

SECTION V-FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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Hem Sandeep & Co.

Chartered Accountants

Independent Auditors' Examination Report on the Reformatted Consolidated Financial Information of Dhani Loans and Services Limited (Formerly Indiabulls Consumer Finance Limited)

To

Board of Directors

Dhani Loans and Services Limited

(Formerly Indiabulls Consumer Finance Limited)

M-62 & 63, First Floor,

Connaught Place,

New Delhi – 110 001, India

Subject: Proposed public issue by Dhani Loans and Services Limited (the “Company” or the “Issuer”) of secured redeemable non-convertible debentures of face value of Rs. 1,000 each (the “NCDs”), aggregating up to Rs. 1,500 million (“Base Issue”) with an option to retain oversubscription up to Rs. 1,500 million, aggregating up to Rs. 3,000 million (“Issue Size”) (“Issue”).

Dear Sirs/Madams,

1. We have examined the attached Reformatted Consolidated Financial Information of Dhani Loans and Services Limited (Formerly Indiabulls Consumer Finance Limited) (the “**Company**” or “**Holding Company**”), its subsidiaries (the Company and its subsidiaries are together referred to as “the **Group**”), as at and for each of the years ended on March 31, 2021, 2020 and 2019, comprising the Reformatted Consolidated Statement of Assets and Liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019, the Reformatted Consolidated Statement of Profit and Loss (including other comprehensive income), the Reformatted Consolidated Statement of Changes in Equity, the Reformatted Consolidated Statement of Cash Flows for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and a summary of significant accounting policies and other explanatory information (collectively, the “**Reformatted Consolidated Financial Information**”) annexed to this report and prepared by the Company for the purpose of inclusion in the Draft Prospectus, (the “**Draft Prospectus**”) and/or the Prospectus (“**the Prospectus**”) to be filed by the Company with the Securities and Exchange Board of India (“**SEBI**”), BSE Limited, National Stock Exchange of India Limited (collectively referred to as “**the Stock Exchanges**”) and Registrar of Companies, National Capital Territory of Delhi and Haryana (the “**ROC**”), in connection with its proposed Issue. The Reformatted Consolidated Financial Information have been prepared by the management of the Company on the basis of Note 3 of Annexure V to the Reformatted Consolidated Financial Information, which have been approved by the Bond Issue Committee of the Board of Directors of the Company at their meeting held on November 30, 2021, and have been prepared by the Company by taking into consideration, the requirements of:
 - a) Section 26 of Chapter III of the Companies Act, 2013, as amended (the “**Act**”);
 - b) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (the “**Regulations**”), issued by SEBI, in pursuance of the Securities and Exchange Board of India Act, 1992 (the “**SEBI Act**”); and

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c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “**Guidance Note**”).

2. The accompanying Reformatted Consolidated Financial Information are prepared on the basis of the audited consolidated financial statements (the “**Audited Consolidated Financial Statements**”) of the Company for the respective years audited by M/s Walker Chandiok and Co. LLP (“**the Predecessor Auditors**”) as referred to in paragraph 3 below.
3. The Predecessor Auditors have expressed an unmodified opinion on the Audited Consolidated Financial Statements of the Company as of and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 vide their reports dated June 18, 2021, June 25, 2020 and April 25, 2019.
4. The figures included in the Reformatted Consolidated Financial Information, do not reflect the effect of events that occurred subsequent to the date of the reports on the respective years referred to in paragraph 3 above.
5. The audit report issued by the Predecessor Auditors on the Audited Consolidated Financial Statements for the year ended March 31, 2021, includes the following emphasis of matter paragraph and Other Matters paragraph:

Emphasis of matter

We draw attention to Note 57 to the accompanying consolidated financial statements, which describes the uncertainties relating to COVID-19 pandemic on the Group’s operation that are dependent on future developments and the management’s evaluation of the impact on the impairment assessment of financial assets outstanding as at 31 March 2021. Our opinion is not modified in respect of this matter.

Other Matters:

We did not audit the financial statements/ financial information of 4 subsidiaries, whose financial statements/ financial information reflects total assets of , 133,191.23 lakh and net assets of Rs. 78,564.33 lakh as at 31 March 2021, total revenues of Rs. 17,907.29 lakh and net cash outflows amounting to Rs. 610.51 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

6. The audit report issued by the Predecessor Auditors on the Audited Consolidated Financial Statements for the year ended March 31, 2020, includes the following emphasis of matter paragraph and Other Matters paragraph:

Emphasis of matter:

We draw attention to Note 58 to the accompanying consolidated financial statements, which describes the uncertainty relating to the effects of COVID-19 pandemic outbreak on the Group's operations that are dependent on future developments, and the impact thereof on the impairment assessment of financial assets outstanding as at 31 March 2020. Our opinion is not modified in respect of this matter.

Other Matters:

We did not audit the financial statements of 4 subsidiaries, whose financial statements reflects total assets of Rs. 149,408.82 lakhs and net assets of Rs. 81,366.33 lakhs as at 31 March 2020, total revenues of Rs. 21,717.43 lakhs and net cash inflows amounting to Rs. 514.20 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on, the work done by and the reports of the other auditors and on the financial statements certified by the management.

7. The audit report issued by the Predecessor Auditors on the Audited Consolidated Financial Statements for the year ended March 31, 2019, includes the following Other Matters paragraph:

Other Matters:

The consolidated financial statements also include the Holding Company's share of net loss (including other comprehensive income) of Rs. 2.84 lakh for the year ended 31 March 2019, as considered in the consolidated financial statements, in respect of one associate, whose financial statements has not been audited by us. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, and matters identified and disclosed under key audit matters section above and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, are based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Holding Company.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

The comparative financial information for the transition date opening balance sheet as at 1 April 2017 prepared in accordance with Ind AS included in these consolidated financial statements is based on the previously issued statutory financial statements for the year ended 31 March 2017 prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The financial statements for the year ended 31 March 2017 were audited by the predecessor auditor whose audit report dated 25 April 2017 expressed an unmodified opinion on those previously issued statutory financial statements. The balance sheet as at 31 March 2017 has been adjusted for the differences in the accounting principles adopted by the Holding Company on transition to Ind AS. We have audited these adjustments made by the management.

Further, the Company had prepared a separate set of statutory financial statements for the year ended 31 March 2018 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued our audit report dated 23 April 2018. These previously issued statutory financial statements as of and for the year ended 31 March 2018 have been adjusted for the differences in the accounting principles adopted by the Holding Company on transition to Ind AS. We have audited these adjustments made by the management.

Our opinion is not modified in respect of the matters stated at paragraph 14 and 15 above.

The above Paragraphs 5 to 7 are as extracted from the Predecessor Auditors reports on the Consolidated Financial Statements of the respective years ended March 31, 2021, 2020 and 2019.

8. For the purpose of our examination, we have relied on Auditors' reports dated June 18, 2021, June 25, 2020 and April 25, 2019 issued by the Predecessor Auditors on the Audited Consolidated Financial Statements of the Group as at and for the years ended March 31, 2021, 2020 and 2019 as referred in paragraph 2 above.

Management's Responsibility for the Reformatted Consolidated Financial Information

9. Management is responsible for the preparation of the Reformatted Consolidated Financial Information, as mentioned in paragraph 1 above, for inclusion in the Draft Prospectus and/or the Prospectus to be filed by the Company in connection with the Issue, on the basis of accounting described in Note 3 of Annexure V to the Reformatted Consolidated Financial Information. Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the Reformatted Consolidated Financial Information that are free from material misstatement, whether due to fraud and error. The Management and the Board of Directors are also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations that determine the reported amounts and disclosures in the Reformatted Consolidated Financial Information.

Auditors' Responsibilities

10. We have examined the Reformatted Consolidated Financial Information taking into consideration:
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated November 29, 2021 in connection with the proposed Issue;
 - b. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the "Guidance Note"). The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
 - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Reformatted Consolidated Financial Information; and
 - d. the requirements of Section 26 of the Act, the Regulations and the Guidance Note.

11. The Company proposes to make an offer which comprises an issue of Secured Redeemable Non-Convertible Debentures of face value of Rs.1,000 each by the Company, as may be decided by the Board of Directors of the Company.
12. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by the ICAI.

Reformatted Consolidated Financial Information

13. The Audited Consolidated Financial Statements of the Group as at and for the years ended March 31, 2021, 2020 and 2019 have been audited by the Predecessor Auditors of the Company. For the purpose of our examination, we have relied solely on the auditor's reports for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 dated June 18, 2021, June 25, 2020 and April 25, 2019 respectively issued by the Predecessor Auditors of the Company. We have not carried out any audit tests or review procedures, and accordingly reliance has been placed on the Audited Consolidated Financial Statements audited by the Predecessor Auditors for the said years. These Audited Consolidated Financial Statements as at and for the years ended March 31, 2021, 2020 and 2019 form the basis of the Reformatted Consolidated Financial Information.
14. The Reformatted Consolidated Financial Information has been compiled by the management from Audited Consolidated Financial Statements of the Group as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 which were prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as "Ind AS"), which have been approved by the Board of Directors at their meetings held on June 18, 2021, June 25, 2020 and April 25, 2019 respectively.

Our opinion below on the Reformatted Consolidated Financial Information is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the Predecessor Auditors.

Opinion

15. Taking into consideration the requirements of Section 26 of Part I of Chapter III of the Act, the Regulations and the terms of our engagement agreed with you, and based on the reliance placed on the reports of the Predecessor Auditors, we further report that:
 - (a) Reformatted Consolidated Financial Information of the Group as at and for each of the years ended March 31, 2021, 2020 and 2019 have been examined by us, as set out in Annexure I to Annexure IV to this report. These Reformatted Consolidated Financial Information have been prepared after regroupings, as considered appropriate and which is more fully described in significant accounting policies and notes (Refer Annexure V).
 - (b) based on our examination as above:
 - (i) the Reformatted Consolidated Financial Information have to be read in conjunction with the notes given in Annexure V; and
 - (ii) the figures of earlier periods have been regrouped (but not restated retrospectively for changes in accounting policies and audit qualifications), wherever necessary, to conform to the classification adopted for the Reformatted Consolidated Financial Information as at and for the year ended March 31, 2021.

Other Financial Information

16. At the Company's request, we have also examined the following other financial information proposed to be included in the Draft Prospectus and/or Prospectus prepared by the Management and approved by the Bond Issue Committee of the Board of Directors of the Company and annexed to this report relating to the Group, as at and for each of the years ended March 31, 2021, 2020 and 2019:

- Statement of Dividend, enclosed as Annexure VI

Other Matters

17. We have not audited any financial statements of the Group as of or for the years ended March 31, 2021, 2020 or 2019 and for any period subsequent to March 31, 2021. Accordingly, we express no opinion on the financial position, profit and loss or cash flow of the Company as of and for the year March 31, 2021, 2020, 2019 or for any date or for any period subsequent to March 31, 2021.

18. In the preparation and presentation of Reformatted Consolidated Financial Information based on Audited Consolidated Financial Statements, no adjustments have been made for any events occurring subsequent to dates of the audit reports specified in paragraph 2 above.

19. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

20. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Predecessor auditors, nor should this be construed as a new opinion on any of the financial statements referred to herein.

Restrictions on use

21. This report is addressed to and is provided to enable the Company for inclusion in the Draft Prospectus and/or Prospectus, to be filed by the Company in connection with the Issue with the Stock Exchanges, ROC and with the SEBI. The Reformatted Consolidated Financial Information may, therefore, not be suitable for another purpose or distributed to any other person, without our prior written consent.

For Hem Sandeep & Co.
Chartered Accountants
Firm Registration No.: 009907N

Ajay Sardana
Partner
Membership No.: 089011
Place: New Delhi
Date: November 30, 2021
UDIN: 21089011AAAAAZ5833

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
Annexure - I
Reformatted Consolidated Statement of Assets and Liabilities
(All amounts are in Indian Rupees in million unless stated otherwise)

	Note	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
ASSETS				
Financial assets				
(a) Cash and cash equivalents	6	10,140.84	19,909.14	9,496.89
(b) Other bank balances	7	3,513.00	3,872.46	1,504.62
(c) Receivables				
Trade receivables	8	982.47	1,311.51	2,003.37
Other receivables	9	628.93	586.52	996.54
(d) Loans	10	40,898.22	47,985.65	105,228.80
(e) Investments	11	13,810.47	5,875.40	5,854.69
(f) Other financial assets	12	3,714.32	8,585.52	9,470.74
Total financial assets		73,688.25	88,126.20	134,555.65
Non-financial assets				
(a) Current tax assets (net)	13	1,573.83	1,339.80	401.83
(b) Deferred tax assets (net)	14	1,300.16	795.06	635.81
(c) Investment accounted for using the equity method	15	-	-	356.76
(d) Property, plant and equipment	16A	619.98	674.63	371.62
(e) Right-of-use assets	16B	1,215.45	2,282.03	-
(f) Intangible assets under development	16C	38.05	54.26	24.61
(g) Goodwill	16D	648.30	358.67	-
(h) Other intangible assets	16E	769.22	957.82	536.41
(i) Other non-financial assets	17	3,254.33	2,693.30	1,124.71
Total non-financial assets		9,419.32	9,155.57	3,451.75
TOTAL ASSETS		83,107.57	97,281.77	138,007.40
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
(a) Derivative financial instruments	18	-	-	20.94
(b) Payables				
Trade payables	19			
(i) total outstanding dues of micro enterprises and small enterprises		-	0.24	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		526.45	720.54	585.42
Other payables	20			
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		902.37	339.83	219.19
(c) Debt securities	21	7,706.03	8,042.78	17,389.62
(d) Borrowings (other than debt securities)	22	27,405.83	40,504.71	70,232.55
(e) Lease liabilities	23	1,339.87	2,410.77	-
(f) Other financial liabilities	24	3,879.67	1,784.30	4,295.98
Total financial liabilities		41,760.22	53,803.17	92,743.70
Non-financial Liabilities				
(a) Current tax liabilities (net)	25	3.80	-	-
(b) Provisions	26	229.36	268.46	359.94
(c) Other non-financial liabilities	27	183.60	616.39	426.97
Total non-financial liabilities		416.76	884.85	786.91
EQUITY				
(a) Equity share capital	28	611.88	611.88	611.88
(b) Instruments entirely equity in nature	29	-	-	-
(c) Other equity	30	39,667.51	40,817.59	43,864.41
Equity attributable to the owners of the Holding Company		40,279.39	41,429.47	44,476.29
(d) Non controlling interest		651.20	1,164.28	0.50
Total equity		40,930.59	42,593.75	44,476.79
TOTAL LIABILITIES AND EQUITY		83,107.57	97,281.77	138,007.40

The accompanying notes form an integral part of these Reformatted Consolidated Financial Information.

This is the Reformatted Consolidated Statement of Assets and Liabilities referred to in our report of even date.

For Hem Sandeep & Co.
Chartered Accountants
Firm's registration no. : 009907N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No.: 089011

Pinank Jayant Shah
Whole Time Director &
Chief Executive Officer
DIN: 07859798

Nafees Ahmed
Director
DIN: 03496241

Rajeev Lochan Agrawal
Chief Financial Officer

Manish Rustagi
Company Secretary

Place: New Delhi
Date: 30 November 2021

Place: Mumbai
Date: 30 November 2021

Place: Gurugram
Date: 30 November 2021

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
Annexure - II
Reformatted Consolidated Statement of Profit and Loss
(All amounts are in Indian Rupees in million unless stated otherwise)

	Note	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
I. Revenue from operations				
Interest income	31	8,450.44	18,219.75	14,952.19
Dividend income	32	-	493.49	253.48
Fees and commission income	33	1,730.00	1,897.56	2,094.60
Net gain on fair value changes	34	306.45	12.56	53.79
Net gain on derecognition of financial assets	35	1,004.55	6,166.90	325.76
Total revenue from operations		11,491.44	26,790.26	17,679.82
II. Other income	36	275.50	46.55	72.47
III. Total income (I + II)		11,766.94	26,836.81	17,752.29
IV. Expenses				
Finance costs	37	4,585.00	8,577.26	6,280.17
Fees and commission expense	38	519.25	283.08	24.91
Impairment on financial assets	39	1,841.20	8,964.98	1,035.06
Employee benefits expenses	40	3,334.05	4,350.97	2,723.60
Depreciation, amortisation and impairment	41	734.19	996.73	228.58
Other expenses	42	2,002.20	4,245.43	2,212.87
Total expenses		13,015.89	27,418.45	12,505.19
V. (Loss)/profit before share of (loss)/ profit of an associate and tax (III - IV)		(1,248.95)	(581.64)	5,247.10
VI. Share of loss in an associate		-	-	(0.28)
VII. Loss before tax (V + VI)		(1,248.95)	(581.64)	5,246.82
VIII. Tax expense	43			
Current tax		420.72	118.13	1,555.84
Deferred tax credit		(511.41)	(325.50)	(154.18)
Total tax expenses		(90.69)	(207.37)	1,401.66
IX. Loss/(profit) for the year (VII - VIII)		(1,158.26)	(374.27)	3,845.16
X. Other comprehensive income				
(i) Items that will not be reclassified to profit or loss				
(a) Remeasurement gain/(loss) on defined benefit plans		60.78	(6.53)	(9.63)
(ii) Income-tax relating to items that will not be reclassified to profit and loss		(15.30)	1.64	3.06
(iii) Items that will be reclassified to profit or loss				
(a) Changes in fair valuation of financial assets		(35.70)	105.90	-
(iv) Income-tax relating to items that will be reclassified to profit or loss		8.99	(26.65)	-
Total other comprehensive income (net of taxes)		18.77	74.36	(6.57)
XI. Total comprehensive income for the year (VII + VIII)		(1,139.49)	(299.91)	3,838.59
Net profit after tax attributable to -				
Owners of the Holding Company		(1,115.91)	(414.77)	3,845.16
Non controlling interests		(42.35)	40.50	-
		(1,158.26)	(374.27)	3,845.16
Other comprehensive income attributable to -				
Owners of the Holding Company		18.77	73.06	(6.57)
Non controlling interests		-	1.30	-
		18.77	74.36	(6.57)
Total comprehensive income attributable to -				
Owners of the Holding Company		(1,097.14)	(341.71)	3,838.59
Non controlling interests		(42.35)	41.80	-
		(1,139.49)	(299.91)	3,838.59
XII. Earnings per equity share:	44			
Basic (₹)		(18.24)	(6.78)	76.37
Diluted (₹)		(18.24)	(6.78)	68.85
Face value per equity share (₹)		10.00	10.00	10.00

The accompanying notes form an integral part of these Reformatted Consolidated Financial Information.

This is the Reformatted Consolidated Statement of Profit and Loss referred to in our report of even date.

For Hem Sandeep & Co.
Chartered Accountants
Firm's registration no. : 009907N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No.: 089011

Pinank Jayant Shah
Whole Time Director &
Chief Executive Officer
DIN: 07859798

Nafees Ahmed
Director
DIN: 03496241

Rajeev Lochan Agrawal
Chief Financial Officer

Manish Rustagi
Company Secretary

Place: New Delhi
Date: 30 November 2021

Place: Mumbai
Date: 30 November 2021

Place: Gurugram
Date: 30 November 2021

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
Annexure - III
Reformatted Consolidated Statement of Cash Flows
(All amounts are in Indian Rupees in million unless stated otherwise)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Cash flow from operating activities :			
Profit/ (Loss) before tax	(1,248.95)	(581.64)	5,246.82
Adjustments for:			
Depreciation, amortisation and impairment	734.19	996.73	228.58
Excess provisions written back	(91.18)	(19.58)	(52.49)
Net gain on fair value changes	(306.44)	(12.56)	(53.79)
Loss/(profit) on sale of property, plant and equipment (net)	74.24	(0.04)	0.02
Gain on derecognition of financial assets	-	-	(27.80)
Loss/(gain) on sale of loan portfolio through assignment	-	-	(298.07)
Provision for employee benefits	63.85	122.67	40.14
Interest on lease liabilities	168.71	258.11	-
Impairment on financial assets	1,841.20	8,964.98	1,035.06
Gain on modification/ derecognition of right of assets	(113.73)	-	-
Effective interest rate adjustment for financial instruments	125.54	265.91	(210.29)
Share based payments expense /(reversal) to employees	(62.07)	150.46	345.65
Operating profit before working capital changes	1,185.36	10,145.04	6,253.83
Adjustments for:			
(Increase)/ decrease in trade receivables	299.04	(105.66)	33.36
(Increase)/ decrease in other receivables	(42.41)	410.02	207.87
(Increase)/ decrease in loans	5,389.81	49,379.83	(66,017.62)
(Increase)/ decrease in other financial assets	4,610.67	(819.20)	(7,449.04)
(Increase)/ decrease in other non-financial assets	(667.66)	(386.34)	(460.72)
Increase/(decrease) in derivative financial instruments	-	(46.52)	(112.45)
Increase/(decrease) in trade payables	(194.33)	122.29	303.98
Increase/(decrease) in other payables	653.72	139.71	211.47
Increase/(decrease) in other financial liabilities	2,035.89	(2,569.66)	(2,500.01)
Increase/(decrease) in provisions	(42.17)	(224.87)	102.66
Increase/(decrease) in other non-financial liabilities	(432.79)	240.56	71.63
Cash generated from/ (used in) operating activities	12,795.13	56,285.20	(69,355.04)
Income taxes paid (net of refunds)	(650.95)	(1,043.04)	(1,695.37)
Net cash generated from/ (used in) operating activities A	12,144.18	55,242.16	(71,050.41)
Cash flows from investing activities :			
Purchase of property, plant and equipment, intangible assets under development and intangible assets (including capital advances)	(143.44)	(1,880.48)	(756.99)
Proceeds from disposal of property, plant and equipment	10.34	5.01	0.01
Payment made for acquisition of subsidiary	(289.63)	(955.90)	(356.76)
Proceeds from sale of investment (net)	(7,628.63)	17.43	1,618.54
Net cash generated from/ (used in) investing activities B	(8,051.36)	(2,813.94)	504.80
Cash flows from financing activities :			
Proceeds from issue of equity shares (including premium) (net of share issue expense)	-	-	22,971.98
Share issue expenses paid	-	(26.96)	-
Proceeds from debt securities	5,250.00	4,182.03	78,653.97
Repayment of debt securities	(5,714.50)	(13,750.00)	(64,641.92)
Proceeds from borrowings (other than debt securities)	18,056.05	29,758.31	102,883.28
Repayment of borrowings (other than debt securities)	(31,075.61)	(51,446.18)	(68,691.06)
Payments of lease liabilities	(368.82)	(564.01)	-
Dividends paid (including dividend distribution tax)	-	(2,083.87)	(557.93)
Net cash generated from/ (used in) financing activities C	(13,852.88)	(33,930.68)	70,618.32
Net increase/(decrease) in cash and cash equivalents (A+B+C) D	(9,760.06)	18,574.01	72.71
Cash and cash equivalent of subsidiary acquired E	-	76.47	-
Cash and cash equivalents at the beginning of the year F	19,900.90	1,326.89	1,254.18
Cash and cash equivalents at the end of the year (D+E+F)	10,140.84	19,900.90	1,326.89

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
Annexure - III
Reformatted Consolidated Statement of Cash Flows
 (All amounts are in Indian Rupees in million unless stated otherwise)

Notes:

1. The above Reformatted Consolidated Statement of Cash Flows has been prepared under the " Indirect Method " as set out in Indian Accounting Standard (Ind AS) -7 'Statement of Cash Flows' as specified under section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

2. Cash and cash equivalents as at the end of the year include:

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Cash and cash equivalents (as per note 6) *	10,140.84	19,909.14	9,496.89
Less: Bank overdraft (as per note - 22)	-	(8.24)	(8,170.00)
	10,140.84	19,900.90	1,326.89

*Refer note 7(i) for restriction of cash and cash equivalents

3 For disclosures relating to changes in liabilities arising from financing activities, refer note- 48.

The accompanying notes form an integral part of these Reformatted Consolidated Financial Information.

This is the Reformatted Consolidated Statement of Cash Flows referred to in our report of even date.

For Hem Sandeep & Co.
 Chartered Accountants
 Firm's registration no. : 009907N

For and on behalf of the Board of Directors

Ajay Sardana
 Partner
 Membership No.: 089011

Place: New Delhi
 Date: 30 November 2021

Pinank Jayant Shah
 Whole Time Director &
 Chief Executive Officer
 DIN: 07859798

Place: Mumbai
 Date: 30 November 2021

Nafees Ahmed
 Director
 DIN: 03496241

Place: Gurugram
 Date: 30 November 2021

Rajeev Lochan Agrawal **Manish Rustagi**
 Chief Financial Officer Company Secretary

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
Annexure - IV
Reformatted Consolidated Statement of Changes in Equity
(All amounts are in Indian Rupees in million unless stated otherwise)

A. Equity share capital (refer note - 28)

	Balance as at 1 April 2018	Changes during the year	Balance as at 1 April 2019	Changes during the year	Balance as at 31 March 2020	Changes during the year	Balance as at 31 March 2021
Equity share capital	245.52	366.36	611.88	-	611.88	-	611.88

B. Other equity (refer note - 30)

Particulars	Securities premium	Capital redemption reserve	Reserve Fund (U/s 45-IC of RBI Act, 1934)	Share options outstanding account	Retained earnings	Change in fair value of loan assets through other comprehensive income	Other Component of Equity	Deemed equity contribution by Holding Company	Debenture redemption reserve	Capital reserve	General reserve	Total attributable to equity shareholders of the Holding Company	Total non- controlling interest	Total
Balance as at 1 April 2018	14,392.32	10.00	418.68	248.76	2,303.07	-	-	85.12	-	-	81.58	17,539.53	-	17,539.53
Profit for the year	-	-	-	-	3,845.16	-	-	-	-	-	-	3,845.16	-	3,845.16
Other comprehensive income (net of tax)	-	-	-	-	(6.57)	-	-	-	-	-	-	(6.57)	-	(6.57)
Transfer from retained earnings	-	-	799.81	-	(841.46)	-	-	-	41.65	-	-	-	-	-
Issue of equity shares	25,356.12	-	-	-	-	-	-	-	-	-	-	25,356.12	-	25,356.12
Adjustment of compulsory convertible preference shares (refer note 29)	(2,695.00)	-	-	-	-	-	-	-	-	-	-	(2,695.00)	-	(2,695.00)
Share based payment to employees	-	-	-	345.65	-	-	-	-	-	-	-	345.65	-	345.65
Transfer to retained earnings	-	-	-	(1.28)	1.28	-	-	-	-	-	-	-	-	-
Equity component for financial guarantee	-	-	-	-	-	-	-	37.45	-	-	-	37.45	-	37.45
Effect of change in foreign exchange rate	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortised/ utilised during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends (including dividend distribution tax) during the year (Rs. 18.85 per share)	-	-	-	-	(557.93)	-	-	-	-	-	-	(557.93)	-	(557.93)
Non-controlling interests on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	0.50	0.50
Balance as at 31 March 2019	37,053.44	10.00	1,218.49	593.14	4,743.54	-	-	122.57	41.65	-	81.58	43,864.41	0.50	43,864.91
Loss for the year	-	-	-	-	(481.93)	-	-	-	-	-	-	(481.93)	106.36	(375.57)
Other comprehensive income (net of tax)	-	-	-	-	(4.89)	79.25	-	-	-	-	-	74.36	1.30	75.66
Transfer from retained earnings	-	-	108.51	-	(108.51)	-	-	-	-	-	-	-	-	-
Transfer from debenture redemption reserve during the year	-	-	-	-	41.65	-	-	-	(41.65)	-	-	-	-	-
Share based payment expense	-	-	-	150.46	-	-	-	-	-	-	-	150.46	-	150.46
Non-controlling interests on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	1,056.12	1,056.12
Share issue expenses	(26.96)	-	-	-	-	-	-	-	-	-	-	(26.96)	-	(26.96)
Transfer to other component of equity	-	-	-	(64.36)	-	-	64.36	-	-	-	-	-	-	-
Equity component for financial guarantee	-	-	-	-	-	-	-	14.17	-	-	-	14.17	-	14.17
Transfer to retained earnings	-	-	-	(19.22)	19.22	-	-	-	-	-	-	-	-	-
Dividends (including dividend distribution tax) during the year (Rs. 28.25 per share)	-	-	-	-	(2,083.87)	-	-	-	-	-	-	(2,083.87)	-	(2,083.87)
Acquisition adjustment of subsidiaries	-	-	-	(0.55)	(53.43)	-	-	-	-	(627.68)	(11.39)	(693.05)	-	(693.05)
Balance as at 31 March 2020	37,026.48	10.00	1,327.00	659.47	2,071.78	79.25	64.36	136.74	-	(627.68)	70.19	40,817.59	1,164.28	41,981.87

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
Annexure - IV
Reformatted Consolidated Statement of Changes in Equity
(All amounts are in Indian Rupees in million unless stated otherwise)

B. Other equity (refer note - 30) (continued)

Particulars	Securities premium	Capital redemption reserve	Reserve Fund (U/s 45-IC of RBI Act, 1934)	Share options outstanding account	Retained earnings	Change in fair value of loan assets through other comprehensive income	Other Component of Equity	Deemed equity contribution by Holding Company	Debenture redemption reserve	Capital reserve	General reserve	Total attributable to equity shareholders of the Holding Company	Total non-controlling interest	Total
Balance as at 1 April 2020	37,026.48	10.00	1,327.00	659.47	2,071.78	79.25	64.36	136.74	-	(627.68)	70.19	40,817.59	1,164.28	41,981.87
Loss for the year	-	-	-	-	(1,115.91)	-	-	-	-	-	-	(1,115.91)	(42.35)	(1,158.26)
Other comprehensive income (net of tax)	-	-	-	-	45.48	(26.71)	-	-	-	-	-	18.77	-	18.77
Share based payment expense	-	-	-	(62.07)	-	-	-	-	-	-	-	(62.07)	-	(62.07)
Equity component for financial guarantee	-	-	-	-	-	-	-	9.38	-	-	-	9.38	-	9.38
Transfer to retained earnings	-	-	-	(304.40)	304.40	-	-	-	-	-	-	-	-	-
Acquisition adjustment of subsidiaries	-	-	-	-	(0.25)	-	-	-	-	-	-	(0.25)	(470.73)	(470.98)
Balance as at 31 March 2021	37,026.48	10.00	1,327.00	293.00	1,305.50	52.54	64.36	146.12	-	(627.68)	70.19	39,667.51	651.20	40,318.71

The accompanying notes form an integral part of these Reformatted Consolidated Financial Information.

This is Reformatted Consolidated Statement of Changes in Equity referred to in our report of even date.

For Hem Sandeep & Co.
Chartered Accountants
Firm's registration no. : 009907N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No.: 089011

Pinank Jayant Shah
Whole Time Director &
Chief Executive Officer
DIN: 07859798

Nafees Ahmed
Director
DIN: 03496241

Rajeev Lochan Agrawal
Chief Financial Officer

Manish Rustagi
Company Secretary

Place: New Delhi
Date: 30 November 2021

Place: Mumbai
Date: 30 November 2021

Place: Gurugram
Date: 30 November 2021

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
Annexure - V

Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Financial Information
(All amounts are in Indian Rupees in million unless stated otherwise)

Note - 1 Group overview

Dhani Loans and Services Limited (formerly, Indiabulls Consumer Finance Limited) ('DLSL', 'the Holding Company', 'the Company') along with its subsidiaries and associate, collectively referred to as 'the Group' in following notes. The Group's primary businesses are "Financing and Related activities" and "Broking and Related activities". Financing and Related activities include business of financing and investing related activities. Broking and related activities include business of cross selling of real estate and providing other ancillary services relating to broking activities. The Holding Company is a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') and is registered as a Non-Banking Financial Company with the Reserve Bank of India ("RBI") under section 45-IA of the Reserve bank of India Act, 1934. The Holding is domiciled in India and its registered office is situated at M-62 and 63, First Floor, Connaught Place, New Delhi - 110001.

Note - 2 General information and statement of compliance with Ind AS

These Reformatted Consolidated Financial Information have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Group has uniformly applied the accounting policies during the periods presented in this Reformatted Consolidated Financial Information.

These Reformatted Consolidated Financial Information as at and for the year ended 31 March 2021, 31 March 2020 and 31 March 2019 were authorized and approved for issue by the Board of Directors on 30 November 2021.

Note - 3 Basis of preparation

The Reformatted Consolidated Financial Information of the Company comprise of the Reformatted Consolidated Statement of Assets and Liabilities as at 31 March 2021, 31 March 2020 and 31 March 2019, the related Reformatted Consolidated Statement of Profit and Loss (including other comprehensive income), the Reformatted Consolidated Statement of Cash Flows, the Reformatted Consolidated Statement of Changes in Equity for the years ended 31 March 2021, 31 March 2020 and 31 March 2019, and the summary of significant accounting policies and other explanatory information (collectively, the Reformatted Consolidated Financial Information') and have been extracted by the Management from the Consolidated Audited Financial Statements of the Group for the year ended 31 March 2021, 31 March 2020 and 31 March 2019 ("Audited Consolidated Financial Statements").

The Reformatted Consolidated Financial Information have been prepared by the management in connection with the proposed issue of non convertible debentures of the Company to be listed on BSE Limited and National Stock Exchange of India (collectively the "Stock Exchanges" in accordance with the requirements of section 26 of the act, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (the "SEBI Regulations"), issued by SEBI, in pursuance of the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"), as amended from time to time and related clarifications issued by the Stock Exchanges.

The Reformatted Consolidated Financial Information have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the Reformatted Consolidated Financial Information have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

Note - 4 Basis of consolidation

Subsidiaries

The Reformatted Consolidated Financial Information comprise financial statements of the Holding Company and its subsidiaries. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss [including other comprehensive income ('OCI')] of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance [including other comprehensive income ('OCI')] is attributed to the equity holders of the Holding Company and to the non-controlling interest basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

Associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control those policies. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Interest in associates are accounted for using the equity method, after initially being recognized at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting principles and policies of the Group. The consolidated statement of profit and loss (including the other comprehensive income) includes the Group's share of the results of the operations of the investee. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interests in associates.

Note - 4 Basis of consolidation (continued)

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group. Acquisition costs are expensed as incurred.

Business combination

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values. Goodwill is measured as excess of the aggregate of the fair value of the consideration transferred, the amount recognized for non-controlling interests and fair value of any previous interest held, over the fair value of the net of identifiable assets acquired and liabilities assumed. If the fair value of the net of identifiable assets acquired and liabilities assumed is in excess of the aggregate mentioned above, the resulting gain on bargain purchase is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognize any new assets or liabilities.

Note - 5 Summary of significant accounting policies

I Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements

Recognition of deferred tax assets - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Business model assessment - The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Evaluation of indicators for impairment of assets - The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Impairment of financial assets - The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Expected credit loss ('ECL') - The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Group makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Provisions - At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Useful lives of depreciable/amortisable assets - Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) - Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements - Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Note - 5

II Summary of significant accounting policies

The Reformatted Consolidated Ind AS Financial Information have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the Reformatted Consolidated Ind AS Financial Information, except where the Group has applied certain accounting policies and exemptions upon transition to Ind AS.

a. Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in consolidated statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013. Leasehold improvements are amortised over the duration of the lease.

