shall lapse upon the expiry of the period specified herein or the expiry of the Exercise Period, whichever is earlier. Any Vested Options not exercised within such time by the Participant within the period specified herein shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 12.4 of this Plan shall stand automatically terminated without any obligations whatsoever on the Company (including the Board or the Committee) and no rights in that regard will accrue to the Participant after such date; and all such Vested Options that lapse shall revert to the ESOP 2025 pool and may be granted at the discretion of the Board or the Committee to any Eligible Employee.

20.6 **On retirement or superannuation**[61]

If the Participant retires under a voluntary retirement scheme of the Company, if any, or retires on attaining the superannuation age or onwards, then:

(i) all Unvested Options granted to such Participant, would continue to vest in in accordance with the respective vesting schedules even after retirement/superannuation in accordance with the company's policies and the applicable law.

(ii) all Vested Options which have not been Exercised by such Participants on the date of retirement/superannuation can be exercised immediately on termination but in no event, later than 2 years from the date of separation from the Company or the expiry of the Exercise Period, whichever is earlier. Any Vested Options not exercised within such time by the Participant within the period specified herein shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 12.4 of this Plan shall stand automatically terminated without any obligations whatsoever on the Company (including the Board or the Committee) and no rights in that regard will accrue to the Participant after such date. All such Vested Options that lapse shall revert to the ESOP 2025 pool and may be granted at the discretion of the Board or the Committee to any Eligible Employee.

20.7 **Long leave**

In the event of the Long Leave, such leave of absence will not be treated as continuous employment / service by the Participant for the purpose of the Plan. In such an event, the Options will Vest as per the discretion of the Board/ Committee.

In case a participant goes on Long Leave during the vesting period, the Board/Committee reserves the right to extend the Vesting Period by a period not exceeding the leave period.

21 RANKING AND RIGHTS OF SHAREHOLDERS

21.1 The Shares issued on the Exercise of Vested Options shall rank *pari passu* with all the existing Shares subject to such exceptions and restrictions as may be specified in Articles of Association and this ESOP 2025. At the time of allotment/transfer of Shares pursuant to a valid Exercise, the Participant/ Beneficiary will be required to sign such document as may be considered necessary by the Board and/ or Committee to lawfully execute/ enforce various provisions of this ESOP 2025.

21.2 The Participants/ Beneficiary shall not sell, assign or transfer all or any portion of their interest in any Shares received by them in connection with the Exercise, including but not limited to any competitor or employee, agent or Affiliate of a competitor, without the prior consent of the Board and or Committee (as the case may be).

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[61] To comply with Rule 12(8)(f) of the Companies (Share Capital and Debentures) Rules 2014 and Regulation 9(6) of the SEBI Regulations, 2021

22 NOTICES AND CORRESPONDENCE

22.1 Any notice required to be given by a Participant/ Nominee to the Board/ Committee /Trust or any correspondence to be made between a Participant/ Nominee and the Board /Committee /Trust may be given or made to the Board /Committee /Trust at the registered office/corporate office of the Company or at a place as may be notified by the Board and/ or Committee in writing or through any other electronic medium permissible under the law[62].

22.2 Any notice, required to be given by the Board/ Committee/ Trust to a Participant/ Nominee or any correspondence to be made between the Board/ Committee/Trust and a Participant/ Nominee shall be given or made by the Board /Committee /Trust on behalf of the Company at the address provided by the Participant in the Letter of Acceptance or Nomination Form or through any other electronic medium permissible under the law.

23 LOCK-IN

23.1 The Shares allotted/ transferred pursuant to the Exercise of the vested Performance-based Options under Clause 16 of this Plan shall be subject to lock-in specified in Clause 23.2, unless the Committee/Board decides otherwise[63].

23.2 The Shares allotted/ transferred pursuant to the Exercise of the Vested Options under Clause 16 of this Plan shall remain in Lock-in for:

a) A period of 18- months from the date of vesting.

On completion of the above, the shares that are subject to Lock-in shall be released.

24 BENEFICIARY/ NOMINEE DESIGNATION

24.1 Each Participant under this Plan may nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit accrued to such Participant under this Plan is to be delivered in case of his or her death before he or she receives all of such benefit. Each such nomination shall revoke all prior nominations by the same Participant, shall be in the Nomination Form (i.e. the form prescribed by the Company) and will be effective only when filed by the Participant in writing with the Company during the Participant's lifetime.

25 TRANSFERABILITY OF SHARES

25.1 Notwithstanding any clause of this Plan, in case of gross negligence, integrity breach, materially inaccurate financial statements due to the result of misconduct including fraud, poor compliance in respect of corporate governance and regulatory matters, etc., by the KMPs and SMP and such other situations as decided by the Board shall invite immediate action of the Board and Malus/Claw-back shall be triggered for KMPs and SMP.

"Malus" shall mean the arrangement which permits the Company to prevent vesting of all or part of the amount of a deferred remuneration. Malus arrangement does not reverse vesting after it has already occurred.

"Claw-back" shall mean a contractual arrangement whereby the KMP agrees to return previously paid or vested remuneration (cash/shares issued on exercise of options), under certain circumstances.

Notwithstanding any clause of this Plan, the deferred compensation, if any for KMP and SMP as approved by the Board, shall be subject to malus/clawback arrangements in accordance with the

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[62] As per section 20 of the Companies Act, 2013

[63] To comply with Rule 12(6)(b) of the Companies (Share Capital and Debentures) Rules 2014 and Regulation 18(2) of the SEBI Regulations, 2021

applicable Law. While setting criteria for the application of malus and clawback, the Company may also specify a period during which malus and/or clawback can be applied, covering at least the deferral and retention periods.[64]

25.2 Subject to Clause 23, Clause 33.8 and Clause 33.11 of this Plan, Participant/ Beneficiary who wishes to sell the Shares acquired pursuant to Exercise of Grants can sell the Shares freely over the recognised stock exchange in India where Shares are listed.

26 CORPORATE ACTIONS

26.1 In case of Corporate Action, the Board in accordance with applicable Laws shall ensure while taking into consideration the global best practices in this area that adjustment to Exercise Price, Number of options granted, accelerated vesting, etc., shall be appropriately made without prejudice to the interest of the Participant. The decision of the Board on whether such action is necessary and the extent of such action by the Board shall be final and binding.

26.2 The Board/ Committee may determine the procedure for making fair and reasonable adjustments to the number of Options and the terms of this Plan in case of corporate actions such as further capitalization, mergers, sale of division and others (so as to ensure the economic value of the benefits granted are not materially altered by either the corporate action, or the adjustment required as a result of the corporate action).

27 WITHHOLDING TAX OR ANY OTHER SUMS

27.1 All Shares issued to the Participant/Beneficiary on exercise of Options granted under this Plan, dividend or any other amounts payable by the Company to the Participant/Beneficiary pursuant to this Plan shall be subject to all applicable taxes, withholding tax and/ or any levy and/ or any contribution and/ or any sums due (by whatever name it is called) arising due to participation in this Plan (in or outside India), if any, and the Company or Committee or Trust, accordingly, may withhold/ recover such taxes and/ or levy and/ or contribution and/ or payment in full unless Committee decides not to withhold in full or in part from the Participant/Beneficiary.

27.2 Notwithstanding anything contained in this Plan, if the Grant of the Option and/ or the Vesting of Option and/ or the Exercise of the Options and/ or allotment or transfer of the Shares under this Plan is in operation shall be subject to any levy and/ or taxes or contribution or payment (by whatever name called), if any, that is levied on or payable by the Company (in or outside India), then such taxes and/ or levy and/ or contribution and/ or payment shall be recovered in full from the Participant/Beneficiaries, unless the Committee at its sole discretion decides not to recover in full or in part from the Participant/Beneficiary.

27.3 Notwithstanding anything else contained in this Plan, no Shares/ sale proceeds therefrom, as the case may be, shall be issued/ allotted/ transferred/ disbursed to the Participant/ Nominee, on Exercise of the Options under this Plan, unless appropriate levies/ taxes/ contributions/ payments as given in this Clause are recovered in full, unless the Committee at its sole discretion decides to not to recover in full or in part of the same from the Participant or Beneficiary.

28 ARBITRATION

28.1 In the event of a dispute arising out of or in relation to the provisions of this Plan or any communication in relation thereto (including a dispute relating to the Construction or performance thereof), the relevant parties shall attempt in the first instance to resolve such disputes through an amicable settlement. The attempt to bring about an amicable settlement shall be considered to have

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[64] In accordance with Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 : Annex XXIV - Guidelines on Compensation of Key Managerial Personnel and Senior Management in NBFCs: Minimum Scope and coverage

failed as soon as one of the parties hereto, after a reasonable attempt, which attempt shall continue for not more than 90 days, gives 90 days' notice thereof to the other party in writing. In case of such failure, either party may refer the dispute to a single arbitrator appointed by both the parties and failing such agreement, to three arbitrators, one to be appointed by each party and the third arbitrator to be jointly appointed by the two arbitrators appointed by the parties. The arbitration proceedings shall be held at the discretion of the Board under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof. The arbitrator shall give a reasoned award in writing. The arbitrator shall also decide on the costs of the arbitration proceedings. The parties shall submit to the arbitrator's award and the award shall be enforceable in competent court of law at the discretion of the Board. Nothing in this Clause will however limit the right of the Company to bring proceedings against any Participant in connection with this ESOP 2025:

(i) in any other court of competent jurisdiction; or

(ii) concurrently in more than one jurisdiction.

29 GOVERNING LAW

29.1 This Plan and all agreements thereunder shall be governed by and construed in accordance with the Applicable Laws of India. The Grant of Options and issue of Shares under this ESOP 2025 shall entitle the Company to require the Participants to comply with such requirements of Applicable Laws as may be necessary in the opinion of the Board and/ or Committee. In case of any conflict between the provisions of this ESOP 2025 and any provisions, rules, regulations or guidelines issued under Applicable Laws, the provisions of the Applicable Laws shall override the provisions of this ESOP 2025 to the extent of such conflict.

30 CONFLICT

30.1 The Participant agrees and acknowledges that the Participant has received and read a copy of this Plan`. In the event that any Applicable Laws render this ESOP 2025 as illegal or void, this ESOP 2025 shall automatically be treated as withdrawn and cancelled and the Company shall have no obligation or liability whatsoever towards any Participant including in relation to any Vested Options or Unvested Options. The inability of the Company to obtain approval from any regulatory body having jurisdiction over the Company, or under any Applicable Laws, for the lawful issuance and sale of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of the failure to Grant the Options or issue the Shares.

30.2 In the event that any term, condition or provision of the Plan being held to be a violation of any Applicable Laws, the same shall be severable from the rest of the Plan and shall be of no force and effect and the Plan shall remain in full force and effect as if such term, condition or provision had not originally been contained in the Plan.

30.3 In order to comply with regulation of any other country or to avail any tax or other benefits, Committee or Board may at its sole discretion and in compliance with Applicable Laws, may formulate an addendum to this Plan for Employees employed in that country and made applicable to such Employees from the date determined by the Committee/ Board.

31 REGULATORY APPROVALS

31.1 The implementation of this Plan, the Grant of any Option as per terms of this Plan and the issuance/ transfer of any Shares as per this Plan shall be subject to the procurement by the Company and the Participant/ Beneficiary of all approvals and permits required by any regulatory authorities having jurisdiction over this Plan, the Options and the Shares issued pursuant thereto. The Participant/ Beneficiary under this Plan will, if requested by the Board and/ or Committee, provide such assurances and representations, as the Board and/ or Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.