Asset class	Useful life
Furniture and fixtures	10 years
Vehicles	8-10 years
Office equipment	5 years
Computer equipment	3 years
Server and Networks	6 years
Leasehold improvements	Over the period of lease

Property, plant and equipment individually costing up to INR 5,000 are fully depreciated in the year of acquisition. Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

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 recognized in the consolidated statement of profit and loss, when the asset is derecognised.

b. Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortisation method, useful lives and residual value)

Asset class	Useful life
Software	3 - 10 years

Intangible assets are amortised from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

The Company had developed a software that is used to enhance the company's business in e-wallet segment. Useful life of that software were estimated 4 year basis the expected economic benefit from the software. However, the company has reassessed the expected pattern of consumption of economic benefit basis technical estimate of the software and expect benefits will flow to the Company till 10 years.

c. Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost. Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. These are recognised as assets when the Group can demonstrate following recognition requirements:

- The development costs can be measured reliably
- The project is technically and commercially feasible
- The Group intends to and has sufficient resources to complete the project
- The Group has the ability to use or sell the such intangible asset
- The asset will generate probable future economic benefits.

Amortisation of the asset begins when development is complete and the asset is available for use.

II Summary of significant accounting policies (continued)

d. Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

The Group recognises revenue from the following sources:

Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR on financial asset after netting off the fees received and cost incurred approximates the effective interest rate of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

Income from assignment transactions

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS evaluated and adjusted for ECL and expected prepayment.

Interest on investments and deposits

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Commission income

Income from commissions / brokerage is recognised on accrual basis, generally as set out under the terms of contracts / agreements with respective customer.

Revenue from Digital Wallet Service & Merchant Fee

Revenue from digital services is recognized for providing payment gateway aggregation services and as a platform for merchant transactions executed through the wallets provided to customers through payment gateways, on a periodic basis as and when transactions are settled. Wallet maintenance fees in relation to facilitating wallet transactions and maintenance of related technical platforms is recognized on an accrual basis. Merchant fees from wallet transaction are recognized on the basis of successful pay-out of wallet usage to the respective merchants. The settlements are done daily for such transactions with the merchants. Revenue from banking correspondence services are recognised on accrual basis in accordance with the terms and conditions of the underlying mandates entered into with bank. The Group provides card enabled prepaid payment program management and remittance services. In such contracts, revenue is recognised as and when transactions are done through cards.

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II Summary of significant accounting policies (continued)

Dividend income

Dividend income is recognised when the right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Net gain on fair value changes

The Group designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Group recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

Miscellaneous income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/collection.

e. Borrowing costs

Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the consolidated statement of profit and loss as incurred basis the effective interest rate method.

f. Taxation

Tax expense recognized in consolidated statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. 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 assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the consolidated statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. 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. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside consolidated statement of profit and loss (either in other comprehensive income or in equity).

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II Summary of significant accounting policies (continued)

g. Employee benefits

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Other long-term employee benefits

The Group also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to consolidated statement of profit and loss in the year in which such gains or losses are determined.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The Group has a defined contribution plans namely provident fund, pension fund, labour welfare fund and employees state insurance scheme. The contribution made by the Group in respect of these plans are charged to the consolidated statement of profit and loss.

Defined benefit plans

The Group has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

h. Share based payments

Share based compensation benefits are provided to employees via Dhani Services Limited (formerly, Indiabulls Ventures Limited) ('Ultimate Holding Company') Employee Stock Option Plans (ESOPs). The employee benefits expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees of the Holding Company will be allotted Ultimate Holding Company's equity shares.

i. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. For cash flow statement purposes, cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

j. Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

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II Summary of significant accounting policies (continued)

k. 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.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

i. Financial assets carried at amortised cost – a financial asset is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) 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. 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 and Loss.

ii. Financial assets carried at fair value through other comprehensive income (FVOCI):

A financial asset is measured at FVOCI if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and selling financial assets, and
- (b) 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.

FVOCI instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and impairment gains or losses are recognised in the statement of profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit or loss.

iii. Investments in equity instruments – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Group makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iv. Investments in mutual funds – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

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 nonfinancial 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.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole. Based on the Group's business model for managing the investments, the Group has classified its investments and securities for trade at FVTPL. Financial liabilities are carried at amortised cost using the effective interest rate method. For trade and other payables the carrying amount approximates the fair value due to short maturity of these instruments.

II Summary of significant accounting policies (continued)

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Group's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Group has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When 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 the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

Convertible debentures

Convertible debentures are separated into liability and equity components basis the terms of the contract. On issuance of the convertible debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as financial liability measured at amortised cost until it is extinguished on conversion. The remainder of the proceeds is recognised in equity since conversion option meets the fixed for fixed criteria.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative contracts

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit and loss using mark to market information.

The Group also enters into certain derivative contracts (futures) to hedge risks which are designated as hedges of the fair value of recognised assets i.e. investment in equity instrument (fair value hedge). For hedge assessment, the hedging relationship must meet conditions with respect to documentation, strategy and economic relationship of the hedged transaction. In case of fair value, the change in fair value of derivative is recognised in the consolidated statement of profit and loss along with change in fair value of underlying asset.

1. Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Group factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

Loan assets

The Group follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

· **Stage 1** (1-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.

· **Stage 2** (31-60 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.

· **Stage 3** (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

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. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) - LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

II Summary of significant accounting policies (continued)

Exposure at Default (EAD) – EAD is based on the amounts the Group expects to be owed at the time of default. For a revolving commitment, the Group includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument in consolidated statement of profit and loss.

m. Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the consolidated statement of profit and loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

n. Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings equity per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o. Segment reporting

The Group identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly reviewed by the CODM ('chief operating decision maker') in deciding how to allocate resources and in assessing performance.

p. Foreign currency

Functional and presentation currency

Items included in the financial statement of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Reformatted Consolidated Ind AS Financial Information have been prepared and presented in Indian Rupees (INR), which is the Holding Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the consolidated statement of profit and loss in the year in which they arise.

II Summary of significant accounting policies (continued)

q. Classification of leases -

The Group enters into leasing arrangements for various premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Leases

Till previous year, assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

For any new contracts entered into on or after 1 April 2019, the Group considers whether a contract is, or contains a lease (the transition approach has been explained and disclosed in Note 46). A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Groups incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

r. Dividend

Provision is made for the amount of any dividend declared on or before the end of the reporting period but not distributed at the end of the reporting period, being appropriately authorised and no longer at the discretion of the Company. The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

s. New accounting pronouncement

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or noncurrent.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.
- The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
Annexure - V

Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information
(All amounts are in Indian Rupees in million unless stated otherwise)

Note - 6

Cash and cash equivalents

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Cash on hand	0.29	0.83	0.44
Balance with banks			
- Current accounts	4,082.81	18,404.00	8,691.68
- in bank deposits with original maturity of less than 3 months (refer note 7(i))	6,057.74	1,504.31	804.77
	10,140.84	19,909.14	9,496.89

Note - 7

Other bank balances

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Bank deposits with original maturity of more than 3 months (refer note 7(i))	2,561.38	3,511.15	1,504.62
In earmarked accounts:			
- Earmarked accounts	951.62	361.31	-
	3,513.00	3,872.46	1,504.62

7(i) Bank deposits and other bank balances include:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Overdraft facilities*	640.18	1,091.29	774.44
Deposit against securitisation	2,335.02	2,336.02	621.24
Bank guarantee	2.52	2.53	2.53
Margin money	-	-	111.33
	2,977.72	3,429.84	1,509.54

Note - 8

Trade receivables

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Receivables, considered good (unsecured)	982.47	1,311.51	2,003.37
Receivables which have significant increase in credit risk	311.69	709.47	228.86
	1,294.16	2,020.98	2,232.23
Less: impairment loss allowance	(311.69)	(709.47)	(228.86)
	982.47	1,311.51	2,003.37

Note - 9

Other receivables

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Receivables, considered good (unsecured)	628.93	586.52	996.54
Receivables which have significant increase in credit risk	335.31	389.46	100.73
	964.24	975.98	1,097.27
Less: impairment loss allowance	(335.31)	(389.46)	(100.73)
	628.93	586.52	996.54

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Dhani Loans and Services Limited
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Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information
(All amounts are in Indian Rupees in million unless stated otherwise)

Note - 10
Loans (continued)

	As at 31 March 2019		
	At amortised cost	At fair value through other comprehensive income	Total
(a) Loans			
- Secured	49,608.34	-	49,608.34
- Unsecured	56,721.72	-	56,721.72
(b) Inter-Corporate deposits - Unsecured	147.47	-	147.47
Total gross	106,477.53	-	106,477.53
Less: impairment loss allowance	(1,248.73)	-	(1,248.73)
Total net	105,228.80	-	105,228.80
(i) Secured by tangible assets	49,430.67	-	49,430.67
(ii) Secured by other assets	177.67	-	177.67
(iii) Unsecured	56,869.19	-	56,869.19
Total gross	106,477.53	-	106,477.53
Less: impairment loss allowance	(1,248.73)	-	(1,248.73)
Total net	105,228.80	-	105,228.80
Loans in India			
(i) Public sector	-	-	-
(ii) Others	106,477.53	-	106,477.53
Total gross	106,477.53	-	106,477.53
Less: impairment loss allowance	(1,248.73)	-	(1,248.73)
Total net	105,228.80	-	105,228.80

Note - 11
Investments

Investments	As at 31 March 2021			
	At amortised cost	At fair value through profit or loss	At cost	Total
Mutual funds	-	13,777.63	-	13,777.63
Security receipts	-	210.10	-	210.10
Total (A)	-	13,987.73	-	13,987.73
(i) Investments outside India	-	-	-	-
(ii) Investments in India	-	13,987.73	-	13,987.73
Total (B)	-	13,987.73	-	13,987.73
Less: Allowance for Impairment loss on security receipts (C)	-	(177.26)	-	(177.26)
Total (D) = (A)-(C)	-	13,810.47	-	13,810.47

Investments	As at 31 March 2020			
	At amortised cost	At fair value through profit or loss	At cost	Total
Mutual funds	-	815.51	-	815.51
Debt securities	-	5,059.89	-	5,059.89
Total (A)	-	5,875.40	-	5,875.40
(i) Investments outside India	-	-	-	-
(ii) Investments in India	-	5,875.40	-	5,875.40
Total (B)	-	5,875.40	-	5,875.40
Less: Allowance for Impairment loss (C)	-	-	-	-
Total (D) = (A)-(C)	-	5,875.40	-	5,875.40

Investments	As at 31 March 2019			
	At amortised cost	At fair value through profit or loss	At cost	Total
Mutual funds	-	5,532.34	-	5,532.34
Debt securities	-	261.75	-	261.75
Equity instruments	-	-	60.60	60.60
Total (A)	-	5,794.09	60.60	5,854.69
(i) Investments outside India	-	-	-	-
(ii) Investments in India	-	5,794.09	60.60	5,854.69
Total (B)	-	5,794.09	60.60	5,854.69
Less: Allowance for Impairment loss (C)	-	-	-	-
Total (D) = (A)-(C)	-	5,794.09	60.60	5,854.69

Dhani Loans and Services Limited
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Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information

(All amounts are in Indian Rupees in million unless stated otherwise)

Note - 12

Other financial assets

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
(a) Receivable on assigned loans	847.99	4,451.77	298.07
Less: allowance for Impairment Loss	(163.56)	(191.57)	-
Net receivable on assigned loans	684.43	4,260.20	298.07
(b) Loan to employees	23.50	67.01	20.71
(c) Advances for purchase of shares	-	760.65	-
(d) Deposit for mark to market margin account	-	-	58.18
(e) Security deposits			
(i) Deposits for underwriting/distribution of real estate projects	2,872.10	3,326.34	8,996.54
(ii) Deposits with others	28.35	150.68	99.54
Less: impairment loss allowance	(2.01)	(2.01)	(2.30)
Net security deposit	2,898.44	3,475.01	9,093.78
(f) Other recoverable	107.95	22.65	-
	3,714.32	8,585.52	9,470.74

Note - 13

Current tax assets (net)

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Advance income tax (including tax deducted at source) [Net of provision for income tax]	1,573.83	1,339.80	401.83
	1,573.83	1,339.80	401.83

Note - 14

Deferred tax assets (net)

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Deferred tax assets:			
Provision for contingencies	-	0.96	19.66
Impairment loss allowance	1,306.77	1,540.30	433.71
Disallowances under section 40A(7) of the Income-tax Act, 1961	38.81	43.31	34.17
Disallowances under section 43B of the Income-tax Act, 1961	18.91	24.01	11.73
Depreciation and amortisation	7.37	-	-
Tax losses carried forward	-	-	48.08
Financial liabilities measured at amortised cost	-	32.78	-
Lease equalisation reserve	-	-	10.99
Financial assets measured at amortised cost	119.43	191.10	10.72
Share based payments	73.89	166.14	207.42
Minimum alternate tax credit entitlement	62.93	62.93	65.75
Effect of reversal of financing component from revenue	3.41	-	-
Lease liabilities	1.90	-	-
Others	24.76	31.11	-
Deferred tax assets (A):	1,658.18	2,092.64	842.23
Deferred tax liabilities:			
Financial assets measured at fair value through profit and loss	-	-	0.80
Financial assets measured at fair value through other comprehensive income	17.67	26.65	-
Depreciation and amortisation	112.65	148.51	54.09
Derecognition of financial instruments measured under amortised cost category	223.17	1,122.42	103.44
Financial assets measured at amortised cost	4.16	-	16.32
Others	0.37	-	-
Financial liabilities measured at amortised cost	-	-	31.77
Deferred tax liability (B):	358.02	1,297.58	206.42
Deferred tax assets (net) (C = A-B)	1,300.16	795.06	635.81

Dhani Loans and Services Limited
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Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information
(All amounts are in Indian Rupees in million unless stated otherwise)

Note - 14

Deferred tax assets (net) (continued)

Movement in deferred tax assets (net) for the year ended 31 March 2021

Particulars	As at 1 April 2020	Recognised in profit and loss	Recognised in other comprehensive income	Other movement	As at 31 March 2021
Deferred tax assets:					
Provision for contingencies	0.96	(0.96)	-	-	-
Impairment loss allowance	1,540.30	(233.53)	-	-	1,306.77
Disallowances under section 40A(7) of the Income-tax Act, 1961	43.31	(4.50)	-	-	38.81
Disallowances under section 43B of the Income-tax Act, 1961	24.01	10.20	(15.30)	-	18.91
Depreciation and amortisation	-	7.37	-	-	7.37
Financial liabilities measured at amortised cost	32.78	(32.78)	-	-	-
Financial assets measured at amortised cost	191.10	(71.67)	-	-	119.43
Share based payments	166.14	(92.25)	-	-	73.89
Minimum alternate tax credit entitlement	62.93	-	-	-	62.93
Effect of reversal of financing component from revenue	-	3.41	-	-	3.41
Lease liabilities	-	1.90	-	-	1.90
Others	31.11	(6.35)	-	-	24.76
Total (A):	2,092.64	(419.16)	(15.30)	-	1,658.18
Deferred tax liabilities:					
Financial assets measured at fair value through other comprehensive income	26.65	(8.98)	-	-	17.67
Depreciation and amortisation	148.51	(35.86)	-	-	112.65
Derecognition of financial instruments measured under amortised cost category	1,122.42	(899.25)	-	-	223.17
Financial assets measured at fair value through other comprehensive income	-	8.99	(8.99)	-	-
Financial assets measured at amortised cost	-	4.16	-	-	4.16
Others	-	0.37	-	-	0.37
Total (B):	1,297.58	(930.57)	(8.99)	-	358.02
Deferred tax assets (net) (A-B)	795.06	511.41	(6.31)	-	1,300.16

Movement in deferred tax assets (net) for the year ended 31 March 2020

Particulars	As at 1 April 2019	Recognised in profit and loss	Recognised in other comprehensive income	Other movement	As at 31 March 2020
Deferred tax assets:					
Provision for contingencies	19.66	(18.70)	-	-	0.96
Impairment loss allowance	433.71	1,106.59	-	-	1,540.30
Disallowances under section 40A(7) of the Income-tax Act, 1961	34.17	9.14	-	-	43.31
Disallowances under section 43B of the Income-tax Act, 1961	11.73	10.65	1.64	-	24.01
Tax losses carried forward	48.08	(48.08)	-	-	-
Financial assets measured at amortised cost	10.72	180.38	-	-	191.10
Financial liabilities measured at amortised cost	-	32.78	-	-	32.78
Lease equalisation reserve	10.99	(10.99)	-	-	-
Share based payments	207.42	(41.28)	-	-	166.14
Minimum alternate tax credit entitlement	65.75	(2.82)	-	-	62.93
Others	-	31.11	-	-	31.11
Total (A):	842.23	1,248.78	1.64	-	2,092.64
Deferred tax liabilities:					
Financial assets measured at fair value through profit and loss	0.80	(0.80)	-	-	-
Depreciation and amortisation	54.09	(46.82)	-	141.24	148.51
Financial assets measured at fair value through other comprehensive income	-	(26.65)	26.65	-	-
Derecognition of financial instruments measured under amortised cost category	103.44	1,018.99	-	-	1,122.42
Financial assets measured at amortised cost	16.32	(16.32)	-	-	-
Financial liabilities measured at amortised cost	31.77	(31.77)	-	-	-
Total (B):	206.42	923.28	26.65	141.24	1,297.58
Deferred tax assets (net) (A-B)	635.81	325.50	(25.01)	(141.24)	795.06

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Note - 14

Deferred tax assets (net) (continued)

Movement in deferred tax assets (net) for the year ended 31 March 2019

Movement in deferred tax assets (net)	As at 1 April 2018	Recognised in profit and loss	Recognised in other comprehensive income	Other movement	Balance as at 31 March 2019
Deferred tax assets:					
Provision for contingencies	2.62	17.04	-	-	19.66
Impairment loss allowance	179.39	254.32	-	-	433.71
Disallowances u/s. 40A(7) of the Income-tax Act, 1961	18.72	15.45	-	-	34.17
Disallowances u/s. 43B of the Income-tax Act, 1961	5.37	3.30	3.06	-	11.73
Tax losses carried forward	57.70	(9.62)	-	-	48.08
Financial assets measured at amortised cost	114.47	(103.75)	-	-	10.72
Lease equalisation reserve	4.00	6.99	-	-	10.99
Share based payments	86.09	121.33	-	-	207.42
Minimum alternate tax credit entitlement	62.93	2.82	-	-	65.75
Total (A):	531.29	307.88	3.06	-	842.23
Deferred tax liabilities:					
Financial assets measured at fair value through profit and loss	7.09	(6.29)	-	-	0.80
Difference between book balance and tax balance of fixed assets	31.62	22.47	-	-	54.09
Derecognition of financial instruments measured under amortised cost category	-	103.44	-	-	103.44
Financial assets measured at amortised cost	-	16.32	-	-	16.32
Financial liabilities measured at amortised cost	14.01	17.76	-	-	31.77
Total (B):	52.72	153.70	-	-	206.42
Deferred tax assets (net) (A-B)	478.57	154.18	3.06	-	635.81

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Note - 15

Investment accounted for using equity method

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Investment in associate (unquoted, at cost)			
Nil (31 March 2020: Nil and 31 March 2019: 2,137,981) equity shares of ₹ 10 each, of Transerv Limited	-	-	357.04
Less : Share of loss in associate (refer note - 62C)	-	-	(0.28)
	-	-	356.76

Notes:

a) Equity investments in associate are measured at cost as per provision of Ind AS 27 on 'Separate Financial Statements'.

b) The Group had acquired 33% equity stake of "Transerv Limited" (formerly known as "Transerv Private Limited") (hereinafter referred to as "Investee") on 29 March 2019. The Group exercises significant influence over the investee and accordingly, the same has been accounted for as an "Associate" as per the provisions of Ind AS 28 "Investments in associates and joint venture".

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Annexure - V

Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information

(All amounts are in Indian Rupees in million unless stated otherwise)

Note - 16A

Property, plant and equipment

	Furniture and fixtures	Vehicles#	Office equipment	Computers	Server and networks	Freehold land	Total
<u>Gross block (at cost)</u>							
As at 1 April 2018	43.40	41.52	30.08	146.38	-	-	261.38
Additions during the year	36.86	5.41	36.58	150.73	-	1.30	230.88
Sales/adjustment during the year	-	-	0.24	0.08	-	-	0.32
As at 01 April 2019	80.26	46.93	66.42	297.03	-	1.30	491.94
Addition on acquisition of subsidiary	0.03	-	0.12	1.91	-	-	2.06
Additions during the year	295.95	5.40	63.13	62.73	28.72	-	455.93
Sales/adjustment during the year	0.81	5.75	0.50	0.27	-	-	7.33
As at 31 March 2020	375.43	46.58	129.17	361.40	28.72	1.30	942.60
Additions during the year	163.47	-	15.00	7.53	15.33	-	201.33
Sales/adjustment during the year	77.29	8.25	20.31	7.88	-	-	113.73
As at 31 March 2021	461.61	38.33	123.86	361.05	44.05	1.30	1,030.20
<u>Accumulated depreciation</u>							
As at 1 April 2018	2.90	6.26	3.62	24.34	-	-	37.12
Addition on acquisition of subsidiary	-	-	-	-	-	-	-
Depreciation during the year	6.67	7.56	9.92	59.35	-	-	83.50
Sales/adjustment during the year	-	-	0.22	0.08	-	-	0.30
As at 01 April 2019	9.57	13.82	13.32	83.61	-	-	120.32
Addition on acquisition of subsidiary	0.02	-	0.08	1.22	-	-	1.32
Depreciation during the year	24.14	7.79	22.15	92.46	2.15	-	148.69
Sales/adjustment during the year	0.63	1.09	0.49	0.15	-	-	2.36
As at 31 March 2020	33.10	20.52	35.06	177.14	2.15	-	267.97
Addition on acquisition of subsidiary	-	-	-	-	-	-	-
Depreciation during the year	44.84	7.01	24.85	88.66	6.04	-	171.40
Sales/adjustment during the year	12.31	4.24	7.53	5.07	-	-	29.15
As at 31 March 2021	65.63	23.29	52.38	260.73	8.19	-	410.22
Net Block as at 01 April 2019	70.69	33.11	53.10	213.42	-	1.30	371.62
Net Block as at 31 March 2020	342.33	26.06	94.11	184.26	26.57	1.30	674.63
Net Block as at 31 March 2021	395.98	15.04	71.48	100.32	35.86	1.30	619.98

Includes vehicles having carrying value of ₹ 4.68 million (31 March 2020: ₹ 6.18 millions and 31 March 2019: ₹ 6.18 millions) which are hypothecated to banks against the respective loans.

(a) Refer note Note - 47B of notes to accounts for disclosure of capital commitments.

Dhani Loans and Services Limited**(Formerly known as Indiabulls Consumer Finance Limited)****Annexure - V****Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information**

(All amounts are in Indian Rupees in million unless stated otherwise)

Note - 16B**Right of use assets**

	Building office premises
As at 1 April 2019	-
Reclassified on account of adoption of Ind AS 116	2,338.97
Additions during the year	515.99
Deletion	(138.29)
Depreciation during the year	(434.64)
As at 31 March 2020	2,282.03
Additions during the year	850.58
Deletion	(1,607.93)
Depreciation during the year	(309.23)
As at 31 March 2021	1,215.45

Note - 16C**Intangible assets under development**

As at 01 April 2018	6.82
Additions during the year	125.00
Capitalised during the year	(107.21)
As at 31 March 2019	24.61
As at 01 April 2019	24.61
Additions during the year	78.53
Capitalised during the year	(48.88)
As at 31 March 2020	54.26
Additions during the year	39.09
Capitalised during the year	(55.30)
As at 31 March 2021	38.05
As at 31 March 2019	24.61
As at 31 March 2020	54.26
As at 31 March 2021	38.05

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Dhani Loans and Services Limited

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(All amounts are in Indian Rupees in million unless stated otherwise)

Note - 16D**Goodwill**

	Goodwill
As at 01 April 2018	-
Add: Adjustment on acquisition of subsidiary	-
Less: Adjustment on disposal of subsidiary	-
As at 31 March 2019	-
As at 01 April 2019	-
Add: Adjustment on acquisition of subsidiary	358.67
Less: Adjustment on disposal of subsidiary	-
As at 31 March 2020	358.67
Add: Adjustment on acquisition on subsidiary	289.63
Less: Adjustment on disposal of subsidiary	-
As at 31 March 2021	648.30

Note - 16E**Other intangible assets****Gross block (at cost)**

	Software
As at 01 April 2018	399.78
Addition on acquisition of subsidiary	-
Additions during the year	348.12
Sales/adjustment during the year	-
As at 31 March 2019	747.90
As at 01 April 2019	747.90
Addition on acquisition of subsidiary	146.75
Additions during the year	778.66
Sales/adjustment during the year	-
As at 31 March 2020	1,673.31
Addition on acquisition of subsidiary	-
Additions during the year	64.96
Sales/adjustment during the year	-
As at 31 March 2021	1,738.27

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Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information

(All amounts are in Indian Rupees in million unless stated otherwise)

Note - 16E

Other intangible assets (continued)	Software
<u>Accumulated amortisation</u>	
As at 01 April 2018	66.41
Addition on acquisition of subsidiary	-
Amortisation during the year	145.08
Impairment during the year	-
Sales/adjustment during the year	-
As at 31 March 2019	211.49
As at 01 April 2019	211.49
Addition on acquisition of subsidiary	90.60
Amortisation during the year	412.02
Impairment during the year	1.38
Sales/adjustment during the year	-
As at 31 March 2020	715.49
Addition on acquisition of subsidiary	-
Amortisation during the year	250.80
Impairment during the year	2.76
Sales/adjustment during the year	-
As at 31 March 2021	969.05
Net Block as at 01 April 2019	536.41
Net Block as at 31 March 2020	957.82
Net Block as at 31 March 2021	769.22

Note - 17

Other non-financial assets

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Capital advances	1,253.22	1,359.87	181.40
Prepaid expenses	77.97	153.82	338.11
Balance with government authorities	514.65	549.66	334.01
Advances to suppliers	118.97	528.17	268.02
Unamortised customer and card acquisition cost	1,204.13	97.80	-
Others	85.39	3.98	3.17
	3,254.33	2,693.30	1,124.71

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Note - 18

Derivative financial instruments

Particular	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Notional amounts	Liabilities	Notional amounts	Liabilities	Notional amounts	Liabilities
Part I						
Notional amounts						
Equity linked derivatives	-	-	-	-	-	-
Index linked derivatives	-	-	-	-	1,228.22	20.94
Total derivative financial instruments	-	-	-	-	1,228.22	20.94
Fair value						
Equity linked derivatives	-	-	-	-	-	-
Index linked derivatives	-	-	-	-	-	-
Total	-	-	-	-	-	-
Part II						
Included are derivatives held for hedging and risk management purpose as follows:						
Notional amounts						
(i) Fair value heading						
- Equity linked derivatives	-	-	-	-	-	-
(ii) Undesignated derivatives						
- Index linked derivatives	-	-	-	-	1,228.22	20.94
Total derivative financial instruments	-	-	-	-	1,228.22	20.94

Note - 19

Trade payables

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Total outstanding due to micro enterprises and small enterprises (i)	-	0.24	-
Total outstanding due to creditors other than micro enterprises and small enterprises	526.45	720.54	585.42
	526.45	720.78	585.42

(i) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED):

Details of trade payable dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Principal amount remaining unpaid to any supplier and service provider at the end of each reporting year	-	0.24	-
Interest due thereon	-	-	-
Interest paid by the Group in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during year) but without adding the interest specified under MSMED Act, 2006	-	-	-
Interest accrued and remaining unpaid as at end of the year	-	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the auditors.

Note - 20

Other payables

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Total outstanding due to micro enterprises and small enterprises (i)	-	-	-
Total outstanding due to creditors other than micro enterprises and small enterprises	902.37	339.83	219.19
	902.37	339.83	219.19

(i) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED):

Details of other payable dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Principal amount remaining unpaid to any supplier and service provider at the end of each reporting year	-	-	-
Interest due thereon	-	-	-
Interest paid by the Group in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-	-
Interest accrued and remaining unpaid as at end of the year	-	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the auditors.

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Note - 21

Debt securities (at amortised cost)

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Secured			
Non-convertible debentures - secured (i)	7,706.03	8,042.78	7,889.62
Unsecured			
Commercial papers (unsecured) (ii)	-	-	9,500.00
Total	7,706.03	8,042.78	17,389.62
Debt securities in India	7,706.03	8,042.78	17,348.62
Debt securities outside India	-	-	-
Total	7,706.03	8,042.78	17,348.62

Notes:

(i). Secured redeemable non convertible debentures (payable at par unless otherwise stated) include:

Particular	Redemption date	As at 31 March 2021			
		Number of NCDs	Amount	Impact of interest accrued and Ind AS	Total outstanding amount
Interest rate :- 10.75% Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-May-2021	3,774,710	3,774.71	24.54	3,799.25
Interest rate :- 10.75% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-May-2021	246,579	246.58	57.69	304.27
Interest rate :- 10.40% Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-May-2022	324,981	324.98	0.18	325.16
Interest rate :- 10.90% Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-May-2022	755,369	755.37	0.94	756.31
Interest rate :- 10.90% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-May-2022	235,842	235.84	54.74	290.58
Interest rate :- 10.50% Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-Mar-2024	470,084	470.08	(1.71)	468.37
Interest rate :- 11.00% Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-Mar-2024	260,712	260.71	(0.77)	259.94
Interest rate :- 11.00% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-Mar-2024	193,776	193.78	44.59	238.37
Interest rate :- 10.27% Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2021	71,822	71.82	5.30	77.12
Interest rate :- 10.25% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2021	34,800	34.80	6.28	41.08
Interest rate :- 9.95% Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2022	123,709	123.71	(2.85)	120.86
Interest rate :- 10.41% Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2022	122,095	122.10	7.03	129.13
Interest rate :- 10.40% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2022	42,780	42.78	7.10	49.88
Interest rate :- 10.13% Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2024	156,425	156.43	(5.76)	150.67
Interest rate :- 10.61% Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2024	128,003	128.00	5.80	133.80
Interest rate :- 10.60% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2024	43,856	43.86	6.84	50.70
Interest rate :- 10.12% Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2021	12,129	12.13	0.68	12.81
Interest rate :- 10.10% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2021	4,810	4.81	0.77	5.58
Interest rate :- 9.81% Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2022	29,704	29.70	(0.00)	29.70

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Debt securities (at amortised cost) (continued):

Particular	Redemption date	As at 31 March 2021			
		Number of NCDs	Amount	Impact of interest accrued and Ind AS	Total outstanding amount
Interest rate :- 10.27% Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2022	22,470	22.47	1.19	23.66
Interest rate :- 10.25% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2022	8,556	8.56	1.35	9.91
Interest rate :- 10.04% Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2024	37,907	37.91	(0.12)	37.79
Interest rate :- 10.52% Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2024	118,099	118.10	6.04	124.14
Interest rate :- 10.50% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2024	10,362	10.36	1.64	12.00
Interest rate :- 9.50% Face Value :- ₹ 10,00,000.00 Issue Date :- 17 November 2020	17-May-2022	250	250.00	4.96	254.96
Total		7,229,830.00	7,479.59	226.44	7,706.03

Particular	Redemption date	As at 31 March 2020			
		Number of NCDs	Amount	Impact of interest accrued and Ind AS	Total outstanding amount
Interest rate :- 10.75% Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-May-2021	3,774,710	3,774.71	(7.41)	3,767.30
Interest rate :- 10.75% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-May-2021	246,579	246.58	26.11	272.69
Interest rate :- 10.40% Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-May-2022	324,981	324.98	(1.73)	323.25
Interest rate :- 10.90% Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-May-2022	755,369	755.37	(3.50)	751.87
Interest rate :- 10.90% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-May-2022	235,842	235.84	24.70	260.54
Interest rate :- 10.50% Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-Mar-2024	470,084	470.08	(3.50)	466.58
Interest rate :- 11.00% Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-Mar-2024	260,712	260.71	(1.76)	258.95
Interest rate :- 11.00% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-Mar-2024	193,776	193.78	20.08	213.85
Interest rate :- 10.00% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	31-Jul-2020	1,24,154	124.15	7.11	131.27
Interest rate :- 10.27% Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2021	71,822	71.82	3.00	74.82
Interest rate :- 10.25% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2021	34,800	34.80	1.41	36.21
Interest rate :- 9.95% Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2022	123,709	123.71	(5.28)	118.43
Interest rate :- 10.41% Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2022	122,095	122.10	4.31	126.41
Interest rate :- 10.40% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2022	42,780	42.78	1.46	44.24
Interest rate :- 10.13% Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2024	156,425	156.43	(7.61)	148.81

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Note - 21

Debt securities (at amortised cost) (continued):

Particular	Redemption date	As at 31 March 2020			
		Number of NCDs	Amount	Impact of interest accrued and Ind AS	Total outstanding amount
Interest rate :- 10.61% Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2024	128,003	128.00	3.95	131.95
Interest rate :- 10.60% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 27 June 2019	27-Jun-2024	43,856	43.86	1.30	45.16
Interest rate :- 10.00% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	10-Oct-2020	5,90,347	590.35	28.39	618.74
Interest rate :- 10.12% Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2021	12,129	12.13	0.56	12.69
Interest rate :- 10.10% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2021	4,810	4.81	0.22	5.03
Interest rate :- 9.81% Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2022	29,704	29.70	(0.17)	29.54
Interest rate :- 10.27% Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2022	22,470	22.47	0.93	23.40
Interest rate :- 10.25% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2022	8,556	8.56	0.38	8.94
Interest rate :- 10.04% Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2024	37,907	37.91	(0.25)	37.66
Interest rate :- 10.52% Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2024	118,099	118.10	5.43	123.53
Interest rate :- 10.50% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 6 September 2019	6-Sep-2024	10,362	10.36	0.56	10.92
Total		7,229,580	7,944.09	98.69	8,042.78

Particular	Redemption date	As at 31 March 2019			
		Number of NCDs	Amount	Impact of interest accrued and Ind AS	Total outstanding amount
Interest rate :- 10.60% Face Value :- ₹ 1,000,000.00 Issue Date :- 29 March 2019	29-Mar-2021	1,750	1,750.00	(57.27)	1,692.73
Interest rate :- 10.75% Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-May-2021	3,774,710	3,774.71	(38.75)	3,735.96
Interest rate :- 10.75% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-May-2021	246,579	246.58	(2.68)	243.90
Interest rate :- 10.40% Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-May-2022	324,981	324.98	(3.46)	321.52
Interest rate :- 10.90% Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-May-2022	755,369	755.37	(7.80)	747.57
Interest rate :- 10.90% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-May-2022	235,842	235.84	(2.58)	233.26
Interest rate :- 10.50% Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-Mar-2024	470,084	470.08	(5.04)	465.04
Interest rate :- 11.00% Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-Mar-2024	260,712	260.71	(2.70)	258.01
Interest rate :- 11.00% (Effective Yield) Face Value :- ₹ 1000.00 Issue Date :- 8 March 2019	8-Mar-2024	193,776	193.78	(2.14)	191.64
Total		6,263,803	8,012.05	(122.43)	7,889.62

Non-convertible debentures are secured by way of first ranking pari-passu charge on the current assets (including investments) of the holding Company, both present and future; and on present and future loan assets of the Holding company, including all monies receivable for the principal amount and interest thereon.

Interest accrued on Non -convertible debenture of ₹ 75.06 millions and ₹ 41.00 millions for the FY 2019-20 and FY 2018-19 respectively has been re-grouped from Other financial liabilities to Debt securities.