31.2 The Board shall make all the relevant disclosures in the Director's Report[65] or any other reports/documents[66] in relation to this Plan as are required under the Companies Act, 2013 and SEBI Regulations, 2021, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Reserve Bank of India Regulations for Non-Banking Financial Companies or any other applicable laws.

31.3 The Company shall maintain a register of Options in accordance with Applicable Laws and shall forthwith enter therein the particulars of all Options granted under the Plan.

31.4 The Company shall follow and confirm to applicable accounting policies issued by the Institute of Chartered Accountants of India from time to time and/ or accounting policies as per the Companies Act, 2013 as applicable[67] and Applicable Laws.

32 MODIFICATION OF PLAN[68]

The Board and/ or Committee may, subject to a special resolution[69] passed at a General meeting[70], at any time and from time to time and Applicable Laws:

32.1 Revoke, add to, add addendum to the Plan, alter, amend or vary all or any of the terms and conditions of this Plan or all or any of the rights and obligations of the Grantee/ Participant/ Beneficiary;

32.2 Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the Grantee/ Participant/ Beneficiary. Each of such sets of special terms and conditions shall be restricted in its application to those Grantee/ Participant/ Beneficiary;

32.3 Formulate separate sets of special terms and conditions in addition to those set out herein, to apply to each class or category of Grantee/ Participant/ Beneficiary separately and each of such sets of special terms and conditions shall be restricted in its applications to such Grantee/ Participant/ Beneficiary; and

32.4 Alter the Exercise Price, if the Option becomes unattractive due to fall in market price of the Shares[71].

Provided that no variation, alteration, addition or amendment to this Plan can be made if it is detrimental to the interests of the Grantee/ Participant/ Beneficiary and the approval of the shareholders in General Meeting has been obtained unless the terms are varied to meet any regulatory requirements[72].

32.5 Subject to this Plan, the Company may by special resolution in a General Meeting vary the terms of the Plan offered pursuant to an earlier resolution of the general body but not yet exercised by the Employee provided such variation is not prejudicial to the interests of the Employees[73]. Except otherwise provided under the applicable laws, if such variation to the terms of the Plan is prejudicial to the interest of the employee, the same shall be only with the consent with the employees. The notice for passing such special resolution for variation of terms shall disclose the full variation, the rationale thereof, and the details of the Employees who are beneficiaries of such variation.

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[65] To comply with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the SEBI Regulations, 2021

[66] In accordance with Schedule III and V of the Companies Act, 2013 and Regulation 16(2) of the SEBI Regulations, 2021

[67] To comply with Regulation 15 of the SEBI Regulations, 2021

[68] To comply with Rule 12(5)(a) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 7 of the SEBI Regulations, 2021

[69] To comply with Rule 12(5)(a) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 7(1) of the SEBI Regulations, 2021

[70] To comply with Rule 12(5)(b) of the Companies (Share Capital and Debentures) Rules, 2014
To comply with Rule 12(5)(a) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 7(5) of the SEBI Regulations, 2021

[72] To comply with Regulation 7(2) of the SEBI Regulations, 2021

[73] To comply with Regulation 7(1) of the SEBI Regulations, 2021

32.6 Notwithstanding anything contained in this Plan, the Board/Committee shall be entitled to vary the terms of the Plan to meet any regulatory requirement without seeking shareholders' any approval.[74]

33 MISCELLANEOUS PROVISIONS

33.1 No right to a Grant: Neither the adoption of this Plan, nor any action of the Board /Committee/ Trust shall be deemed to give an Employee any right to be granted an Option to acquire Shares or to any other rights hereunder except as may be evidenced by a Letter of Grant, and only to the extent of and on the terms and conditions expressly set forth therein, or in this Plan as the case may be.

No member of the Board may act upon matters under this Plan specifically relating to such member of the Board.

33.2 No employment rights conferred: Nothing contained in this Plan or in any Grant made hereunder shall (i) confer upon any Employee any right with respect to continuation of employment with the Company, or (ii) interfere in any way with the right of the Company to terminate his employment at any time.

The rights granted to a Grantee upon the grant of an Option shall not afford the Grantee any rights or additional rights to compensation or damages in consequence of the loss or termination of his office or employment with any present or past member of the Company for any reason whatsoever (whether or not such termination is ultimately held to be wrongful or unfair).

33.3 Transfer pursuant to Scheme of Arrangement, Amalgamation, Merger or Demerger or continued employment in existing company: In the event that a Participant who has been granted Options under this Plan is transferred pursuant to a scheme of arrangement, amalgamation, merger or demerger or continued employment in existing company prior to Vesting or Exercise, the treatment of Options in such case shall be specified in such scheme of arrangement, amalgamation, merger or demerger provided that such treatment shall not be prejudicial to the interest of the employee[75].

33.4 Adherence to Applicable Laws: The Participant/ Nominee shall comply with all Applicable Laws including the provisions of the Articles of Association of the Company.

33.5 This Plan shall not confer on any person any legal or equitable rights against the Company (including the Board and/ or Committee) directly or indirectly or give rise to any cause of action at law or in equity against the Company (including the Board and/ or Committee).

33.6 The Company shall bear the costs of establishing and administering this Plan, including any costs of the Company's auditors or any independent financial adviser in relation to the preparation of any confirmation by them or provision of any other service in relation to this Plan.

33.7 The Participant shall comply with the provisions of Companies Act, 2013, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations 2003, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Reserve Bank of India Regulations for Non-Banking Financial Companies to the extent applicable, or other applicable regulations notified in accordance with Applicable Laws as well as any code of conduct or such similar policy procedure or system formulated or adopted by the Board and communicated to the Participant from time to time. Any violation of the Applicable Laws or code of conduct may result in cancellation of all Vested and Unvested Options as well as subject the Participant to disciplinary action at the discretion of the Company.

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[74] To comply with Regulation 7(2) of the SEBI Regulations, 2021
[75] To comply with Regulation 9(8) of the SEBI Regulations, 2021

33.8 The acceptance of the Grant is entirely voluntary and the Company (including the Board and/ or Committee) does not guarantee any return on Shares or Options.

33.9 This Plan constitutes the entire document in relation to its subject matter and supersedes all prior agreements and understandings whether oral or written with respect to such subject matter.

33.10 Inability to obtain authority: The inability of the Company to obtain authority from any regulatory body having jurisdiction over the Company, or under any Applicable Laws, for the lawful issuance and sale of any shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of the failure to issue or sell such shares.

33.11 Surrender of Options: An employee may surrender his Vested/ Unvested Options at any time during his employment with the Company. Any employee willing to surrender his options shall communicate the same to the Company. On surrendering the Option (Vested or Unvested Options) by the employee, the contract referred to in Clause 12.4 shall automatically be terminated without any obligations whatsoever on the Company (including the Board or Committee) and no rights in that regard will accrue to the Participant after such date. Such surrendered Option shall revert to the ESOP 2025 pool and may be granted at the discretion of the Board or Committee to any other Eligible Employee.

34 SET-OFF

34.1 It is the Board /Committee's / Trust's obligation to convey to the Participant/ Nominee that the Shares shall be subject to set-off or counterclaim of amounts owed by the Participant/ Nominee to the Board/ Committee/ Trust, to the extent permitted under Applicable Laws.

35 SEVERABILITY

35.1 If any of the provisions mentioned in this Plan are determined to be invalid or unenforceable, the remaining provisions shall remain in effect and binding on the parties to the fullest extent permitted by Applicable Laws.

36 CONFIDENTIALITY

36.1 The Grantee specifically confirms and covenants to the Company that the Grantee is aware that the information regarding his/ her ESOP entitlements to this Plan is strictly confidential and that the Grantee cannot reveal/ share the information with any of his/ her peers, colleagues, co-employees or with any employee and/ or any other company. In case Grantee is found in breach of this Confidentiality Undertaking, the Company has an undisputed right to forfeit the Options granted and all Vested Options and Unvested Options shall stand cancelled immediately. The decision and judgment of the Company regarding breach of this Confidentiality Undertaking shall be final and binding upon the Grantee.

36.2 "Confidential Information" includes all trade related information, trade secrets, confidential and privileged information, customer information, employment related information, strategies, administration, research in connection with the Company or Promoters of the Company and commercial, legal, scientific, technical data that are either provided to or made available to the Grantee by the Company or developed by the Grantee to facilitate his/ her work or that the Grantee is able to know or has obtained access by virtue of his/ her employment or position with the Company, as the case may be. To illustrate, the following is an indicative list of Confidential Information: -

(i) computer programs, inventions, samples, designs, drawings, machines, tools, photographs, source codes, object codes, methods, concepts, formulas, algorithms, processes, technical specifications, analyses, discoveries, improvements, marketing methods, manufacturing processes, research and development information;

(ii) organizational matters, business plans, Company's policies, sales forecasts, employee and

personnel information (including information pertaining to their terms of employment, experience, contact details, appraisals, performance, competencies, specialized skills/ expertise, medical information, etc.);

(iii) non-public financial information relating to the Company or Promoters of the Company including its financial results for any period;

(iv) business plans of the Company or Promoters of the Company including its monthly reports and estimates;

(v) Current and prospective customer lists and information on customers and their employees;

(vi) Information relating to existing and potential intellectual property of the Company or Promoters of the Company;

(vii) Dividend policy of the Company or Promoters of the Company including the intended declaration of dividend;

(viii) Issue of shares of the Company or Promoters of the Company by way of public offers, rights issues, bonus issue, employee stock options;

(ix) Major expansion plans or execution of new projects including information concerning amalgamations, mergers, acquisitions and takeovers being planned or contemplated by the Company or Promoters of the Company and information concerning the purchase of major equipment or property and the disposal of any undertakings of the Company or Promoters of the Company;

(a) Information relating to the Company or Promoters of the Company regarding acquisition or loss of significant contracts, significant disputes with major suppliers, consumers or any Governmental or regulatory agency;

(x) Any information that may affect the earnings/ profitability of the Company or Promoters of the Company;

(xi) Any other change in policies, plans or operations of the Company or Promoters of the Company.

36.3 In furtherance of this Plan, the Grantee confirms that:

(i) the Grantee shall not engage himself/ herself in activities that have or will have an adverse impact on the reputation of the Company or Promoters of the Company.

(ii) while during employment with the Company, the Grantee shall engage exclusively in the work assigned by the Company and shall not take up any independent or individual assignments, whether the same is part time or full time, (in an advisory capacity or otherwise) and whether directly or indirectly.

(iii) the Grantee shall not, directly or indirectly, engage in any activity or have any interest in, or perform any services for any person who is involved in activities which are or shall be (in the sole opinion of the Board) in conflict with the interests of the Company or Promoters of the Company.

(iv) in consideration of the Options granted to the Grantee, as also, opportunities, training and access to new techniques and know-how that has been made available to the Grantee, the Grantee shall also strictly abide by any and all of the terms of the employment agreed by the Grantee.

(v) the Grantee shall maintain as secret and confidential all Confidential Information and shall not use or divulge or disclose any such Confidential Information except as may be required under any obligation of law (subject to obtaining the consent of the Company) or as may be required by the Company.

(vi) the Grantee understands that the Grant of the Option is limited only to the Shares of the Company, and the Grantee shall have no recourse to the shares of any other company in any manner whatsoever.

(vii) the Grantee understands that "Confidential Information" means any or all information about the Company or Promoters of the Company that satisfies one or more of the following conditions:

(a) such information which has not been made generally available to the public, save and except for information disclosed to the public with the consent of the Company; or

(b) such information which is critical, in the Company's opinion, to the Company's current or anticipated business activities or those of a customer or supplier or associate or channel partner of the Company or Promoters of the Company and the disclosure of the same would affect their competitiveness; or

(c) such information which either has been identified as confidential by the Company or Promoters of the Company (either orally or in writing) or has been maintained as confidential from outside parties and is recognized as intended for internal disclosures only; or

(d) such information which either is of nature that it gives a distinct edge to the Company or Promoters of the Company over competition when not shared with the competition, or is likely to give any advantage to the competition or any other organization/ person/ group of persons when shared with the organization/ person/ group of persons; or

(e) such information which is required to be kept confidential by any requirement of law.

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,

The Members,
Aavas Financiers Limited
201-202, 2nd Floor, South End Square,
Mansarover Industrial Area, Jaipur – 302020 Rajasthan

We Chandrasekaran Associates, Company Secretary in practice, have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on April 25, 2024 by the Board of Directors of Aavas Financiers Limited (hereinafter referred to as '**the Company**'), having CIN L65922RJ2011PLC034297 and having its registered office at 201-202, 2nd Floor, South End Square Mansarover Industrial Area, Jaipur – 302020, Rajasthan. This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as **"the Regulations"**), for the year ended March 31, 2025**.**

Management Responsibility:

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification:

The Company has implemented Equity Stock Option Plan for Employees 2016 **("Scheme")** formulated under Employees Stock Option Plans -2016 in accordance with the Regulations and the Special Resolution passed by the members at the General Meeting of the Company held on February 23, 2017, for approving the Scheme.

For the purpose of verifying the compliance of the Regulations, We have examined/reviewed/relied upon the following:

1. Certified copy of Scheme furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors for the recommending the Scheme;
4. Shareholders resolutions passed at the General Meeting for approving the Scheme;
5. Shareholders resolution passed at General Meetings w.r.t ratification/variation in the Scheme.
6. Minutes of the meetings of the Compensation Committee (i.e. Nomination and Remuneration Committee);
7. Disclosure in Statutory Auditor's Report and Director's Responsibility Statement w.r.t Relevant Accounting Standards as prescribed by the Central Government;

8. Detailed terms and conditions of the Scheme as approved by the Compensation Committee (i.e. Nomination and Remuneration Committee);

9. Exercise Price / Pricing formula stated under the Scheme;

10. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;

11. Disclosure by the Board of Directors in its Board's Report for the Financial year ended on March 31, 2025;

Certification:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the Company has implemented the Scheme in accordance with the applicable provisions of the Regulations and Resolution(s) of the Company in the General Meeting(s).

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.

2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.

3. The NRC has determined the exercise price of the options in accordance with the relevant Accounting Standard prescribed by Central Government the read with the 'Guidance Note on Accounting for employee share-based Payments' or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time.

4. 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.

5. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.:- 6689/2025

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715
UDIN: F001644G000625841

Date: 18.06.2025
Place: Delhi

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
Aavas Financiers Limited
201-202, 2nd Floor, South End Square,
Mansarover Industrial Area, Jaipur – 302020 Rajasthan

We Chandrasekaran Associates, Company Secretary in practice, have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on April 25, 2024 by the Board of Directors of Aavas Financiers Limited (hereinafter referred to as **'the Company**'), having CIN L65922RJ2011PLC034297 and having its registered office at 201-202, 2nd Floor, South End Square Mansarover Industrial Area, Jaipur – 302020,Rajasthan . This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as **"the Regulations"**), for the year ended March 31, 2025.

Management Responsibility:

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification:

The Company has implemented Equity Stock Option Plan for Employees 2019 **("Scheme")** in accordance with the Regulations and the Special Resolution passed by the members at the General Meeting of the Company held on August 01, 2019, for approving the Scheme.

For the purpose of verifying the compliance of the Regulations, We have examined/reviewed/relied upon the following:

1. Certified copy of Scheme furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors for the recommending the Scheme;
4. Shareholders resolutions passed at the General Meeting for approving the Scheme;
5. Shareholders resolution passed at General Meetings w.r.t ratification/variation in the Scheme, if any;
6. Minutes of the meetings of the Compensation Committee (i.e. Nomination and Remuneration Committee);
7. Disclosure in Statutory Auditor's Report and Director's Responsibility Statement w.r.t Relevant Accounting Standards as prescribed by the Central Government;
8. Detailed terms and conditions of the Scheme as approved by the Compensation Committee (i.e. Nomination and Remuneration Committee);

9. Exercise Price / Pricing formula stated under the Scheme
10. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;
11. Disclosure by the Board of Directors in its Board's Report for the Financial year ended on March 31, 2025;

Certification:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the Company has implemented the Scheme in accordance with the applicable provisions of the Regulations and Resolution(s) of the Company in the General Meeting(s).

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.

2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.

3. The NRC has determined the exercise price of the options in accordance with the relevant Accounting Standard prescribed by Central Government the read with the 'Guidance Note on Accounting for employee share-based Payments' or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time.

4. 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.

5. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.:- 6689/2025

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715
UDIN: F001644G000625872

Date: 18.06.2025
Place: Delhi

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
Aavas Financiers Limited
201-202, 2nd Floor, South End Square,
Mansarover Industrial Area, Jaipur – 302020 Rajasthan

We Chandrasekaran Associates, Company Secretary in practice, have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on April 25, 2024 by the Board of Directors of Aavas Financiers Limited (hereinafter referred to as **'the Company**'), having CIN L65922RJ2011PLC034297 and having its registered office at 201-202, 2nd Floor, South End Square Mansarover Industrial Area, Jaipur – 302020, Rajasthan. This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "**the Regulations'**), for the year ended March 31, 2025.

Management Responsibility:

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification:

The Company has implemented Equity Stock Option Plan for Employees 2020 **("Scheme")** in accordance with the Regulations and the Special Resolution passed by the members at the General Meeting of the Company held on July 22, 2020, for approving the Scheme.

For the purpose of verifying the compliance of the Regulations, We have examined/reviewed/relied upon the following:

1. Certified copy of Scheme furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors for the recommending the Scheme;
4. Shareholders resolutions passed at the General Meeting for approving the Scheme;
5. Shareholders resolution passed at General Meetings w.r.t ratification/variation in the Scheme, if any;
6. Minutes of the meetings of the Compensation Committee (i.e. Nomination and Remuneration Committee);
7. Disclosure in Statutory Auditor's Report and Director's Responsibility Statement w.r.t Relevant Accounting Standards as prescribed by the Central Government;
8. Detailed terms and conditions of the Scheme as approved by the Compensation Committee (i.e. Nomination and Remuneration Committee);
9. Exercise Price / Pricing formula stated under the Scheme;

10. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;

11. Disclosure by the Board of Directors in its Board's Report for the Financial year ended on March 31, 2025;

Certification:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the Company has implemented the Scheme in accordance with the applicable provisions of the Regulations and Resolution(s) of the Company in the General Meeting(s).

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.

2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.

3. The NRC has determined the exercise price of the options in accordance with the relevant Accounting Standard prescribed by Central Government the read with the 'Guidance Note on Accounting for employee share-based Payments' or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time.

4. 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.

5. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.:- 6689/2025

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715
UDIN: F001644G000625905

Date: 18.06.2025
Place: Delhi

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
Aavas Financiers Limited
201-202, 2nd Floor, South End Square,
Mansarover Industrial Area, Jaipur – 302020 Rajasthan

We Chandrasekaran Associates, Company Secretary in practice, have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on April 25, 2024 by the Board of Directors of Aavas Financiers Limited (hereinafter referred to as **'the Company**'), having CIN L65922RJ2011PLC034297 and having its registered office at 201-202, 2nd Floor, South End Square Mansarover Industrial Area, Jaipur – 302020 Rajasthan. This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "**the Regulations'**), for the year ended March 31, 2025.

Management Responsibility:

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification:

The Company has implemented Equity Stock Option Plan for Employees 2021 **("Scheme")** formulated in accordance with the Regulations and the Special Resolution passed by the members at the General Meeting of the Company held on August 10, 2021, for approving the Scheme.

For the purpose of verifying the compliance of the Regulations, We have examined/reviewed/relied upon the following:

1. Certified copy of Scheme furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors for the recommending the Scheme;
4. Shareholders resolutions passed at the General Meeting for approving the Scheme;
5. Shareholders resolution passed at General Meetings w.r.t ratification/variation in the Scheme, if any;
6. Minutes of the meetings of the Compensation Committee (i.e. Nomination and Remuneration Committee);
7. Disclosure in Statutory Auditor's Report and Director's Responsibility Statement w.r.t Relevant Accounting Standards as prescribed by the Central Government;
8. Detailed terms and conditions of the Scheme as approved by the Compensation Committee (i.e. Nomination and Remuneration Committee);

9. Exercise Price / Pricing formula stated under the Scheme;
10. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;
11. Disclosure by the Board of Directors in its Board's Report for the Financial year ended on March 31, 2025;

Certification:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the Company has implemented the Scheme in accordance with the applicable provisions of the Regulations and Resolution(s) of the Company in the General Meeting(s).

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. The NRC has determined the exercise price of the options in accordance with the relevant Accounting Standard prescribed by Central Government the read with the 'Guidance Note on Accounting for employee share-based Payments' or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time.
4. 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.
5. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.:- 6689/2025

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715
UDIN: F001644G000625916

Date: 18.06.2025
Place: Delhi

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
Aavas Financiers Limited
201-202, 2nd Floor, South End Square,
Mansarover Industrial Area, Jaipur – 302020 Rajasthan

We Chandrasekaran Associates, Company Secretary in practice, have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on April 25, 2024 by the Board of Directors of Aavas Financiers Limited (hereinafter referred to as **'the Company**'), having CIN L65922RJ2011PLC034297 and having its registered office at 201-202, 2nd Floor, South End Square Mansarover Industrial Area, Jaipur – 302020 Rajasthan. This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "**the Regulations'**), for the year ended March 31, 2025.

Management Responsibility:

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification:

The Company has implemented Equity Stock Option Plan for Employees 2022 **("Scheme")** formulated in accordance with the Regulations and the Special Resolution passed by the members at the General Meeting of the Company held on July 21, 2022, for approving the Scheme.

For the purpose of verifying the compliance of the Regulations, We have examined/reviewed/relied upon the following:

1. Certified copy of Scheme furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors for the recommending the Scheme;
4. Shareholders resolutions passed at the General Meeting for approving the Scheme;
5. Shareholders resolution passed at General Meetings w.r.t ratification/variation in the Scheme, if any;
6. Minutes of the meetings of the Compensation Committee (i.e. Nomination and Remuneration Committee);
7. Disclosure in Statutory Auditor's Report and Director's Responsibility Statement w.r.t Relevant Accounting Standards as prescribed by the Central Government;
8. Detailed terms and conditions of the Scheme as approved by the Compensation Committee (i.e. Nomination and Remuneration Committee);
9. Exercise Price / Pricing formula stated under the Scheme;

10. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;

11. Disclosure by the Board of Directors in its Board's Report for the Financial year ended on March 31, 2025;

Certification:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the Company has implemented the Scheme in accordance with the applicable provisions of the Regulations and Resolution(s) of the Company in the General Meeting(s).

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.

2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.

3. The NRC has determined the exercise price of the options in accordance with the relevant Accounting Standard prescribed by Central Government the read with the 'Guidance Note on Accounting for employee share-based Payments' or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time.

4. 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.

5. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.:- 6689/2025

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715
UDIN: F001644G000625938

Date: 18.06.2025
Place:Delhi

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
Aavas Financiers Limited
201-202, 2nd Floor, South End Square,
Mansarover Industrial Area, Jaipur – 302020 Rajasthan

We Chandrasekaran Associates, Company Secretary in practice, have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on April 25, 2024 by the Board of Directors of Aavas Financiers Limited (hereinafter referred to as **'the Company**'), having CIN L65922RJ2011PLC034297 and having its registered office at 201-202, 2nd Floor, South End Square Mansarover Industrial Area, Jaipur – 302020 Rajasthan . This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "**the Regulations'**), for the year ended March 31, 2025.