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Debt securities (at amortised cost) (continued):

Unsecured commercial papers:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
This amount is repayable in one instalment in June 2019.	-	-	500.00
This amount is repayable in one instalment in May 2019.	-	-	4,500.00
This amount is repayable in one instalment in May 2019.	-	-	1,250.00
This amount is repayable in one instalment in June 2019.	-	-	2,000.00
This amount is repayable in one instalment in May 2019.	-	-	1,250.00
Total	-	-	9,500.00

Commercial paper carried an interest in the range of 8.75 % per annum to 9.50% per annum

Note - 22

Borrowings (other than debt securities) (at amortised cost)

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Term loans			
- From banks - secured (i)	13,887.37	22,723.38	42,105.50
- From financial institution - secured (i)	5,858.09	7,510.20	7,944.06
Loans from related parties			
- Ultimate Holding Company of Group- unsecured (ii)	-	793.00	6,447.00
- From Fellow Subsidiary Companies- unsecured (ii)	3,525.00	-	-
Loans repayable on demand from banks- secured (iii)	50.00	250.77	1,472.96
Bank overdraft-secured (iv)	-	8.24	8,170.00
Vehicle loans from bank - secured (v)	1.50	3.51	10.18
Liability against securitised assets - secured (vii)	4,083.87	9,215.61	4,082.85
Total	27,405.83	40,504.71	70,232.55
Borrowings in India	27,405.83	40,504.71	70,151.75
Borrowings outside India	-	-	-
Total	27,405.83	40,504.71	70,151.75

(i) Term loans from banks and financial institutions includes:

Particulars	Security	As at 31 March 2021		
		Amount	Impact of interest accrued and Ind AS	Total outstanding amount
Canara Bank (eSyndicate Bank) : This loan is repayable in 16 quarterly equated instalments with moratorium period of 12 months from the date of disbursement. Loan repayment commencing from December 2018 with last instalment falling due in year 2022-23.	First pari passu charge over standard receivables and current assets (including cash & cash equivalents).	500.00	(0.12)	499.88
Indian Overseas Bank : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over book debts/ receivables/ loan portfolio/ all current assets (including investments in liquid mutual fund including cash & cash equivalents).	3,000.00	(5.43)	2,994.57
Bank of Baroda (eVijaya Bank) : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over receivables & current assets (including cash & cash equivalents and investments).	3,000.00	(5.18)	2,994.82
Punjab & Sind Bank : This loan is repayable in 2 equated annual instalments with moratorium period of 36 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over receivables & current assets (including cash & cash equivalents and investments).	5,000.00	(0.58)	4,999.42
Union Bank of India : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from June 2022 with last instalment falling due in year 2023-24.	First pari passu charge on standard receivables and current assets.	1,500.00	(2.09)	1,497.91

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Note - 22

Borrowings (other than debt securities) (at amortised cost) (continued):

Particulars	Security	As at 31 March 2021		
		Amount	Impact of interest accrued and Ind AS	Total outstanding amount
RBL Bank : This loan is repayable in 13 equated quarterly instalments with first instalment due at the end of 3 months from the date of disbursement. Loan repayment commencing from September 2018 with last instalment falling due in year 2021-22.	Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund).	153.85	(0.06)	153.79
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 7,500.00 lakh each to be paid for the first six instalments and instalments of ₹ 1,000.00 lakh each to be paid for the last five instalments. Loan repayment commencing from January 2019 with last instalment falling due in year 2023-24.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	1,250.00	19.78	1,269.78
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 4,500.00 lakh each to be paid for the first six instalments and instalments of ₹ 600.00 lakh each to be paid for the last five instalments. Loan repayment commencing from July 2019 with last instalment falling due in year 2024-25.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	1,200.00	18.21	1,218.21
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 5,460.00 lakh each to be paid for the first six instalments and instalments of ₹ 728.00 lakh each to be paid for the last five instalments. Loan repayment commencing from July 2019 with last instalment falling due in year 2024-25.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	1,456.00	22.13	1,478.13
South Indian Bank : This loan is repayable in 3 equated instalments of ₹ 2,500 lakh each at the end of 3rd, 4th and 5th year after a moratorium period of 24 months.	First pari passu charge over loans and advances, receivables & other current assets (including cash & cash equivalents and investments in debt mutual funds).	750.00	(3.01)	746.99
National Bank for Agriculture and Rural Development : This loan is repayable in 20 equated quarterly instalments Loan repayment commencing from March 2021 with last instalment falling due in year 2025-26.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	1,900.00	(8.04)	1,891.96
Total		19,709.85	35.61	19,745.46

Particulars	Security	As at 31 March 2020		
		Amount	Impact of interest accrued and Ind AS	Total outstanding amount
Canara Bank (eSyndicate Bank) : This loan is repayable in 16 quarterly equated instalments with moratorium period of 12 months from the date of disbursement. Loan repayment commencing from December 2018 with last instalment falling due in year 2022-23.	First pari passu charge over standard receivables and current assets (including cash & cash equivalents).	625.00	(0.33)	624.67
Indian Overseas Bank : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over book debts/ receivables/ loan portfolio/ all current assets (including investments in liquid mutual fund including cash & cash equivalents).	3,000.00	(10.84)	2,989.16
Bank of Baroda (eVijaya Bank) : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over receivables & current assets (including cash & cash equivalents and investments).	3,000.00	(10.36)	2,989.64

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Borrowings (other than debt securities) (at amortised cost) (continued):

Particulars	Security	As at 31 March 2020		
		Amount	Impact of interest accrued and Ind AS	Total outstanding amount
Punjab & Sind Bank : This loan is repayable in 2 equated annual instalments with moratorium period of 36 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over receivables & current assets (including cash & cash equivalents and investments).	5,000.00	(1.18)	4,998.82
Union Bank of India : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from June 2022 with last instalment falling due in year 2023-24.	First pari passu charge on standard receivables and current assets.	1,500.00	(3.31)	1,496.69
RBL Bank : This loan is repayable in 13 equated quarterly instalments with first instalment due at the end of 3 months from the date of disbursement. Loan repayment commencing from September 2018 with last instalment falling due in year 2021-22.	Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund).	461.54	(0.67)	460.87
IndusInd Bank : This loan is repayable in 12 equated quarterly instalments which shall commence from the quarter end during which the limit is disbursed. Loan repayment commencing from December 2018 with last instalment falling due in year 2021-22.	First Pari passu charge on loans receivables, & all current assets (including cash and cash equivalents) of the company, both present and future, and on present and future loan asset of the company	1,000.00	(10.01)	989.99
IndusInd Bank : This loan is repaid in one instalment in September 2020.	First Pari passu charge on loans receivables, & all current assets (including cash and cash equivalents) of the company, both present and future, and on present and future loan asset of the company.	3,000.00	(57.82)	2,942.18
Yes bank : This loan is repayable in 18 equated monthly instalments after moratorium of 7 months. Loan repayment commencing from May 2019 with last instalment falling due in year 2020-21.	Pari Pasu charge on all standard current and future book debts and receivables of the company with (including cash & cash equivalents).	3,888.89	(8.26)	3,880.63
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 7,500.00 lakh each to be paid for the first six instalments and instalments of ₹ 1,000.00 lakh each to be paid for the last five instalments. Loan repayment commencing from January 2019 with last instalment falling due in year 2024-25.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	2,750.00	42.99	2,792.99
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 4,500.00 lakh each to be paid for the first six instalments and instalments of ₹ 600.00 lakh each to be paid for the last five instalments. Loan repayment commencing from July 2019 with last instalment falling due in year 2024-25.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	2,100.00	31.06	2,131.06
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 5,460.00 lakh each to be paid for the first six instalments and instalments of ₹ 728.00 lakh each to be paid for the last five instalments. Loan repayment commencing from July 2019 with last instalment falling due in year 2024-25.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	2,548.00	38.14	2,586.14
Yes bank : This working capital demand loan is repaid in one instalment in June 2020.	Pari Pasu charge on all standard current and future book debts and receivables of the company including other current assets	600.00	5.45	605.45
South Indian Bank : This loan is repayable in 3 equated instalments of ₹ 2,500 lakh each at the end of 3rd, 4th and 5th year after a moratorium period of 24 months.	First pari passu charge over loans and advances, receivables & other current assets (including cash & cash equivalents and investments in debt mutual funds).	750.00	(4.72)	745.28
Total		30,223.43	10.14	30,233.57

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Borrowings (other than debt securities) (at amortised cost) (continued):

Particulars	Security	As at		
		Amount	Impact of interest accrued and Ind AS	Total outstanding amount
RBL Bank : this loan is repayable in 13 quarterly equated instalments commencing from December 2017 with last instalment falling due in year 2019-20.	Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund).	269.23	(0.64)	268.59
Canara Bank (eSyndicate Bank) : This loan is repayable in 16 quarterly equated instalments with moratorium period of 12 months from the date of disbursement. Loan repayment commencing from December 2018 with last instalment falling due in year 2022-23.	First pari passu charge over standard receivables and current assets (including cash & cash equivalents).	875.00	(0.63)	874.37
Indian Overseas Bank : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over book debts/ receivables/ loan portfolio/ all current assets (including investments in liquid mutual fund including cash & cash equivalents).	3,000.00	(16.28)	2,983.72
Bank of Baroda (eVijaya Bank) : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over receivables & current assets (including cash & cash equivalents and investments).	3,000.00	(15.55)	2,984.45
Punjab & Sind Bank : This loan is repayable in 2 equated annual instalments with moratorium period of 36 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over receivables & current assets (including cash & cash equivalents and investments).	5,000.00	(1.79)	4,998.21
Union Bank of India : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from June 2022 with last instalment falling due in year 2023-24.	First pari passu charge on standard receivables and current assets.	1,500.00	(0.04)	1,499.96
RBL Bank : This loan is repayable in 13 equated quarterly instalments with first instalment due at the end of 3 months from the date of disbursement. Loan repayment commencing from September 2018 with last instalment falling due in year 2021-22.	Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund).	769.23	(2.03)	767.20
RBL Bank : This loan is repayable in 13 equated quarterly instalments with first instalment due at the end of 3 months from the date of disbursement. Loan repayment commencing from September 2017 with last instalment falling due in year 2020-21.	Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund).	942.31	(1.59)	940.72
IndusInd Bank : This loan is repayable in 12 equated quarterly instalments which shall commence from the quarter end during which the limit is disbursed. Loan repayment commencing from December 2018 with last instalment falling due in year 2021-22.	First Pari passu charge on loans receivables, & all current assets (including cash and cash equivalents) of the company, both present and future, and on present and future loan asset of the company	1,666.67	(28.44)	1,638.23
IndusInd Bank : This loan is repaid in one instalment in September 2019.	First Pari passu charge on loans receivables, & all current assets (including cash and cash equivalents) of the	3,000.00	0.74	3,000.74
Yes bank : This loan is repayable in 18 equated monthly instalments after moratorium of 7 months. Loan repayment commencing from May 2019 with last instalment falling due in year 2020-21.	Pari Pasu charge on all standard current and future book debts and receivables of the company with (including cash & cash equivalents).	10,000.00	(81.56)	9,918.44
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 7,500.00 lakh each to be paid for the first six instalments and instalments of ₹ 1,000.00 lakh each to be paid for the last five instalments. Loan repayment commencing from January 2019 with last instalment falling due in year	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	4,250.00	60.58	4,310.58
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 5,460.00 lakh each to be paid for the first six instalments and instalments of ₹ 728.00 lakh each to be paid for the last five instalments. Loan repayment commencing from July 2019 with last instalment falling due in year 2024-25.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	3,640.00	(6.52)	3,633.48
Yes bank : This working capital demand loan is repaid in one instalment in Sep' 2019.	Pari Pasu charge on all standard current and future book debts and receivables of the company including other	10,000.00	(8.15)	9,991.85
South Indian Bank : This loan is repayable in 3 equated instalments of ₹ 2,500 lakh each at the end of 3rd, 4th and 5th year after a moratorium period of 24 months.	First pari passu charge over loans and advances, receivables & other current assets (including cash & cash equivalents and investments in debt mutual funds).	750.00	(6.44)	743.56
Lakshmi Vilas Bank : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from June 2022 with last instalment falling due in year 2023-24.	First pari passu charge on standard receivables and current assets.	1,500.00	(4.54)	1,495.46
		50,162.44	(112.88)	50,049.56

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Borrowings (other than debt securities) (at amortised cost) (continued):

(a) Interest rate on term loans varies from 8.15% to 10.75% per annum (31 March 2020 - 8.70% to 10.75% per annum and 31 March 2019 - 8.90% to 10.75% per annum).

(ii) Loan from related party carries rate of interest range between 8.25% per annum to 10.00% per annum and shall be repaid within 2 year to 5 years as per the terms of the agreement.

(iii) Loans repayable on demand from banks includes:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Yes bank : This Cash credit facility is repayable on demand by the issuer bank. Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund).	-	250.77	250.78
RBL Bank Limited : This Working capital demand loan is repayable between 7 days to 6 Months. Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund).	50.00	-	-
Total	50.00	250.77	250.78

Interest rate on loans repayable on demand from banks are 9.80% per annum (31 March 2020 - 9.50% per annum and 31 March 2019 - 9.50% per annum).

(iv) The overdraft from bank are secured against pledge of fixed deposits of the Group (31 March 2019: pledge of fixed deposits and corporate guarantee of the Ultimate Holding Company) and carry interest rates of 9.30% per annum (31 March 2020: 9.30% per annum and 31 March 2019: 5.50% per annum). The overdraft from bank is repayable on demand.

There is no default as on the Balance Sheet date in repayment of the respective loan or interest amounts.

(v) Vehicle loans are secured against hypothecation of the vehicles purchased. The rate of interest of such term loans ranges between 8.75% to 10.30% per annum (as at 31 March 2020: 8.50% to 10.30% per annum and 31 March 2019: 7.75% to 10.30% per annum). The loans are repayable in equated monthly installments of 5 years. There are no continuing defaults as on the balance sheet date in repayment of the loans or interest amounts.

(vi) Interest accrued on borrowings other than debt securities amounting to ₹137.92 millions and ₹ 80.80 millions has been re-grouped from other financial liabilities to Borrowings (other than debt securities) for the FY 2019-20 and FY 2018-19 respectively.

(vii) Securitisation liabilities:

In the course of its finance activity, the Company makes transfers of financial assets, where legal rights to the cash flows from the asset are passed to the counterparty and where the Company retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty. Securitisation liabilities includes following arrangements:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
ICICI Bank	439.39	1,732.69	4,082.85
IDFC first bank	3,346.86	6,785.25	-
Axis Bank	297.62	697.67	-
Total	4,083.87	9,215.61	4,082.85

Interest rate on securitisation liabilities varies from 10.00% to 12.06% per annum (31 March 2020 - 10.00% to 12.06% per annum and 31 March 2019 - 10.00% to 12.06% per annum).

Note - 23

Lease Liabilities

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Lease liabilities (refer note - 46)	1,339.87	2,410.77	-
	1,339.87	2,410.77	-

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Note - 24

Other financial liabilities

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Temporary overdraft (refer 'i' below)	-	1,089.83	4,050.18
Interest accrued on assigned loan	390.20	281.09	-
Expenses payable	178.71	143.68	-
Payable to directors	-	-	108.90
Others:			
- Amount payable on assigned/securitised loans (refer 'ii' below)	2,848.96	-	-
- Amount held on behalf of agents for remittance business	1.13	-	-
- Amount held on behalf of merchants from digital wallet business	38.29	-	-
- Other payable	422.38	269.70	136.90
	3,879.67	1,784.30	4,295.98

(i) Temporary overdraft as per books represent cheques issued in excess of funds in the bank

(ii) Amount payable on assigned/securitised loans represent the amount collected on sale down portfolio where cash flows are require to pass to the counterparty either through direct assignment or pass through credit.

(iii) Interest accrued on debt securities and borrowings (other than debt securities) for the FY 2019-20 and FY 2018-19 have been re-grouped from Other financial liabilities to Debt Securities (refer note no. 21 (i)) and Borrowing (other than debt securities) (refer note no. 22 (vi)).

Note - 25

Current tax liabilities (net)

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Provision for taxation (Net of advance tax including tax deducted at source)	3.80	-	-
	3.80	-	-

Note - 26

Provisions

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits:			
Provision for gratuity (refer note 50 (ii))	154.21	173.86	101.68
Provision for compensated absences	75.15	93.61	34.60
For others			
Provision for contingencies*	-	0.99	223.66
	229.36	268.46	359.94

* Disclosure under Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Assets": Movements in provision for contingencies during the financial year, are set out below:

Particulars	Amount
Balance as at 1 April 2018	137.79
Additional provision recognised	221.22
Amounts used during the year	(135.35)
Balance as at 31 March 2019	223.66
Additional provision recognised	-
Amount used during the year	(222.67)
Balance as at 31 March 2020	0.99
Additional provision recognised	-
Amount used during the year	(0.99)
Balance as at 31 March 2021	-

Note - 27

Other non-financial liabilities

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Lease equalisation reserve	-	-	31.45
Payable to Ultimate Holding Company of Group for purchase of shares	-	-	55.00
Advance from customers	102.35	117.04	107.82
Statutory liabilities	81.25	499.35	232.70
	183.60	616.39	426.97

Note - 28

Equity share capital

	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
(i) Authorised						
Equity shares of face value of ₹ 10 each	80,000,000	800.00	80,000,000	800.00	80,000,000	800.00
	80,000,000	800.00	80,000,000	800.00	80,000,000	800.00

(ii) Issued, subscribed and paid up

	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Issued, subscribed and fully paid up:						
Equity shares of face value of ₹ 10 each	61,188,000	611.88	61,188,000	611.88	61,188,000	611.88
	61,188,000	611.88	61,188,000	611.88	61,188,000	611.88

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the financial year :

Equity shares

	For the year ended 31 March 2021		For the year ended 31 March 2020		For the year ended 31 March 2019	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	61,188,000	611.88	61,188,000	611.88	24,551,565	245.52
Add: Issued during the year	-	-	-	-	36,636,435	366.36
Balance at the end of the year	61,188,000	611.88	61,188,000	611.88	61,188,000	611.88

(iv) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to received remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(v) Shares held by shareholders each holding more than 5% shares and holding company:

No. of shareholders	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Dhani Services Limited (formerly, Indiabulls Ventures Limited) and its nominees (Ultimate Holding Company)	61,188,000	100%	61,188,000	100%	61,188,000	100%

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.

(vi) The Company has not issued any bonus shares during the current year and five years immediately preceding current year.

(vii) There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue and bought back during the last five years.

Note - 29

Instruments entirely equity in nature

	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
A. Authorised						
Preference Shares of face value of ₹ 10 each	5,500,000	55.00	5,500,000	55.00	5,500,000	55.00
	5,500,000	55.00	5,500,000	55.00	5,500,000	55.00

B. Issued, subscribed and paid up

Compulsorily convertible preference shares of face value of ₹ 10 each	-	-	-	-	-	-
	-	-	-	-	-	-

C. Reconciliation of the compulsorily convertible preference shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
Balance at the beginning of the year	-	-	-	-	5,500,000	55.00
Add: Issued during the year	-	-	-	-	-	-
Less: Adjusted during the year*	-	-	-	-	(5,500,000)	(55.00)
Balance at the end of the year	-	-	-	-	-	-

* During the year ended 31 March 2019, the Company had modified the terms of these convertible preference shares from being compulsorily convertible to optionally convertible on 12 March 2019. Later on, these preference shares were redeemed on 15 March 2019 at the transaction value.

D. Terms/rights attached to equity shares / compulsorily convertible preference shares

The Company has only one class of preference shares having a par value of Rs. 10 per share. These can be converted in equity shares at any time up to 20 years from date of issuance. These shares carry 0.001% as dividend percentage which is to be paid as and when declare and approve by Board of directors.

E. No preference shares have been bought back during the period of five years immediately preceding 31 March 2021.

F. No preference shares have been issued for consideration other than cash during the period of five years immediately preceding 31 March 2021.

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Note - 30

Other equity

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Reserve fund	1,327.00	1,327.00	1,218.49
Capital reserve	(627.68)	(627.68)	-
Securities premium	37,026.48	37,026.48	37,053.44
Capital redemption reserve	10.00	10.00	10.00
Other component equity	64.36	64.36	-
Deemed equity contribution by Ultimate Holding Company of Group	146.12	136.74	122.57
General reserve	70.19	70.19	81.58
Share options outstanding account	293.00	659.47	593.14
Retained earnings	1,305.50	2,071.78	4,743.54
Change in fair value of loan assets through other comprehensive income	52.54	79.25	-
Equity attributable to the owners of the Holding Company	39,667.51	40,817.59	43,864.41
Total non- controlling interest	651.20	1,164.28	0.50
Total other equity	40,318.71	41,981.87	43,864.91

Nature and purpose of other reserves:

Reserves fund

The reserve is created as per the provision of Section 45(IC) of Reserve Bank of India Act, 1934. This is a restricted reserve and no appropriation can be made from this reserve fund except for the purpose as may be prescribed by Reserve Bank of India.

Capital reserve

Capital reserve represents reserves created pursuant to the business combination upto year end.

Securities premium

Securities premium represents premium received on issue of shares. The account can be utilised in accordance with the provisions of the Companies Act 2013.

Capital redemption reserve

The same had been created in accordance with provisions of the Companies Act 2013 on account of redemption of preference shares.

Debenture redemption reserve

The Companies Act 2013 requires Companies that issue debentures to create as debenture redemption reserve from annual profits until such debentures are redeemed. The Company is required to transfer a specified percentage (as provided in the Companies Act, 2013) of the outstanding redeemable debentures to debenture redemption reserve. However, pursuant to the Companies (Share Capital and Debentures) Amendment Rules, 2019 notified on 16 August 2019 by Ministry of Corporate Affairs (MCA), debenture redemption reserve is not required for debentures issued by All India Financial Institutions regulated by Reserve Bank of India and Banking Companies for both public as well as privately placed debentures.

Change in fair value of loan assets through other comprehensive income

This reserve has been created against change in business model for loan against property ("LAP"), business installments loan and personal loan from "hold to collect" to "hold to collect and sale".

General reserve

The Group is required to create a general reserve out of the profits when the Group declares dividend to shareholders.

Share option outstanding account

The reserve is used to recognise the fair value of the options issued to employees of the Company under Ultimate Holding Company of Group ESOP's plan.

Equity instruments through other comprehensive income

This represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income.

Deemed equity contribution by Ultimate Holding Company of Group

The reserve has been created against initial measurement of financial guarantee (given by Ultimate Holding Company of Group) at fair value.

Other component of equity

The reserve has been created against exercised amount of employee stock option (issued by Ultimate Holding Company of Group).

Retained earnings

Retained earnings represents surplus / accumulated earning of the Group and are available for distribution to shareholders

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Note - 31

Interest income

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
On financial assets measured at amortised cost -			
- Interest on loans	7,486.89	17,204.03	14,588.77
- Interest on deposits with banks	256.75	233.50	75.36
- Other interest income	703.88	563.78	174.95
On financial assets measured at fair value through profit or loss -			
Interest income from investments			
- Bonds	-	63.81	85.61
- Alternative fund	2.92	-	
- Commercial paper	-	120.06	17.42
- Commercial deposits	-	34.57	10.08
Total	8,450.44	18,219.75	14,952.19

Note - 32

Dividend income

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Dividend on investments	-	493.49	253.48
Total	-	493.49	253.48

Note - 33

Fees and commission income

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Commission and brokerage income	196.73	334.20	906.10
Subscription income	253.90	-	
Foreclosure fees and other related income	581.45	913.86	1,183.31
Management fee	16.73	24.01	5.19
Remittance and marchant program	0.33	12.90	-
Digital wallet program	680.86	612.59	-
Total	1,730.00	1,897.56	2,094.60

Note - 34

Net gain on fair value changes

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Net gain/(loss) on financial instruments at fair value through profit or loss			
On trading portfolio			
- Gain/(loss) on sale of investments/mutual fund	306.45	38.14	119.20
- Gain/(loss) on Derivatives	-	(25.58)	(65.41)
Total net gain on fair value changes	306.45	12.56	53.79
Fair value changes			
- Realised gain	293.42	9.59	46.37
- Unrealised gain	13.03	2.97	7.42
Total net gain on fair value changes	306.45	12.56	53.79

Note - 35

Net gain on derecognition of financial assets

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Gain on sale of loan portfolio through assignment	1,001.78	6,166.90	315.80
Gain on derecognition of financial instruments	2.77	-	9.96
	1,004.55	6,166.90	325.76

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Note - 36

Other income

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Net gain on ineffective portion of hedges	-	-	19.61
Excess provisions written back	91.18	19.58	52.49
Profit on sale of property, plant and equipment (net)	-	0.10	-
Gain on modification/derecognition of right of assets	113.73	-	-
Reimbursement of common expenses	69.87	26.32	-
Miscellaneous income	0.72	0.55	0.37
Total	275.50	46.55	72.47

Note - 37

Finance costs

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on borrowings			
- Term loans	2,400.34	4,216.50	3,601.10
- Inter-corporate loans	222.03	1,395.65	1,234.84
- Bank overdraft	21.25	118.95	93.24
- Vehicle loan	0.25	0.54	1.00
Interest on debt securities			
- Commercial papers	-	157.98	960.32
- Interest on non convertible debentures	1,004.48	1,266.74	133.56
Other interest expense			
- Liability against securitised assets	752.39	1,145.15	99.09
- Liability against leases	168.71	258.11	-
- Taxes	6.18	0.22	3.03
Other borrowing costs	9.37	17.42	153.99
Total	4,585.00	8,577.26	6,280.17

Note - 38

Fees and commission expense

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Commission expense	9.50	10.77	24.91
Digital wallet expenses	509.75	272.31	-
Total	519.25	283.08	24.91

Note - 39

Impairment on financial assets

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Impairment allowances on loans	(451.45)	4,350.41	1,030.13
Impairment allowances on trade receivables and others	30.00	802.06	3.43
Impairment allowances on interest spread on assigned assets	(28.01)	191.57	-
Impairment allowances - security receipts	177.27	-	-
Loans, trade receivable and other financial assets write off	2,113.39	3,620.94	-
Investments written off	-	-	1.50
Total	1,841.20	8,964.98	1,035.06

Note - 40

Employee benefits expenses

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries and wages	3,318.26	4,066.91	2,294.59
Contribution to provident fund and other funds	70.80	54.61	37.57
Share based payments expense to employees	(62.07)	150.46	345.65
Staff welfare expenses	7.06	78.99	45.79
Total	3,334.05	4,350.97	2,723.60

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Note - 41

Depreciation, amortisation and impairment

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation on property, plant and equipment (refer note 16A)	171.40	148.69	83.50
Amortisation on intangible assets (refer note 16E)	250.80	412.02	145.08
Impairment of intangible assets (refer note 16E)	2.76	1.38	-
Depreciation on right-of-use assets (refer note 16B)	309.23	434.64	-
Total	734.19	996.73	228.58

Note - 42

Other expenses

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Rent	51.20	32.41	317.04
Rates and taxes	8.80	29.11	8.48
Office maintenance	89.59	129.12	101.16
Repairs and maintenance - others	9.90	10.66	15.63
Travelling and conveyance	136.24	129.47	55.65
Communication costs	66.36	190.58	157.64
Printing and stationery	7.64	25.55	20.87
Software expenses	156.99	174.33	122.31
Electricity expenses	23.94	45.91	29.25
Legal and professional charges	540.73	2,488.38	1,190.35
Bank charges	267.57	242.21	36.31
Insurance	2.25	8.85	-
Web hosting expenses	27.64	5.14	3.71
Recruitment expenses	-	-	2.18
Business promotion	366.48	498.78	122.15
Corporate social responsibility expenses (refer note- 49)	66.65	62.66	28.41
Loss on modification of financial assets	104.85	140.19	-
Loss on sale/scrapping of property, plant and equipment	74.24	-	-
Miscellaneous expenses	1.13	32.08	1.73
Total	2,002.20	4,245.43	2,212.87

Note - 43

Tax expense

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Current tax			
Income tax for current year	420.72	118.13	1,555.84
Deferred tax			
Deferred tax credit	(511.41)	(325.50)	(154.18)
Income tax expense reported in the statement of profit and loss	(90.69)	(207.37)	1,401.66

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.17% (31 March 2020: 25.17% and 31 March 2019: 29.12%) and the reported tax expense in statement of profit and loss are as follows:

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Reconciliation of effective tax rate			
Accounting loss before tax expense	(1,248.95)	(581.64)	5,247.10
Income tax rate	25.17%	25.17%	29.12%
Expected tax expense	(314.34)	(146.39)	1,527.97
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:			
Tax impact on items exempt under income-tax	(61.11)	(117.27)	(157.11)
Tax impact on deductions allowed under income-tax	36.62	(3.44)	13.03
Tax impact of permanent differences	99.88	21.11	56.05
Income chargeable under capital gain (difference of tax rates)	(79.33)	29.61	(145.99)
Earlier years tax adjustments (net)	0.26	0.10	0.02
Tax losses for which no deferred tax was recognised	176.32	138.79	44.36
Tax impact of difference in tax rate on certain items	(9.85)	(87.93)	63.26
Others	60.86	(41.95)	0.08
Income-tax expense	(90.69)	(207.37)	1,401.67

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Note - 44
Earnings per equity share

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Loss available for equity shareholders	(1,115.91)	(414.77)	3,845.16
Basic/diluted earnings per equity share:			
Weighted average number of equity shares used for computing basic earnings per equity share	61,188,000	61,188,000	50,346,686
Effect of dilution:			
Add: Preference shares*	-	-	5,500,000
Weighted average number of equity shares used in computing diluted earnings per equity share	61,188,000	61,188,000	55,846,686
Face value of equity share (₹)	10.00	10.00	10.00
Earnings per equity share -			
- Basic (₹)	(18.24)	(6.78)	76.37
- Diluted (₹)	(18.24)	(6.78)	68.85

* During the year ended 31 March 2019, the Holding Company modified the terms of these convertible preference shares from being compulsorily convertible to optionally convertible on 12 March 2019. Later on these preference shares were redeemed on 15 March 2019 at the transaction value.

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Note 45
Business Combination

Acquisition in financial year 2019-20

I. Acquisition of Transerv Limited

On 1 April 2019, the Holding Company, has further acquired 9% shareholding in "Transerv Limited" (formerly known as Transerv Private Limited) and the Holding Company's total shareholding in Transerv Limited stood at 42%. By virtue of control as per Ind AS 110 - Consolidated Financial Statement, "Transerv Limited" has become subsidiary of the Group and same is consolidated in the consolidated financial statements for the financial year 2019-20.

Fair value of identifiable assets acquired and liabilities assumed as on the date of acquisition is as below:

Particulars	Amount
Financial assets	
Other bank balances	81.14
Trade receivables	4.54
Loans	2.13
Other financial assets	89.67
	177.48
Non-financial assets	
Current tax assets	13.06
Property, plant and equipment	0.75
Intangible assets under development	1.02
Other intangibles	617.35
Other non-financial assets	3.77
	635.95
Total assets (A)	813.43
Financial liabilities	
Trade payables	13.03
Other payables	0.52
Other financial liabilities	149.16
	162.71
Non-financial liabilities	
Provisions	4.20
Other non-financial liabilities	3.86
	8.06
Total liabilities (B)	170.77
Fair value of identifiable net assets (C=A-B)	642.66
Less : Amount paid to obtain control	D 140.25
Less : Investment in subsidiary	E 356.76
Less : Non-controlling interest	F 363.08
Less: Deferred tax on intangible assets	G 141.24
Goodwill (D+E+F+G-C)	358.67

The resultant provisional goodwill amounts to ₹ 358.67 million. Goodwill paid reflects the premium for gaining immediate entry to wallet business with all the regulatory permits and clearances which will enable the Group to participate in the wallet business market.

Acquisition of additional interest in Transerv Limited

On 1 April 2020, the Group acquired remaining 58.00% interest in the voting shares of Transerv Limited, increasing its ownership interest to 100%. Cash consideration of ₹ 760.65 million was paid to the non-controlling shareholders. Following is a schedule of additional interest acquired in Transerv Limited:

Particulars	Amount
Cash consideration paid to non-controlling shareholders	760.65
Carrying value of the additional interest in Transerv Limited	471.02
Difference recognised as Goodwill	289.63

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Note 45
Business Combination (continued)

II. Accounting for business combination under common control

As per Ind AS 103 - Business combinations, common control business transaction includes transactions, such as transfer of subsidiaries, between entities within the Group and the business combination under common control is being accounted for using pooling of interest method.

The following accounting has been followed

- The assets and liabilities of the combining entities are reflected at their carrying values.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities.
- The financial information in the financial statements in respect of prior periods has been as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

A Acquisition of Indiabulls Distribution Services Limited

On 26 March 2020, Indiabulls Distribution Services Limited ("IDSL") issued and allotted 308,220 equity shares to Dhani Loans and Services Limited (formerly, Indiabulls Consumer Finance Limited). After allotment of said shares DLSL holds 86.04% share of IDSL and IDSL become subsidiary of the Company. Earlier, IDSL was wholly owned subsidiary of Dhani Services Limited (formerly, Indiabulls Ventures Limited) (the Holding Company of DLSL) from the date of its incorporation and therefore it was a business combination under common control as per Appendix C of Ind AS 103. As per Ind AS 103, common control business transaction includes transactions, such as transfer of subsidiaries, between entities within the Group. As per Para 8 of Ind AS 103, the business combination under common control is being accounted for using pooling of interest method.

Particulars	Amount
Cost of acquisition	4,500.01
Carrying value of identifiable net assets	679.45
Non-controlling interest	95.53
Capital reserve	(5,179.46)
Retained earnings	593.45

Indiabulls Alternate Investments Limited (a wholly owned subsidiary of IDSL) was also acquired in the abovementioned transaction.

As per para II (c) above, for the purpose of preparation of consolidated financial statements, the financial statements of previous period is and these entities are included in the consolidated financial statements when they came under common control. Therefore, IDSL is included in the financials from the start of the prior period 1 April 2018.

B Acquisition of Indiabulls Investment Advisors Limited

On 20 March 2020, Dhani Loans and Services Limited (formerly, Indiabulls Consumer Finance Limited) acquired 100% shares of Indiabulls Investment Advisors Limited ("IIAL") from Dhani Services Limited (formerly, Indiabulls Ventures Limited) (the Holding Company of DLSL). IIAL was wholly owned subsidiary of Dhani Services Limited (formerly, Indiabulls Ventures Limited) from the date of its incorporation and therefore it was a business combination under common control as per Appendix C of Ind AS 103. As per Ind AS 103, common control business transaction includes transactions, such as transfer of subsidiaries, between entities within the Group. As per Para 8 of Ind AS 103, the business combination under common control is being accounted for using pooling of interest method.

Particulars	Amount
Consideration transferred	55.00
Carrying value of identifiable net assets	(358.35)
Capital reserve	(413.35)
Retained earnings	(414.49)

As per para II (c) above, for the purpose of preparation of consolidated financial statements, the financial statements of previous period is and these entities are included in the consolidated financial statements when they came under common control. Therefore, IIAL is included in the financials from the start of the prior period 1 April 2018.

Note - 46
Leases

The Group has leases for office buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use "ROU" assets. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group is required to pay maintenance fees in accordance with the lease contracts.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Short-term leases	51.20	32.41

B Total cash outflow for p

C The Group has total commitment for short-term leases of ₹ Nil as at 31 March 2021 (31 March 2020: ₹ Nil).