Management Responsibility:

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification:

The Company has implemented Performance Stock Option Plan-2023 **("Scheme")** formulated in accordance with the Regulations and the Special Resolution passed by the members by means of Postal Ballot on November 06, 2023, for approving the Scheme.

For the purpose of verifying the compliance of the Regulations, We have examined/reviewed/relied upon the following:

1. Certified copy of Scheme furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors for the recommending the Scheme;
4. Shareholders resolutions passed by means of Postal Ballot for approving the Scheme;
5. Shareholders resolution passed at General Meetings w.r.t ratification/variation in the Scheme, if any;
6. Minutes of the meetings of the Compensation Committee (i.e. Nomination and Remuneration Committee);
7. Disclosure in Statutory Auditor's Report and Director's Responsibility Statement w.r.t Relevant Accounting Standards as prescribed by the Central Government;
8. Detailed terms and conditions of the Scheme as approved by the Compensation Committee (i.e. Nomination and Remuneration Committee);
9. Exercise Price / Pricing formula stated under the Scheme;

10. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;

11. Disclosure by the Board of Directors in its Board's Report for the Financial year ended on March 31, 2025;

Certification:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the Company has implemented the Scheme in accordance with the applicable provisions of the Regulations and Resolution(s) of the Company in the General Meeting(s).

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.

2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.

3. The NRC has determined the exercise price of the options in accordance with the relevant Accounting Standard prescribed by Central Government the read with the 'Guidance Note on Accounting for employee share-based Payments' or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time.

4. 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.

5. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.:- 6689/2025

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715
UDIN: F001644G000625949

Date: 18.06.2025
Place: Delhi

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
Aavas Financiers Limited
201-202, 2nd Floor, South End Square,
Mansarover Industrial Area, Jaipur – 302020 Rajasthan

We Chandrasekaran Associates, Company Secretary in practice, have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on April 25, 2024 by the Board of Directors of Aavas Financiers Limited (hereinafter referred to as **'the Company**'), having CIN L65922RJ2011PLC034297 and having its registered office at 201-202, 2nd Floor, South End Square Mansarover Industrial Area, Jaipur – 302020 Rajasthan . This certificate is issued under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "**the Regulations'**), for the year ended March 31, 2025.

Management Responsibility:

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification:

The Company has implemented Performance Stock Option Plan-2024 **("Scheme")** formulated in accordance with the Regulations and the Special Resolution passed by the members in the Annual General Meeting held on Wednesday, August 07, 2024, for approving the Scheme.

For the purpose of verifying the compliance of the Regulations, We have examined/reviewed/relied upon the following:

1. Certified copy of Scheme furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors for the recommending the Scheme;
4. Shareholders resolutions passed at General Meeting for approving the Scheme;
5. Shareholders resolution passed at General Meetings w.r.t ratification/variation in the Scheme, if any;
6. Minutes of the meetings of the Compensation Committee (i.e. Nomination and Remuneration Committee);
7. Disclosure in Statutory Auditor's Report and Director's Responsibility Statement w.r.t Relevant Accounting Standards as prescribed by the Central Government;
8. Detailed terms and conditions of the Scheme as approved by the Compensation Committee (i.e. Nomination and Remuneration Committee);
9. Exercise Price / Pricing formula stated under the Scheme;

10. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;

11. Disclosure by the Board of Directors in its Board's Report for the Financial year ended on March 31, 2025;

Certification:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Company and its Officers, we certify that the Company has implemented the Scheme in accordance with the applicable provisions of the Regulations and Resolution(s) of the Company in the General Meeting(s).

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.

2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.

3. The NRC has determined the exercise price of the options in accordance with the relevant Accounting Standard prescribed by Central Government the read with the 'Guidance Note on Accounting for employee share-based Payments' or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time.

4. 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.

5. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.:- 6689/2025

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715
UDIN: F001644G000625960

Date: 18.06.2025
Place: Delhi

REGISTER OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
(AS PER SECTION 170 OF COMPANIES ACT, 2013)

S.NO.	Name	ANY FORMER NAME	FATHER/HUSBAND NAME IN FULL	MOTHERS NAME	SPOUSE NAME(IF MARRIED)	DESIGNATION	Nationality (including the nationality of origin, if different);	Occupation	RESIDENTIAL ADDRESS	DIRECTOR IDENTIFICATION NUMER/PAN/Membership No.	DATE OF BOARD RESOLUTION IN WHICH APPOINTMENT WAS MADE	Office of director or key managerial personnel held or relinquished in any other body corporate	DATE OF BIRTH (IN CASE OF INDIVIDUAL)	DATE OF APPOINTMENT AND REAPPOINTMENT	DATE OF CESSATION AND REASON	REMARK	DETAILS OF SECURITIES HELD						
1	**Mr. Sanjay Agarwal**	N/A	Mr. Chirinjee Lal Agarwal	Mrs. Shakuntala Agarwal	Mrs. Jyoti Agarwal	Managing director	Indian	Business	D-111,Yasodha Path, Shyam Nagr, jaipur	00009526	At the time of incorporation (23/02/2011)	As per MBP-4 and MBP-1	8.09.70	23/02/2011 and Reappointment 22.07.2014	23-06-2016 (Stake Divestment)	1) Director 2) 01.01.2014 (change in designation as Managing Director	95 Equity shares of Rs. 10 each and Nominal value =950	13/12/2012 and Rs.950 as Consideration	NA	95	Cash	Demat	-
																	95 Equity shares of Rs. 10 each and Nominal value =950	N/A	21/05/2018, Surrender in the favour of Au bank	0	N/A	Demat	
2	**Mr. Uttam Tibrewal**	N/A	Mr. Devi Prasad Tibrewal	Mrs. Geeta Devi Tibrewal	Mrs. Puja Tibrewal	Director	Indian	Service	Shyam Nagar EXT,Sodala, Jaipur Ram nagar Extension, Jaipur, 302019, Rajasthan, INDIA	01024940	At the time of incorporation (23/02/2011)	As per MBP-4 and MBP-1	11.12.70	23/02/2011 and Reappointment on 26.08.2013, 11.07.2015	23-06-2016 (Stake Divestment)	-	1Equity share of Rs. 10 and Nominal value=10	13/12/2012 and Rs.10 as Consideration	-	1	Cash	Demat	-
																	01 Equity share of Rs. 10 and Nominal value=10	N/A	21/05/2018, Surrender in the favour of Au bank	0	N/A	Demat	
3	**Mr. Sushil Kumar Agarwal**	N/A	S/o Mr.Prem Prakash Agarwal	Mrs. Parvati devi Agarwal	Mrs. Madhu Agarwal	Managing Director	Indian	Service	19, Jagdamba colony, Naya kheda, Ambabari, jaipur	03154532	At the time of incorporation (23/02/2011)	As per MBP-4 and MBP-1	17.11.1976	23.02.2011 and Reappointments on 10.01.2013, 10.01.2016, 10.01.2019 and 03.05.2019 (change in designation as Managing Director from Whole Time Director) and 02.02.2023 (Change in designation as Managing Director from Managing Director and CEO)	03.05.2023 (Resignation from the post of Managing Director)	1) Director 2) 10.01.2013 (change in designation as Whole Time Director) 3) 03.05.2019 (change in designation as Managing Director from Whole Time Director) 4) 02.02.2023 (Change in designation as Managing Director from Managing Director and CEO) 5) 03.05.2023 (Resignation from the post of Managing Director)	1 Equity share of Rs. 10 and Nominal value=10	13/12/2012 and Rs.10 as Consideration	-	1	Cash	Demat	-
																	800000 Equity share of Rs. 10 and Nominal value=8000000	30/05/2016 Rs.42400000 as Consideration	N/A	800001	Cash	Demat	
																	111564 Equity share of Rs. 10 and Nominal value=1115640	03/06/2016- Bonus Issue	N/A	911565	Cash	Demat	
																	464576 equity shares of Rs. 10 and NominalValue 4645760	23/06/2016 and Rs.99999984 as Consideration	N/A	1376141	Cash	Demat	
																	100000 Equity shares of Rs. 10 each and Nominal value = 1000000	12/12/2017 and Rs.32800000 as Consideration	N/A	1476141	Cash	Demat	
																	749046 Equity shares of Rs. 10 each and Nominal value = 7490460	06/03/2018 and Rs.161232152 as Consideration	N/A	2225187	Cash	Demat	
																	1 Equity share of Rs. 10 and Nominal value=10	NA	21/05/2018, Surrender in the favour of Au bank	2225186	N/A	Demat	
																	238376 Equity shares of Rs. 10 each and Nominal Value =2383740	08/06/2018 and Rs. 78187328 as Consideration	N/A	2463562	Cash	Demat	
																	291349 Equity shares of Rs. 10 each and Nominal Value =2913490	08/06/2018 and Rs. 125425745 as Consideration	N/A	2754911	Cash	Demat	
																	1348282 Equity Shares of Rs.10 each and Nominal Value = Rs. 13482820	27/08/2018 and Rs. 290217701 as Consideration	N/A	4103193	Cash	Demat	
																	874834 Equity Shares of Rs. 10 each and Nominal Value = Rs. 8748340	N/A	04/10/2018 and Rs.718238714 as Consideration	3228359	N/A	Demat	
																	235000 Equity Shares of Rs. 10 each and nominal value =Rs. 2350000	N/A	08/05/2019 and and Rs.330652050 as Consideration	2993359	N/A	Demat	
																	1547 Equity Shares of Rs. 10 each and nominal value =Rs 15470	N/A	12/06/2019 and Rs. 2189175 as Consideration received	2991812	N/A	Demat	
																	50000 Equity Shares of Rs. 10 each and nominal value =Rs 500000	N/A	21/06/2019 and 72655000 as Consideration received	2941812	N/A	Demat	
																	20000 Equity Shares of Rs. 10 each and nominal value =Rs 200000	N/A	22/11/2019 and Rs. 32020000 as Consideration received	2921812	N/A	Demat	
																	50374 Equity Shares of Rs. 10 each and nominal value =Rs 503740	N/A	11/06/2020 and Rs. 63108551 as Consideration received	2871438	N/A	Demat	