D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March 2021	Minimum lease payment due						Total
	Within 1 year	1 - 2 Years	2 - 3 Years	3 - 4 Years	4 - 5 Years	More than 5 years	
Lease Payment	310.25	290.24	265.67	264.19	278.01	436.20	1,844.56
Interest Expense	131.47	111.54	94.51	75.99	54.22	36.96	504.69
Net Present Value	178.78	178.70	171.16	188.20	223.79	399.24	1,339.87

31 March 2020	Minimum lease payment due						Total
	Within 1 year	1 - 2 Years	2 - 3 Years	3 - 4 Years	4 - 5 Years	More than 5 years	
Lease Payment	548.96	559.70	486.16	423.98	397.89	944.20	3,360.89
Interest Expense	236.33	201.28	163.58	133.49	102.45	112.99	950.12
Net Present Value	312.63	358.41	322.58	290.50	295.44	831.21	2,410.77

E Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31 March 2021 is of ₹ Nil (31 March 2020: ₹ Nil).

F The table below describe the nature of the Group's lease activities by type of right-of -use asset recognised on balance sheet :

Year	Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
As at 31 March 2021	Office Building	137	6 Month to 105 Month	47.74 Months	-	-	137
As at 31 March 2020	Office Building	231	2.03 Month to 105.53 Month	81.95 Months	-	-	231

G The total future cash outflows as at 31 March 2021 for leases that had not yet commenced is of ₹ 9.56 Million (31 March 2020: ₹ 54.36 Million).

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Note - 46

Leases (continued):

H Impact on transition

- 1 Effective 1 April 2019, the Group has adopted Ind AS 116 "Leases" and applied modified retrospective approach to all lease contracts existing as at 1 April 2019. On transition, the adoption of new standard resulted in recognition of lease liability of ₹ 2,314.65 Million and corresponding right of use asset of ₹ 2,338.97 Million.
- 2 For contracts in place as at 1 April 2019, Group has elected to apply the definition of a lease from Ind AS 17 and has not applied Ind AS 116 to arrangements that were previously not identified as lease under Ind AS 17.
- 3 The Group has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of Ind AS 116, being 1 April 2019.
- 4 Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Company has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of Ind AS 116.
- 5 On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets the Group has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straightline basis over the remaining lease term.
- 6 For those leases previously classified as finance leases, the right-of-use asset and lease liability are measured at the date of initial application at the same amounts as under Ind AS 17 immediately before the date of initial application.
- 7 On transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised was 10.50%.
- 8 The following is a reconciliation of total operating lease commitments at 31 March 2019 (as disclosed in the financial statements for the year ended 31 March 2019) to the lease liabilities recognised at 1 April 2019:

Particulars	Amount
Total operating lease commitments disclosed as at 31 March 2019	3,314.08
Recognition exemptions:	
Leases of low value assets	-
Leases with remaining lease term of less than 12 months	-
Variable lease payments not recognised	-
Operating lease liabilities before discounting	3,314.08
Discounting impact (using incremental borrowing rate)	(999.43)
Operating lease liabilities	2,314.65
Finance lease obligations under Ind AS 17	-
Total lease liabilities recognised under Ind AS 116 at 1 April 2019	2,314.65

The following is the movement in lease liabilities:

Particulars	Year ended	Year ended
	31 March 2021	31 March 2020
Opening Balance	2,410.77	-
Adjustment on account of Ind AS 116	-	2,314.65
Additions	850.31	501.36
Finance cost accrued during the period	168.71	258.11
Deletion	(1,716.15)	259.58
Payment of lease liabilities	(373.77)	(922.93)
Closing Balance	1,339.87	2,410.77

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A. Contingent liabilities not provided for in respect of:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Claims against the group not acknowledged as debts in respect of* -			
- Cases under Income-tax Act, 1961	15.18	19.26	9.66
Total	15.18	19.26	9.66

*In respect of disputes, the Company is hopeful of succeeding in appeals and does not expect any significant liabilities to materialise.

B. Commitments:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Capital commitment for purchase of property, plant and equipment (net of capital advances paid)	1,593.29	59.63	115.46

Note- 48

Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

Particulars	Debt securities	Borrowings (other than debt securities)	Lease liabilities	Total
Balance as at 1 April 2018	3,500.00	35,973.96	-	39,473.96
Cash flows:				
- Repayment	(64,641.92)	(76,789.95)	-	(141,431.87)
- Proceeds	78,653.97	111,052.05 #	-	189,706.02
Non cash:				
- Amortisation of upfront fees and others	(163.43)	(84.31)	-	(247.74)
- Addition/(reduction) in interest accrued	41.00	80.80	-	121.80
Balance as at 31 March 2019	17,389.62	70,232.55	-	87,622.17
Adjustment on account of Ind AS 116	-	-	2,314.65	2,314.65
Cash flows:				
- Repayment	(13,750.00)	(59,616.18)	(564.02)	(73,930.20)
- Proceeds	4,182.03	29,766.55 #	-	33,948.58
Non cash:				
- Amortisation of upfront fees and others	187.07	64.67	-	251.74
- Addition during the year (net)	-	-	402.03	402.03
- Addition/(reduction) in interest accrued	34.06	57.12	-	91.18
- Others	-	-	258.11	258.11
Balance as at 31 March 2020	8,042.78	40,504.71	2,410.77	50,958.26
Cash flows:				
- Repayment	(5,714.50)	(31,083.85) #	(368.82)	(37,167.17)
- Proceeds	5,250.00	18,056.05	-	23,306.05
Non cash:				
- Amortisation of upfront fees and others	116.16	-	-	116.16
- Addition/(reduction) during the year (net)	-	-	(870.79)	(870.79)
- Addition/(reduction) in interest accrued	11.59	(71.07)	-	(59.48)
- Others	-	-	168.71	168.71
Balance as at 31 March 2021	7,706.03	27,405.83	1,339.87	36,451.74

This includes proceeds of ₹ nil and repayment of ₹ 8.24 million (31 March 2020: proceeds ₹ 8.24 million and repayments ₹ 8,168.77 million and 31 March 2019: proceeds ₹ 6.99 million) from bank overdraft which is considered under cash and cash equivalents in the cash flow statement.

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(i) Corporate social responsibility expenses

In accordance with the provisions of section 135 of the Companies Act 2013, the Board of Directors of the Company (where CSR provisions are applicable) had constituted a Corporate Social Responsibility (CSR) Committee. In terms with the provisions of the said Act, the Group was to spend a sum of ₹ 66.65 million (31 March 2020: ₹ 62.66 million and 31 March 2019: ₹ 28.41 million) towards CSR activities during the year ended 31 March 2021, 2020 and 2019. The details of amount actually spent by the Group are as follow:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
(a) Gross amount required to be spent by the Group	66.65	62.66	28.41
(b) Amount spent on -			
- Construction/acquisition of any asset	-	-	-
- Any other purpose other than above*	66.65	62.66	28.41
(c) Amount unpaid	-	-	-
Total	66.65	62.66	28.41

*Contribution towards donation/corpus fund paid to Indiabulls Foundation

Note - 50

Employee benefits

(i) Defined contribution plans:

The Group pays fixed contribution to provident fund at predetermined rates to a registered provident fund administered by the Government of India, which invests the funds in permitted securities. Both the Company and employees make predetermined contributions to the Provident Fund. The contributions are normally based on a certain proportion of the employee's salary. Amount of ₹ 70.80 million (31 March 2020 ₹ 54.61 million and 31 March 2019 ₹ 37.57 million) pertaining to employers' contribution to provident and other fund is recognised as an expense and included in "Employee benefits expense".

(ii) Defined benefit plans:

The Group operates unfunded gratuity plan which provides lump sum benefits linked to the qualifying salary and completed years of service with the Group at the time of separation. Every employee who has completed 5 years of continuous service is entitled to receive gratuity at the time of his retirement or separation from the organisation, whichever is earlier. The gratuity benefit that is payable to any employee, is computed in accordance with the provisions of "The Payment of Gratuity Act, 1972".

Risks associated with plan provisions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

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Employee benefits (continued):

Based on the actuarial valuation report, the following table sets out the status of the gratuity plan and the amounts recognized in the Group's financial statements as at balance sheet date:

a) Amount recognised in the balance sheet is as under:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Present value of obligation	154.21	173.86	101.68
Fair value of plan assets	-	-	-
Net obligation recognised in balance sheet as provision	154.21	173.86	101.68

b) Reconciliation of present value of defined benefit obligation:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year	173.86	101.68	54.20
Current service cost	52.43	61.05	27.30
Interest cost	10.63	8.88	4.77
Actuarial loss recognised in other comprehensive income :			
- Demographic assumptions	-	(0.12)	-
- Financial assumptions	0.10	18.96	4.22
- Experience adjustment	(60.88)	(12.31)	(5.54)
Benefits paid	(16.88)	(10.34)	(4.24)
Acquisition adjustments on acquisition of subsidiary/ transfer of employees	(5.05)	6.06	20.97
Balance at the end of the year	154.21	173.86	101.68

c) Expense recognised in profit or loss:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Current service cost	52.43	61.05	27.30
Interest cost	10.63	8.88	4.77
Total	63.06	69.93	32.07

d) Remeasurement recognised in other comprehensive income:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Actuarial (gain)/loss on defined benefit obligations	(60.78)	6.53	(1.32)
Total	(60.78)	6.53	(1.32)

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Employee benefits (continued):

e) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting dates:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Discount rate	6.79%	6.80%	7.65%
Salary escalation rate	5.00%	5.00%	5.00%
Retirement age (years)	60	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)	100% of IALM (2006 - 08)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	3	3	3
From 31 to 44 years	2	2	2
Above 44 years	1	1	1
Weighted average duration	22.21	21.97	22.39

f) Sensitivity analysis for gratuity liability

Particulars	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Present value of obligation at the end of the year	154.21	154.21	173.86	173.86	101.68	101.68
Discount rate (0.5% movement)	(12.05)	13.44	(13.70)	15.49	(6.83)	7.52
Salary escalation rate (0.5% movement)	13.61	(12.30)	15.15	(13.94)	7.70	(7.04)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated.

Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

g) Expected maturity analysis of the defined benefit plans in future years

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Less than 1 year	1.97	2.90	2.28
Between 1-2 years	1.47	1.73	1.28
Between 2-5 years	10.05	8.33	4.26
Over 5 years	140.73	160.90	93.84
Total	154.22	173.86	101.66

Expected contribution for the next annual reporting period	100.97	100.21	82.89
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(iii) Other long term employee benefit plans

The Group provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. A provision of ₹ 15.11 million has been reversed (31 March 2020: ₹ 59.27 million and 31 March 2019: ₹ 16.31 million provision created) for the year on the basis of actuarial valuation at the year end and credit to the statement of profit and loss.

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Employee stock option schemes:

The employees of the Group have been granted option as per the existing schemes of Dhani Services Limited ('the Ultimate Holding Company', 'DSL') (formerly known as Indiabulls Ventures Limited). On exercise, the employees will be allotted shares of the Ultimate Holding Company.

A. Grants during the year:

The Ultimate Holding Company has established the "Udaan Employee Welfare Trust" ("Udaan - EWT") (earlier known as Indiabulls Ventures Limited - Employees Welfare Trust) ("Trust") for the implementation and management of its employees benefit scheme viz. the "Dhani Services Limited - Employee Stock Benefit Scheme - 2019" (Scheme), for the benefit of the employees of its company and subsidiaries. Pursuant to Regulation 3(12) of the SEBI (Share Based Employee Benefits) Regulations, 2014, fully paid up equity shares of 10,400,000 lying in Trust have been appropriated towards the Scheme for grant of Share Appreciations Rights (SARs) to the employees of the Ultimate Holding company and its subsidiaries as permitted by SEBI. The Ultimate Holding company will treat these SARs as equity and therefore they will be treated as equity settled SARs and accounting has been done accordingly.

B. Employees Stock Options Schemes:

(i) Employees Stock Option Scheme - 2008 (DSL ESOP - 2008)

	DSL ESOP - 2008			
	20,000,000			
	20,000,000	9,700,000	500,000	880,600
		(Regrant)	(Regrant)	(Regrant)
Total options under the scheme (Nos.)				
Options granted (Nos.)				
Vesting period and percentage	Ten years, 1st Year - 15% 2nd year to 9th year - 10% each year 10th year - 5%	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year
Vesting date	25 th January each year, commencing 25 January 2010	2 nd July each year, commencing 2 July 2017	2 nd September each year, commencing 2 September 2018	25 th March each year, commencing 25 March 2019
Exercisable period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Exercise price (₹)	17.40	24.15	219.65	254.85
Outstanding at the beginning of 1 April 2018 (Nos.)	1,277,866	9,700,000	500,000	880,600
Granted/ regranted during the year (Nos.)	-	-	-	-
Forfeited during the year (Nos.)	406,950	-	-	187,000
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Outstanding as at 31 March 2019 (Nos.)	870,916	9,700,000	500,000	693,600
Vested and exercisable as at 31 March 2019 (Nos.)	870,916	3,880,000	100,000	138,720
Remaining contractual life (weighted months)	-	66	-	73
Outstanding at the beginning of 1 April 2019 (Nos.)	870,916	9,700,000	500,000	693,600
Granted/ regranted during the year (Nos.)	-	-	-	-
Forfeited during the year (Nos.)	-	10,000	500,000	152,000
Exercised during the year (Nos.)	870,916	5,050,800	-	25,800
Expired during the year (Nos.)	-	-	-	-
Outstanding as at 31 March 2020 (Nos.)	-	4,639,200	-	515,800
Vested and exercisable as at 31 March 2020 (Nos.)	-	769,200	-	192,640
Remaining contractual life (weighted months)	-	66	-	73
Outstanding at the beginning of 1 April 2020 (Nos.)	-	4,639,200	-	515,800
Granted/ regranted during the year (Nos.)	-	-	-	-
Forfeited during the year (Nos.)	-	14,400	-	429,000
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Outstanding as at 31 March 2021 (Nos.)	-	4,639,200	-	515,800
Vested and exercisable as at 31 March 2021 (Nos.)	-	2,697,000	-	-
Remaining contractual life (weighted months)	-	54	-	73

Weighted average exercise price of share during the year ended 31 March 2021: Not applicable (31 March 2020: ₹ 198.22 and 31 March 2019: Not applicable).

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Employee Stock Option Schemes (continued)

(ii) Employees Stock Option Scheme - 2009 (DSL - ESOP 2009)

	DSL ESOP - 2009	DSL ESOP - 2009	DSL ESOP - 2009	DSL ESOP - 2009
Total options under the Scheme (Nos.)	20,000,000	20,000,000	20,000,000	20,000,000
Options granted (Nos.)	2,050,000	9,500,000 (Regrant)	10,000,000 (Regrant)	669,400 (Regrant)
Vesting period and percentage	Ten years, 10% each year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year
Vesting date	13 th April each year, commencing 13 April 2011	13 th May each year, commencing 13 May 2017	2 nd September each year, commencing 2 September 2018	25 th March each year, commencing 25 March 2019
Exercisable period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Exercise price (₹)	31.35	16.00	219.65	254.85
Outstanding at the beginning of 1 April 2018 (Nos.)	150,000	7,152,500	9,970,000	669,400
Granted/ regranted during the year (Nos.)	-	-	-	-
Forfeited during the year (Nos.)	-	664,800	90,000	450,000
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-	-
Outstanding as at 31 March 2019 (Nos.)	150,000	6,487,700	9,880,000	219,400
Vested and exercisable as at 31 March 2019 (Nos.)	50,000	1,676,300	1,976,000	43,880
Remaining contractual life (Weighted Months)	60	67	77	84
Outstanding at the beginning of 1 April 2019 (Nos.)	150,000	6,487,700	9,880,000	219,400
Granted/ regranted during the year (Nos.)	-	-	-	-
Forfeited during the year (Nos.)	-	165,000	195,500	-
Exercised during the year (Nos.)	100,000	3,225,100	852,600	40,000
Expired during the year (Nos.)	-	-	-	-
Outstanding as at 31 March 2020 (Nos.)	50,000	3,097,600	8,831,900	179,400
Vested and exercisable as at 31 March 2020 (Nos.)	50,000	-	3,034,400	47,760
Remaining contractual life (Weighted Months)	60	67	67	77
Outstanding at the beginning of 1 April 2020 (Nos.)	50,000	3,097,600	8,831,900	179,400
Granted/ regranted during the year (Nos.)	-	-	-	-
Forfeited during the year (Nos.)	-	572,000	6,146,300	179,400
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Outstanding as at 31 March 2021 (Nos.)	50,000	2,525,600	2,685,600	-
Vested and exercisable as at 31 March 2021 (Nos.)	50,000	1,262,800	-	-
Remaining contractual life (Weighted Months)	48	55	71	-

Weighted average exercise price of share during the year ended 31 March 2021: Nil (31 March 2020: ₹ 187.29 and 31 March 2019: Not applicable)

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Employee Stock Option Schemes (continued)

(iii) Dhani Services Limited - Employee Stock Benefit Scheme 2019 ("Scheme") ("DSL-ESBS 2019").

The Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of the Ultimate Holding Company at its meeting held on 22 October 2019; and (b) a special resolution of the shareholders' of the Ultimate Holding Company passed through postal ballot on 4 December 2019, result of which were declared on 5 December 2019.

This Scheme comprises:

- Dhani Services Limited Employees Stock Option Plan 2019 ("ESOP Plan 2019")
- Dhani Services Limited Employees Stock Purchase Plan 2019 ("ESP Plan 2019")
- Dhani Services Limited Stock Appreciation Rights Plan 2019 ("SARs Plan 2019")

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SBEB Regulations"), the Ultimate Holding Company has set up "Udaan - Employee Welfare Trust" ("Trust") for the purpose of implementation of the Scheme as per the terms of the respective Schemes as aforesaid. The Trust, in compliance with the "SBEB Regulations", is authorised to purchase upto an aggregate of 10,500,000 (One Crore Five lakh) fully paid-up equity shares, being not more than 2% (Two percent) of the fully paid-up equity share capital of the Ultimate Holding Company as on the date of approval of shareholders, from the secondary market. The Ultimate Holding Company has appropriated its 10,400,000 fully paid up equity shares purchased by the Trust under the Scheme.

	DSL-ESBS 2019
Total options under the Scheme (Nos.)	10,500,000
Options granted (Nos.)	10,400,000
Vesting period and percentage	Three years, 33.33% each year
Vesting date	17 th August each year, commencing 17 August 2021
Exercisable period	5 years from each vesting date
Exercise price (₹)	250.00
Outstanding at the beginning of 1 April 2020 (Nos.)	-
Granted during the year (Nos.)	10,400,000
Forfeited during the year (Nos.)	-
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Outstanding as at 31 March 2021 (Nos.)	10,400,000
Vested and exercisable as at 31 March 2021 (Nos.)	-
Remaining contractual life (Weighted Months)	77

(iv) Dhani Services Limited - Employee Stock Benefit Scheme 2020 ("Scheme") ("DSL-ESBS 2020").

The Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of the Ultimate Holding Company at its meeting held on 23 January 2020; and (b) a special resolution of the shareholders' of the Ultimate Holding Company passed through postal ballot on 20 March 2020, result of which were declared on 21 March 2020.

This Scheme comprises:

- Dhani Services Limited Employees Stock Option Plan 2020 ("ESOP Plan 2020")
- Dhani Services Limited Employees Stock Purchase Plan 2020 ("ESP Plan 2020")
- Dhani Services Limited Stock Appreciation Rights Plan 2020 ("SARs Plan 2020")

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SBEB Regulations"), the Company has set up "Udaan - Employees Welfare Trust" (Trust) for the purpose of implementation of the Scheme as per the terms of the respective Schemes as aforesaid. The Trust, in compliance with the "SBEB Regulations", is authorised to purchase upto an aggregate of 9,300,000 (Ninety Three lakh) fully paid-up equity shares, being not more than 2% (Two percent) of its fully paid-up equity share capital as on the date of approval of shareholders, from the secondary market. The Ultimate Holding Company has not granted any options/ SARs under the said scheme as at 31 March 2021.

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Note - 51
Employee Stock Option Schemes (continued)

C. Fair Valuation:

The details of the Fair value of the options / SARs as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model:-

	DSL ESOP - 2008			
	20,000,000	9,700,000	500,000	880,600
	Options	Options Re granted	Options Re granted	Options Re granted
1. Exercise price (₹)	17.40	24.15	219.65	254.85
2. Expected volatility *	79.00%	42.97%	46.70%	47.15%
3. Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil
4. Option Life (Weighted Average) (in years)	11	6	6	6
5. Expected Dividends yield	22.99%	10.82%	1.27%	1.10%
6. Risk Free Interest rate	6.50%	7.45%	6.54%	7.56%
7. Fair value of the options (₹)	0.84	4.31	106.31	130.05

	DSL-ESBS 2019	DSL ESOP - 2009			
	10,400,000	2,050,000	9,500,000	10,000,000	669,400
	SARs	Options	Options Re granted	Options Re granted	Options Re granted
1. Exercise price (₹)	250.00	31.35	16.00	219.65	254.85
2. Expected volatility *	68.45%	48.96%	40.74%	46.70%	47.15%
3. Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil
4. Option Life (Weighted Average) (in years)	4 Years	10 Years	6 Years	6 Years	6 Years
5. Expected dividends yield	1.71%	6.86%	16.33%	1.27%	1.10%
6. Risk free interest rate	4.17%	8.05%	7.45%	6.54%	7.56%
7. Fair value of the options (₹)	55.49	9.39	1.38	106.31	130.05

* The expected volatility was determined based on historical volatility data.

D. Share based payment expense:

The Group has recognised following share based payments expense to employees in the statement of Profit and loss for the year ended 31 March 2021:

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Share based payments (reversal) / expense	(62.07)	150.46	345.65
	(62.07)	150.46	345.65

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Note - 52

Segment reporting:

Segment information for the year ended 31 March 2021 as per Indian Accounting Standard 108 - 'Segment Reporting':

(A) Primary segment information (by business segments):

Particulars	For the year ended 31 March 2021				
	Broking and related activities	Financing and related activities	Other operations	Inter-segment revenue	Total
(i) Segment revenue	1,047.28	10,438.11	29.34	(23.29)	11,491.44
(ii) Segment results	378.15	(1,343.30)	17.50	-	(947.65)
Unallocated income net of other unallocated expenditure					(71.10)
Interest expenditure					(230.19)
Loss before tax					(1,248.94)
Tax expense					90.69
Loss after tax					(1,158.25)
Total other comprehensive income					18.77
Total comprehensive income for the year					(1,139.48)
(iii) Segment assets	9,568.71	69,612.04	-		79,180.75
Unallocated corporate assets					3,926.81
Total assets					83,107.56
(iv) Segment liabilities	1,882.60	40,289.28	-		42,171.88
Unallocated corporate liabilities					5.08
Total liabilities					42,176.96
(v) Capital expenditure including capital advances given (net)					
Unallocated capital expenditure including capital advances					(143.44)
Total capital expenditure including capital advances					(143.44)
(vi) Depreciation, amortisation and impairment	16.66	717.53	-		734.19
Unallocated depreciation, amortisation and impairment					-
Total depreciation, amortisation and impairment					734.19
(vii) Non cash expenditure other than depreciation					
Unallocated non cash expenditure other than depreciation					1,905.05
Non cash expenditure other than depreciation					1,905.05

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Note - 52

Segment reporting (continued)

(A) Primary segment information (by business segments):

Particulars	For the year ended 31 March 2020				
	Broking and related activities	Financing and related activities	Other operations	Inter-segment revenue	Total
(i) Segment revenue	1,357.26	25,796.12	40.74	(403.86)	26,790.26
(ii) Segment results	200.44	436.95	16.34	-	653.73
Unallocated income net of other unallocated expenditure					(56.80)
Interest expenditure					(1,178.58)
Loss before tax					(581.65)
Tax expense					207.37
Loss after tax					(374.28)
Total other comprehensive income					74.36
Total comprehensive income for the year					(299.92)
(iii) Segment assets	13,013.97	81,691.77	-		94,705.74
Unallocated corporate assets					2,576.03
Total assets					97,281.77
(iv) Segment liabilities	1,181.47	53,497.57	-		54,679.04
Unallocated corporate liabilities					8.98
Total liabilities					54,688.02
(v) Capital expenditure including capital advances given (net)					
Unallocated capital expenditure including capital advances					(1,880.48)
Total capital expenditure including capital advances					(1,880.48)
(vi) Depreciation, amortisation and impairment	56.80	939.94	-		996.74
Unallocated depreciation, amortisation and impairment					-
Total depreciation, amortisation and impairment					996.74
(vii) Non cash expenditure other than depreciation					
Unallocated non cash expenditure other than depreciation					9,087.65
Non cash expenditure other than depreciation					9,087.65

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Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information

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Note - 52

Segment reporting (continued)

(A) Primary segment information (by business segments):

Particulars	For the year ended 31 March 2019				Total
	Broking and related activities	Financing and related activities	Other operations	Inter-segment revenue	
(i) Segment revenue	1,215.29	16,480.59	32.53	(48.59)	17,679.82
(ii) Segment results	588.78	5,362.03	(7.70)	-	5,943.11
Unallocated income net of other unallocated expenditure					(10.63)
Interest expenditure					(685.39)
Profit before share of loss of an associate and tax					5,247.09
Share of loss					(0.28)
Profit before tax					5,246.81
Tax expense					(1,401.66)
Profit after tax					3,845.15
Total other comprehensive income					(6.57)
Total comprehensive income for the year					3,838.58
(iii) Segment assets	12,732.20	124,166.43	-		136,898.63
Unallocated corporate assets					1,108.77
Total assets					138,007.40
(iv) Segment liabilities	12,630.78	80,896.11	-		93,526.89
Unallocated corporate liabilities					3.72
Total liabilities					93,530.61
(v) Capital expenditure including capital advances given (net)					(756.98)
Unallocated capital expenditure including capital advances					(756.98)
Total capital expenditure including capital advances					(756.98)
(vi) Depreciation, amortisation and impairment	39.50	189.08	-		228.58
Unallocated depreciation, amortisation and impairment					-
Total depreciation, amortisation and impairment					228.58
(vii) Non cash expenditure other than depreciation					1,075.20
Unallocated non cash expenditure other than depreciation					1,075.20
Non cash expenditure other than depreciation					1,075.20

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Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information

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Note - 52

Segment reporting (continued):

- (B) The Group operates solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosure is required.
- (C) The Group's primary business segments are reflected based on principal business activities carried on by the Holding Company and its subsidiary companies. The Group's primary businesses are 'Financing and Related activities' and 'Broking and Related activities'. Broking and related activities include business as a brokerage on cross-selling of real estate, and other ancillary services relating to broking activities. Financing and related activities include business financing loans and other ancillary services.
- (D) Segment revenue, results, assets and liabilities include amounts identifiable to each segment and amounts allocated on a reasonable basis.
- (E) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as disclosed in Note 5.

Note - 53

Related party disclosures :

Nature of relationship	:	Names of related parties
(a) Detail of related parties :		
Ultimate Holding Company of the Group	:	Dhani Services Limited (formerly known as Indiabulls Ventures Limited)
Fellow subsidiary companies	:	Dhani Stocks Limited (formerly known as Indiabulls Securities Limited and Indiabulls Commodities Limited)
(with whom transactions took place)	:	Pushpanjali Finsolutions Limited
	:	Auxesia Soft Solutions Limited
	:	Devata Tradelink Limited
	:	Evinos Buildwell Limited
	:	Evinos Developers Limited
	:	Savren Buildwell Limited
	:	Krathis Buildcon Limited
	:	Krathis Developers Limited
	:	Dhani Healthcare Limited (formerly known as Pushpanjali Fincon Limited)
	:	Indiabulls Infra Resources Limited
	:	Gyansagar Buildtech Limited
	:	Arbutus Constructions Limited
	:	Indiabulls ARC Trust XVII
	:	Indiabulls Asset Reconstruction Company Limited
Key management personnel	:	Mr. Pinank Jayant Shah, Whole Time Director and Chief Executive Officer
	:	Mr. Gagan Banga, Director
	:	Mr. Alok Kumar Mishra, Director
	:	Mr. Nafees Ahmed, Director
	:	Mr. Ajit Kumar Mittal, Director
	:	Mr. Labh Singh Sitara, Director
	:	Mrs. Preetinder Virk (from 4 December 2018), Director
	:	Mrs. Manjari Ashok Kacker (till 4 December 2018), Director
	:	Mr. Divyesh B Shah, Chief Executive Officer and Whole Time Director of Dhani Services Limited
Person exercising significant influence	:	Mr. Sameer Gehlaut

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Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information

(All amounts are in Indian Rupees in million unless stated otherwise)

Note - 53

Related party disclosures (continued):

(b) Transactions with related parties :

NATURE OF TRANSACTIONS	Key management personnel			Ultimate Holding Company			Fellow subsidiaries		
	For the year ended			For the year ended			For the year ended		
	31 March 2021	31 March 2020	31 March 2019	31 March 2021	31 March 2020	31 March 2019	31 March 2021	31 March 2020	31 March 2019
Finance									
- Loans given (Maximum balance outstanding during the year):	-	-	-	-	6,050.00	-	6,520.40	8,165.53	243.77
(Maximum balance outstanding during the year):	-	-	-	1,189.30	25,305.20	21,127.58	3,562.06	165.54	150.00
Share capital									
- Issue of equity shares	-	-	-	-	-	25,722.48	-	-	-
Investment									
- Purchase of equity shares	-	-	-	-	55.00	-	-	2.50	-
- Investment/(redemption) in security receipts (net)	-	-	-	-	-	-	210.10	-	-
- Sale of equity shares	-	-	-	-	215.05	-	-	-	-
Assets									
- Deposit for mark to margin account	-	-	-	-	-	4.25	-	-	-
Liabilities									
- Employee benefits transfer received	-	-	-	-	4.39	1.38	-	0.18	13.91
- Employee benefits transfer paid	-	-	-	-	0.41	19.07	(33.52)	0.84	-
Liability transferred by the Company (Provision for employee benefits)	-	-	-	-	-	5.16	-	-	-
Contingent liabilities									
- Fixed deposits pledged	-	-	-	-	-	8,710.00	-	-	-
Income									
- Interest income from loan	-	-	-	-	123.99	-	529.70	168.14	16.00
- Consultancy fee	-	-	-	-	-	40.00	-	-	-
- Net gain on derecognition of financial assets	-	-	-	-	-	-	1,015.06	-	-
- Reimbursement of common expenses	-	-	-	-	-	-	69.87	-	-
- Income from Beneficiary Validation Services	-	-	-	-	-	-	0.33	-	-
- Reimbursement of expenses received	-	-	-	-	54.15	286.63	5.71	2.44	-
Expenses									
- Brokerage paid	-	-	-	-	1.44	2.56	-	-	-
- Interest expense	-	-	-	54.49	949.36	980.10	76.14	6.64	13.00
- Dividend paid	-	-	-	-	1,728.56	-	-	-	-
- Professional/ Consultancy charges	-	-	-	-	-	-	23.07	-	0.75
- Reimbursement of expenses paid	-	-	-	8.65	47.82	28.37	1.96	0.35	-
Non convertible debentures issued	-	-	1.00	-	-	-	-	-	-
Compensation to key management personnel									
- Short term employee benefits	13.68	26.71	28.22	-	-	-	-	-	-
- Sitting fees	1.85	1.20	2.18	-	-	-	-	-	-
- Post employee benefits- gratuity	0.02	0.20	1.32	-	-	-	-	-	-
- Other long-term benefits- compensated absences	(1.45)	0.80	1.28	-	-	-	-	-	-
- Share based payment expenses	(19.74)	49.34	84.43	-	-	-	-	-	-

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Note - 53

Related party disclosures (continued):

(c) Balance outstanding at the end of the period :

Nature of transactions	Key management personnel			Ultimate Holding Company			Fellow subsidiaries		
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
(i) Loans given	-	-	-	-	-	-	3,686.49	6,190.20	2,446.31
(ii) Loans taken	-	-	-	-	793.00	6,447.00	3,525.00	-	-
(iii) Other payables	-	-	-	-	-	-	97.60	-	-
(iii) Other receivable	-	-	-	-	-	-	1.57	-	-
(iii) Deposit for mark to market margin account	-	-	-	-	-	30.91	-	-	-
(iv) Fixed deposits pledged (excluding interest accrued)	-	-	-	-	-	8,710.00	-	-	-

Note: Related party relationships as given above are as identified by the Group.

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Note - 54

Financial instruments

A. Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	Note	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Financial assets measured at fair value				
Investments measured at -				
- Fair value through profit and loss	Note - 11	13,810.47	5,875.40	5,794.09
- At Cost	Note - 11	-	-	60.60
Loans measured at:				
Fair value through other comprehensive income	Note - 10	1,755.02	4,877.36	-
Financial assets measured at amortised cost				
Cash and cash equivalents	Note - 6	10,140.84	19,909.14	9,496.89
Other bank balances	Note - 7	3,513.00	3,872.46	1,504.62
Receivables -				
(i) Trade receivables	Note - 8	982.47	1,311.51	2,003.37
(ii) Other receivables	Note - 9	628.93	586.52	996.54
Loans	Note - 10	39,143.20	43,108.29	105,228.80
Other financial assets	Note - 12	3,714.32	8,585.52	9,470.74
Total		73,688.25	88,126.20	134,555.65
Financial liabilities measured at fair value				
Derivative financial instruments	Note - 18	-	-	20.94
Financial liabilities measured at amortised cost				
Trade payables	Note - 19	526.45	720.78	585.42
Other payables	Note - 20	902.37	339.83	219.19
Debt securities (including interest accrued)	Note - 21	7,706.03	8,042.78	17,389.62
Borrowings (other than debt securities) (including interest accrued)	Note - 22	27,405.83	40,504.71	70,232.55
Lease liabilities	Note - 23	1,339.87	2,410.77	-
Other financial liabilities	Note - 24	3,879.67	1,784.30	4,295.98
Total		41,760.22	53,803.17	92,743.70

B. Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Investments at fair value through profit and loss				
Mutual fund	13,777.63	-	-	13,777.63
Security receipts	-	32.84	-	32.84
Loans measured at fair value through other comprehensive income				
Loans	-	-	1,755.02	1,755.02
As at 31 March 2020				
Financial assets				
Investments at fair value through profit and loss				
Debt securities	5,059.89	-	-	5,059.89
Mutual fund	815.51	-	-	815.51
Loans measured at fair value through other comprehensive income				
Loans	-	-	4,877.36	4,877.36
As at 31 March 2019				
Financial assets				
Investments at fair value through profit and loss				
Debt securities	261.75	-	-	261.75
Mutual fund	5,532.34	-	-	5,532.34
Financial liabilities measured at fair value				
Derivative financial instruments	20.94	-	-	20.94

Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

(a) the use of quoted market prices for quoted equity instruments and debt securities.

(b) for unquoted security receipts, adjusted discounted cash flow method (income approach) has been used.

(c) the use of net asset value for certificate of deposits and mutual funds on the basis of the statement received from investee party.

Note - 54

Financial instruments (continued):

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Particulars	Fair value			Significant unobservable inputs
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	
Loans	1,778.43	4,905.72	-	Estimated cash flows and discount rate

Sensitivity analysis

Description	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Impact of change in rates on total comprehensive income statement			
- Impact due to increase of 1.0%	15.11	40.48	-
- Impact due to decrease of 1.0%	(14.61)	(39.10)	-

Movement of loans measured using unobservable inputs (Level 3):

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
As the beginning of the year	4,905.72	-	-
Add: Addition during the year	4,415.09	56,968.61	-
Less: Redeemed during the year	(7,612.58)	(52,168.79)	-
Add: Gain recognised in statement of profit and loss	70.20	105.90	-
As the end of the year*	1,778.43	4,905.72	-

*The amounts shown above are gross of ECL allowances.

B.2 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial assets						
Cash and cash equivalents	10,140.84	10,140.84	19,909.14	19,909.14	9,496.89	9,496.89
Other bank balances	3,513.00	3,513.00	3,872.46	3,872.46	1,504.62	1,504.62
Receivables -						
(i) Trade receivables	982.47	982.47	1,311.51	1,311.51	2,003.37	2,003.37
(ii) Other receivables	628.93	628.93	586.52	586.52	996.54	996.54
Loans	39,143.20	41,918.10	43,108.29	43,114.15	105,228.80	107,836.65
Other financial assets	3,714.32	3,666.81	8,585.52	8,921.00	9,470.74	9,468.36
Total	58,122.76	60,850.15	77,373.44	77,714.78	128,700.96	131,306.43
Financial liabilities						
Trade payables	526.45	526.45	720.78	720.78	585.42	585.42
Other payables	902.37	902.37	339.83	339.83	219.19	219.19
Debt securities	7,706.03	8,014.12	8,042.78	8,545.47	17,389.62	17,389.62
Borrowings (other than debt securities)	27,405.83	27,446.86	40,504.71	40,516.90	70,232.55	70,347.78
Lease liabilities	1,339.87	1,337.28	2,410.77	2,483.67	-	-
Other financial liabilities	3,879.67	3,879.67	1,784.30	1,784.30	4,295.98	4,295.98
Total	41,760.22	42,106.75	53,803.17	54,390.95	92,722.76	92,837.99

The management assessed that fair values of cash and cash equivalents, other financial assets and other financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Financial instruments measured at fair value and fair value of financial instruments carried at amortized cost.

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable inputs and fair value and sensitivity
Financial assets and liabilities measured at amortized cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates	Not applicable	Not applicable
Financial assets measured at FVTPL	NAV based method.	Not applicable	Not applicable
Financial assets measured at FVOCI	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.	The discount rate is the average lending rate at which the loans are disbursed	There is an inverse correlation. Higher the discount rate i.e average lending rate for the disbursed loans, lower the fair value of the assets

Note - 55

Financial risk management

i. Risk Management

As a Non-Banking Financial Company (NBFC), the Group is exposed to various risks that are related to lending business and operating environment. The principal objective in Group's risk management processes is to measure and monitor the various risks that Group is subject to and to follow policies and procedures to address such risks. Group'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. Group 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 Group face in businesses are liquidity risk, credit risk and interest rate risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

In order to avoid excessive concentration of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

A) Credit risk

Credit risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the company. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, Other bank balances, investments, loan assets, trade receivables and other financial assets. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk
- (ii) Moderate credit risk
- (iii) High credit risk

The Group provides for expected credit loss based on the following:

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Cash and cash equivalents, Other bank balances, investments, loans, trade receivables, security deposits and other financial assets	12 month expected credit loss
Moderate credit risk	Loans	Life time expected credit loss
High credit risk	Loans, trade receivable, other receivable, security deposits	Life time expected credit loss or fully provided for

Assets are written off when there is no reasonable expectation of recovery. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Financial assets that expose the entity to credit risk*

Particulars	As at	As at	As at
	31 March 2021	31 March 2020	31 March 2019
(i) Low credit risk			
Cash and cash equivalents	10,140.84	19,909.14	9,496.89
Other bank balances	3,513.00	3,872.46	1,504.62
Trade receivables	982.47	1,311.51	1,774.51
Other receivables	628.93	586.52	895.81
Loans	33,240.66	50,153.03	103,653.66
Investments	13,777.63	5,875.40	5,794.09
Other financial assets	3,714.32	8,391.94	9,468.44
(ii) Moderate credit risk			
Loans	7,779.46	2,220.15	733.85
(iii) High credit risk			
Loans	427.01	909.49	841.29
Investments	210.10	-	-
Trade receivables	311.69	709.47	228.86
Other receivables	335.31	389.46	100.73
Other financial assets	165.57	193.58	2.30

* These represent gross carrying values of financial assets, without deduction for expected credit losses

Note - 55

Financial risk management (continued):

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade and other receivables

Credit risk related to trade and other receivables are managed by monitoring the recoverability of such amounts continuously.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans to employees, security deposits, interest spread on assigned assets and other recoverable. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

The Group closely monitors the credit-worthiness of the borrower's through internal systems and project appraisal process (wherever applicable) to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Group assesses increase in credit risk on an ongoing basis for amounts loan assets that become past due and default is considered to have occurred when amounts receivable become one year past due.

The major guidelines for selection of the client includes:

- The client's income and indebtedness levels
- The client must possess the required KYC documents
- Client must agree to follow the rules and regulations of the Group
- Credit bureau check – In order to deal with the problem of over extension of credit and indebtedness of the client, the Group undertakes credit bureau checks for every client. The credit bureau check helps the Group in identifying clients with poor repayment histories and multiple loans.

Category*	Inputs	Assumptions
Corporate borrowers	1. Historical data as per Industry trends 2. Supplemental external information that could affect the borrowers behaviour	1. Recoverability assumptions for stage 3 loan assets and related assessment with value of collateral 2. Management judgement is applied to determine the economic scenarios and the application of probability weights
Retail borrowers	3. Discount rate is based on internal rate of return on the loan	

* The Group has used forward looking information in form of GDP growth rate and unemployment rate specific to the sector.

Assets are written off when there is no reasonable expectation of recovery. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

b) Credit risk exposure

i) Expected credit losses for financial assets other than loans

As at 31 March 2021	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	10,140.84	-	10,140.84
Other bank balances	3,513.00	-	3,513.00
Investments	13,987.73	(177.26)	13,810.47
Trade receivables	1,294.16	(311.69)	982.47
Other receivables	964.24	(335.31)	628.93
Other financial assets	3,879.89	(165.57)	3,714.32

As at 31 March 2020	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	19,909.14	-	19,909.14
Other bank balances	3,872.46	-	3,872.46
Trade receivables	2,020.98	(709.47)	1,311.51
Other receivables	975.98	(389.46)	586.52
Other financial assets	8,779.10	(193.58)	8,585.52

As at 31 March 2019	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	9,496.89	-	9,496.89
Other bank balances	1,504.62	-	1,504.62
Trade receivables	2,232.23	(228.86)	2,003.37
Other receivables	1,097.27	(100.73)	996.54
Other financial assets	9,473.04	(2.30)	9,470.74

Note - 55

Financial risk management (continued):

Reconciliation of loss allowance provision from beginning to end of reporting period:

Reconciliation of loss allowance	Trade receivables	Other receivables	Investments	Other financial assets
Loss allowance on 01 April 2018	244.93	128.42	-	1.80
Impairment loss recognised during the year	30.62	-	-	0.50
Loss allowance written back	(46.69)	(27.69)	-	-
Write - offs	-	-	-	-
Loss allowance on 01 April 2019	228.86	100.73	-	2.30
Impairment loss recognised during the year	524.19	288.73	-	191.57
Loss allowance written back	(43.58)	-	-	(0.29)
Write - offs	-	-	-	-
Loss allowance on 31 March 2020	709.47	389.46	-	193.58
Impairment loss recognised during the year	30.00	-	177.26	-
Loss allowance written back	(138.55)	(54.15)	-	(28.01)
Write - offs	(289.23)	-	-	-
Loss allowance on 31 March 2021	311.69	335.31	177.26	165.57

ii) Expected credit losses for loans

Definition of default:

The Company considers default in all cases when the borrower becomes 90 days past due on its contractual payments. 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. ECL is the product of the probability of default, exposure at default and loss given default.

Changes in the gross carrying amount in relation to loans from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at 01 April 2018	40,029.72	124.76	20.80
Assets originated and acquired	98,603.68	-	-
Net transfer between stages and de-recognition	(1,859.24)	888.33	970.90
Assets written-off	(31,871.77)	(279.25)	(150.40)
Gross carrying amount as at 01 April 2019	104,902.39	733.84	841.30
Assets originated and acquired	123,278.90	-	-
Net transfer between stages and de-recognition	(178,028.26)	1,486.30	3,688.74
Assets written-off	-	-	(3,620.54)
Gross carrying amount as at 31 March 2020	50,153.03	2,220.14	909.50
Assets originated and acquired	48,202.27	-	-
Net transfer between stages and de-recognition	(65,114.64)	5,559.32	5,202.19
Assets written-off	-	-	(1,841.55)
Gross carrying amount as at 31 March 2021	33,240.66	7,779.46	4,270.14

Reconciliation of loss allowance provision from beginning to end of reporting period:

Reconciliation of loss allowance	Stage 1	Stage 2	Stage 3
Loss allowance on 01 April 2018	120.92	12.53	16.71
Increase of provision due to assets originated and purchased during the year	413.52	-	-
Net transfer between stages and written back	(813.40)	218.71	594.68
Loss allowance written back	719.72	(1.43)	(33.23)
Loss allowance on 01 April 2019	440.76	229.81	578.16
Increase of provision due to assets originated and purchased during the year	4,369.92	-	-
Net transfer between stages and written back	(711.58)	404.58	(2,641.41)
Loss allowance written back	-	-	2,626.78
Loss allowance on 31 March 2020	4,099.10	634.39	563.53
Increase of provision due to assets originated and purchased during the year	244.34	-	-
Net transfer between stages and written back	(4,131.45)	234.34	4,240.95
Loss allowance written back	-	-	(1,493.16)
Loss allowance on 31 March 2021	211.99	868.73	3,311.32

c) Concentration of loans

Prudent risk management involves the minimisation of concentration risk by diversifying the loan portfolio. Setting up exposure limit for particular industry, sector, geographical area, product, etc. is essential to reduce the concentration of the loan portfolio.

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Retail borrowers	29,872.65	40,133.35	73,891.78
Borrowers other than retail borrowers	15,417.61	13,149.32	32,585.75
Total	45,290.26	53,282.67	106,477.53

Loans secured against collateral

Group's secured portfolio has security base as follows::

Particulars	Value of loans		
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Secured by tangible assets	7,195.83	11,816.21	49,430.67
Secured by other assets	-	116.19	177.67

Wherever required, the Group holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, pledge of securities, guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts, etc.

The Group does not physically possess properties or other assets in its normal course of business but makes efforts toward recovery of outstanding amounts on delinquent loans. Once contractual loan repayments are more than 90 days past due, possession of property may be initiated. Possessed property is disposed of in the manner prescribed under the regulatory guidance to recover outstanding debt.

Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information
(All amounts are in Indian Rupees in million unless stated otherwise)

Note - 55

Financial risk management (continued):

B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Group maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Group's liquidity positions (also comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The Group also takes into account liquidity of the market in which the entity operates.

i) Financing arrangements

The Group had access to the following funding facilities:

As at 31 March 2021	Total facility	Drawn	Undrawn
- Expiring within one year	2,545.00	50.00	2,495.00
- Expiring beyond one year	-	-	-
Total	2,545.00	50.00	2,495.00

As at 31 March 2020	Total facility	Drawn	Undrawn
- Expiring within one year	658.24	259.01	399.23
- Expiring beyond one year	-	-	-
Total	658.24	259.01	399.23

As at 31 March 2019	Total facility	Drawn	Undrawn
- Expiring within one year	13,949.67	13,336.73	612.94
- Expiring beyond one year	-	-	-
Total	13,949.67	13,336.73	612.94

ii) Maturities of financial assets and liabilities

The tables below analyse the Group financial assets and liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at 31 March 2021	Less than 1 year	1-3 years	More than 3 years	Total
Cash and cash equivalents	10,140.84	-	-	10,140.84
Other bank balances	3,482.69	30.31	-	3,513.00
Trade receivables	730.52	514.68	62.89	1,308.09
Other receivable	85.15	879.09	-	964.24
Loans	19,769.70	22,657.39	23,133.50	65,560.59
Investments	13,987.73	-	-	13,987.73
Other financial assets	3,105.42	644.32	499.49	4,249.23
Total undiscounted financial assets	51,302.05	24,725.79	23,695.88	99,723.72
Debt securities	4,671.42	3,380.57	562.07	8,614.06
Borrowings (other than debt securities)	17,726.84	11,325.13	905.57	29,957.54
Trade payables	526.45	-	-	526.45
Other payables	902.37	-	-	902.37
Lease liabilities	310.20	555.91	978.40	1,844.51
Other financial liabilities	3,879.67	-	-	3,879.67
Total undiscounted financial liabilities	28,016.95	15,261.61	2,446.04	45,724.60
Net undiscounted financial assets/(liabilities)	23,285.10	9,464.18	21,249.84	53,999.12

As at 31 March 2020	Less than 1 year	1-3 years	More than 3 years	Total
Cash and cash equivalents	19,912.18	-	-	19,912.18
Other bank balances	3,965.38	-	-	3,965.38
Trade receivables	928.44	825.42	287.26	2,041.12
Other receivable	48.37	407.14	520.47	975.98
Loans	34,814.28	18,730.53	31,942.56	85,487.37
Investments	5,846.84	-	28.56	5,875.40
Other financial assets	7,244.26	1,991.32	194.77	9,430.35
Total undiscounted financial assets	72,759.75	21,954.41	32,973.62	127,687.78
Debt securities	1,552.66	6,502.06	1,739.77	9,794.49
Borrowings (other than debt securities)	21,984.37	21,955.44	1,825.91	45,765.72
Trade payables	720.78	-	-	720.78
Other payables	339.83	-	-	339.83
Lease liabilities	543.95	1,035.22	1,764.91	3,344.08
Other financial liabilities	1,784.30	-	-	1,784.30
Total undiscounted financial liabilities	26,925.89	29,492.72	5,330.59	61,749.20
Net undiscounted financial assets/(liabilities)	45,833.86	(7,538.31)	27,643.03	65,938.58

Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information
(All amounts are in Indian Rupees in million unless stated otherwise)

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Financial risk management (continued):

As at 31 March 2019	Less than 1 year	1-3 years	More than 3 years	Total
Cash and cash equivalents	10,385.85	680.18	-	11,066.03
Other bank balances	-	-	-	-
Trade receivables	328.68	1,647.61	255.94	2,232.23
Other receivable	18.00	1,079.27	-	1,097.27
Loans	46,398.32	64,530.85	27,932.81	138,861.98
Investments	5,766.34	-	88.36	5,854.70
Other financial assets	7,817.67	1,657.54	197.20	9,672.41
Total undiscounted financial assets	70,714.86	69,595.45	28,474.31	168,784.62
Debt securities	10,305.07	6,934.65	2,416.10	19,655.82
Borrowings (other than debt securities)	43,073.56	21,693.20	8,896.69	73,663.45
Trade payables	585.42	-	-	585.42
Other payables	181.94	-	-	181.94
Lease liabilities	-	-	-	-
Other financial liabilities	4,295.98	-	-	4,295.98
Derivatives (net settled)				
Index linked derivatives	20.94	-	-	20.94
Total undiscounted financial liabilities	58,462.91	28,627.85	11,312.79	98,403.55
Net undiscounted financial assets/(liabilities)	12,251.95	40,967.60	17,161.52	70,381.07

C) Market risk

a) Interest rate risk

i) Liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2021, the Group is exposed to changes in market interest rates through debt securities and other borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Variable rate liabilities			
Debt securities	-	-	-
Borrowings (other than debt securities)	13,937.32	22,965.43	43,581.46
Fixed rate liabilities			
Debt securities	7,619.39	7,967.72	17,348.62
Borrowings (other than debt securities)	13,401.66	17,518.16	26,570.29

Sensitivity

Below is the sensitivity of profit or loss in interest rates.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest sensitivity on borrowings (other than debt securities)*			
Interest rates - increase by 0.50%	69.69	1,654.03	690.43
Interest rates - decrease by 0.50%	(69.69)	(1,654.03)	(690.43)

* Holding all other variables constant

ii) Assets

The Group's term deposits and commercial paper/deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

c) Price risk

i) Exposure

The Group's exposure price risk arises from investments held and classified in the balance sheet at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

ii) Sensitivity

The table below summarises the impact of increases/decreases of the index on the Group's profit for the period:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Impact on profit after tax			
Mutual funds			
Net assets value - increase by 5%	688.88	40.78	276.62
Net assets value - decrease by 5%	(688.88)	(40.78)	(276.62)
Quoted debt securities			
Market price - increase by 5%	-	252.99	13.09
Market price - decrease by 5%	-	(252.99)	(13.09)

Note - 56

Capital Management

The Group's capital management objectives are

- to ensure the Group's ability to continue as a going concern
- to comply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Debt securities (including interest accrued)	7,706.03	8,042.78	17,389.62
Borrowings (other than debt securities) (including interest accrued)	27,405.83	40,504.71	70,232.55
Total debt	35,111.86	48,547.49	87,622.17
Equity attributable to the owners of the Holding Company	40,279.39	41,429.47	44,476.29
Net debt to equity ratio	0.87	1.17	1.97

Note - 57

Fair value hedges

A. Risk management strategy

The use of derivatives can give rise to price risk. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The price risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes. The Group uses derivative instruments as part of its management of exposure to fluctuations in market price of equity investments. The derivative transactions are normally in the form of futures and these are subject to the Group guidelines and policies.

B. Hedge relationship

The Group has done investment in shares of Reliance Industries Limited. The Group enters into selling of future of Reliance Industries Limited to hedge its price risk. Gains and losses on these hedge transactions are substantially offset by the amount of gains or losses on the underlying assets. Net gains and losses are recognized in the statement of profit and loss.

Hedge ratio is the relationship between the quantity of the hedging instrument and the quantity of the hedged item. In the case, total principal payments under the transaction is hedged with futures of the equivalent amount and at the same dates. Hence the entity hedge 100% of its exposure on the transaction and is considered highly effective. The Group has entered into nifty future contracts which provide an economic hedge to a risk component of a transaction.

C. Other hedge related disclosures

The fair value of the Group's derivative positions recorded under derivative financial liabilities are as follows:

31-Mar-21				
Type of hedge and risk	Change in fair value of hedging instrument	Maturity date	Change in value of hedged item used as a basis of recognising hedge effectiveness	Hedge ratio
Equity futures (loss)/gain	-	-	-	-
Particulars	Carrying amount of derivative liabilities	Carrying amount of investments	Amount charged to statement of profit and loss	
Investments	-	-	-	
31-Mar-20				
Type of hedge and risk	Change in fair value of hedging instrument	Maturity date	Change in value of hedged item used as a basis of recognising hedge effectiveness	Hedge ratio
Equity futures (loss)/gain	-	-	-	-
Particulars	Carrying amount of derivative liabilities	Carrying amount of investments	Amount charged to statement of profit and loss	
Investments	-	-	-	
31-Mar-19				
Type of hedge and risk	Change in fair value of hedging instrument	Maturity date	Change in value of hedged item used as a basis of recognising hedge effectiveness	Hedge ratio
Equity futures (loss)/gain	(263.39)	27-09-2018	283.01	1:1
Particulars	Carrying amount of derivative liabilities	Carrying amount of investments	Amount charged to statement of profit and loss	
Investments	-	-	19.61	

Note - 58

Transferred financial assets

A) Securitisation

In the course of its finance activity, the Group makes transfers of financial assets, where legal rights to the cash flows from the asset are passed to the counterparty and where the Group retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty.

The Group has securitized its loan assets to an unrelated and unconsolidated entities. As per the terms of the agreements, the Group is exposed to first loss default guarantee and cash collateral amounting in range of 14% to 18% of the amount securitised and therefore continues to be exposed to significant risk and rewards relating to the underlying receivables. Hence, these loan assets are not derecognised and proceeds received are presented as borrowings (other than debt securities).

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Securitisations	As at	As at	As at
	31 March 2021	31 March 2020	31 March 2019
Gross carrying amount of securitised assets	3,172.16	8,911.25	4,219.70
Gross carrying amount of associated liabilities	4,083.87	9,215.61	4,082.86
Carrying value and fair value of securitised assets	4,893.50	9,256.79	4,311.20
Carrying value and fair value of associated liabilities	4,083.87	9,215.61	4,082.85
Net position	809.63	41.19	228.35

B) Assignment

During the year ended 31 March 2020, the Group has sold certain loans by way of direct bilateral assignment, as a source of finance. As per the terms of such deals, since the derecognition criteria as per Ind AS 109 are met, (including transfer of substantial risks and rewards) relating to assets being transferred to the buyer, the assets have been derecognised from the books of the Group.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition.

Particulars	As at	As at	As at
	31 March 2021	31 March 2020	31 March 2019
Carrying amount of de-recognised financial asset	3,671.10	58,883.79	6,064.81
Gain on sale of the de-recognised financial asset	254.97	6,166.90	325.76

Since the Group has derecognized the above loan assets in entirety, the whole of the interest spread at the present value (discounted over the expected life of the assets) is recognised on the date of derecognition itself as interest-only strip receivable and corresponding profit on derecognition of financial assets is recognized in the Statement of Profit and Loss.

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Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
Annexure - V

Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information
(All amounts are in Indian Rupees in million unless stated otherwise)

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Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities.

	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Within 12 months	After 12 months	Within 12 months	After 12 months	Within 12 months	After 12 months
ASSETS						
Financial assets						
Cash and cash equivalents	10,140.84	-	19,909.14	-	9,496.89	-
Other bank balances	3,461.48	51.52	3,842.00	30.46	832.64	671.98
Receivables	-	-	-	-	-	-
Trade receivables	584.94	397.53	606.28	705.23	297.82	1,705.55
Other receivables	35.76	593.17	29.07	557.45	18.00	978.54
Loans	17,460.73	23,437.49	23,765.73	24,219.92	45,448.83	59,779.97
Investments	5,675.61	8,134.86	5,846.84	28.56	5,766.33	88.36
Other financial assets	2,801.09	913.23	6,735.24	1,850.28	7,762.84	1,707.90
	40,160.45	33,527.80	60,734.30	27,391.90	69,623.35	64,932.30
Non-financial assets						
Current tax assets (net)	1,569.78	4.05	1,330.57	9.23	401.83	-
Deferred tax assets (net)	-	1,300.16	-	795.06	-	635.81
Investment accounted for using equity method	-	-	-	-	0.01	356.75
Property, plant and equipment	-	619.98	-	674.63	-	371.62
Right-of-use assets	-	1,215.45	415.81	1,866.22	-	-
Intangible assets under development	-	38.05	-	54.26	-	24.61
Goodwill	-	648.30	-	358.67	-	-
Other intangible assets	-	769.22	-	957.82	-	536.41
Other non-financial assets	666.04	2,588.29	1,338.74	1,354.56	1,020.41	104.30
	2,235.82	7,183.50	3,085.12	6,070.45	1,422.25	2,029.50
TOTAL ASSETS (A)	42,396.27	40,711.30	63,819.42	33,462.35	71,045.60	66,961.80
LIABILITIES						
Financial liabilities						
Derivative Financial Instruments	-	-	-	-	20.94	-
Payables	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises	-	-	0.24	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	526.45	-	720.54	-	585.42	-
Other payables	-	-	-	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	902.37	-	339.83	-	219.19	-
Debt securities	4,292.44	3,413.59	825.06	7,217.72	6,788.99	10,600.63
Borrowings (other than debt securities)	18,499.62	8,906.21	18,921.57	21,583.14	39,710.76	30,521.79
Lease liabilities	178.78	1,161.09	314.80	2,095.97	-	-
Other financial liabilities	3,879.67	-	1,784.30	-	4,295.98	-
	28,279.33	13,480.89	22,906.34	30,896.83	51,621.28	41,122.42
Non-financial Liabilities						
Current tax liabilities (net)	3.80	-	-	-	-	-
Provisions	3.98	225.38	6.44	262.02	227.04	132.90
Deferred tax liabilities	-	-	-	-	-	-
Other non-financial liabilities	183.60	-	616.39	-	401.44	25.53
	191.38	225.38	622.83	262.02	628.48	158.43
TOTAL LIABILITIES (B)	28,470.71	13,706.27	23,529.17	31,158.85	52,249.76	41,280.85
NET (A-B)	13,925.56	27,005.03	40,290.25	2,303.50	18,795.84	25,680.95

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
Annexure - V

Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information

(All amounts are in Indian Rupees in million unless stated otherwise)

Note - 60

Consequent to the outbreak of the COVID-19 pandemic, the Indian Government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the Government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. The impact of COVID-19, including changes in customer behavior and pandemic fears, as well as restriction of business and individual activities led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. This may lead to a rise in the number of borrower defaults and consequently an increase in corresponding provisions. The extent to which COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's performance and will depend on ongoing as well as future developments which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.

The Group has recognized provisions as on 31 March 2021 towards its loan assets, based on the information available at this point of time, in accordance with the expected credit loss method. The Group believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of consolidated financial statements. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Group will continue to monitor any material changes to future economic condition.

The Group's capital and liquidity position remains sufficient and would continue to be the focus area for the Company; accordingly, the Company does not expect a stress on its liquidity situation in the immediate future.

COVID 19 Regulatory Package -

(i) Asset classification and provisioning pursuant to the notification Vide:DOR.No.BP.BC.63/21.04.048/2019-20 dated 17 April 2020:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(i) Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of abovementioned the RBI circular.	2,295.77	894.25
(ii) Respective amount where asset classification benefits is extended	2,284.51	894.25
(iii) Provisions made during the quarter ended 31 March 2020 in terms of paragraph 5 of the above circular	229.58	89.43
(iv) Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6	-	-

During the year, to relieve COVID-19 pandemic related stress, the Company has invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the one-time restructuring policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on 6 August 2020

(ii) Disclosures for the year ended 31 March 2021 pursuant to RBI Notification RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020.

Type of borrower	(A) Number of accounts where resolution plan has been implemented under	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	285,588	3,148.49	-	-	216.15
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	285,588	3,148.49	-	-	216.15

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

(iii) Disclosures for the year ended 31 March 2021 pursuant to RBI Notification RBI/2020-21/17 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector - Restructuring of advances having exposure less than or equal to ₹ 25 crores).

Type of borrower	Number of accounts restructured	(Amount in ₹ Million)
MSMEs	97	35.89
Total	97	35.89

(iv) COVID 19 Regulatory Package -

Asset classification and provisioning for the year ended 31 March 2020 pursuant to the notification Vide:DOR.No.BP.BC.63/21.04.048/2019-20 dated 17 April 2020:

Particulars	Amount
(i) Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of abovementioned the RBI circular.	894.25
(ii) Respective amount where asset classification benefits is extended	894.25
(iii) Provisions made during the quarter ended 31 March 2020 in terms of paragraph 5 of the above circular	89.43
(iv) Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6	-

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
Annexure - V

Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information
(All amounts are in Indian Rupees in million unless stated otherwise)

Note - 61

Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013:

Name of the entity	As at 31 March 2021							
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent Company								
Dhani Loans and Services Limited (formerly, Indiabulls Consumer Finance Limited)	79.97%	32,731.85	102.34%	(1,185.41)	80.75%	15.16	102.70%	(1,170.25)
Subsidiaries (Indian)								
Indiabulls Investment Advisors Limited	6.64%	2,719.52	3.63%	(42.02)	22.93%	4.30	3.31%	(37.72)
Indiabulls Distribution Services Limited	12.19%	4,991.22	(13.99%)	162.01	0.00%	-	(14.22%)	162.01
Indiabulls Alternate Investments Limited	0.06%	22.81	(0.97%)	11.26	0.00%	-	(0.99%)	11.26
Transerv Limited (formerly Transerv Private Limited)	(0.45%)	(186.02)	5.33%	(61.73)	(3.68%)	(0.69)	5.48%	(62.42)
Non Controlling interest in all subsidiaries	1.59%	651.21	3.66%	(42.36)	0.00%	-	3.72%	(42.36)
Total	100.00%	40,930.60	100.00%	(1,158.25)	100.00%	18.77	100.00%	(1,139.48)
Name of the entity	As at 31 March 2020							
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent Company								
Dhani Loans and Services Limited (formerly, Indiabulls Consumer Finance Limited)	68.57%	29,205.08	(42.22%)	158.01	97.93%	72.83	(76.97%)	230.84
Subsidiaries (Indian)								
Indiabulls Investment Advisors Limited	6.33%	2,695.72	160.07%	(599.10)	(0.95%)	(0.71)	200.00%	(599.81)
Indiabulls Distribution Services Limited	20.09%	8,557.62	15.52%	(58.08)	0.00%	-	19.37%	(58.08)
Indiabulls Alternate Investments Limited	0.16%	70.05	(3.22%)	12.03	0.00%	-	(4.01%)	12.03
Transerv Limited (formerly Transerv Private Limited)	0.66%	279.59	(19.34%)	72.36	1.27%	0.94	(24.45%)	73.30
Non Controlling interest in all subsidiaries	4.19%	1,785.69	(10.82%)	40.50	1.75%	1.30	(13.94%)	41.80
Total	100.00%	42,593.75	100.00%	(374.28)	100.00%	74.36	100.00%	(299.92)

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
Annexure - V

Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information
(All amounts are in Indian Rupees in million unless stated otherwise)

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Group information

A. Information about subsidiary companies

Name of subsidiaries	Country of incorporation	% of holding and voting power either directly or indirectly through subsidiary		
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Indiabulls Investment Advisors Limited	India	100.00%	100.00%	100.00%
Indiabulls Distribution Services Limited	India	86.04%	86.04%	86.04%
Indiabulls Alternate Investments Limited	India	86.04%	86.04%	86.04%
Transerv Limited (formerly known as Transerv Private Limited) (Entity was associate as on 31 March 2019) (Refer "C" - Information on Associates)	India	100.00%	42.00%	0.00%

B. Subsidiary with material non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Name of entity	Principal activities	Proportion of ownership interests and voting rights held by NCI		
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Transerv Limited	Wallet Business	0.00%	58.00%	Not applicable

Summarised financial information for Transerv Limited is set out below:

Particulars	As at 31 March 2020	As at 31 March 2019
Financial assets	187.87	NA
Non-financial assets	914.95	
Total assets	1,102.82	
Financial liabilities	497.60	
Non-financial Liabilities	56.52	
Total liabilities	554.12	
Equity attributable to the owners of the Holding Company	77.97	
Non-controlling interests	470.73	

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
Annexure - V

Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information
(All amounts are in Indian Rupees in million unless stated otherwise)

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Group information (continued)

C. Information about associates

Name of associates	Country of incorporation	% of holding and voting power either directly or indirectly through subsidiary		
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Transerv Limited (formerly known as Transerv Private Limited)	India	0.00%	0.00%	33.00%

During the year ended 31 March 2019, the Group had 33% shareholding in Transerv Limited (formerly known as Transerv Private Limited). The Group exercises significant influence over Transerv Limited and accordingly, the same has been accounted for as an "Associate" as per the provisions of Ind AS 28 "Investments in associates and joint venture". The Group's interest in Transerv Limited was accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in Transerv Limited:

Particulars	As at 31 March 2019
Total assets	260.55
Total liabilities	180.15
Equity	80.41
Total revenue for the period*	0.98
Total expenses for the period*	1.84
Loss for the period*	0.86
Group's share of loss for the period*	0.28

*from 29 March 2019 to 31 March 2019

(i) The associate has commitments outstanding as at 31 March 2019.

(ii) The associate has no contingent liabilities as at 31 March 2019.

(iii) During the year ended 31 March 2020, the Group has further acquired 9% shareholding and total shareholding stood at 42%. By virtue of control as per Ind AS 110- Consolidated Financial Statement, "Transerv Limited" has become subsidiary of the Group and same is consolidated in the consolidated financial statements for the financial year 2019-20.

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)

Annexure - V

Summary of significant accounting policies and other explanatory information to Reformatted Consolidated Ind AS Financial Information
(All amounts are in Indian Rupees in million unless stated otherwise)

Note - 62

As at 31 March 2021, there were no dues required to be credited to the Investor Education and Protection Fund under Section 124(5) of the Act. (31 March 2020: ₹ Nil and 31 March 2019: ₹ Nil).

In terms of our report of even date attached.

For Hem Sandeep & Co.
Chartered Accountants
Firm's registration no. : 009907N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No.: 089011

Pinank Jayant Shah
Whole Time Director &
Chief Executive Officer
DIN: 07859798

Nafees Ahmed
Director
DIN: 03496241

Rajeev Lochan Agrawal
Chief Financial Officer

Manish Rustagi
Company Secretary

Place: New Delhi
Date: 30 November 2021

Place: Mumbai
Date: 30 November 2021

Place: Gurugram
Date: 30 November 2021

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
Annexure - VI
Statement of Dividend

Dividend on Equity Shares

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Equity Share Capital (₹ in million)	611.88	611.88	611.88
Face Value per Equity Share (in ₹)	10.00	10.00	10.00
Interim Dividend on Equity Shares (₹ per Equity Share)	-	28.25	18.85
Amount of total Dividend on Equity Shares (₹ in million)	-	1,728.56	462.80
Dividend Distribution Tax (₹ in million)	-	355.31	95.13
Rate of Dividend (in %)	-	282.50%	188.50%

Dividend on Preference Shares

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Preference Share Capital (₹ in million)	-	-	-
Face Value Per Preference Share (in ₹)	-	-	10.00
Interim Dividend on Preference Shares (₹ per Share)	-	-	0.00
Amount of total Dividend on Preference Shares (₹ in million)	-	-	0.00*
Dividend Distribution Tax (₹ in million)	-	-	0.00*
Rate of Dividend (in %)	-	-	0.001%

*Interim Dividend on preference shares was ₹550 and corporate dividend tax of ₹113 for the financial year ended 31 March 2019.

For and on behalf of the Board of Directors

Pinank Jayant Shah
 Whole Time Director &
 Chief Executive Officer
 DIN: 07859798
 Place: Mumbai

Nafees Ahmed
 Director
 DIN: 03496241
 Place: Gurugram

Rajeev Lochan Agrawal
 Chief Financial Officer
 Place: Gurugram

Manish Rustagi
 Company Secretary
 Place: Gurugram

Date: 30 November 2021

Hem Sandeep & Co.

Chartered Accountants

Independent Auditors' Examination Report on the Reformatted Standalone Financial Information of Dhani Loans and Services Limited (Formerly Indiabulls Consumer Finance Limited)

To

Board of Directors

Dhani Loans and Services Limited

(Formerly Indiabulls Consumer Finance Limited)

M-62 & 63, First Floor,

Connaught Place,

New Delhi – 110 001, India

Subject: Proposed public issue by Dhani Loans and Services Limited (the “Company” or the “Issuer”) of secured redeemable non-convertible debentures of face value of Rs. 1,000 each (the “NCDs”), aggregating up to Rs. 1,500 million (“Base Issue”) with an option to retain oversubscription up to Rs. 1,500 million, aggregating up to Rs. 3,000 million (“Issue Size”) (“Issue”).