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																		125000 equity shares of Rs. 10 each and nominal value = Rs. 1250000	N/A	08/02/2021 to 10/02/2021 and Rs. 262285730 as consideration received	2746438	N/A	Demat										
																		100000 equity shares of Rs. 10 each and nominal value = Rs. 1000000	NA	24/08/2022 and no consideration received (Gifted)	26,46,438	N/A	Demat										
																		10000 equity shares of Rs. 10 each and nominal value = Rs. 100000	NA	24/08/2022 and Rs. 220058000 as consideration received	26,36,438	N/A	Demat										
																		5000 equity shares of Rs. 10 each and nominal value = Rs. 50000	NA	27/12/2022 and Rs. 9194300 as consideration received	26,31,438	N/A	Demat										
																		883851 equity shares of Rs. 10 each and nominal value = Rs. 8838510	NA	13/02/2023, 14/02/2023, 15/02/2023 and Rs. 1782718150 as consideration received	17,47,587	N/A	Demat										
																		43792 equity shares of Rs. 10 each and nominal value = Rs. 437920	NA	20/02/2023, 21/02/2023, 23/02/2023 and Rs. 83763742 as consideration received	17,03,795	N/A	Demat										
																		161846 equity shares of Rs. 10 each and nominal value = Rs. 1618460	NA	24/02/2023, 27/02/2023, 28/02/2023, 01/03/2023, 02/03/2023 and Rs. 303539985 as consideration received	15,41,949	N/A	Demat										
																		10000 equity shares of Rs. 10 each and nominal value = Rs. 100000	NA	03/03/2023, 08/03/2023, and Rs. 18266180 as consideration received	15,31,949	N/A	Demat										
																		176494 equity shares of Rs. 10 each and nominal value = Rs. 1764940	NA	17/03/2023, and Rs. 294461087 as consideration received	13,55,455	N/A	Demat										
																		23730 equity shares of Rs. 10 each and nominal value = Rs. 237300	NA	23/03/2023, and Rs. 40396079 as consideration received	13,31,725											
																		14072 equity shares of Rs. 10 each and nominal value = Rs. 140720	NA	24/03/2023, and Rs. 23698613 as consideration received	13,17,653											
																		20559 equity shares of Rs. 10 each and nominal value = Rs. 205590	NA	27/03/2023, and Rs. 33423989 as consideration received	12,97,094											
																		43579 equity shares of Rs. 10 each and nominal value = Rs. 435790	NA	28/03/2023, and Rs.70672453 as consideration received	12,53,515											
																		26529 equity shares of Rs. 10 each and nominal value = Rs. 265290	NA	29/03/2023, and Rs.42697960 as consideration received	12,26,986											
																		56342 equity shares of Rs. 10 each and nominal value = Rs. 563420	NA	31/03/2023, and Rs. 90968664 as consideration received	11,70,644											
4	**Mr. Sharad Pathak**	N/A	Dinesh chandra Pathak	Mrs. Kalpana Pathak	Mrs. Shyambhavi pathak	Chief Compliance Officer	Indian	Service	66/108, SHYOPUR PRATAP NAGAR, JAIPUR, 302033, Rajasthan, INDIA	PAN: BAOPP5646N and Membership No-FCS 9587	09-03-2012	As Per MBP-1	25/10/1988	03/09/2012	Ceased to be Company Secreatray and Compliance Officer wef closing hours of 30.01.2025 in compliance with advisory issued by National Housing Bank vide letter MRO/DOS/DAK/2024/03875 dated December 13 2024, regarding separation of the role of Company Secretary and Chief Compliance Officer	1.Appointment as an Company Secretary w.e.f 03/09/2012 2. Appointment as Compliance Officer w.e.f 08/06/2018 3. Appointment as Company Secretary and Chief Compliance Officer w.e.f.September 28,2023. **3. Ceased to be Company Secreatry wef closing hours of 30.01.2025, will continue to be the Chief Complaince Officer**	11000 Equity shares of Rs. 10 and Nominal value = 110000	12/12/2017 and Rs. 3608000 as consideration	N/A	11000	Cash	Demat	-										
																		341 Equity shares of Rs. 10 each and Nominal value =3140	28/03/2018 and Rs. 146801 as consideration	N/A	11341	Cash	Demat										
																		4000 Equity Shares of Rs 10 Each and Nominal value = Rs 40000	21/08/2018 and Rs. 861000 as consideration	N/A	15341	Cash	Demat										
																		108 Equity Shares of Rs 10 each and Nominal Value =Rs1080	04/08/2018 and Rs. 88668 as Consideration	N/A	15449	Cash	Demat										
																		3942 Equity Shares of Rs 10 each and Nominal Value =Rs.39420	N/A	30/10/2018,and Rs. 2520893 as Consideration	11507	N/A	Demat										
																		166 Equity Shares of Rs 10 each and Nominal Value =Rs.1660	N/A	06/05/2019 and Rs. 224308 as Consideration	11341	N/A	Demat										
																		1000 Equity Shares of Rs 10 each and Nominal Value =Rs.20000	28/08/2019 and Rs. 328000 as Consideration	-	12341	N/A	Demat										
																		308 Equity Shares of Rs 10 each and Nominal Value =Rs.3080	N/A	23/09/2019 to 30/09/2019 and Rs. 493119 as consideration	12033	N/A										
																		2343 Equity Shares of Rs 10 each and Nominal Value =Rs.23430	N/A	31/10/2019 and Rs. 3735450 as consideration	9690	N/A	Demat										

854 Equity Shares of Rs 10 each and Nominal Value =Rs.8540	N/A	07/11/2019 and Rs. 1308580 as consideration	8836	N/A	Demat
645 Equity Shares of Rs 10 each and Nominal Value =Rs.6450	N/A	20/11/2019 and Rs.1039438 as consideration	8191	N/A	Demat
350 Equity Shares of Rs 10 each and Nominal Value =Rs.3500	N/A	22/11/2019 to 26/11/2019 and Rs.616245 as consideration	7841	N/A	Demat

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																		200 Equity Shares of Rs 10 each and Nominal Value =Rs 2000	N/A	20/02/2020 and Rs.382500 as consideration	7641	N/A	Demat												
																		2000 Equity Shares of Rs 10 each and Nominal Value =Rs 20000	22-02-2020 and Rs.430500 as consideration	N/A	9641	Demat	Demat												
																		500 Equity Shares of Rs 10 each and Nominal Value =Rs 5000	N/A	25-03-2020 and Rs.431290 as consideration	9141	N/A	Demat												
																		1010 Equity Shares of Rs 10 each and Nominal Value =Rs 10100	N/A	15-06-2020 and Rs.1253790 as consideration	8131	N/A	Demat												
																		350 Equity shares of Rs. 10 each and Nominal Value = Rs. 3500	N/A	25-06-2020 and Rs. 481000 as Consideration	7781	N/A	Demat												
																		50 Equity shares of Rs. 10 each and Nominal Value = Rs. 500	N/A	27-08-2020 and Rs. 76250 as Consideration	7731	N/A	Demat												
																		1400 Equity shares of Rs. 10 each and Nominal Value = Rs. 14000	31-08-2020 and Rs. 459200 as Consideration	N/A	9131	N/A	Demat												
																		200 Equity shares of Rs. 10 each and Nominal Value = Rs. 2000	N/A	25-09-2020 and Rs. 275100 as Consideration	8931	N/A	Demat												
																		200 Equity shares of Rs. 10 each and Nominal Value = Rs. 2000	N/A	10-11-2020 and Rs. 301000 as Consideration	8713	N/A	Demat												
																		1375 Equity shares of Rs. 10 each and Nominal Value = Rs. 13750	N/A	19-11-2020 and Rs. 2103750 as Consideration	7356	N/A	Demat												
																		200 Equity shares of Rs. 10 each and Nominal Value = Rs. 2000	N/A	20-11-2020 and Rs. 298800 as Consideration	7156	N/A	Demat												
																		200 Equity shares of Rs. 10 each and Nominal Value = Rs. 2000	N/A	31-12-2020 and Rs. 340000 as Consideration	6956	N/A	Demat												
																		240 Equity shares of Rs. 10 each and Nominal Value of Rs. 2400	N/A	08-02-2021 and Rs. 487950 as Consideration	6716	N/A	Demat												
																		200 Equity shares of Rs. 10 each and Nominal Value = Rs. 2000	N/A	12-02-2021 and Rs. 473750 as Consideration	6516	N/A	Demat												
																		2000 Equity Shares of Rs 10 each and Nominal Value =Rs 20000	24-02-2021 and Rs. 430500 as Consideration	N/A	8516	N/A	Demat												
																		200 Equity shares of Rs. 10 each and Nominal Value = Rs. 2000	N/A	04-03-2021 and Rs. 469500 as Consideration	8316	N/A	Demat												
																		100 Equity shares of Rs. 10 each and Nominal Value = Rs. 1000	N/A	08-03-2021 and Rs. 227000 as Consideration	8216	N/A	Demat												
																		100 Equity shares of Rs. 10 each and Nominal Value = Rs. 1000	N/A	12-03-2021 and Rs. 227000 as Consideration	8116	N/A	Demat												
																		300 Equity shares of Rs. 10 each and Nominal Value = Rs. 3000	N/A	19-03-2021 and Rs. 673500 as Consideration	7816	N/A	Demat												
																		1500 Equity shares of Rs. 10 each and Nominal Value = Rs. 15000	NA	23-03-2021 and No consideration received (Gifted)	6316	N/A	Demat												
																		650 Equity shares of Rs 10 each and Nominal value =Rs 6500	NA	29-06-2021 and consideration received 1647350	5666	N/A	Demat												
																		2000 ESOPs allotted of Rs 215.25	consideration received 430500		7666		Demat												
																								1690 shares pledged on 18-09-2021											
																		500 Equity shares of Rs 10 each and Nominal value =Rs 5000	NA	17-08-2021 and consideration received 1293345	7166	NA	NA												
																		400 ESOPs granted on 07.12.2021 and 100 shares sell			7466												
																		250 shares sell (individually 50, 100,100)	NA	Consideration Received	7216	NA	NA												

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																	300 shares granted under ESOP	07-12-2021 Consideration paid of Rs. 98400.00	NA	7516	NA	NA						
																	100 Equity shares of Rs 10 each and Nominal value =Rs 1000	NA	01-09-2022 and consideration received 228750	7416								
																	50 Equity shares of Rs 10 each and Nominal value =Rs 500	NA	06-09-2022 and consideration received 115000	7366								
																	50 Equity shares of Rs 10 each and Nominal value =Rs 500	NA	30-09-2022 and consideration received 115000	7316								
																	50 Equity shares of Rs 10 each and Nominal value =Rs 500	NA	14-02-2023 and consideration received 100750	7266								
																	100 Equity shares of Rs 10 each and Nominal value =Rs 1000	NA	17-02-2023 and consideration received 187787	7166								
																	150 Equity shares of Rs 10 each and Nominal value =Rs 1500	NA	20-02-2023 and consideration received 296500	7016								
																	50 Equity shares of Rs 10 each and Nominal value =Rs 500	NA	23-02-2022 and consideration received 95000	6966								
																	50 Equity shares of Rs 10 each and Nominal value =Rs 500	NA	24-02-2023 and consideration received 95500	6916								
																	1000 shares granted under ESOP	27-02-2023 and consideration paid 328000	NA	7916								
																	200 Equity shares of Rs 10 each and Nominal value =Rs 2000	NA	17-03-2023 and consideration received 330055	7716								
																	1000 Equity shares of Rs 10 each and Nominal Value= Rs. 10000	12.11.2024 and Consideration paid Rs. 328000	NA	8716								
																	102 Equity Shares of Rs 10 each and Nominal Value= Rs. 1020 under PSOP 2023	30.01.2025 and Consideration paid Rs. 1020	NA	8818								
5	**Mr. Ghanshyam Rawat**	N/A	S/o Ram Karan Rawat	Mrs. Rukmani Rawat	Mrs. Suman Rawat	President & CFO and KMP	Indian	Service	A-402, Jewels of India, Rajendra Marg, Opp. Rajasthan Hospital, JLN Marg, Malviya Nagar, Jaipur, Rajasthan-302017	ACDPR6745A	23/05/2014	Director of Public Companies -01	14.01.1968	01-06-2014 and 02-02-2023 (change in designation as President & CFO from CFO)	N/A	1) Appointment as an Chief Financial officer w.e.f 01-06-2014 2) 02-02-2023 (change in designation as President & CFO from CFO)	100000 Equity shares of Rs. 10 each and Nominal value = 100000	30/05/2016 and Rs. 5000000 as Consideration	N/A	100000	Cash	Demat	780134 shares are pledged						
																	13945 Equity shares of Rs. 10 each and Nominal value = 139450	03/06/2016 and Bonus Issue	N/A	113945	Cash	Demat						
																	46458 Equity shares of Rs. 10 each and Nominal value = 464580	07/12/2016 and Rs.10000085 as Consideration	N/A	160403	Cash	Demat						
																	46458 Equity shares of Rs. 10 each and Nominal value = 464580	23/06/2016 and Rs.10000085 as Consideration	N/A	206861	Cash	Demat						
																	75000 Equity shares of Rs. 10 each and Nominal value = 750000	12/12/2017 and Rs.24600000 as Consideration	N/A	281861	Cash	Demat						

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267517 Equity shares of Rs. 10 and Nominal value = [illegible]	06/03/2018 and Rs.57583034 as Consideration	N/A	549378	Cash	Demat
68769 Equity shares of Rs. 10 and Nominal value =Rs.687690	30/03/2018 and Rs. 22556232 as consideration	N/A	618147	Cash	Demat
84051 Equity Shares of Rs. 10 each and Nominal value = Rs.840510	30/03/2018 and Rs. 36183956 as consideration	N/A	702198	Cash	Demat
481529 Equity Shares of Rs. 10 each and Nominal value = 4815290	27/08/2018 and Rs.103649117 as Consideration	N/A	1183727	Cash	Demat

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																	100000 Equity Shares of Rs. 10 each and Nominal value = 1000000	N/A	21/12/2018 and Rs. 84000000 as Consideration	1083727	N/A	Demat										
																	167510 Equity Shares of Rs. 10 each and Nominal value = Rs. 1675100	N/A	08/05/2019 and Rs.232425150 as Consideration	916217	N/A	Demat										
																	1062 Equity Shares of Rs. 10 each and Nominal value = Rs. 10620	N/A	31/10/2019 and Rs. 1693210 as Consideration	915155	N/A	Demat										
																	16076 Equity Shares of Rs. 10 each and Nominal value = Rs. 160760	N/A	18/11/2019 and Rs. 26272093 as Consideration	899079	N/A	Demat										
																	5000 Equity Shares of Rs. 10 each and Nominal value = Rs. 50000	N/A	27/11/2019 and Rs. 9125000 as Consideration	894079	N/A	Demat										
																	5000 Equity shares of Rs. 10 each and Nominal value = Rs. 50000	N/A	07/12/2020 and Rs. 8455000 as Consideration	889079	N/A	Demat										
																	1142 Equity shares of Rs. 10 each and Nominal Value = Rs. 11420	N/A	18/12/2020 and Rs. 1953962 as Consideration	887937	N/A	Demat										
																	12000 Equity shares of Rs. 10 each and Nominal Value of Rs. 120000	N/A	08/02/2021 and Rs. 25725000 as Consideration	875937	N/A	Demat										
																	7910 Equity shares of Rs. 10 each and Nominal Value of Rs. 79100	N/A	10/02/2021 and Rs. 18559062 as Consideration	868027	N/A	Demat										
																	3452 Equity shares of Rs. 10 each and Nominal Value of Rs. 34520	N/A	04/06/2021 and Rs. 8493396 as consideration	864485	N/A	Demat										
																	2518 Equity shares of Rs. 10 each and Nominal Value of Rs. 25180	N/A	15/06/2021 and Rs.6420850 as consideration	861967	N/A	Demat										
																	9637 Equity shares of Rs. 10 each and Nominal Value of Rs. 96370	N/A	22/06/2021 and Rs.25810097 as consideration	852330	N/A	Demat										
																	742 Equity shares of Rs. 10 each and Nominal Value of Rs. 7420	NA	25/06/2021 and Rs. as consideration 1872362	851588	NA	Demat										
																	1068 Equity shares of Rs. 10 each and Nominal value of Rs. 10680	NA	25-11-2021 and Rs 2995740 as consideration	850520	na	Demat										
																	19239 Equity shares of Rs. 10 each and Nominal value of Rs. 192390	30-06-2022 and Rs 38537960 as consideration	NA	869759										
																	14423 Equity shares of Rs. 10 each and Nominal value of Rs. 144230	NA	13-02-2023 and Rs 29086678 as consideration	855336										
																	200000 Equity shares of Rs. 10 each and Nominal value of Rs. 2000000	NA	13-02-2023 and Rs 321280000 as consideration	655336										
																	632 ESOPs allotted of Rs 10	21-05-2025 and Rs 6320 as consideration	NA	655968										
6	**Mr. Krishan Kant Rathi**	N/A	S/o Radha Mohan Rathi	Mrs. Navratan Rathi	Mrs. Indra Rathi	Independent Director and Chairman	Indian	Business	B-72, Dakshina park, Plot. No.15, N.S.road, 10th JVPD Scheme, Mumbai-400049	00040094	08-07-2014	As per MBP-4 and MBP-1	30.12.61	29-08-2014	28-08-2019 (Retire)	Appointment as an independent director w.e.f from 29-08-2014 for 5 years and Chairman w.e.f 08-06-2018 till conclusion of AGM to be held in 2019	30487 Equity shares of Rs. 10 each and Nominal value = 304870	19/12/2017 and Rs.9999736 as consideration	N/A	30487	Cash	Demat	NIL	N/A	N/A	N/A	N/A
																	4731 Equity shares of Rs. 10 each and Nominal value = 347310	28/03/2018 and Rs. 1881716 as Consideration	N/A	35218	Cash	Demat										
7	**Mr. Mannil Venugopalan**	N/A	S/o Achuthan Nair			Independent Director	Indian	Business	Heritage City, Block No. 34, Flat No. 201, DLF City-II, M.G. Road, Gurgaon -02,	00255575	08-07-2014	As per MBP-4 and MBP-1	23.04.45	29-08-2014	23-06-2016 (Voluntry Resignation)	Appointment as an independent director w.e.f from 29-08-2014 for 5 years	N/A	N/A	N/A	0	N/A	N/A	NIL										
8	**Mrs. Kalpana Kaushik Mazumdar**	**Mrs. Kalpana Iyer**	D/O Mr. Rajaraman Subramanian	Mrs. Susheela Rajaram	Mr. Kaushik Bishnu Mazumdar	Independent Woman Director	Indian	Business	601 Ann Abode 18-A St Martin Road, Bandra West Mumbai (Maharashtra)	01874130	23-06-2016 and 29-04-2021	As per MBP-4 and MBP-1	01-06-1965	23-06-2016 and 23-06-2016 Further, Re-appointed on 10/08/2021 w.e.f. 23/06/2021 for a period	N/A	Appointment as Independent Woman Director w.e.f 23/06/16 DIR 6 (Intimation of change in particulars of	15243 Equity shares of Rs. 10 each and Nominal value = Rs. 152430	19/12/2017 and Rs.4999704 as consideration	N/A	15243	N/A	Demat	NIL										

															of 5 years		Director/ Designated partner to be given to the Central Government) filed on June 20, 2024	2365 Equity shares of Rs. 10 and Nominal value = Rs. 23650	28/03/2018 and Rs. 1018133 as Consideration	N/A	17608	N/A	Demat					
																		7303 Equity Shares of Rs. 10 each and Nominal value = Rs. 73030	N/A	11/12/2019 and Rs. 13360550 as consideration	10305	N/A	Demat					
																		1697 Equity Shares of Rs. 10 each and Nominal value = Rs. 16970	N/A	12/12/2019 and and Rs.3179997 as consideration	8608	N/A	Demat					
																		1000 Equity Shares of Rs. 10 each and Nominal value = Rs. 10000	N/A	20/02/2020 and Rs. 2000000 as consideration	7608	N/A	Demat					
9	**Mr. Nishant Sharma**	N/A	S/O Mr. Ram Chander Sharma	Mrs. Pushpawati Sharma	Mrs. Sirisha Gadepalli	Promoter Nominee Director	Indian	Professional	Tower 2 APT 102 Planet Godrej Simplex Mills Mahalaxmi Mumbai 400011, Maharasthra India	03117012	23-06-2016	As per MBP-4 and MBP-1	19-06-1978	23/06/2016 and reappointment on 30/05/2018, further re-appointed on 10-08-2021. further re-appointed on 07-08-2024 in 14th AGM.	30.06.2025 (Resignation from the post of Non Executive Promoter Nominee Director)	Appointment as Nominee Director w.e.f 23/06/16 Resignation from the post of Non Executive Promother Nominee Director w.e.f 30/06/2025	N/A	N/A	N/A	0	N/A	N/A	NIL					
10	**Mr. ManasTandon**	N/A	S/O Mr. SudhirTandon	Mrs. Shail Tandon	Mrs. Naina Nandu Bhagayatkar	Promoter Nominee Director	Indian	Professional	14th Floor LodhaBellissimo, N M Joshi Marg, NearApollo Mill Compound, Mahalaxmi,Mumbai, Jacob Circle, Maharashtra, 400011	05254602	23-06-2016	As per MBP-4 and MBP-1	07-05-1977	23/06/2016 and reappointment on 26/07/2017. further re-appointed on 22-07-2020. Re-appointed in 12th AGM held on 21/07/2022. Further re-appointed on 07.08.2024 in 14th AGM	30.06.2025 (Resignation from the post of Non Executive Promoter Nominee Director)	Appointment as Nominee Director w.e.f 23/06/16 Resignation from the post of Non Executive Promoter Nominee Director w.e.f 30/06/2025	N/A	N/A	N/A	0	N/A	N/A	NIL					
11	**Mr. Vivek Vig**	N/A	S/o Mr. Mulk Raj Vig	Mrs. Usha Vig	Mrs. Sumitra Vig	Non Executive Nominee Director	Indian	Business	1901 B Wing Beaumonde, AppasahebMarathe Marg, Prabhadevi, Mumbai-400025	01117418	14-07-2016	As per MBP-4 and MBP-1	06-12-1962	14-07-2016 and re-appointment on 03-05-2019 and further re-appointed on 10-08-2021 and further re-appointed in 13th AGM held on 19-07-2023	30.06.2025 (Resignation from the post of Non Executive Nominee Director)	Appointment as Nominee Director w.e.f 14/07/16 Resignation from the post of Non Executive Nominee Director w.e.f 30/06/2025	185830 Equity shares of Rs. 10 each and Nominal value = 1858300	10/08/2016 and Rs.39999908 As Consideration	N/A	185830	Cash	Demat	30,000 shares are pledged					
																		46458 Equity shares of Rs. 10 and Nominal value = 464580	27/12/2016 Rs 1000085. As Consideration	N/A	232288	Cash	Demat					
																		121825 Equity shares of Rs. 10 each and Nominal value = 1218250	28/03/2018 Rs. 52445662 As Consideration	N/A	354113	Cash	Demat					
																		374523 Equity Shares of Rs 10 each and Nominal value =3745230	21/08/2018 Rs.80616076 As Consideration	N/A	728636	Cash	Demat					
																		119963 Equity Shares of Rs 10 each and Nominal value = Rs.1199630	NA	04/10/2018 Rs. 98489623 As Consideration	608673	N/A	Demat					
																		65144 Equity Shares of Rs 10 each and Nominal value = Rs. 651440	N/A	21/05/2019 Rs.95218257 As Consideration	543529	N/A	Demat					
																		29952 Equity Shares of Rs 10 each and Nominal value = Rs. 299520	N/A	18/06/2019 Rs.43917524 As Consideration	513577	N/A	Demat					
																		117500 Equity Shares of Rs 10 each and Nominal value = Rs. 1175000	N/A	12/03/2020 Rs.211500348 As Consideration	396077	N/A	Demat					
																		70368 Equity shares of Rs. 10 each and Nominal Value = Rs. 703680	N/A	17-02-2021 Rs. 163950141 as Consideration	325709	N/A	Demat					
																		5500 Equity shares of Rs. 10 each and Nominal Value = Rs. 55000	N/A	27/02/2021 Rs. 12480324 as Consideration	320209	N/A	Demat					
																		31961 Equity shares of Rs. 10 each and Nominal Value = Rs. 319610	N/A	04/03/2021 Rs. 288248 as Consideration	288248	N/A	Demat					
																		11391 Equity shares of Rs. 10 each and Nominal Value = Rs. 113910	N/A	21/05/2021 Rs.26330219 as Consideration	276855	N/A	Demat					
																		451 Equity shares of Rs. 10 each and Nominal Value = Rs. 4510	N/A	2405/2021 Rs.1054830 as Consideration	276404	N/A	Demat					