Dear Sirs/Madams,

1. We have examined the attached Reformatted Standalone Financial Information of Dhani Loans and Services Limited (Formerly Indiabulls Consumer Finance Limited) (the “**Company**”), as at and for each of the years ended on March 31, 2021, 2020 and 2019, comprising the Reformatted Standalone Statement of Assets and Liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019, the Reformatted Standalone Statement of Profit and Loss (including other comprehensive income), the Reformatted Standalone Statement of Changes in Equity, the Reformatted Standalone Statement of Cash Flows for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and a summary of significant accounting policies and other explanatory information (collectively, the “**Reformatted Standalone Financial Information**”) annexed to this report and prepared by the Company for the purpose of inclusion in the Draft Prospectus, (the “**Draft Prospectus**”) and/or the Prospectus (“**the Prospectus**”) to be filed by the Company with the Securities and Exchange Board of India (“**SEBI**”), BSE Limited, National Stock Exchange of India Limited (collectively referred to as “**the Stock Exchanges**”) and Registrar of Companies, National Capital Territory of Delhi and Haryana (the “**ROC**”), in connection with its proposed Issue. The Reformatted Standalone Financial Information have been prepared by the management of the Company on the basis of Note 3 of Annexure V to the Reformatted Standalone Financial Information, which have been approved by the Bond Issue Committee of the Board of Directors of the Company at their meeting held on November 30, 2021, and have been prepared by the Company by taking into consideration, the requirements of:
 - a) Section 26 of Chapter III of the Companies Act, 2013, as amended (the “**Act**”);
 - b) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (the “**Regulations**”), issued by SEBI, in pursuance of the Securities and Exchange Board of India Act, 1992 (the “**SEBI Act**”); and

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Phone: +91 11 4052 4636 Email: info@hemsandeep.com

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

2. The accompanying Reformatted Standalone Financial Information are prepared on the basis of the audited standalone financial statements (the “**Audited Standalone Financial Statements**”) of the Company for the respective years audited by M/s Walker Chandiok and Co. LLP (“**the Predecessor Auditors**”) as referred to in paragraph 3 below.
3. The Predecessor Auditors have expressed an unmodified opinion on the Audited Standalone Financial Statements of the Company as of and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 vide their reports dated June 18, 2021, June 25, 2020 and April 25, 2019.
4. The figures included in the Reformatted Standalone Financial Information, do not reflect the effect of events that occurred subsequent to the date of the reports on the respective years referred to in paragraph 3 above.
5. The audit report issued by the Predecessor Auditors on the Audited Standalone Financial Statements for the year ended March 31, 2021, includes the following emphasis of matter paragraph:

Emphasis of Matter - Effects of COVID 19 pandemic

We draw attention to note 51 to the accompanying standalone financial statements, which describes the uncertainties relating to COVID-19 pandemic on the Company's operation that are dependent on the future developments and the management's evaluation of the impact on the impairment assessment of financial assets outstanding as at 31 March 2021. Our opinion is not modified in respect of this matter.

6. The audit report issued by the Predecessor Auditors on the Audited Standalone Financial Statements for the year ended March 31, 2020, includes the following emphasis of matter paragraph:

Emphasis of matter:

We draw attention to Note 55 to the accompanying standalone financial statements, which describes the uncertainties relating to the effects of COVID-19 pandemic outbreak on the Company's operations that are dependent on future developments, and the impact thereof on the impairment assessment of financial assets outstanding as at 31 March 2020. Our opinion is not modified in respect of this matter.

7. The audit report issued by the Predecessor Auditors on the Audited Standalone Financial Statements for the year ended March 31, 2019, includes the following Other matters paragraph:

Other Matters:

The comparative financial information for the transition date opening balance sheet as at 1 April 2017 prepared in accordance with Ind AS included in these standalone financial statements is based on the previously issued statutory financial statements for the year ended 31 March 2017 prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The standalone financial statements for the year ended 31 March 2017 were audited by the predecessor auditor

whose audit report dated 25 April 2017 expressed an unmodified opinion on those standalone financial statements. The standalone financial statements for the year ended 31 March 2017 have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS. We have audited these adjustments made by the management.

Further, the Company had prepared a separate set of statutory financial statements for the year ended 31 March 2018 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued our audit report dated 23 April 2018. These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS. We have audited these adjustments made by the management. Our opinion is not modified in respect of this matter.

Extracts as per Paragraphs 5 to 7 above are from the Predecessor Auditors reports on the Standalone Financial Statements of the respective years ended March 31, 2021, 2020 and 2019.

8. For the purpose of our examination, we have relied on Auditors' reports dated June 18, 2021, June 25, 2020 and April 25, 2019 issued by the Predecessor Auditors on the Audited Standalone Financial Statements of the Company as at and for the years ended March 31, 2021, 2020 and 2019 as referred in paragraph 2 above.

Management's Responsibility for the Reformatted Standalone Financial Information

9. Management is responsible for the preparation of the Reformatted Standalone Financial Information, as mentioned in paragraph 1 above, for inclusion in the Draft Prospectus and/or the Prospectus to be filed by the Company in connection with the Issue, on the basis of accounting described in Note 3 of Annexure V to the Reformatted Standalone Financial Information. Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the Reformatted Standalone Financial Information that are free from material misstatement, whether due to fraud and error. The Management and the Board of Directors are also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations that determine the reported amounts and disclosures in the Reformatted Standalone Financial Information.

Auditors' Responsibilities

10. We have examined the Reformatted Standalone Financial Information taking into consideration:
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated November 29, 2021 in connection with the proposed Issue;
 - b. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the "Guidance Note"). The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
 - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Reformatted Standalone Financial Information; and
 - d. the requirements of Section 26 of the Act, the Regulations and the Guidance Note.

11. The Company proposes to make an offer which comprises an issue of Secured Redeemable Non-Convertible Debentures of face value of Rs.1,000 each by the Company, as may be decided by the Board of Directors of the Company.
12. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by the ICAI.

Reformatted Standalone Financial Information

13. The Audited Standalone Financial Statements of the Company as at and for the years ended March 31, 2021, 2020 and 2019 have been audited by the Predecessor Auditors of the Company. For the purpose of our examination, we have relied solely on the auditor's reports for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 dated June 18, 2021, June 25, 2020 and April 25, 2019 respectively issued by the Predecessor Auditors of the Company. We have not carried out any audit tests or review procedures, and accordingly reliance has been placed on the Audited Standalone Financial Statements audited by the Predecessor Auditors for the said years. These Audited Standalone Financial Statements as at and for the years ended March 31, 2021, 2020 and 2019 form the basis of the Reformatted Standalone Financial Information.
14. The Reformatted Standalone Financial Information has been compiled by the management from Audited Standalone Financial Statements of the Company as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 which were prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as "Ind AS"), which have been approved by the Board of Directors at their meetings held on June 18, 2021, June 25, 2020 and April 25, 2019 respectively.

Our opinion below on the Reformatted Standalone Financial Information is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the Predecessor Auditors.

Opinion

15. Taking into consideration the requirements of Section 26 of Part I of Chapter III of the Act, the Regulations and the terms of our engagement agreed with you, and based on the reliance placed on the reports of the Predecessor Auditors, we further report that:
 - (a) Reformatted Standalone Financial Information of the Company as at and for each of the years ended March 31, 2021, 2020 and 2019 have been examined by us, as set out in Annexure I to Annexure IV to this report. These Reformatted Standalone Financial Information have been prepared after regroupings as considered appropriate, which is more fully described in significant accounting policies and notes (Refer Annexure V).
 - (b) based on our examination as above:
 - (i) the Reformatted Standalone Financial Information have to be read in conjunction with the notes given in Annexure V; and
 - (ii) the figures of earlier periods have been regrouped (but not restated retrospectively for changes in accounting policies and audit qualifications), as considered appropriate and to conform to the classification adopted for the Reformatted Standalone Financial Information as at and for the year ended March 31, 2021.

Other Financial Information

16. At the Company's request, we have also examined the following other financial information proposed to be included in the Draft Prospectus and/or Prospectus prepared by the Management and approved by the Bond Issue Committee of the Board of Directors of the Company and annexed to this report relating to the Company, as at and for each of the years ended March 31, 2021, 2020 and 2019:

- Statement of Dividend, enclosed as Annexure VI

Other Matters

17. We have not audited any financial statements of the Company as of or for the years ended March 31, 2021, 2020 or 2019 and for any period subsequent to March 31, 2021. Accordingly, we express no opinion on the financial position, profit and loss or cash flow of the Company as of and for the year March 31, 2021, 2020, 2019 or for any date or for any period subsequent to March 31, 2021.

18. In the preparation and presentation of Reformatted Standalone Financial Information based on Audited Standalone Financial Statements, no adjustments have been made for any events occurring subsequent to dates of the audit reports specified in paragraph 2 above.

19. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

20. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Predecessor auditors, nor should this be construed as a new opinion on any of the financial statements referred to herein.

Restrictions on use

21. This report is addressed to and is provided to enable the Company for inclusion in the Draft Prospectus and/or Prospectus, to be filed by the Company in connection with the Issue with the Stock Exchanges, ROC and with the SEBI. The Reformatted Standalone Financial Information may, therefore, not be suitable for another purpose or distributed to any other person, without our prior written consent.

For Hem Sandeep & Co.
Chartered Accountants
Firm Registration No.: 009907N

Ajay Sardana
Partner
Membership No.: 089011
Place: New Delhi
Date: November 30, 2021
UDIN: 21089011AAAAAY2240

DHANI LOANS AND SERVICES LIMITED

(Formerly known as Indiabulls Consumer Finance Limited)

ANNEXURE I - REFORMATTED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(All amounts are in Indian Rupees in millions unless stated otherwise)

	Notes	As at 31-Mar-2021	As at 31-Mar-2020	As at 31-Mar-2019
ASSETS				
1 Financial assets				
(a) Cash and cash equivalents	4	9,961.43	19,668.69	9,307.85
(b) Other bank balances	5	2,428.59	3,379.85	1,453.88
(c) Loans	6	37,211.73	41,795.45	1,05,081.33
(d) Investments	7	24,094.04	19,399.15	5,766.34
(e) Other financial assets	8	837.32	5,219.99	478.94
Total financial assets		74,533.11	89,463.13	1,22,088.34
2 Non-financial assets				
(a) Current tax assets (net)	9	1,256.94	909.37	71.35
(b) Deferred tax assets (net)	10	1,047.85	479.91	339.33
(c) Investment accounted for using equity method	11	-	-	357.04
(d) Property, plant and equipment	12(a)	601.29	630.84	309.33
(e) Right-of-use assets	12(b)	1,214.69	2,209.50	-
(f) Intangible assets under development	12(c)	38.05	54.26	24.61
(g) Other intangible assets	12(d)	446.55	487.96	518.49
(h) Other non-financial assets	13	421.99	1,203.14	868.90
Total non-financial assets		5,027.36	5,974.98	2,489.05
TOTAL ASSETS		79,560.47	95,438.11	1,24,577.39
LIABILITIES AND EQUITY				
LIABILITIES				
1 Financial liabilities				
(a) Derivative financial instruments	14	-	-	20.94
(b) Payables				
(I) Trade payables	15			
(i) Dues of micro enterprises and small enterprises		-	-	-
(ii) Other than micro enterprises and small enterprises		378.56	632.35	580.41
(II) Other payables	16			
(i) Dues of micro enterprises and small enterprises		-	-	-
(ii) Other than micro enterprises and small enterprises		911.49	300.95	181.94
(c) Debt securities	17	7,706.03	8,042.78	17,389.62
(d) Borrowings (other than debt securities)	18	23,879.34	39,699.95	58,362.10
(e) Lease liabilities	19	1,338.99	2,334.33	-
(f) Other financial liabilities	20	3,239.16	1,369.82	4,002.16
Total financial liabilities		37,453.57	52,380.18	80,537.17
2 Non-financial liabilities				
(a) Provisions	21	214.44	244.14	106.75
(b) Other non-financial liabilities	22	135.67	436.41	252.18
Total non-financial liabilities		350.11	680.55	358.93
3 EQUITY				
(a) Equity share capital	23	611.88	611.88	611.88
(b) Instruments entirely equity in nature	24	-	-	-
(c) Other equity	25	41,144.91	41,765.50	43,069.41
Total equity		41,756.79	42,377.38	43,681.29
TOTAL LIABILITIES AND EQUITY		79,560.47	95,438.11	1,24,577.39

The accompanying notes form an integral part of these Reformatted Standalone Financial Informations.

This is Reformatted Standalone Statement of Assets and Liabilities referred to in our report of even date.

For Hem Sandeep & Co
Chartered Accountants
Firm's registration no. : 009907N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No.: 089011

Pinank Jayant Shah
Whole Time Director &
Chief Executive Officer
DIN: 07859798

Nafees Ahmed
Director
DIN: 03496241

Rajeev Lochan Agrawal
Chief Financial Officer

Manish Rustagi
Company Secretary

Place: New Delhi
Date: 30 November 2021

Place: Mumbai
Date: 30 November 2021

Place: Gurugram
Date: 30 November 2021

Place: Gurugram
Date: 30 November 2021

Place: Gurugram
Date: 30 November 2021

DHANI LOANS AND SERVICES LIMITED
(Formerly known as Indiabulls Consumer Finance Limited)
ANNEXURE II - REFORMATTED STANDALONE STATEMENT OF PROFIT AND LOSS
(All amounts are in Indian Rupees in millions unless stated otherwise)

Particulars	Notes	Year ended 31-Mar-21	Year ended 31-Mar-20	Year ended 31-Mar-19
I Revenue from operations				
(i) Interest income	26	8,008.09	17,594.50	14,670.49
(ii) Dividend income	27	-	493.49	253.48
(iii) Fees and commission income	28	836.36	913.86	1,183.31
(iv) Net gain on fair value changes	29	305.58	-	75.35
(v) Net gain on derecognition of financial assets	30	1,001.78	6,166.90	297.96
Total revenue from operations		10,151.81	25,168.75	16,480.59
II Other income	31	476.87	-	19.61
III Total Income (I+II)		10,628.68	25,168.75	16,500.20
IV Expenses				
(i) Finance costs	32	4,359.09	7,396.61	5,594.78
(ii) Net loss on fair value changes	29	-	141.52	-
(iii) Impairment on financial assets	33	1,539.34	8,162.52	1,030.13
(iv) Employee benefits expense	34	3,034.84	4,178.45	2,299.26
(v) Depreciation and amortisation	35	570.72	780.20	189.08
(vi) Other expenses	36	1,822.69	4,013.35	2,052.99
Total expenses		11,326.68	24,672.65	11,166.24
V (Loss)/profit before tax (III-IV)		(698.00)	496.10	5,333.96
VI Tax expense:	37			
(i) Current tax		416.02	118.63	1,553.00
(ii) Deferred tax credit		(573.05)	(165.07)	(220.98)
Net tax expense		(157.03)	(46.44)	1,332.02
VII (Loss)/ profit for the year (V-VI)		(540.97)	542.54	4,001.94
VIII Other comprehensive income				
(i) Items that will not be reclassified to profit or loss				
(a) Remeasurement of defined benefit plans		55.95	(8.58)	(4.46)
(b) Income tax expense relating to above items		(14.08)	2.16	1.56
(ii) Items that will be reclassified to profit or loss				
(a) Changes in fair valuation of financial assets		(35.70)	105.90	-
(b) Income tax expense relating to above items		8.98	(26.65)	-
Other comprehensive income (i + ii)		15.15	72.83	(2.90)
IX Total comprehensive income for the year (VII+VIII)		(525.82)	615.37	3,999.04
X Earnings per equity share	38			
Basic (in ₹)		(8.84)	8.87	79.49
Diluted (in ₹)		(8.84)	8.87	71.66

The accompanying notes form an integral part of these Reformatted Standalone Financial Informations.

This is Reformatted Standalone Statement of Profit and Loss referred to in our report of even date.

For Hem Sandeep & Co
Chartered Accountants
Firm's registration no. : 009907N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No.: 089011

Pinank Javant Shah
Whole Time Director &
Chief Executive Officer
DIN: 07859798

Nafees Ahmed
Director
DIN: 03496241

Rajeev Lochan Agrawal
Chief Financial Officer

Manish Rustagi
Company Secretary

Place: New Delhi
Date: 30 November 2021

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Date: 30 November 2021

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DHANI LOANS AND SERVICES LIMITED
(Formerly known as Indiabulls Consumer Finance Limited)
ANNEXURE III - REFORMATTED STANDALONE STATEMENT OF CASH FLOWS
(All amounts are in Indian Rupees in millions unless stated otherwise)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
A Cash flow from operating activities:			
Net profit/(loss) before tax	(698.00)	496.10	5,333.96
Adjustments for :			
Depreciation and amortisation	570.72	780.20	189.08
Impairment on financial instruments	1,539.34	8,162.52	1,030.13
Provision for gratuity and compensated absences	44.88	126.31	35.87
Interest on lease liabilities	167.40	247.89	-
(Profit)/loss on fair value changes	(305.58)	141.52	(75.35)
Gain on sale of loan portfolio through assignment	3,575.77	(3,962.13)	(298.07)
Effective interest rate adjustment for financial instruments	222.09	265.92	(210.29)
Share based payments to employees	(104.15)	150.42	345.37
Operating profit before working capital changes	5,012.47	6,408.75	6,350.70
Adjustments for:			
Loans	2,980.67	55,420.83	(66,086.34)
Other financial assets	1,676.57	(2,933.22)	(806.25)
Other non financial assets	674.54	(387.44)	(440.93)
Derivative liabilities	-	(20.94)	(47.04)
Trade payables	(253.79)	51.94	303.15
Other payables	610.54	119.01	145.94
Other financial liabilities	1,809.86	(2,539.92)	(2,187.08)
Provisions	(18.62)	2.49	44.33
Other non financial liabilities	(300.74)	184.23	121.45
	7,179.03	49,896.98	(68,952.77)
Cash generated from operating activities	12,191.50	56,305.73	(62,602.07)
Income taxes paid (including tax deducted at source)	(763.60)	(956.64)	(1,613.34)
Net cash generated from operating activities	11,427.90	55,349.09	(64,215.41)
B Cash flow from investing activities:			
Purchase of property, plant and equipment, intangible assets under development and intangible assets	(71.68)	(642.95)	(732.40)
Investment made in Subsidiaries and Associates	(760.65)	(8,195.26)	(357.04)
Purchase/sale of investments (net)	(3,628.66)	(5,222.03)	(1,202.73)
Net cash used in investing activities	(4,460.99)	(14,060.24)	(2,292.17)
C Cash flow from financing activities:			
Proceeds from issue of equity shares (including premium)	-	-	25,722.48
Repayment of preference shares (including premium)	-	-	(2,750.00)
Proceeds from debt securities	5,250.00	4,182.03	78,653.97
Repayment of debt securities	(5,714.51)	(13,750.00)	(64,641.92)
Proceeds from borrowings other than debt securities	2,050.00	17,255.28	93,721.11
Repayment of borrowings other than debt securities	(17,896.09)	(36,040.47)	(63,155.83)
Payment of lease liabilities	(363.58)	(490.98)	-
Dividends paid (including dividend distribution tax)	-	(2,083.87)	(557.93)
Net cash used in financing activities	(16,674.18)	(30,928.01)	66,991.88
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	(9,707.27)	10,360.84	484.30
E Cash and cash equivalents at the beginning of the year	19,668.69	9,307.85	8,823.55
	9,961.43	19,668.69	9,307.85
Reconciliation of cash and cash equivalents as above with other bank balances			
Cash and Cash equivalents at the end of the year as per above	9,961.43	19,668.69	9,307.85
Add: Fixed deposits with original maturity over 3 months	2,428.59	3,379.85	1,453.88
Cash and cash equivalents and other bank balance as at the end of the year	12,390.02	23,048.54	10,761.73

1 The above cash flow statement has been prepared under the " Indirect Method " as set out in Indian Accounting Standard (Ind AS) -7 'Statement of Cash Flows' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.

2 Cash and cash equivalents as at the end of the year include:

Cash in hand	0.02	0.62	0.09
Balances with banks:			
- in current accounts	3,907.93	18,168.11	8,502.99
- in term deposits with original maturity of less than three months*	6,053.48	1,499.96	804.77
Cash and cash equivalents at the end of the year	9,961.43	19,668.69	9,307.85

*[₹ 378.84 Millions (31 March 2020: ₹ 250.07 Millions, 31 March 2019: ₹ 55.67 Millions) pledged for overdraft facilities availed by the Company

3 For disclosures relating to changes in liabilities arising from financing activities, refer note 49

The accompanying notes form an integral part of these Reformatted Standalone Financial Informations.

This is Reformatted Standalone Statement of Cash Flow Statement referred to in our report of even date.

For Hem Sandeep & Co
Chartered Accountants
Firm's registration no. : 009907N

Ajay Sardana
Partner
Membership No.: 089011

Pinank Jayant Shah
Whole Time Director &
Chief Executive Officer
DIN: 07859798

Nafees Ahmed
Director
DIN: 03496241

Rajeev Lochan Agrawal
Chief Financial Officer

Manish Rustagi
Company Secretary

Place: New Delhi
Date: 30 November 2021

Place: Mumbai
Date: 30 November 2021

Place: Gurugram
Date: 30 November 2021

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Place: Gurugram
Date: 30 November 2021

DHANI LOANS AND SERVICES LIMITED
(Formerly known as Indiabulls Consumer Finance Limited)
ANNEXURE IV - REFORMATTED STANDALONE STATEMENT OF CHANGES IN EQUITY
(All amounts are in Indian Rupees in millions unless stated otherwise)

(A) Equity share capital (refer note 23)

Particulars	Balance as at 1 April 2018	Changes during the year	Balance at 31 March 2019	Changes during the year	Balance at 31 March 2020	Changes during the year	Balance at 31 March 2021
Equity share capital	245.52	366.36	611.88	-	611.88	-	611.88

(B) Other equity (refer note 25)

Particulars	Securities premium	Capital redemption reserve	Reserve Fund (U/s 45-IC of RBI Act, 1934)	Share options outstanding account	Retained earnings	Change in fair value of loan assets through other comprehensive income	Other component of equity	Deemed equity contribution by Holding Company	Debt redemption reserves	Total
Balance as at 1 April 2018	14392.32	10.00	418.68	243.98	1434.26	-	-	85.12	-	16,584.36
Profit for the year	-	-	-	-	4,001.94	-	-	-	-	4,001.94
Other comprehensive income (net of tax)	-	-	-	-	(2.90)	-	-	-	-	(2.90)
Transfer from retained earnings	-	-	799.81	-	(841.46)	-	-	-	41.65	-
Issue of equity shares	25,356.12	-	-	-	-	-	-	-	-	25,356.12
Adjustment of compulsory convertible preference shares (refer note 24)	(2,695.00)	-	-	-	-	-	-	-	-	(2,695.00)
Share based payment to employees	-	-	-	345.37	-	-	-	-	-	345.37
Transfer to retained earnings	-	-	-	(1.28)	1.28	-	-	-	-	-
Equity component for financial guarantee	-	-	-	-	-	-	-	37.45	-	37.45
Dividends (including dividend distribution tax) during the year	-	-	-	-	(557.93)	-	-	-	-	(557.93)
Balance as at 31 March 2019	37,053.44	10.00	1,218.49	588.07	4,035.19	-	-	122.57	41.65	43,069.41
Profit for the year	-	-	-	-	542.54	-	-	-	-	542.54
Other comprehensive income (net of tax)	-	-	-	-	(6.42)	79.25	-	-	-	72.83
Transfer from retained earnings	-	-	108.51	-	(108.51)	-	-	-	-	-
Transfer from debt redemption reserve during the year	-	-	-	-	41.65	-	-	-	(41.65)	-
Share based payment to employees	-	-	-	150.42	-	-	-	-	-	150.42
Transfer to other component of equity	-	-	-	(61.04)	-	-	61.04	-	-	-
Equity component for financial guarantee	-	-	-	-	-	-	-	14.17	-	14.17
Transfer to retained earnings	-	-	-	(19.22)	19.22	-	-	-	-	-
Dividends (including dividend distribution tax) during the year (₹ 28.25 per share)	-	-	-	-	(2,083.87)	-	-	-	-	(2,083.87)
Balance as at 31 March 2020	37,053.44	10.00	1,327.00	658.23	2,439.80	79.25	61.04	136.74	-	41,765.50
Loss for the year	-	-	-	-	(540.97)	-	-	-	-	(540.97)
Other comprehensive income (net of tax)	-	-	-	-	41.87	(26.72)	-	-	-	15.15
Share based payment to employees	-	-	-	(104.15)	-	-	-	-	-	(104.15)
Transfer to other component of equity	-	-	-	(304.26)	-	-	304.26	-	-	-
Equity component for financial guarantee	-	-	-	-	-	-	-	9.38	-	9.38
Balance as at 31 March 2021	37,053.44	10.00	1,327.00	249.82	1,940.70	52.53	365.30	146.12	-	41,144.91

The accompanying notes form an integral part of these Reformatted Standalone Financial Informations.

This is the Reformatted Standalone Statement of Changes in Equity referred to in our report of even date.

For Hem Sandeep & Co
Chartered Accountants
Firm's registration no. : 009907N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No.: 089011

Pinank Jayant Shah
Whole Time Director &
Chief Executive Officer
DIN: 07859798

Nafees Ahmed
Director
DIN: 03496241

Rajeev Lochan Agrawal
Chief Financial Officer

Manish Rustagi
Company
Secretary

Place: New Delhi
Date: 30 November 2021

Place: Mumbai
Date: 30 November 2021

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DHANI LOANS AND SERVICES LIMITED
(Formerly known as Indiabulls Consumer Finance Limited)

ANNEXURE V - Summary of significant accounting policies and other explanatory information to Reformatted Standalone Financial Information

1. Company overview

Dhani Loans and Services Limited (formerly known as Indiabulls Consumer Finance Limited) ('the Company') is a public limited Company incorporated under the provisions of Companies Act, 1956 and is engaged in the business of financing and investing related activities. The Company is a non-deposit accepting Non-Banking Financial Company (NBFC-ND) and is registered as a Non-Banking Financial Company with the Reserve Bank of India ("RBI") under section 45-IA of the Reserve Bank of India Act, 1934. The Company is domiciled in India and its registered office is situated at M-62 a 63, First Floor, Connaught Place, New Delhi - 110001.

In accordance with the provisions of Section 4, 13 and 14 and other applicable provisions of the Companies Act 2013 (the 'Act'), the members of the Company at their Extraordinary General Meeting held on 2 July 2020 accorded their approval to change the name of the Company. The Company has since received a fresh certificate of incorporation consequent upon change of name from the Registrar of Companies National Capital Territory of Delhi and Haryana dated 7 July 2020 in respect of the said change. Accordingly the name of the Company was changed from "Indiabulls Consumer Finance Limited" to "Dhani Loans and Services Limited" effective from 7 July 2020.

2. Basis of preparation

(i) Statement of compliance

(i) The Reformatted Standalone Financial Information of the Company comprise of the Reformatted Standalone Statement of Assets and Liabilities as at 31 March 2021, 31 March 2020 and 31 March 2019, the related Reformatted Standalone Statement of Profit and Loss (including other comprehensive income), the Reformatted Standalone Statement of Cash Flows, the Reformatted Standalone Statement of Changes in Equity for the years ended 31 March 2021, 31 March 2020 and 31 March 2019, and the summary of significant accounting policies and other explanatory information (collectively, the Reformatted Standalone 'Financial Information' or 'Financial Statements') and have been extracted by the Management from the Audited Standalone Financial Statements of the Company for the year ended 31 March 2021, 31 March 2020 and 31 March 2019 ("Audited Standalone Financial Statements").

The Reformatted Standalone Financial Information have been prepared by the management in connection with the proposed issue of non convertible debentures of the Company to be listed on BSE Limited and National Stock Exchange of India (collectively the "Stock Exchanges" in accordance with the requirements of section 26 of the act, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (the "SEBI Regulations"), issued by SEBI, in pursuance of the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"), as amended from The Reformatted Standalone Financial Statements have been extracted from the Audited Standalone Financial Statements of the Company which have been prepared in accordance with the Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Act, other relevant provisions of the Act, guidelines issued by the RBI as applicable to an NBFCs and other accounting principles generally accepted in India. Any application guidance / clarifications/directions issued by RBI or other regulators are implemented as and when they are issued /applicable. The Company has uniformly applied the accounting policies for all the periods presented in these financial statements.

The Reformatted Standalone Financial Statements for the year ended 31 March 2021, 31 March 2020 and 31 March 2019 were authorized and approved for issue by the Board of Directors on 30 November 2021

(ii) Presentation of Standalone financial statements

The Reformatted Standalone Statement of Assets and Liabilities, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III of the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS. A summary of the significant accounting policies and other explanatory information is in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as specified under Section 133 of the Act including applicable Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India.

(iii) Historical cost convention

The standalone financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the standalone financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

3. Summary of significant accounting policies

The standalone financial statements have been prepared using the significant accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the standalone financial statements.

a) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit and loss.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the straight line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Act.

Asset class	Useful life
Computer equipment	3 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8 years
Servers and networks	6 years
Leasehold improvements	Lower of useful life of the asset or lease term

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

ANNEXURE V - Summary of significant accounting policies and other explanatory information to Reformatted Standalone Financial Information

De-recognition

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 recognised in the statement of profit and loss, when the asset is derecognised.

b) Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortisation method, useful lives and residual value)

Asset class	Useful life
Software	4 - 10 years

Intangible assets are amortised from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

The Company had developed a software that is used to enhance the company's business in e-wallet segment. Useful life of that software were estimated 4 year basis the expected economic benefit from the software. However, the company has reassessed the expected pattern of consumption of economic benefit basis technical estimate of the software and expect benefits will flow to the Company till 10 years.

c) Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost. Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. These are recognised as assets when the Company can demonstrate following recognition requirements:

- The development costs can be measured reliably
- The project is technically and commercially feasible
- The Company intends to and has sufficient resources to complete the project
- The Company has the ability to use or sell such intangible asset
- The asset will generate probable future economic benefits.

Amortisation of the asset begins when development is complete and the asset is available for use.

d) Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

The Company recognises revenue from the following sources:

i. Interest income

Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. Interest income are recognised using the effective interest method (EIR). Calculation of the EIR includes all fees received or cost incurred that are incremental and directly attributable to the acquisition of a financial asset. Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets.

ii. Net gain on fair value changes

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

DHANI LOANS AND SERVICES LIMITED
(Formerly known as Indiabulls Consumer Finance Limited)

ANNEXURE V - Summary of significant accounting policies and other explanatory information to Reformatted Standalone Financial Information

iii. Dividend income

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists.

iv. Fees and commission income

Revenue from fee and commission is measured at fair value of the consideration received or receivable. Revenue is recognised as and when the Company satisfies the associated performance obligation in accordance with the identified contract with the customers and when there is no uncertainty in the ultimate realisation/collection

v. Income from assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss and correspondingly EIS receivable is recognised under head other financial asset. EIS evaluated and adjusted for ECL and expected prepayment.

e) Borrowing costs

Borrowing costs that are directly attributable to the acquisition and/or construction of a qualifying asset, till the time such qualifying assets become ready for its intended use sale, are capitalised. Borrowing costs consists of interest and other cost that the Company incurred in connection with the borrowing of funds. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred basis the effective interest rate method.

f) Taxation

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognised in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current 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 assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. 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. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

g) Employee benefits

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Other long-term employee benefits

The Company also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after one year from the balance sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The Company has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Company in respect of these plans are charged to the Statement of Profit and Loss.

Defined benefit plans

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

h) Share based payments

Share based compensation benefits are provided to employees via Dhani Services Limited (Formerly known as Indiabulls Ventures Limited) ('Holding Company') Employee Stock Option Plans (ESOPs). The employee benefits expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees of the Company will be allotted Holding Company's equity shares.

i) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

j) Impairment of financial assets

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 (1-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 (31-60 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

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. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) - LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) - EAD is based on the amounts the Company expects to be owed at the time of default. For a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term highly liquid investments (certificate of deposits) that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. For cash flow statement purposes, cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

l) Equity investment in associate/subsidiaries

Investments representing equity interest in associate or subsidiaries is measured at cost in accordance with Ind AS 27 'Separate Financial Statements'.

m) Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

n) 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.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

i. Financial assets carried at amortised cost – a financial asset 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. 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 and Loss.

ii. Financial assets carried at fair value through other comprehensive income (FVOCI):

A financial asset is measured at FVOCI if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and selling financial assets, and
- (b) 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.

FVOCI instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and impairment gains or losses are recognised in the statement of profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit or loss.

iii. Investments in equity instruments – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iv. Investments in mutual funds – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When 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 the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Financial guarantee

Financial guarantee contracts are recognised as financial liability at the time guarantee is issued. The liability is initially measured at fair value and subsequently measured at higher of:

- The amount of loss allowance (calculated as described in policy for impairment of financial assets)
- The amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with principles of Ind AS.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o) Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per equity share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Segment reporting

The Company identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly reviewed by the CODM ('chief operating decision maker') in deciding how to allocate resources and in assessing performance.

q) Foreign currency

Functional and presentation currency

Items included in the standalone financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements have been prepared and presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

r) **Classification of leases -**

The Company enters into leasing arrangements for various premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

s) **Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements

Recognition of deferred tax assets - The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Business model assessment - The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the

Evaluation of indicators for impairment of assets - The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

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ANNEXURE V - Summary of significant accounting policies and other explanatory information to Reformatted Standalone Financial Information

Expected credit loss ('ECL') - The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Company makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Provisions - At each reporting date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Useful lives of depreciable/amortisable assets - Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) - Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements - Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

t) New Accounting Pronouncement

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division III which relate to financial statements for a Non-Banking Financial Company (NBFC) which are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR) and undisclosed income specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

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DHANI LOANS AND SERVICES LIMITED
(Formerly known as Indiabulls Consumer Finance Limited)
ANNEXURE V - Summary of significant accounting policies and other explanatory information to Reformatted Standalone Financial Information
(All amounts are in Indian Rupees in millions unless stated otherwise)

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Note - 4			
Cash and cash equivalents			
Cash on hand	0.02	0.62	0.09
Balances with banks			
- Current accounts	3,907.93	18,168.11	8,502.99
- Fixed deposit with original maturity of three months or less (including interest accrued)#	6,053.48	1,499.96	804.77
	9,961.43	19,668.69	9,307.85
Note - 5			
Other bank balances			
Fixed deposits with original maturity of more than 3 months (including interest accrued)#	2,428.59	3,379.85	1,453.88
	2,428.59	3,379.85	1,453.88
# The amount under lien as security against overdraft facility availed, assets securitised and bank guarantee are as follows (included above in Note - 4 and Note - 5):			
Deposits pledged with banks for overdraft facilities availed by the Company	590.18	1,041.29	774.44
Deposits pledged for securitisations	2,335.02	2,336.02	621.24
Deposits pledged with banks against bank guarantees	2.52	2.53	2.53
Margin money			111.33
	2,927.72	3,379.84	1,509.54
As at 31 March 2021			
Note - 6			
	At amortised cost	At fair value through other comprehensive income	Total
Loans			
Secured	7,032.52	163.31	7,195.83
Unsecured	32,792.83	1,615.11	34,407.94
Total - Gross	39,825.35	1,778.42	41,603.77
Less: impairment loss allowance	(4,368.63)	(23.41)	(4,392.04)
Total - Net	35,456.72	1,755.01	37,211.73
Secured by tangible assets	7,032.52	163.31	7,195.83
Secured by other assets	-	-	-
Unsecured	32,792.83	1,615.11	34,407.94
Total - gross	39,825.35	1,778.42	41,603.77
Less: impairment loss allowance	(4,368.63)	(23.41)	(4,392.04)
Total - net	35,456.72	1,755.01	37,211.73
Loans in India			
(i) Public sector	-	-	-
(ii) Others	39,825.35	1,778.42	41,603.77
Total - gross	39,825.35	1,778.42	41,603.77
Less: impairment loss allowance	(4,368.63)	(23.41)	(4,392.04)
Total - net	35,456.72	1,755.01	37,211.73
As at 31 March 2020			
	At amortised cost	At fair value through other comprehensive income	Total
Loans			
Secured	11,619.05	313.35	11,932.40
Unsecured	30,567.70	4,592.37	35,160.07
Total - Gross	42,186.75	4,905.72	47,092.47
Less: impairment loss allowance	(5,268.66)	(28.36)	(5,297.02)
Total - Net	36,918.09	4,877.36	41,795.45
Secured by tangible assets	11,502.86	313.35	11,816.21
Secured by other assets	116.19	-	116.19
Unsecured	30,567.70	4,592.37	35,160.07
Total - gross	42,186.75	4,905.72	47,092.47
Less: impairment loss allowance	(5,268.66)	(28.36)	(5,297.02)
Total - net	36,918.09	4,877.36	41,795.45
Loans in India			
(i) Public sector	-	-	-
(ii) Others	42,186.75	4,905.72	47,092.47
Total - gross	42,186.75	4,905.72	47,092.47
Less: impairment loss allowance	(5,268.66)	(28.36)	(5,297.02)
Total - net	36,918.09	4,877.36	41,795.45

DHANI LOANS AND SERVICES LIMITED
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ANNEXURE V - Summary of significant accounting policies and other explanatory information to Reformatted Standalone Financial Information
(All amounts are in Indian Rupees in millions unless stated otherwise)

Note - 6 (Continue)

	As at 31 March 2019		
	At amortised cost	At fair value through other comprehensive income	Total
Loans			
Secured	49,608.34	-	49,608.34
Unsecured	56,721.72	-	56,721.72
Total - Gross	1,06,330.06	-	1,06,330.06
Less: impairment loss allowance	(1,248.73)	-	(1,248.73)
Total - Net	1,05,081.33	-	1,05,081.33
Secured by tangible assets	49,430.67	-	49,430.67
Secured by other assets	177.67	-	177.67
Unsecured	56,721.72	-	56,721.72
Total - gross	1,06,330.06	-	1,06,330.06
Less: impairment loss allowance	(1,248.73)	-	(1,248.73)
Total - net	1,05,081.33	-	1,05,081.33
Loans in India			
(i) Public sector	-	-	-
(ii) Others	1,06,330.06	-	1,06,330.06
Total - gross	1,06,330.06	-	1,06,330.06
Less: impairment loss allowance	(1,248.73)	-	(1,248.73)
Total - net	1,05,081.33	-	1,05,081.33

*During the year ended 31 March 2020, the Company has entered into series of bilateral assignment transactions against outstanding loan portfolio. In the light of this, the management has concluded that the business model for loan against property, business installments loan and personal loan has changed from "hold to collect" to "hold to collect and sell". Accordingly, the company had reclassified its eligible portfolio from amortised category to fair value through other comprehensive income (FVOCI) category and hence recorded a fair value gain in other comprehensive income.