																	11859 Equity shares of Rs. 10 each and Nominal Value = Rs. 118600	N/A	25/05/2021 Rs.27712291 as Consideration	264545	N/A	Demat								
																	224712 ESOPs allotted on 31.08.2021			489257										
																	40000 Equity shares of Rs. 10 each and Nominal value=Rs.400000	NA	07-02-2022 Rs. 119200000 as consideration	449257	NA	Demat								
																	8447 Equity Shares of Rs. 10 Each and Nominal Value= Rs. 84470	NA	20-02-2024 Rs. 12156851 as consideration	440810	NA	Demat								
																	11553 Equity shares of Rs. 10 Each and Nominal Value = Rs. 115530	NA	21-02-2024 Rs. 16660151 as consideration	429257	NA	Demat								
																	29257 Equity shares of Rs. 10 Each and Nominal Value = Rs. 292570	NA	02.05.2024 Rs. 4684585.16 as consideration	400000	NA	Demat								
12	**Mr. K. R. Kamath**	N/A	S/o Kamath Goverdhana kamat	Mrs. Kamath Padmakshi Kasargod	Mrs. Kamath Pushpa ramchandra	Non Executive Nominee Director	Indian	Business	594, Embassy Pristine, Iblur, Sarjapur Outer Ring Road,BENGALURU - 560 102 Karnataka	01715073	14-07-2016	As per MBP-4 and MBP-1	19-11-1955	14-07-2016 and re-appointment on 03-05-2019 Further, re-appointed in 12th AGM held on 21/07/2022	30.06.2025 (Resignation from the post of Non Executive Nominee Director)	Appointment as Nominee Director w.e.f 14/07/16, Resignation from the post of Non Executive Nominee Director w.e.f 30/06/2025	15243 Equity shares of Rs. 10 each and Nominal value = 152430	19/12/2017 and Rs. 4999704 as Consideration	N/A	15243	Cash	Demat	NIL								
																	19792 Equity shares of Rs. 10 each and Nominal value = 197920	28/03/2018 and Rs. 8520456 as Consideration	N/A	35035	Cash	Demat								
																	74905 Equity Shares of Rs 10 Each and Nominal value = 749050	21/08/2018 and Rs. 16123301 as Consideration	N/A	109940	Cash	Demat								
																	1800 Equity Shares of Rs 10 Each and Nominal value = 18000	N/A	29/11/2019 and Rs. as 3271595 Consideration	108140	N/A	Demat								
																	6400 Equity Shares of Rs 10 Each and Nominal value = 64000	N/A	04/12/2019 and Rs. 11688181 as Consideration	101740	N/A	Demat								
																	5902 Equity Shares of Rs 10 Each and Nominal value = 59020	N/A	30/12/2019 and Rs. 1120453 as consideration	95838	N/A	Demat								
																	2041 Equity Shares of Rs 10 Each and Nominal value = 20410	N/A	30/12/2019 and Rs.4032281 as consideration	93797	N/A	Demat								
																	25000 Equity Shares of Rs 10 Each and Nominal value = 250000	N/A	30/12/2019 and No consideration received (Gifted)	68797	N/A	Demat								
																	300 Equity shares of Rs. 10 each and Nominal Value = Rs. 3000	NA	26-03-2021 consideration received of Rs 693195	68497	NA	Demat								
																	9943 ESOPs alloted of Rs. 215.25	04-05-2022 consideration paid of Rs.2140230.75	NA	78440	NA	Demat								
																	5000 ESOPs allotted of Rs 215.25	04-06-2022 consideration paid of Rs. 1076250	NA	83,440									
																	5000 ESOPs allotted of Rs 215.25	02-09-2022 consideration paid of Rs. 1076250	NA	88,440									
																	5000 ESOPs allotted of Rs 215.25	22-11-2022 consideration received of Rs. 1076250	NA	93,440	NA	Demat								

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																15000 ESOPs allotted of Rs 215.25	17-08-2023 consideration received of Rs. 32,28,750	NA	1,08,440	NA	Demat					
																5000 ESOPs allotted of Rs 215.25	16-11-2023 consideration received of Rs. 10,76,250	NA	1,13,440	NA	Demat					
13	**Mr. Sandeep Tandon**	N/A	S/o Mr. Manohar Lal Tandon	Mrs. Veenakumari Tandon		Independent Director	Indian	Business	Tandon Beach House, Plot No 35-C/2, Cts No. 1069, Tps-2, Azad Road, Juhu Koliwada, Santacruz, West Mumbai, Mumbai, Maharashtra, 40004	00054553	27-07-2017	As per MBP-4 and MBP-1	17-05-1969	27-07-2017 Re-appointed in 12th AGM held on July 21 2022 effective from July 27, 2022 till July 26, 2027	N/A	Appointment as Independent Director w.e.f 27/07/17	N/A	N/A	N/A	0	N/A	N/A	-					
14	**Mr. Kartikeya Dhruv Kaji**	N/A	S/o Mr. Dhruv Subodh Kaji	Mrs. Kartikeya lla Dhruv	NA	Promoter Nominee Director	Indian	Professional	3901 The Imperial South Tower, B. B. Nakashe Marg, Tardeo Mumbai, 400034	07641723	27-07-2017	As per MBP-4 and MBP-1	22-03-1983	27-07-2017 and re-appointed on 22-07-2020 and further re-appointed in 13th AGM held on 19-07-2023. Further He is appointed as a Director on the Board of Perfios Software Solution Private Limited on October 19, 2023.	21.05.2024 (Resignation from the post of Promoter Nominee Director)	Appointment as Nominee Director w.e.f 27/07/17 , Resignation from the post of Nominee Director w.e.f 21/05/2024	N/A	N/A	N/A	0	N/A	N/A	-					
15	**Mrs. Soumya Rajan**	N/A	Mr. Subramaniam Ramchandran Iyer	Mrs. Srilataa Iyer	Mr. Mukund Govind Rajan	Independent Director	Indian	Business	Hill park Building 2, Flat -22 ,3rd Floor, Dr AG Bell Road, Malabar Hill, Mumbai-400006	03579199	28-08-2019	As per MBP-4 and MBP-1	04-04-1970	29-08-2019 Re-appointed in 14th AGM held on 07.08.2024 effective from August 29, 2024 till August 28, 2029	N/A	Appointment as Additional Directorin the category of Independent Director w.e.f 29/08/19 and change in designation to Independent Director w.e.f 29/08/19. Appointed as Independent Director with Shareholder's approval at the AGM w.e.f. 29-08-2019	N/A	N/A	N/A	0	N/A	N/A	-					
16	**Mr. Sachinderpalsingh Jitendrasingh Bhinder**	N/A	Mr. Jitendrasingh Kartarsingh Bhinder	Mrs. Harjinderkaur Jitendrasingh Sardar	Mrs. Rupinder Bhinder	Managing Director and CEO	Indian	Service	1301 Glen Dale, Cliff Avenue, Opp. Heritage Park, Hiranandini Gardens, Mumbai, Suburban, Maharashtra, 400076	08697657	02-02-2023 (Appointment as CEO) and 03-05-2023 (Appointment as Managing Director)	As per MBP-4 and MBP-1	15-10-1972	02-02-2023 (Appointment as CEO) and 03-05-2023 (Appointment as Managing Director)	N/A	02-02-2023 (Appointment as CEO-KMP) and 03-05-2023 (Appointment as Managing Director)	1040 ESOPs allotted of Rs 10	25-03-2025 consideration received of Rs. 10400	NA	1040	NA	Demat	NA					
17	**Mr. Ashutosh Atre**	N/A	Late Mr. Kailash Chandra Atre	Mrs. Sudha Atre	Mrs. Arpita Atre	President & CRO (KMP)	Indian	Service	E-701, Jewel of India, JLN marg, opp. Jaipur Stock Exchange Malviya Nagar, Jaipur-302018	ADKPA7474R	02-02-2023	NIL	09-09-1969	02-02-2023	N/A	02-02-2023 (Appointment as (KMP))	101041	27-08-2018 consideration received of Rs. 21749075.25	NA	101041	NA	NA	NA					
																405 of Rs 10 each and Nominal Value= Rs.4050 under PSOP 2023	30-01-2025 consideration of Rs. 4050	NA	101446		Demat					
18	**Mr. Rahul Mehta**	N/A	Mr. Anil Mehta	Mrs. Geeta Mehta	Mrs. Jinal Shah	Non-executive Nominee Director	Indian	Professional	A-1203, Rustomjee Seasons, Madhusudan Kalelkar Marg, Near MIG Club, Kalanagar, Bandra East, Mumbai 400051	9485275	21-05-2024	As per MBP-4 and MBP-1	04-05-1988	21-05-2024	30.06.2025 (Resignation from the post of Non Executive Promoter Nominee Director)	Appointment as Additional Director in category of Non-Executive Non-Independent Promoter Nominee Director w.e.f. 21-05-2024. change in designation to Nominee director w.e.f May 21, 2024 Appointment as Non-Executive Nominee Director in 14th AGM held on August 07, 2024 w.e.f May 21, 2024 Resignation from the post of Non Executive Promoter Nominee Director w.e.f 30/06/2025	NA	NA	NA	0	NA	NA	NA					
19	**Mr. Saurabh Sharma**	N/A	Mr. Pramod Kumar Sharma	Mrs. Madhu Sharma	Mrs. Kunjal Sharma	Company Secretary and Compliance Officer	India	Service	NARAYAN COLONY, NAYAPURA, MANDORE, JODHPUR, Rajasthan, 342304, India	PAN: FNAPS2261F Membership No.: ACS 60350	30-01-2025	NA	27-10-1992	31-01-2025	-	Appointed as Company Secreatry and Compliance Officer wef 31.01.2025											
20	**Mr. Elcid Vergera**	N/A	Mr. Bienvenido Rofolfo Lacsamana Vergara	Mrs. Anchalee Vergara	Mrs. Prapapun Chaiwatanayo n	Additional Director	Thai	Investment professional	23/2 Soi Sathu Pradit Soi 30, Bang Phong phang- Sub-District Yan Nawa District, Bangkok, Thailand	10769790	30-06-2025	As per MBP-4 and MBP-1	26.06.1978	30-06-2025	NA	Appointment as Additional Director in category of Non-Executive Non-Independent Director											
21	**Mr. Anant Jain**	N/A	Mr. Arun Jain	Mrs. Nita Jain	Mrs. Mansi Jain	Additional Director	Indian	Investment Professional	Tahnee Height Apartment 291, Wing A66, Neepan Sea	6648006	30-06-2025	As per MBP-4 and MBP-1	11.06.1982	30-06-2025	NA	Appointment as Additional Director in category of Non-											
22	**Mrs. Neha Sureka**	N/A	Mr. Arun Sunderlal Sureka	Mrs. Anita Arun Sureka	Mr. Sandeep Kumar Singh	Additional Director	Indian	Investment Professional	E-2104. Rustomjee Seasons, MIG Colony, Bandra East, Mumbai	10759936	30-06-2025	As per MBP-4 and MBP-1	14.09.1983	30-06-2025	NA	Appointment as Additional Director in category of Non-											
23	**Mr. Nikhil Omprakash Gahrotra**	N/A	Mr. Om Prakash Gahrotra	Mrs. Nalini Gahrotra	Mrs. Kaushal Sanghvi Gahrotra	Additional Director	Indian	Investment Professional	Flat no 12, Praneet Coop Housing Society, Dr J Palekar	01277756	30-06-2025	As per MBP-4 and MBP-1	08.07.1979	30-06-2025	NA	Appointment as Additional Director in category of Non-											
24	**Mr. Siddharth Tapaswin Patel**	N/A	Mr. Tapaswin Dahyabhai Patel	Mrs. Nirupma Tapaswin Patel	Mrs. Martinez Frias Ana	Additional Director	United Kingdom	Investment Professional	13 Ocean Way #06-42, Singapore 098373	07803802	30-06-2025	As per MBP-4 and MBP-1	30-06-1977	30-06-2025	NA	Appointment as Additional Director in category of Non-											

FORM MBP-4

REGISTER OF CONTRACTS WITH RELATED PARTY AND CONTRACTS AND BODIES ETC. IN WHICH DIRECTORS ARE INTERESTED

[Pursuant to Section 189(1) and Rule 16(1)]

Date of contract / arrangement	Name of the party with which contract is entered into	Name of the interested director	Relation with director/ company/ Nature of concern or interest	Principal terms and conditions	Whether the transaction is at arm's length basis	Date of approval at the meeting of the Board	Details of voting on such resolution				Date of the next meeting at which register was placed for signature	Reference of specific items – (a) to (g) under sub-section (1) of section 188	Amount of contract or arrangement	Date of share holders approval if any	Signature	others
							No. of Directors present in the meeting	Directors Voting in favour	Directors Voting against	Directors remaining neutral						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1-Apr-12	Au Small Finance Bank Limited (Formerly "Au FINANCIERS (INDIA) LIMITED")	Mr. Sanjay Agarwal Mr.Uttam Tibrewal	Holding company	Infrastructure sharing Agreement with the Holding company Au financiers (India) Pvt Ltd for sharing the branch of holding company	Yes	N/A	N/A	N/A	N/A	N/A	—	—	—	—	—	—
1-Apr-12	Au Small Finance Bank Limited (Formerly "Au FINANCIERS (INDIA) LIMITED")	Mr. Sanjay Agarwal Mr.Uttam Tibrewal	Holding company	To extend the finance facility to Au Housing finance Pvt. Ltd. for the purpose of carrying on housing finance business At rate of interest @15% per annum from time to time (above is in compliance of section 299 of CA, 1956)	Yes	N/A (Exemption U/S 372 A (8) of CA,1956)	N/A	N/A	N/A	N/A	—	—	—	—	—	—
1-Apr-13	Au Small Finance Bank Limited (Formerly "Au FINANCIERS (INDIA) LIMITED")	Mr. Sanjay Agarwal Mr.Uttam Tibrewal	Holding company	Infrastructure sharing Agreement with the Holding company Au financiers (India) Ltd for sharing the branches of holding company	Yes	N/A	N/A	N/A	N/A	N/A	—	—	—	—	—	—
1-Apr-14	Au Small Finance Bank Limited (Formerly "Au FINANCIERS (INDIA) LIMITED")	Mr. Sanjay Agarwal Mr.Uttam Tibrewal	Holding company	Infrastructure sharing Agreement with the Holding company Au financiers (India) Ltd for sharing the branches of holding company (Above is in the compliance of section 188 of the Companies Act, 2013 Requirement only	Yes	31-Oct-14	3	3	0	0	—	—	—	—	—	—
23-May-14	Au Small Finance Bank Limited (Formerly "Au FINANCIERS (INDIA) LIMITED")	Mr. Sanjay Agarwal Mr.Uttam Tibrewal	Holding company	To extend the finance facility to Au Housing finance Ltd. for the purpose of carrying on housing finance business At rate of interest @12% per annum from time to time (above is in compliance of section 184 (1) of CA, 1956)	Yes	N/A Exemption U/S 186 (3) of the CA,2013 read with rule 10 (1) of companies (Meeting of board and its powers) Rules 2014	N/A	N/A	N/A	N/A	—	—	—	—	—	—
1-Apr-15	Au Small Finance Bank Limited (Formerly "Au FINANCIERS (INDIA) LIMITED")	Mr. Sanjay Agarwal Mr.Uttam Tibrewal	Holding company	Infrastructure sharing Agreement with the Holding company Au financiers (India) Ltd for sharing the branches of holding company (Above is in the compliance of section 188 of the Companies Act, 2013 Requirement only	Yes	27-May-15	N/A	N/A	N/A	N/A	—	—	—	—	—	—
1-Apr-16	Au Small Finance Bank Limited (Formerly "Au FINANCIERS (INDIA) LIMITED")	Mr. Sanjay Agarwal Mr.Uttam Tibrewal	Holding company	Infrastructure sharing Agreement with the Holding company Au financiers (India) Ltd for sharing the branches of holding company (Above is in the compliance of section 188 of the Companies Act, 2013 Requirement only	Yes	26-May-16	N/A	N/A	N/A	N/A	—	—	—	—	—	—
1-Apr-18	Aavas Finserv Limited	-	Wholly Owned Subsidiary	Infrastructure sharing Agreement with the Wholly owned Subsidiary- Aavas Finserv Limited for sharing the infra of holding company (Above is in the compliance of section 188 of the Companies Act, 2013 Requirement only	yes	26-10-2018	8	8	0	0	—	—	—	—	—	—
1-Apr-19	Aavas Finserv Limited	-	Wholly Owned Subsidiary	Infrastructure sharing Agreement with the Wholly owned Subsidiary- Aavas Finserv Limited for sharing the infra of holding company (Above is in the compliance of section 188 of the Companies Act, 2013 Requirement only	yes	03-05-2019	8	8	0	0	29-05-2019	(c) leasing of property	As per Infrastructure agreement Dated 01.04.2019	N/A	—	—
1-Apr-22	Aavas Finserv Limited		Wholly Owned Subsidiary	Infrastructure sharing Agreement with the Wholly owned Subsidiary- Aavas Finserv Limited for sharing the infra of holding company (Above is in the compliance of section 188 of the Companies Act, 2013 Requirement only	yes	05-05-2022	9	9	0	0	NIL	(c) leasing of property	As per Infrastructure sharing agreement dated 01.04.2022	NA	—	—
6-Oct-22	Perfios Software Solution Private Limited	Mr. Kartikeya Dhruv Kaji	Director in both the Companies	i) The Company will pay consideration as set out in the agreement for the services provided by Perfios Software Solution Private Limited. ii) After the expiry of Term of the Agreement, the Parties may, by mutual consent, extend the term on such terms & conditions as may be agreed upon by the Parties. iii) The Service Provider shall provide the Services as an independent service provider and nothing contained in the agreement shall be deemed to create any association, partnership, joint venture or relationship of principal and agent or master and servant, or employer and employee between the Company and Service Provider. iv) The Service provider shall render the Services with a reasonable care, skills and diligence and within a timely and efficient Manner.	Yes	26-Oct-2023	9	9	0	0					0.00E+00	
6-Oct-22	Perfios Software Solution Private Limited	Mr. Nishant Sharma	Director in both the Companies	i) The Company will pay consideration as set out in the agreement for the services provided by Perfios Software Solution Private Limited. ii) After the expiry of Term of the Agreement, the Parties may, by mutual consent, extend the term on such terms & conditions as may be agreed upon by the Parties. iii) The Service Provider shall provide the Services as an independent service provider and nothing contained in the agreement shall be deemed to create any association, partnership, joint venture or relationship of principal and agent or master and servant, or employer and employee between the Company and Service Provider. iv) The Service provider shall render the Services with a reasonable care, skills and diligence and within a timely and efficient Manner.	yes	25-07-2024	9	9	0	0						

Note: 1.Pursuant to the Majority stake divestment by Au Small Finance Bank Limited and consequent resignation of Mr. Sanjay Agarwal and Mr. Uttam Tibrewal w.e.f. 23.06.2016, none of Directors are interested in any of the agreement executed with Au Small Finance Bank Limited.

2. Aavas Finserv Limited wholly owned subsidiary was under Voluntary Liquidation since November 03, 2023, in respect to which final order of dissoultion was passed by the hon'ble NCLT, Jaipur bench on January 28, 2025. Pursuant to which Aavas Finserv is dissolved thus cease to exist accordingly any transaction enetered with Aavas Finserv Limited will be considered as null and void.

3. Mr. Kartikeya Kaji resigned from the Company effective May 21, 2024, and consequently, is no longer considered a related party (Perfios Software Solution Private Limited)

4 Mr. Nishant Sharma appointed on the Board of Perfios w.e.f June 03, 2024, Perfios Software Solutions Private Limited.

5. Mr. Nishant Sharma resigned from the Company effective June 30, 2025, and consequently, is no longer considered a related party (Perfios Software Solution Private Limited)

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Name of the bodies corporate, firms or other association of individuals as mentioned under sub-section (1) of section 184, in which any director is having any concern or interest

Names of the Companies /bodies corporate/ firms/ association of individual	Name of the interested director	Nature of interest or concern / Change in interest or concern	Shareholding	Date on which interest or concern arose / changed
Perfios Software Solution Private Limited	Mr. Kartikeya Dhruv Kaji	Director in both the Companies	NA	26-10-2023
Perfios Software Solution Private Limited	Mr. Nishant Sharma	Director in both the Companies	NA	03-06-2024
Svakarma Finance Private Limited	Mrs. Kalpana Kaushik	Director in both the Companies	3.94%	21-11-2017
Whiteboard Capital Advisors LLP	Mr. Sandeep Tandon	Director in the Company and Designated Partner in LLP	27.22%	27-02-2016
The Rajan Family Charitable Foundation	Mrs. Soumya Rajan	Director in the Company and the Foundation	50.00%	11-04-2015
Swami Swaprakashananda Education and Healthcare Foundation	Mrs. Soumya Rajan	Director in both the Companies	50.00%	15-04-2015
S R Iyer and Srilata Iyer Music Foundation	Mrs. Soumya Rajan	Director in both the Companies	50.00%	17-04-2015
Waterfield Sponsor LLP	Mrs. Soumya Rajan	Director in the Company and Designated Partner in LLP	20.00%	28-01-2023
Waterfield Advisors Private Limited	Mrs. Soumya Rajan	Director in both the Companies	30.78%	29-04-2025
Teoler Education Services Private Limited	Mr. Manas Tandon	Director in the Company and Member in Teoler Education Services Private Limited	7.18%	10-03-2015
Svakarma Advisory LLP	Mr. Vivek Vig	Director in the Company and Designated Partner in LLP	65.00%	25-11-2014
Svakarma Social Foundation	Mr. Vivek Vig	Director in both the Companies	90.00%	10-07-2015
Svakarma Finance Private Limited	Mr. Vivek Vig	Director in both the Companies	11.19%	21-11-2017
Double Jam Trees Company Limited	Mr. Elcid Vergara	Director in both the Companies	33%	29-07-2016
Salt Publishing Company Limited	Mr. Elcid Vergara	Director in the Company and Member in Salt Publishing Company Limited	16.67%	02-03-2018
Gold Wind Properties Private Limited	Nikhil Omprakash Gahrotra	Director in both the Companies	50.00%	30-05-2007
Vishnu Farming Private Limited	Nikhil Omprakash Gahrotra	Director in the Company and Member in Vishnu Farming Private Limited	45.00%	N.A.
Onang Management Advisory Services Private Limited	Nikhil Omprakash Gahrotra	Director in the Company and Member in Onang Management Advisory Services Private Limited	25.00%	N.A.

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