Note - 7

Investments

Investments	As at 31 March 2021			
	At amortised cost	At fair value through profit or loss	At cost	Total
Mutual funds	-	13,748.28	-	13,748.28
Debt securities	999.98	-	-	999.98
Security receipts	-	210.10	-	210.10
Equity instruments (refer note below)	-	-	9,312.95	9,312.95
Total (A)	999.98	13,958.38	9,312.95	24,271.31
(i) Investments outside India	-	-	-	-
(ii) Investments in India	999.98	13,958.38	9,312.95	24,271.31
Total (B)	999.98	13,958.38	9,312.95	24,271.31
Less: Allowance for impairment loss on Security Receipts (C)	-	177.27	-	177.27
Total (D) = (A)-(C)	999.98	13,781.11	9,312.95	24,094.04

Investments	As at 31 March 2020			
	At amortised cost	At fair value through profit or loss	At cost*	Total
Mutual funds	-	786.95	-	786.95
Debt securities	5,000.01	5,059.89	-	10,059.90
Equity instruments (refer note below)	-	-	8,552.30	8,552.30
Total (A)	5,000.01	5,846.84	8,552.30	19,399.15
(i) Investments outside India	-	-	-	-
(ii) Investments in India	5,000.01	5,846.84	8,552.30	19,399.15
Total (B)	5,000.01	5,846.84	8,552.30	19,399.15
Less: Allowance for impairment loss (C)	-	-	-	-
Total (D) = (A)-(C)	5,000.01	5,846.84	8,552.30	19,399.15

Investments	As at 31 March 2019			
	At amortised cost	At fair value through profit or loss	At cost*	Total
Mutual funds	-	5,504.59	-	5,504.59
Debt securities	261.75	-	-	261.75
Equity instruments (refer note below)	-	-	-	-
Total (A)	261.75	5,504.59	-	5,766.34
(i) Investments outside India	-	-	-	-
(ii) Investments in India	261.75	5,504.59	-	5,766.34
Total (B)	261.75	5,504.59	-	5,766.34
Less: Allowance for impairment loss (C)	-	-	-	-
Total (D) = (A)-(C)	261.75	5,504.59	-	5,766.34

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DHANI LOANS AND SERVICES LIMITED
(Formerly known as Indiabulls Consumer Finance Limited)
ANNEXURE V - Summary of significant accounting policies and other explanatory information to Reformatted Standalone Financial Information
(All amounts are in Indian Rupees in millions unless stated otherwise)

Notes:

* Equity investments in subsidiaries are measured at cost as per the provisions of Ind AS 27 on 'Separate Financial Statements'

(i) During the year ended 31 March 2020, the Company has further acquired 9% equity stake of "TranServ Limited" (formerly known as "TranServ Private Limited"). Transerv Limited is controlled by the Company in accordance with the requirements of Ind AS 110, Consolidated Financial Statements. Further, subsequent to 31 March 2020, the Company has further acquired the remaining 58% stake in TranServ Limited making it wholly owned subsidiary of the Company.

(ii) During the year ended 31 March 2020, the Company has invested ₹ 5,000.01 millions in Compulsorily Convertible Debentures ("CCDs") of its subsidiary Indiabulls Distribution Services Limited ("IDSL") (erstwhile fellow subsidiary of the Company), bearing coupon rate of 10% per annum. The CCDs are convertible into equity shares of IDSL at the option of the Company on or before completion of 24 months from the date of subscription. Further, the Company has invested ₹ 4,500.01 millions in the equity shares of IDSL and acquired 86% equity stake of IDSL.

(iii) During the year ended 31 March 2020, the Company has acquired 100% holding in equity shares of Indiabulls Investment Advisors Limited ("IIAL"), (erstwhile fellow subsidiary of the Company) from Dhani Services Limited (Formerly known as Indiabulls Ventures Limited) for consideration of ₹ 55.00 millions and accordingly IIAL become a wholly owned subsidiary of the Company. Subsequent to this, the Company has further invested ₹ 3,500.00 millions in the equity share capital of IIAL.

(iv) During the year ended 31 March 2021, the Company has acquired the remaining 58% stake in TranServ Limited for a consideration of ₹ 760.65 Millions and accordingly TranServ Limited become a wholly owned subsidiary of the Company.

(v) Equity investments in subsidiaries are measured at cost as per the provisions of Ind AS 27 on 'Separate Financial Statements'

(vi) Equity instruments includes the following investment in equity shares of subsidiaries

Name of the Subsidiaries	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
TranServ Limited [No. of equity share 6,479,129 (31 March 2020: 2,721,257, 31March 2019: 2,137,981) face value ₹ 10 each]	1,257.94	497.29	-
Indiabulls Distribution Services Limited [No. of equity share 308,220 (31 March 2020: 308,220, 31March 2019: NIL) face value ₹ 10 each]	4,500.01	4,500.01	-
Indiabulls Investment Adviser Limited [No. of equity share 355,500,000 (31 March 2020: 355,500,000 , 31March 2019: NIL) face value ₹ 10 each]	3,555.00	3,555.00	-
Total investment in equity instruments of subsidiaries	9,312.95	8,552.30	-

Note - 8

Other financial assets

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Receivable on assigned loans	847.99	4,451.77	298.07
Less: impairment loss allowance	(163.56)	(191.57)	-
Net receivable on assigned loans	684.43	4,260.20	298.07
Security deposits	112.06	110.58	88.64
Advances for purchase of equity shares	-	760.65	58.18
Advances to employees	23.12	65.91	16.05
Others recoverable	17.71	22.65	18.00
	837.32	5,219.99	478.94

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DHANI LOANS AND SERVICES LIMITED
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ANNEXURE V - Summary of significant accounting policies and other explanatory information to Reformatted Standalone Financial Information
(All amounts are in Indian Rupees in millions unless stated otherwise)

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Note -9			
Current tax assets (net)			
Advance income tax/tax deducted at source	1,256.94	909.37	71.35
[Net of provision for taxation]			
	1,256.94	909.37	71.35

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Note -10			
Deferred tax assets (net)			
Deferred Tax Assets			
- Impairment loss allowance	1,168.26	1,360.86	291.59
- Disallowance under Section 40A(7) of the Income-tax Act, 1961	35.76	38.93	27.19
- Disallowance under Section 43B of the Income-tax Act, 1961	18.22	22.52	10.12
- Lease equalisation reserve	-	-	-
- Lease equalisation reserve	-	-	10.99
- Financial assets measured at amortised cost	43.77	53.16	-
- Financial liabilities measured at amortised cost	-	32.27	-
- Share based payments	62.88	165.66	205.94
Total (A)	1,328.89	1,673.40	545.83
Less: Deferred Tax Liabilities			
- Derecognition of financial instruments measured under amortised cost category	223.17	1,122.42	103.44
- Financial assets measured at amortised cost	-	-	16.32
- Financial assets measured at fair value through other comprehensive income	17.67	26.65	-
- Financial liabilities measured at amortised cost	4.16	-	31.77
- Depreciation and amortisation	36.04	44.42	54.97
Total (B)	281.04	1,193.49	206.50
Deferred tax assets(net) (A-B)	1,047.85	479.91	339.33

Particulars	As at 01 April 2020	Recognised in profit and loss	Recognised in other comprehensive income	As at 31 March 2021
Deferred Tax Assets				
- Impairment loss allowance	1,360.86	(192.60)	-	1,168.26
- Disallowance under Section 40A(7) of the Income-tax Act, 1961	38.93	10.92	(14.08)	35.77
- Disallowance under Section 43B of the Income-tax Act, 1961	22.52	(4.30)	-	18.22
- Financial assets measured at amortised cost	53.16	(9.39)	-	43.77
- Share based payments	165.66	(102.78)	-	62.88
Deferred tax liabilities				
- Derecognition of financial instruments measured under amortised cost category	(1,122.42)	899.25	-	(223.17)
- Financial liabilities measured at amortised cost	32.27	(36.43)	-	(4.16)
- Financial assets measured at fair value through other comprehensive income	(26.65)	-	8.98	(17.67)
- Depreciation and amortisation	(44.42)	8.38	-	(36.04)
Total (B)	479.91	573.05	(5.10)	1,047.86

Particulars	As at 01 April 2019	Recognised in profit and loss	Recognised in other comprehensive income	As at 31 March 2020
Deferred tax assets				
- Impairment loss allowance	291.59	1,069.27	-	1,360.86
- Disallowance under Section 40A(7) of the Income-tax Act, 1961	27.19	9.58	2.16	38.93
- Disallowance under Section 43B of the Income-tax Act, 1961	10.12	12.40	-	22.52
- Lease equalisation reserve	10.99	(10.99)	-	-
- Financial assets measured at amortised cost	(16.32)	69.48	-	53.16
- Financial liabilities measured at amortised cost	(31.77)	64.04	-	32.27
- Share based payments	205.94	(40.28)	-	165.66
Deferred tax liabilities				
- Derecognition of financial instruments measured under amortised cost category	(103.44)	(1,018.98)	-	(1,122.42)
- Financial assets measured at fair value through other comprehensive income	-	-	(26.65)	(26.65)
- Depreciation and amortisation	(54.97)	10.55	-	(44.42)
Deferred tax assets(net) (A-B)	339.33	165.07	(24.49)	479.91

Particulars	As at 31 March 2018	Recognised in profit and loss	Recognised in other comprehensive income	As at 31 March 2019
Deferred tax assets				
- Impairment loss allowance	14.86	276.73	-	291.59
- Disallowance under Section 40A(7) of the Income-tax Act, 1961	5.50	20.13	1.56	27.19
- Disallowance under Section 43B of the Income-tax Act, 1961	2.15	7.97	-	10.12
- Lease equalisation reserve	4.00	6.99	-	10.99
- Financial assets measured at amortised cost	45.94	(62.26)	-	(16.32)
- Share based payments	84.43	121.51	-	205.94
Deferred tax liabilities				
- Derecognition of financial instruments measured under amortised cost	-	(103.44)	-	(103.44)
- Depreciation and amortisation	(26.08)	(28.89)	-	(54.97)
- Financial liabilities at amortised cost	(14.01)	(17.76)	-	(31.77)
	116.79	220.98	1.56	339.33

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Note -11			
Investment accounted for using equity method			
Investment in associate (at cost)			
(31 March 2021: Nil, 31 March 2020: Nil, 31 March 2019: 2,137,981) equity shares of Rs. 10 each. of Transerv Limited (Formerly known as Transerv Private Limited)	-	-	357.04
	-	-	357.04

DHANI LOANS AND SERVICES LIMITED

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ANNEXURE V - Summary of significant accounting policies and other explanatory information to Reformatted Standalone Financial Information

(All amounts are in Indian Rupees in millions unless stated otherwise)

Note - 12 (a) : Property, plant and equipment

Particulars	Gross Block			Accumulated depreciation			Net Block			
	As at 01-04-2020	Additions	Disposals/ adjustment	As at 31-03-2021	As at 01-04-2020	Additions	Deletion	As at 31-03-2021	As at 31-03-2021	As at 31-03-2020
Freehold land	1.30	-	-	1.30	-	-	-	-	1.30	1.30
Computers	322.03	7.53	3.67	325.89	143.19	85.25	1.12	227.32	98.57	178.84
Server and networking cost	28.72	15.33	-	44.05	2.14	6.04	0.00	8.18	35.87	26.58
Office equipment	119.14	14.81	15.22	118.73	28.70	23.66	4.26	48.10	70.63	90.44
Furniture	349.49	163.33	60.93	451.89	25.54	42.87	5.66	62.75	389.14	323.95
Vehicles	12.50	-	4.33	8.17	2.77	1.27	1.65	2.39	5.78	9.73
Total	833.18	201.00	84.15	950.03	202.34	159.09	12.69	348.74	601.29	630.84

Particulars	Gross Block			Accumulated depreciation			Net Block			
	As at 01-04-2019	Additions	Disposals/ adjustment	As at 31-03-2020	As at 01-04-2019	Additions	Deletion	As at 31-03-2020	As at 31-03-2020	As at 31-03-2019
Freehold land	1.30	-	-	1.30	-	-	-	-	1.30	1.30
Computers	259.58	62.45	-	322.03	59.42	83.77	-	143.19	178.84	200.16
Servers and networks	-	28.72	-	28.72	-	2.14	-	2.14	26.58	-
Office equipment	56.16	62.98	-	119.14	8.73	19.97	-	28.70	90.44	47.43
Furniture	54.31	295.18	-	349.49	4.58	20.96	-	25.54	323.95	49.73
Vehicles	12.85	5.40	5.75	12.50	2.14	1.72	1.09	2.77	9.73	10.71
Total	384.20	454.73	5.75	833.18	74.87	128.56	1.09	202.34	630.84	309.33

Particulars	Gross block			Accumulated depreciation			Net Block			
	As at 1-Apr-18	Additions	Disposals/ adjustment	As at 31-Mar-19	As at 1-Apr-18	Additions	Deletion	As at 31-Mar-19	As at 31-Mar-19	As at 31-Mar-18
a) Property, plant and equipment										
Freehold land	-	1.30	-	1.30	-	-	-	-	1.30	-
Computers	113.77	145.81	-	259.58	12.06	47.37	-	59.42	200.16	101.72
Office equipment	22.32	33.84	-	56.16	1.41	7.32	-	8.73	47.43	20.91
Furniture	24.26	30.05	-	54.31	0.67	3.91	-	4.58	49.73	23.60
Vehicles (ii)	9.44	3.40	-	12.85	0.56	1.58	-	2.14	10.71	8.88
Total	169.80	214.40	-	384.20	14.70	60.17	-	74.87	309.33	155.10

Note - 12 (b) : Right-of-use assets

Particulars	Gross Block			Accumulated depreciation			Net Block			
	As at 01-04-2020	Additions	Disposals/ adjustment	As at 31-03-2021	As at 01-04-2020	Additions	Deletion	As at 31-03-2021	As at 31-03-2021	As at 31-03-2020
Buildings	2,614.16	850.58	1,540.14	1,924.60	404.66	305.25	-	709.91	1,214.69	2,209.50
	As at 01-04-2019	Additions	Disposals/ adjustment	As at 31-03-2020	As at 01-04-2019	Additions	Deletion	As at 31-03-2020	As at 31-03-2020	As at 31-03-2019
Buildings	-	2,614.16	-	2,614.16	-	404.66	-	404.66	2,209.50	-

DHANI LOANS AND SERVICES LIMITED

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ANNEXURE V - Summary of significant accounting policies and other explanatory information to Reformatted Standalone Financial Information

(All amounts are in Indian Rupees in millions unless stated otherwise)

Note - 12 (c) : Intangible Asset under Development

	As at 01-04-2020	Additions	Disposals/ adjustment	As at 31-03-2021	As at 01-04-2020	Additions	Deletion	As at 31-03-2021	As at 31-03-2021	As at 31-03-2020
Intangible Asset under Development	54.26	39.10	55.31	38.05	-	-	-	-	38.05	54.26
	As at 01-04-2019	Additions	Disposals/ adjustment	As at 31-Mar-20	As at 1-Apr-19	Additions	Deletion	As at 31-Mar-20	As at 31-Mar-20	As at 31-Mar-19
Intangible Asset under Development	24.61	78.53	48.88	54.26	-	-	-	-	54.26	24.61
	As at 01-04-2018	Additions	Disposals/ adjustment	As at 31-Mar-19	As at 1-Apr-18	Additions	Deletion	As at 31-Mar-19	As at 31-Mar-19	As at 31-Mar-18
Intangible Asset under Development	5.80	125.00	106.19	24.61	-	-	-	-	24.61	5.80
	Gross Block			Accumulated amortisation			Net Block			
Note - 12 (d) : Intangible assets	As at 01-04-2020	Additions	Disposals/ adjustment	As at 31-Mar-21	As at 01-Apr-20	Additions	Deletion	As at 31-Mar-21	As at 31-Mar-21	As at 31-Mar-20
Software	905.23	64.96	-	970.19	417.27	106.38	-	523.65	446.55	487.96
	905.23	64.96	-	970.19	417.27	106.38	-	523.65	446.55	487.96
	As at 01-04-2019	Additions	Disposals/ adjustment	As at 31-Mar-20	As at 1-Apr-19	Additions	Deletion	As at 31-Mar-20	As at 31-Mar-20	As at 31-Mar-19
Software	688.79	216.44	-	905.23	170.29	246.98	-	417.27	487.96	518.49
Total	688.79	216.44	-	905.23	170.29	246.98	-	417.27	487.96	518.49
	As at 1-Apr-18	Additions	Disposals/ adjustment	As at 31-Mar-19	As at 1-Apr-18	Additions	Deletion	As at 31-Mar-19	As at 31-Mar-19	As at 31-Mar-18
	348.85	339.94	-	688.79	41.38	128.91	-	170.29	518.49	307.47

Refer Note No 41(ii) of notes to accounts for disclosure of capital commitments.

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ANNEXURE V - Summary of significant accounting policies and other explanatory information to Reformatted Standalone Financial Information

(All amounts are in Indian Rupees in millions unless stated otherwise)

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Note - 13			
Other non-financial assets			
Prepaid expenses	73.97	143.17	313.26
Balance with government authorities	233.63	381.11	203.10
Capital advances	20.95	127.56	180.76
Advance against assigned assets	-	230.31	-
Advances to suppliers	93.44	320.99	171.78
	421.99	1,203.14	868.90

	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Notional amounts	Fair value	Notional amou	Fair value	Notional amounts	Fair value
Note - 14						
Derivative financial instruments						
Part I						
Index linked derivatives	-	-	-	-	1,228.22	20.94
Total derivative financial instruments	-	-	-	-	1,228.22	20.94

Part II

Included in above (Part I) are derivatives held for hedging and risk management purpose as follows:

i. Undesignated derivatives

- Index linked derivatives	-	-	-	-	1,228.22	20.94
Total Derivative financial instruments	-	-	-	-	1,228.22	20.94

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Note - 15			
Trade payables			
Total outstanding dues of micro enterprises and small enterprises (refer note 48)	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	378.56	632.35	580.41
	378.56	632.35	580.41

Note - 16

Other payable

Total outstanding dues of micro enterprises and small enterprises

Total outstanding dues of creditors other than micro enterprises and small enterprises

	-	-	-
	911.49	300.95	181.94
	911.49	300.95	181.94

Note - 17

Debt securities (at amortised cost)

Secured

Non-convertible debentures

Commercial papers (refer note b below)

Total

	7,706.03	8,042.78	7,889.62
	-	-	9,500.00
	7,706.03	8,042.78	17,389.62

Out of above

In India

Outside India

Total

	7,706.03	8,042.78	17,389.62
	-	-	-
	7,706.03	8,042.78	17,389.62

Notes:

17.1. Secured redeemable non convertible debentures include:

Interest rate/Effective yield	Face value (Amount in ₹)	Issue date	Redemption date	As at 31 March 2021			
				Number of NCDs	Amount	Impact of interest accrued and Ind AS	Total outstanding amount
10.75%	1,000.00	8-Mar-2019	8-May-2021	37,74,710	3,774.71	24.54	3,799.25
10.75% (Effective yield)	1,000.00	8-Mar-2019	8-May-2021	2,46,579	246.58	57.69	304.27
10.40%	1,000.00	8-Mar-2019	8-May-2022	3,24,981	324.98	0.18	325.16
10.90%	1,000.00	8-Mar-2019	8-May-2022	7,55,369	755.37	0.94	756.31
10.90% (Effective yield)	1,000.00	8-Mar-2019	8-May-2022	2,35,842	235.84	54.74	290.58
10.50%	1,000.00	8-Mar-2019	8-Mar-2024	4,70,084	470.08	(1.71)	468.37
11.00%	1,000.00	8-Mar-2019	8-Mar-2024	2,60,712	260.71	(0.77)	259.94
11.00% (Effective yield)	1,000.00	8-Mar-2019	8-Mar-2024	1,93,776	193.78	44.59	238.37
10.27%	1,000.00	27-Jun-2019	27-Jun-2021	71,822	71.82	5.30	77.12
10.25% (Effective yield)	1,000.00	27-Jun-2019	27-Jun-2021	34,800	34.80	6.28	41.08
9.95%	1,000.00	27-Jun-2019	27-Jun-2022	1,23,709	123.71	(2.85)	120.86
10.41%	1,000.00	27-Jun-2019	27-Jun-2022	1,22,095	122.10	7.03	129.13
10.40% (Effective yield)	1,000.00	27-Jun-2019	27-Jun-2022	42,780	42.78	7.10	49.88
10.13%	1,000.00	27-Jun-2019	27-Jun-2024	1,56,425	156.43	(5.76)	150.67
10.61%	1,000.00	27-Jun-2019	27-Jun-2024	1,28,003	128.00	5.80	133.80
10.60% (Effective yield)	1,000.00	27-Jun-2019	27-Jun-2024	43,856	43.86	6.84	50.70
10.12%	1,000.00	6-Sep-2019	6-Sep-2021	12,129	12.13	0.68	12.81
10.10% (Effective yield)	1,000.00	6-Sep-2019	6-Sep-2021	4,810	4.81	0.77	5.58
9.81%	1,000.00	6-Sep-2019	6-Sep-2022	29,704	29.70	(0.005)	29.70
10.27%	1,000.00	6-Sep-2019	6-Sep-2022	22,470	22.47	1.19	23.66
10.25% (Effective yield)	1,000.00	6-Sep-2019	6-Sep-2022	8,556	8.56	1.35	9.91
10.04%	1,000.00	6-Sep-2019	6-Sep-2024	37,907	37.91	(0.12)	37.79
10.52%	1,000.00	6-Sep-2019	6-Sep-2024	1,18,099	118.10	6.04	124.14
10.50% (Effective yield)	1,000.00	6-Sep-2019	6-Sep-2024	10,362	10.36	1.65	12.01
9.50%	10,00,000.00	17-Nov-2020	17-May-2022	250	250.00	4.96	254.95
Total				7,479.59	226.45	7,706.03	7,706.03

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17.1 (continued)

Interest rate/Effective yield	Face value (Amount in ₹)	Issue date	Redemption date	As at 31 March 2020			
				Number of NCDs	Amount	Impact of interest accrued and Ind AS	Total outstanding amount
10.75%	1,000.00	8-Mar-2019	8-May-2021	37,74,710	3,774.71	(7.41)	3,767.30
10.75% (Effective yield)	1,000.00	8-Mar-2019	8-May-2021	2,46,579	246.58	26.11	272.69
10.40%	1,000.00	8-Mar-2019	8-May-2022	3,24,981	324.98	(1.73)	323.25
10.90%	1,000.00	8-Mar-2019	8-May-2022	7,55,369	755.37	(3.50)	751.87
10.90% (Effective yield)	1,000.00	8-Mar-2019	8-May-2022	2,35,842	235.84	24.70	260.54
10.50%	1,000.00	8-Mar-2019	8-Mar-2024	4,70,084	470.08	(3.50)	466.58
11.00%	1,000.00	8-Mar-2019	8-Mar-2024	2,60,712	260.71	(1.76)	258.95
11.00% (Effective yield)	1,000.00	8-Mar-2019	8-Mar-2024	1,93,776	193.78	20.08	213.86
10.00% (Effective yield)	1,000.00	27-Jun-2019	31-Jul-2020	1,24,154	124.15	7.11	131.26
10.27%	1,000.00	27-Jun-2019	27-Jun-2021	71,822	71.82	3.00	74.82
10.25% (Effective yield)	1,000.00	27-Jun-2019	27-Jun-2021	34,800	34.80	1.41	36.21
9.95%	1,000.00	27-Jun-2019	27-Jun-2022	1,23,709	123.71	(5.28)	118.43
10.41%	1,000.00	27-Jun-2019	27-Jun-2022	1,22,095	122.10	4.31	126.41
10.40% (Effective yield)	1,000.00	27-Jun-2019	27-Jun-2022	42,780	42.78	1.46	44.24
10.13%	1,000.00	27-Jun-2019	27-Jun-2024	1,56,425	156.43	(7.61)	148.82
10.61%	1,000.00	27-Jun-2019	27-Jun-2024	1,28,003	128.00	3.95	131.95
10.60% (Effective yield)	1,000.00	27-Jun-2019	27-Jun-2024	43,856	43.86	1.30	45.16
10.00% (Effective yield)	1,000.00	6-Sep-2019	10-Oct-2020	5,90,347	590.35	28.39	618.74
10.12%	1,000.00	6-Sep-2019	6-Sep-2021	12,129	12.13	0.56	12.69
10.10% (Effective yield)	1,000.00	6-Sep-2019	6-Sep-2021	4,810	4.81	0.22	5.03
9.81%	1,000.00	6-Sep-2019	6-Sep-2022	29,704	29.70	(0.17)	29.53
10.27%	1,000.00	6-Sep-2019	6-Sep-2022	22,470	22.47	1.03	23.50
10.25% (Effective yield)	1,000.00	6-Sep-2019	6-Sep-2022	8,556	8.56	0.38	8.94
10.04%	1,000.00	6-Sep-2019	6-Sep-2024	37,907	37.91	(0.25)	37.66
10.52%	1,000.00	6-Sep-2019	6-Sep-2024	1,18,099	118.10	5.44	123.54
10.50% (Effective yield)	1,000.00	6-Sep-2019	6-Sep-2024	10,362	10.36	0.46	10.81
Total					7,944.09	98.70	8,042.78

Note - 17.1 (continued)

Secured redeemable non convertible debentures (payable at par unless otherwise stated) include:

Interest rate/Effective yield	Face value (Amount in ₹)	Issue date	Redemption date	As at 31 March 2019			
				Number of NCDs	Amount	Impact of interest accrued and Ind AS	Total outstanding amount
10.60%	10,00,000.00	29-Mar-2019	29-Mar-2021	1,750	1,750.00	(57.27)	1,692.73
10.75%	1,000.00	8-Mar-2019	8-May-2021	37,74,710	3,774.71	(38.75)	3,735.96
10.75% (Effective yield)	1,000.00	8-Mar-2019	8-May-2021	2,46,579	246.58	(2.68)	243.90
10.40%	1,000.00	8-Mar-2019	8-May-2022	3,24,981	324.98	(3.46)	321.52
10.90%	1,000.00	8-Mar-2019	8-May-2022	7,55,369	755.37	(7.80)	747.57
10.90% (Effective yield)	1,000.00	8-Mar-2019	8-May-2022	2,35,842	235.84	(2.58)	233.26
10.50%	1,000.00	8-Mar-2019	8-Mar-2024	4,70,084	470.08	(5.04)	465.04
11.00%	1,000.00	8-Mar-2019	8-Mar-2024	2,60,712	260.71	(2.70)	258.01
11.00% (Effective yield)	1,000.00	8-Mar-2019	8-Mar-2024	1,93,776	193.78	(2.14)	191.64
Total							7,889.62

17.2. Non-convertible debentures is secured by way of first ranking pari-passu charge on the current assets (including investments) of the Company, both present and future; and on present and future loan assets of the Company, including all monies receivable for the principal amount and interest thereon.

17.3. Interest accrued on Non -convertible debenture of ₹ 75.06 millions and ₹ 41.00 millions for the FY 2019-20 and FY 2018-19 respectively has been re-grouped from Other financial liabilities to Debt securities.

17.4. Unsecured commercial papers:

Particulars	As at 31 March 2019
This amount is repayable in one instalment in June 2019.	500.00
This amount is repayable in one instalment in May 2019.	4,500.00
This amount is repayable in one instalment in May 2019.	1,250.00
This amount is repayable in one instalment in June 2019.	2,000.00
This amount is repayable in one instalment in May 2019.	1,250.00
Total	9,500.00

Commercial paper carries interest in the range of 8.75 % p.a. to 9.50% p.a.

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Note - 18			
Borrowings (other than debt securities) at amortised cost			
Secured Loans			
Term loans			
- From banks	13,954.17	22,852.58	45,332.34
- From financial institution	5,791.29	7,381.00	4,717.21
Loans from related parties	-	-	-
- Holding Company - unsecured (ii)	-	-	2,752.00
Loans repayable on demand	-	-	-
- From banks	50.00	250.77	1,472.97
Vehicle loans from bank - secured (iii)	-	-	4.73
Other Loans	-	-	-
- Securitisation liabilities	4,083.88	9,215.60	4,082.85
Total	23,879.34	39,699.95	58,362.10
Out of above			
In India	23,879.34	39,699.95	58,362.10
Outside India	-	-	-
Total	23,879.34	39,699.95	58,362.10

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18.1. Term loans from banks and financial institutions includes:

Particulars	Security	As at		
		Amount	31 March 2021 Impact of interest accrued and Ind AS	Total outstanding amount
Canara Bank (eSyndicate Bank) : This loan is repayable in 16 quarterly equated instalments with moratorium period of 12 months from the date of disbursement. Loan repayment commencing from December 2018 with last instalment falling due in year 2022-23.	First pari passu charge over standard receivables and current assets (including cash & cash equivalents).	500.00	(0.12)	499.88
Indian Overseas Bank : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over book debts/ receivables/ loan portfolio/ all current assets (including investments in liquid mutual fund including cash & cash equivalents).	3,000.00	(5.43)	2,994.57
Bank of Baroda (eVijaya Bank) : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over receivables & current assets (including cash & cash equivalents and investments).	3,000.00	(5.18)	2,994.82
Punjab & Sind Bank : This loan is repayable in 2 equated annual instalments with moratorium period of 36 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over receivables & current assets (including cash & cash equivalents and investments).	5,000.00	(0.58)	4,999.42
Union Bank of India : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from June 2022 with last instalment falling due in year 2023-24.	First pari passu charge on standard receivables and current assets.	1,500.00	(2.09)	1,497.91
RBL Bank : This loan is repayable in 13 equated quarterly instalments with first instalment due at the end of 3 months from the date of disbursement. Loan repayment commencing from September 2018 with last instalment falling due in year 2021-22.	Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund).	153.85	(0.06)	153.79
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 7,500.00 lakh each to be paid for the first six instalments and instalments of ₹ 1,000.00 lakh each to be paid for the last five instalments. Loan repayment commencing from January 2019 with last instalment falling due in year 2023-24.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	1,250.00	19.78	1,269.78
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 4,500.00 lakh each to be paid for the first six instalments and instalments of ₹ 600.00 lakh each to be paid for the last five instalments. Loan repayment commencing from July 2019 with last instalment falling due in year 2024-25.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	1,200.00	18.21	1,218.21
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 5,460.00 lakh each to be paid for the first six instalments and instalments of ₹ 728.00 lakh each to be paid for the last five instalments. Loan repayment commencing from July 2019 with last instalment falling due in year 2024-25.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	1,456.00	22.13	1,478.13
South Indian Bank : This loan is repayable in 3 equated instalments of ₹ 2,500 lakh each at the end of 3rd, 4th and 5th year after a moratorium period of 24 months.	First pari passu charge over loans and advances, receivables & other current assets (including cash & cash equivalents and investments in debt mutual funds).	750.00	(3.01)	746.99
National Bank for Agriculture and Rural Development : This loan is repayable in 20 equated quarterly instalments Loan repayment commencing from March 2021 with last instalment falling due in year 2025-26.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	1,900.00	(8.03)	1,891.97
Total		19,709.85	35.62	19,745.47

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Note -18.1. (continued)

Particulars	Security	As at 31 March 2020		
		Amount	Impact of interest accrued and Ind AS	Total outstanding amount
Canara Bank (eSyndicate Bank) : This loan is repayable in 16 quarterly equated instalments with moratorium period of 12 months from the date of disbursement. Loan repayment commencing from December 2018 with last instalment falling due in year 2022-23.	First pari passu charge over standard receivables and current assets (including cash & cash equivalents).	625.00	(0.33)	624.67
Indian Overseas Bank : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over book debts/ receivables/ loan portfolio/ all current assets (including investments in liquid mutual fund including cash & cash equivalents).	3,000.00	(10.84)	2,989.16
Bank of Baroda (eVijaya Bank) : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over receivables & current assets (including cash & cash equivalents and investments).	3,000.00	(10.36)	2,989.64
Punjab & Sind Bank : This loan is repayable in 2 equated annual instalments with moratorium period of 36 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over receivables & current assets (including cash & cash equivalents and investments).	5,000.00	(1.18)	4,998.82
Union Bank of India : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from June 2022 with last instalment falling due in year 2023-24.	First pari passu charge on standard receivables and current assets.	1,500.00	(3.31)	1,496.69
RBL Bank : This loan is repayable in 13 equated quarterly instalments with first instalment due at the end of 3 months from the date of disbursement. Loan repayment commencing from September 2018 with last instalment falling due in year 2021-22.	Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund).	461.54	(0.67)	460.87
IndusInd Bank : This loan is repayable in 12 equated quarterly instalments which shall commence from the quarter end during which the limit is disbursed. Loan repayment commencing from December 2018 with last instalment falling due in year 2021-22.	First Pari passu charge on loans receivables, & all current assets (including cash and cash equivalents) of the company, both present and future, and on present and future loan asset of the company	1,000.00	(10.01)	989.99
IndusInd Bank : This loan is repaid in one instalment in September 2020.	First Pari passu charge on loans receivables, & all current assets (including cash and cash equivalents) of the company, both present and future, and on present and future loan asset of the company.	3,000.00	(57.82)	2,942.18
Yes bank : This loan is repayable in 18 equated monthly instalments after moratorium of 7 months. Loan repayment commencing from May 2019 with last instalment falling due in year 2020-21.	Pari Pasu charge on all standard current and future book debts and receivables of the company with (including cash & cash equivalents).	3,888.89	(8.26)	3,880.63
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 7,500.00 lakh each to be paid for the first six instalments and instalments of ₹ 1,000.00 lakh each to be paid for the last five instalments. Loan repayment commencing from January 2019 with last instalment falling due in year 2023-24.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	2,750.00	42.99	2,792.99

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Particulars	Security	As at 31 March 2020		
		Amount	Impact of interest accrued and Ind	Total outstanding amount
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 4,500.00 lakh each to be paid for the first six instalments and instalments of ₹ 600.00 lakh each to be paid for the last five instalments. Loan repayment commencing from July 2019 with last instalment falling due in year 2024-25.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	2,100.00	31.06	2,131.06
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 5,460.00 lakh each to be paid for the first six instalments and instalments of ₹ 728.00 lakh each to be paid for the last five instalments. Loan repayment commencing from July 2019 with last instalment falling due in year 2024-25.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	2,548.00	38.14	2,586.14
Yes bank : This working capital demand loan is repaid in one instalment in June 2020.	Pari Pasu charge on all standard current and future book debts and receivables of the company including other current assets	600.00	5.45	605.45
South Indian Bank : This loan is repayable in 3 equated instalments of ₹ 2,500 lakh each at the end of 3rd, 4th and 5th year after a moratorium period of 24 months.	First pari passu charge over loans and advances, receivables & other current assets (including cash & cash equivalents and investments in debt mutual funds).	750.00	(4.72)	745.28
Total			10.15	30,233.58

Interest rate on term loans varies from 8.15% to 10.75% per annum (31 March 2020 - 8.70% to 10.75% per annum).

Particulars	Security	As at 31 March 2019		
		Amount	Impact of interest accrued and Ind AS	Total outstanding amount
RBL Bank : this loan is repayable in 13 quarterly equated instalments commencing from December 2017 with last instalment falling due in year 2019-20.	Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund).	269.23	(0.64)	268.59
Canara Bank (eSyndicate Bank) : This loan is repayable in 16 quarterly equated instalments with moratorium period of 12 months from the date of disbursement. Loan repayment commencing from December 2018 with last instalment falling due in year 2022-23.	First pari passu charge over standard receivables and current assets (including cash & cash equivalents).	875.00	(0.63)	874.37
Indian Overseas Bank : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over book debts/ receivables/ loan portfolio/ all current assets (including investments in liquid mutual fund including cash & cash equivalents).	3,000.00	(16.28)	2,983.72
Bank of Baroda (eVijaya Bank) : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over receivables & current assets (including cash & cash equivalents and investments).	3,000.00	(15.55)	2,984.45
Punjab & Sind Bank : This loan is repayable in 2 equated annual instalments with moratorium period of 36 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over receivables & current assets (including cash & cash equivalents and investments).	5,000.00	(1.79)	4,998.21
Union Bank of India : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from June 2022 with last instalment falling due in year 2023-24.	First pari passu charge on standard receivables and current assets.	1,500.00	(0.04)	1,499.96
RBL Bank : This loan is repayable in 13 equated quarterly instalments with first instalment due at the end of 3 months from the date of disbursement. Loan repayment commencing from September 2018 with last instalment falling due in year 2021-22.	Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund).	769.23	(2.03)	767.20
RBL Bank : This loan is repayable in 13 equated quarterly instalments with first instalment due at the end of 3 months from the date of disbursement. Loan repayment commencing from September 2017 with last instalment falling due in year 2020-21.	Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund).	942.31	(1.59)	940.71
IndusInd Bank : This loan is repayable in 12 equated quarterly instalments which shall commence from the quarter end during which the limit is disbursed. Loan repayment commencing from December 2018 with last instalment falling due in year 2021-22.	First Pari passu charge on loans receivables, & all current assets (including cash and cash equivalents) of the company, both present and future, and on present and future loan asset of the company	1,666.67	(28.44)	1,638.22

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Particulars	Security	As at 31 March 2019		
		Amount	Impact of interest accrued and Ind AS	Total outstanding amount
IndusInd Bank : This loan is repaid in one instalment in September 2019.	First Pari passu charge on loans receivables, & all current assets (including cash and cash equivalents) of the company, both present and future, and on present and future loan asset of the company.	3,000.00	0.74	3,000.74
Yes bank : This loan is repayable in 18 equated monthly instalments after moratorium of 7 months. Loan repayment commencing from May 2019 with last instalment falling due in year 2020-21.	Pari Pasu charge on all standard current and future book debts and receivables of the company with (including cash & cash equivalents).	10,000.00	(81.56)	9,918.44
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 7,500.00 lakh each to be paid for the first six instalments and instalments of ₹ 1,000.00 lakh each to be paid for the last five instalments. Loan repayment commencing from January 2019 with last instalment falling due in year 2023-24.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	4,250.00	60.58	4,310.58
National Bank for Agriculture and Rural Development : This loan is repayable in five years with instalments of ₹ 5,460.00 lakh each to be paid for the first six instalments and instalments of ₹ 728.00 lakh each to be paid for the last five instalments. Loan repayment commencing from July 2019 with last instalment falling due in year 2024-25.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	3,640.00	(6.52)	3,633.48
Yes bank : This working capital demand loan is repaid in one instalment in Sep' 2019.	Pari Pasu charge on all standard current and future book debts and receivables of the company including other current assets	10,000.00	(8.15)	9,991.85
South Indian Bank : This loan is repayable in 3 equated instalments of ₹ 2,500 lakh each at the end of 3rd, 4th and 5th year after a moratorium period of 24 months.	First pari passu charge over loans and advances, receivables & other current assets (including cash & cash equivalents and investments in debt mutual funds).	750.00	(6.44)	743.56
lakshmi vilas bank : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from June 2022 with last instalment falling due in year 2023-24.	First pari passu charge on standard receivables and current assets.	1,500.00	(4.54)	1,495.46
Total			(112.89)	50,049.55

a. Secured by way of first pari-passu charge over loans and advances, receivables and current assets (including cash and cash equivalents, investments in debt mutual funds and liquid mutual funds) and future book debts.

b. Interest rate on term loans varies from 8.00% to 10.75% per annum.

(ii) Loan from related party carries interest rate of 14.90% per annum and shall be repayment within five years as per agreement.

(iii) Vehicle loans are secured against hypothecation of the vehicles purchased. Such loans are repayable in equated monthly instalments for a period upto five years. Vehicle loans carries interest rate of 7.75% per annum.

c. Interest accrued on borrowings of ₹137.92 millions and ₹ 79.56 millions for the FY 2019-20 and FY 2018-19 respectively has been re-grouped from other financial liabilities to Borrowings (other than debt securities).

18.2. Loans repayable on demand from banks includes:

Particulars	Security	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Yes bank : This Cash credit facility is repayable on demand by the issuer bank.	Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund)	-	250.77	927.92
RBI Bank Limited : This Working capital demand loan is repayable between 7 days to 6 Months.	Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund)	50.00	-	237.69
Axis Bank Limited : This Cash credit facility is repayable on demand by the issuer bank.	Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund)	-	-	307.36
Total		50.00	250.77	1,472.97

Interest rate on loans repayable on demand from banks are 9.80% per annum (31 March 2020 - 9.50% per annum).

18.3. Securitisation liabilities :

In the course of its finance activity, the Company makes transfers of financial assets, where legal rights to the cash flows from the asset are passed to the counterparty and where the Company retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty. Securitisation liabilities includes following arrangements:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
ICICI Bank Limited	439.39	1,732.69	4,082.85
IDFC first bank Limited	3,346.86	6,785.25	-
Axis Bank Limited	297.62	697.67	-
Total	4,083.87	9,215.61	4,082.85

Interest rate on securitisation liabilities varies from 10.00% to 12.06% per annum (31 March 2020 - 10.00% to 12.06% per annum and 31 March 2019 - 10.00% to 12.06% per annum).

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Note - 19

Lease liability

Finance lease obligations (refer note 40)	1,338.99	2,334.33	-
	<u>1,338.99</u>	<u>2,334.33</u>	<u>-</u>

Note - 20

Other financial liabilities

Interest accrued on assigned loan	390.20	281.09	108.90
Temporary overdraft	-	1,088.73	3,893.26
Others	-	-	-
- Amount payable on assigned/secured loans	2,848.96	-	-
	<u>3,239.16</u>	<u>1,369.82</u>	<u>4,002.16</u>

20.1. Temporary overdraft as per books represent cheques issued in excess of funds in the bank.

20.2. Amount payable on assigned/secured loans represent the amount collected on sale down portfolio where cash flows are require to pass to the counterparty either through direct assignment or pass through credit.

20.3. Interest accrued on debt securities and borrowings (other than debt securities) for the FY 2019-20 and FY 2018-19 have been re-grouped from Other financial liabilities to Debt Securities (refer note no.17.3.) and Borrowing (other than debt securities)(refer note no. 18 (1) (c).

Note - 21

Provisions

Provision for employee benefits:

Provision for gratuity	142.05	154.67	77.69
Provision for compensated absences	72.39	89.47	29.06
	<u>214.44</u>	<u>244.14</u>	<u>106.75</u>

Note - 22

Other non-financial liabilities

Other advances			
Advance from customers	97.75	116.21	107.82
Lease equalisation reserve			31.45
Others			
Statutory dues payable	37.92	320.20	112.91
	<u>135.67</u>	<u>436.41</u>	<u>252.18</u>

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Note - 23
Share Capital

	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount	Number	Amount
A. Authorised						
Equity shares of face value of ₹ 10 each	8,00,00,000	800.00	8,00,00,000	800.00	8,00,00,000	800.00
Preference Shares of face value of ₹ 10 each	55,00,000	55.00	55,00,000	55.00	-	-
	8,55,00,000	855.00	8,55,00,000	855.00	8,00,00,000	800.00
B. Issued, subscribed and paid up						
Equity shares of face value of ₹ 10 each	6,11,88,000	611.88	6,11,88,000	611.88	6,11,88,000	611.88
	6,11,88,000	611.88	6,11,88,000	611.88	6,11,88,000	611.88

C. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	For the year ended 31 March 2021		For the year ended 31 March 2020		For the year ended 31 March 2019	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Opening balance at the beginning of the year	6,11,88,000	611.88	6,11,88,000	611.88	2,45,51,565	245.52
Add: issued during the year	-	-	-	-	3,66,36,435	366.36
Outstanding at the end of the year	6,11,88,000	611.88	6,11,88,000	611.88	6,11,88,000	611.88

D. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to received remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

E. Shares held by shareholders holding more than 5% shares and holding company:

Particulars	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Dhani Services Limited (formerly known as Indiabulls Ventures Limited) and its nominees	6,11,88,000	100.00%	6,11,88,000	100.00%	6,11,88,000	100.00%

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.

F. The Company has not issued any bonus shares during the current year and five years immediately preceding current year.

G. There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue and bought back during the last five years.

Note - 24

Instruments entirely equity in nature

	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount	Number	Amount
A. Authorised						
Preference Shares of face value of Rs. 10 each	55,00,000	55.00	55,00,000	55.00	55,00,000	55.00
	55,00,000	55.00	55,00,000	55.00	55,00,000	55.00
B. Issued, subscribed and paid up						
Compulsorily convertible preference shares of face value of Rs. 10 each	-	-	-	-	-	-
	-	-	-	-	-	-

C. Reconciliation of the compulsory convertible preference shares outstanding at the beginning and at the end of the reporting year

	For the year ended 31 March 2021		For the year ended 31 March 2020		For the year ended 31 March 2019	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	-	-	-	-	55,00,000	55.00
Add: Issued during the year	-	-	-	-	-	-
Less: Adjusted during the year*	-	-	-	-	(55,00,000)	(55.00)
Outstanding at the end of the year	-	-	-	-	-	-

D. Terms/rights attached to compulsory convertible preference shares

The Company has only one class of preference shares having a par value of Rs. 10 per share. These can be converted in equity shares at any time up to 20 years from date of issuance. These shares carry 0.001% as dividend percentage which is to be paid as and when declare and approve by Board of directors.

E. No preference shares have been bought back during the period of five years immediately preceding 31 March 2021 and 31 March 2020.

F. No preference shares have been issued for consideration other than cash during the period of five years immediately preceding 31 March 2021 and 31 March 2020.

Note - 25

Other equity

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Reserve Fund	1,327.00	1,327.00	1,218.49
Securities premium	37,053.44	37,053.44	37,053.44
Capital redemption reserve	10.00	10.00	10.00
Share options outstanding account	249.82	658.23	588.07
Retained earnings	1,940.70	2,439.80	4,035.19
Change in fair value of loan assets through other comprehensive income	52.53	79.25	-
Deemed equity contribution by Holding Company	146.12	136.74	122.57
Debt redemption reserve	-	-	41.65
Other component of equity	365.30	61.04	-
	41,144.91	41,765.50	43,069.41

Nature and purpose of other reserve:

Reserve Fund

The reserve is created as per the provision of Section 45(IC) of Reserve Bank of India Act, 1934. This is a restricted reserve and no appropriation can be made from this reserve fund except for the purpose as may be prescribed by Reserve Bank of India.

Securities premium

Securities premium represents premium received on issue of shares. The account can be utilised in accordance with the provisions of the Act.

Capital redemption reserve

The same had been created in accordance with provisions of the Act on account of redemption of preference shares.

Share options outstanding account

The reserve is used to recognise the fair value of the options issued to employees of the Company under Holding Company's ESOP's plan.

Change in fair value of loan assets through other comprehensive income

This reserve represents gain on fair valuation of loan portfolio which are held to collect and sale.

Deemed equity contribution by Holding Company

The reserve has been created against initial measurement of financial guarantee (given by Holding Company) at fair value.

Other component of equity

The reserve has been created against exercised amount of employee stock option (issued by Holding Company).

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	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Note - 26			
Interest income			
On financial assets measured at amortised cost			
Interest on loans	6,711.04	16,435.62	14,477.22
Interest on deposits with banks	248.34	228.12	72.08
Other interest income			-
- Unwinding of interest income	649.53	473.25	8.08
On financial assets classified at fair value through profit or loss			
Interest income from investments			
- Bonds	-	63.81	85.61
- Commercial deposits	-	34.57	10.08
- Compulsory convertible debentures	399.18	252.06	-
- Commercial papers	-	107.07	17.42
	<u>8,008.09</u>	<u>17,594.50</u>	<u>14,670.49</u>
Note - 27			
Dividend income			
Dividend on investments	-	493.49	253.48
	<u>-</u>	<u>493.49</u>	<u>253.48</u>
Note - 28			
Fees and commission income			
Subscription income	252.88	-	-
Foreclosure fees and other related income	583.48	913.86	1,183.31
	<u>836.36</u>	<u>913.86</u>	<u>1,183.31</u>
Note - 29			
Net gain on fair value changes			
Net gain/(loss) on financial instruments at fair value through profit or loss			
On trading portfolio			
- Investments	305.58	(115.94)	140.75
- Derivatives	-	(25.58)	(65.41)
Total net gain/(loss) on fair value changes	<u>305.58</u>	<u>(141.52)</u>	<u>75.35</u>
Fair value changes			
- Realised	292.34	(144.49)	70.36
- Unrealised	13.24	2.97	4.99
Total net gain/(loss) on fair value changes	<u>305.58</u>	<u>(141.52)</u>	<u>75.35</u>
Note - 30			
Net gain on derecognition of financial assets			
Gain on sale of loan portfolio	1,001.78	6,166.90	315.80
Loss on derecognition of financial guarantee liability	-	-	(17.84)
	<u>1,001.78</u>	<u>6,166.90</u>	<u>297.96</u>
Note - 31			
Other income			
Fees received against customer acquisition	213.84	-	-
Provisions written back	74.51	-	-
Reimbursement of common expenses	79.19	-	-
Gain on modification/ derecognition of financial assets (leases)	109.33	-	-
Net gain on ineffective portion of hedges	-	-	19.61
	<u>476.87</u>	<u>-</u>	<u>19.61</u>
	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Note - 32			
Finance costs			
On financial liabilities measured at amortised cost			
Interest on borrowings	2,421.17	4,331.48	4,246.59
Interest on debt securities	1,004.48	1,424.72	1,093.88
Other interest expenses			
- Interest on corporate loans	-	229.88	-
- Interest on securitisation transactions	752.39	1,145.15	99.09
- Interest on lease liabilities	167.40	247.90	-
- Interest on taxes	-	-	1.23
- Others	13.65	17.48	153.99
	<u>4,359.09</u>	<u>7,396.61</u>	<u>5,594.78</u>

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Note - 33

Impairment on financial assets

Impairment allowance on loans	(451.45)	4,350.41	1,030.13
Loans written off	1,841.54	3,620.54	-
Impairment allowance on interest spread on assigned assets	(28.01)	191.57	-
Impairment allowance on security receipts	177.26	-	-
	<u>1,539.34</u>	<u>8,162.52</u>	<u>1,030.13</u>

Note - 34

Employee benefits expense

Salaries and wages	3,062.06	3,898.06	1,898.15
Contribution to provident fund and other funds (refer note no. 39)	70.16	53.73	28.25
Share based payments to employees	(104.15)	150.41	345.37
Staff welfare expenses	6.77	76.25	27.49
	<u>3,034.84</u>	<u>4,178.45</u>	<u>2,299.26</u>

Note - 35

Depreciation and amortisation

Depreciation on property, plant and equipment	159.09	128.56	60.17
Amortisation on intangible assets	106.38	246.98	128.91
Depreciation on right-of-use assets	305.25	404.66	-
	<u>570.72</u>	<u>780.20</u>	<u>189.08</u>

Note - 36

Other expenses

Repair and maintenance	9.34	17.54	13.98
Insurance	2.14	0.86	-
Communication costs	65.07	184.16	148.38
Printing and stationery	7.54	24.59	16.34
Lease rent	45.93	29.61	279.86
Professional charges	503.44	2,449.36	1,150.25
Auditors' remuneration - audit fees (refer note below)	4.36	3.82	6.99
Rates and taxes	8.59	28.48	6.63
Electricity expenses	22.89	41.36	22.81
Business promotion	368.10	495.99	91.55
Office maintenance	90.33	127.63	88.44
Travelling expenses	135.00	125.49	42.42
Software expenses	156.99	173.85	116.56
Corporate social responsibility expenses [#]	66.23	62.66	27.25
Loss(gain) on modification/ derecognition of financial assets	-	(0.63)	-
Bank charges	267.46	242.21	36.32
Web hosting charges	5.53	4.51	3.71
Loss on sale of property, plant and equipment	63.59	-	-
Miscellaneous expenses	0.17	1.86	1.50
	<u>1,822.69</u>	<u>4,013.35</u>	<u>2,052.99</u>

Note - 36 (continued)

Payment to statutory auditors: (including goods and services tax)

	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
As auditor			
- audit and limited review	3.82	3.82	6.80
- for certification	0.55	-	-
	<u>4.36</u>	<u>3.82</u>	<u>6.80</u>
- in connection with issue of securities*	3.27	3.54	-
- for reimbursement of expenses	0.16	-	0.19

*recognised as transaction cost

#Corporate social responsibility expenses

The Company spent ₹ 66.23 Millions (31 March 2020 ₹ 62.66 Millions, 31 March 2019 Rs. 27.25 Millions), towards corporate social responsibility (CSR) activities as follows:

(a) Amount spent on

Construction/acquisition of any asset	-	-	-
On purpose other than above*	66.23	62.66	27.25

(b) Amount unpaid

Total	<u>66.23</u>	<u>62.66</u>	<u>27.25</u>
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*Contribution towards donation/corpus fund paid to Indiabulls Foundation

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Note - 37

Tax expense

Current tax	416.02	118.63	1,553.00
Deferred tax credit	(573.05)	(165.07)	(220.98)
Income tax expense reported in the statement of profit and loss	(157.03)	(46.44)	1,332.02

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.17% (31 March 2020: 25.17%, 31 March 2019: Rs. 29.12%) and the reported tax expense in statement of profit and loss are as follows:

Accounting profit/(loss) before tax expense	(698.00)	496.10	5,333.96
Income tax rate	25.17%	25.17%	29.12%
Expected tax expense	(175.67)	124.86	1,553.25

Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense

Tax impact of expenses which will never be allowed	81.72	39.04	35.75
Tax impact of expenses which will be allowed	-	(170.97)	-
Tax impact on items exempt under income tax	(3.33)	(110.33)	(146.56)
Income chargeable under capital gain (difference of tax rates)	(79.33)	29.61	(145.99)
Impact of change in tax rate	-	47.15	41.00
Others	19.58	(5.80)	(5.42)
Tax expense	(157.03)	(46.44)	1,332.02

Change in tax rate

The decrease of the Indian corporate tax rate from 30% to 22% is effective from 1 April 2019 (the taxation laws (Amendment) Ordinance 2019 No. 15 of 2019 dated 22 September 2019). As a result, the relevant deferred tax balances have been remeasured.

Note - 38

Earnings per equity share

Profit/ (loss) available for equity shareholders	(540.97)	542.54	4,001.94
Nominal value of equity share (₹)	10.00	10.00	10.00
Weighted-average number of equity shares for basic earnings per share	6,11,88,000	6,11,88,000	5,03,46,686
Effect of dilution:			-
Preference shares	-	-	55,00,000
Weighted-average number of equity shares used to compute diluted earnings per share	6,11,88,000	6,11,88,000	5,58,46,686
Basic earnings per share (₹)	(8.84)	8.87	79.49
Diluted earnings per share (₹)	(8.84)	8.87	71.66

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Note - 39

Employee benefits

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

A Defined contribution plans

The Company pays fixed contribution to provident fund at predetermined rates to a registered provident fund administered by the Government of India, which invests the funds in permitted securities. Both the Company and employees make predetermined contributions to the Provident Fund. The contributions are normally based on a certain proportion of the employee's salary. Amount of ₹ 70.16 Millions (31 March 2020 ₹ 53.73 Millions, 31 March 2019 Rs. 28.25 Millions) pertaining to employers' contribution to provident and other fund is recognised as an expense and included in "Employee benefits expense".

B Defined benefit plans

Gratuity

The Company has a defined benefit unfunded gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The liability of Gratuity is recognised on the basis of actuarial valuation.

Risks associated with plan provisions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(i) **Amount recognised in the balance sheet is as under:**

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Present value of obligation	142.05	154.67	77.69
Fair value of plan assets	-	-	-
Net obligation recognised in balance sheet as provision	142.05	154.67	77.69

(ii) **Amount recognised in the statement of profit and loss is as under:**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Current service cost	51.08	59.55	22.74
Past service cost including curtailment gains/losses	-	-	-
Interest cost on defined benefit obligation	9.55	7.49	1.99
Interest income on plan assets	-	-	-
Net impact on profit (before tax)	60.63	67.04	24.73

(iii) **Amount recognised in the other comprehensive income:**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Actuarial (gain)/loss recognised during the year	(55.95)	8.58	4.46

(iv) **Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Present value of defined benefit obligation as at the beginning of year	154.67	77.69	15.89
Acquisition adjustment	(5.05)	7.10	32.72
Current service cost	51.08	59.54	22.74
Interest cost	9.55	7.49	1.99
Past service cost including curtailment gains/losses	-	-	-
Benefits paid	(12.25)	(5.73)	(0.11)
Actuarial loss/ (gain) on obligation	-	-	-
Actuarial loss on arising from change in demographic assumption	-	0.01	-
Actuarial loss on arising from change in financial assumption	0.08	18.08	3.80
Actuarial (gain)/loss on arising from experience adjustment	(56.03)	(9.51)	0.66
Present value of defined benefit obligation as at the end of the year	142.05	154.67	77.69
Expected contribution for the next Annual reporting period	98.56	95.87	76.98

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(v) Actuarial assumptions

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Discounting rate	6.79%	6.80%	7.65%
Future salary increase rate	5.00%	5.00%	5.00%
Retirement age (years)	60.00	60.00	60.00
Withdrawal rate	100% of IALM (2012-14)	100% of IALM (2012-14)	100% of IALM (2006-08)
Ages	Withdrawal Rate	Withdrawal Rate	Withdrawal Rate
Up to 30 years	3.00%	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%
Weighted average duration	22.21	21.97	22.39

(vi) Sensitivity analysis for gratuity liability

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Impact of the change in discount rate			
Present value of obligation at the end of the year	142.05	154.67	77.69
- Impact due to increase of 0.50 %	(11.20)	(12.21)	(5.92)
- Impact due to decrease of 0.50 %	12.50	13.62	6.57
Impact of the change in salary increase			
Present value of obligation at the end of the year	142.05	154.67	77.69
- Impact due to increase of 0.50 %	12.67	13.80	6.71
- Impact due to decrease of 0.50 %	(11.43)	(12.47)	(6.09)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated.

Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

(vii) Maturity profile of defined benefit obligation

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
0 to 1 year	1.63	2.13	1.47
1 to 2 year	1.25	1.38	0.87
2 to 3 year	1.87	1.78	0.85
3 to 4 year	2.81	2.54	0.90
4 to 5 year	4.56	2.94	1.04
5 to 6 year	3.17	4.24	1.44
6 year onwards	126.77	139.66	71.12

C Other long-term employee benefit plans

The Company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. A provision ₹ (15.75) Millions (31 March 2020: ₹ 59.27 Millions, Rs. 15.72 Millions) for the year have been made on the basis of actuarial valuation at the year end and debited to the Statement of Profit and Loss.

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Note - 40

Leases

The Company has leases for office buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Short-term leases	45.93	3.77
Leases of low value assets	-	-
Variable lease payments	-	-

B Total cash outflow for leases (excluding short term lease) for the year ended 31 March 2021 was ₹ 363.57 Millions (31 March 2020: ₹ 490.97 Millions).

C The Company has total commitment for short-term leases of ₹ Nil as at 31 March 2021 (31 March 2020: ₹ Nil)

D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March 2021	Minimum lease payment due						Total
	Within 1 year	1 - 2 Years	2 - 3 Years	3 - 4 Years	4 - 5 Years	More than 5 years	
Lease Payment	309.39	290.17	265.67	264.19	278.01	436.20	1,843.63
Interest Expense	131.42	111.54	94.51	75.99	54.22	36.96	504.64
Net Present Value	177.97	178.63	171.16	188.20	223.79	399.24	1,338.99

*During the year, some lease contracts were terminated/executed as a result of which the maturity amount has changed as compared to the previous financial year

31 March 2020	Minimum lease payment due						Total
	Within 1 year	1 - 2 Years	2 - 3 Years	3 - 4 Years	4 - 5 Years	More than 5 years	
Lease Payment	526.86	537.66	468.32	410.11	389.21	929.96	3,262.11
Interest Expense	229.14	195.70	159.70	130.81	100.78	111.65	927.78
Net Present Value	297.72	341.96	308.62	279.30	288.43	818.30	2,334.33

E Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31 March 2021 is of Rs. Nil (31 March 2020: ₹ Nil).

F The table below describe the nature of the company's lease activities by type of right-of -use asset recognised on balance sheet :

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
As at 31 March 2021	136	6 Months to 105 Months	48 Months	-	-	136
Office Building						

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
As at 31 March 2020	225	9.17 Month to 105.53 Month	82.93 Month	-	-	225
Office Building						

G The total future cash outflows as at 31 March 2021 for leases that had not yet commenced is of ₹ 9.56 Millions (31 March 2020: ₹ 54.36 Millions).

H Following are the changes in the carrying value of right of use assets for the year ended:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening Balance	2,209.50	-	-
Reclassified on account of adoption of Ind AS 116	-	2,210.32	-
Additions	850.58	513.89	-
Deletion	1,540.14	110.05	-
Depreciation*	305.25	404.66	-
Closing Balance	1,214.69	2,209.50	-

*The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the movement in lease liabilities during the year ended :

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening Balance	2,334.33	-	-
Adjustment on account of Ind AS 116	-	2,188.83	-
Additions	850.31	499.26	-
Finance cost accrued during the period	167.40	247.90	-
Deletion	1,649.48	110.69	-
Payment of lease liabilities	363.57	490.97	-
Closing Balance	1,338.99	2,334.33	-

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I Impact on transition

- 1 Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases" and applied modified retrospective approach to all lease contracts existing as at 1 April 2019. On transition, the adoption of new standard resulted in recognition of lease liability of ₹ 2,188.83 million and corresponding right of use asset of ₹ 2,210.32 million.
- 2 For contracts in place as at 1 April 2019, Company Group has elected to apply the definition of a lease from Ind AS 17 and has not applied Ind AS 116 to arrangements that were previously not identified as lease under Ind AS 17.
- 3 The Company has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of Ind AS 116, being 1 April 2019.
- 4 Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Company has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of Ind AS 116.
- 5 On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets the Group has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straightline basis over the remaining lease term.
- 6 For those leases previously classified as finance leases, the right-of-use asset and lease liability are measured at the date of initial application at the same amounts as under Ind AS 17 immediately before the date of initial application.
- 7 The following is a reconciliation of total operating lease commitments at 31 March 2019 (as disclosed in the financial statements for the year ended 31 March 2019) to the lease liabilities recognised at 1 April 2019:
- 8 The following is a reconciliation of total operating lease commitments at 31 March 2019 (as disclosed in the financial statements for the year ended 31 March 2019) to the lease liabilities recognised at 1 April 2019:

Particular	Amount
Total operating lease commitments disclosed as at 31 March 2019	3,181.91
Recognition exemptions:	
Leases of low value assets	-
Leases with remaining lease term of less than 12 months	-
Variable lease payments not recognised	-
Operating lease liabilities before discounting	3,181.91
Discounting impact (using incremental borrowing rate)	(993.08)
Operating lease liabilities	2,188.83
Finance lease obligations under Ind AS 17	-
Total lease liabilities recognised under Ind AS 116 at 1 April 2019	2,188.83

Following are the changes in the carrying value of right of use assets for the year ended 31 March 2020:

Particulars	Year ended 31 March 2020
Balance as at 1 April 2019	-
Reclassified on account of adoption of Ind AS 116	2,210.32
Additions	513.89
Deletion	110.05
Depreciation*	404.66
Balance as at 31 March 2020	2,209.50

*The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the movement in lease liabilities during the year ended 31 March 2020:

Particulars	Year ended 31 March 2020
Balance at beginning	-
Adjustment on account of Ind AS 116	2,188.83
Additions	499.26
Finance cost accrued during the period	247.89
Deletion	110.68
Payment of lease liabilities	490.97
Balance as at end	2,334.33

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Contingent liabilities and commitments

i. Contingent liabilities

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Claims against the Company not acknowledged as debt;*			
Income tax matter in dispute	9.50	9.59	-
Total	9.50	9.59	

*In respect of disputes, the Company is hopeful of succeeding in appeals and does not expect any significant liabilities to materialise.

ii. Capital commitments

(to the extent not provided for)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance paid)	15.47	59.63	115.46

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Financial instruments

A Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	Note	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Financial assets measured at fair value				
Investments measured at fair value through profit or loss	Note - 7	13,781.11	5,846.84	5,504.59
Loans measured at Fair value through other comprehensive income	Note - 6	1,755.01	4,877.36	-
Financial assets measured at amortised cost				
Cash and cash equivalents	Note - 4	9,961.43	19,668.69	9,307.85
Other bank balances	Note - 5	2,428.59	3,379.85	1,453.88
Investments	Note - 7	999.98	5,000.01	261.75
Loans	Note - 6	35,456.72	36,918.09	1,05,081.33
Other financial assets	Note - 8	837.32	5,219.99	478.94
Financial assets measured at cost				
Investments*	Note - 7	9,312.95	8,552.30	-
Total		74,533.11	89,463.13	1,22,088.35
Financial liabilities measured at fair value				
Derivative financial instruments	Note - 14	-	-	20.94
Financial liabilities measured at amortised cost				
Trade payables	Note - 15	378.56	632.35	580.41
Other payables	Note - 16	911.49	300.95	181.94
Debt securities (including interest accrued)	Note - 17	7,706.03	8,042.78	17,389.62
Borrowings (other than debt securities) [including interest accrued]	Note - 18	23,879.34	39,699.95	58,362.10
Lease liabilities	Note - 19	1,338.99	2,334.33	-
Other financial liabilities	Note - 20	3,239.16	1,369.82	4,002.16
Total		37,453.57	52,380.18	80,537.17

* Investment in subsidiaries are measured at cost as per Ind AS 27, 'Separate financial statements'.

B Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

B.1 a) Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Investments at fair value through profit and loss				
Mutual fund	13,748.28	-	-	13,748.28
Security receipt	-	32.83	-	32.83
Loans measured at fair value through other comprehensive income				
Loans	-	-	1,755.01	1,755.01

As at 31 March 2020	Level 1	Level 2	Level 3	Total
Financial assets				
Investments at fair value through profit and loss				
Debt securities	5,059.90	-	-	5,059.90
Mutual funds	786.95	-	-	786.95
Loans measured at fair value through other comprehensive income				
Loans	-	-	4,877.36	4,877.36

As at 31 March 2019	Level 1	Level 2	Level 3	Total
Financial assets				
Investments at fair value through profit and loss				
Debt securities	261.75	-	-	261.75
Mutual fund	5,504.59	-	-	5,504.59
Financial liabilities at fair value through profit and loss				
Derivative liability	20.94	-	-	20.94

Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

(a) the use of quoted market prices for quoted equity instruments and debt securities.

(b) the use of quoted market prices for derivative contracts at balance sheet date.

(c) the use of net asset value for certificate of deposits and mutual funds on the basis of the statement received from investee party.

b) Movement of loans measured using unobservable inputs (Level 3):

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Balance as at 1 April 2020	4,905.72	-	-
Addition during the year	4,415.08	56,968.61	-
Disposal during the year	(7,612.58)	(52,168.79)	-
Gain recognised in statement of profit and loss	70.20	105.90	-
Balance as at 31 March 2021*	1,778.42	4,905.72	-

*The above amounts are gross carrying amounts (refer note 6)

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c) Sensitivity disclosure for level 3 fair value measurements:

Particulars	Fair value as at		Sensitivity	Impact of change in rates on total comprehensive income statement			
	As at 31 March 2021	As at 31 March 2020		As at 31 March 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2020
	Favourable	Unfavourable		Favourable	Unfavourable	Favourable	Unfavourable
Loans	1,778.42	4,905.72	1%	15.11	(14.61)	40.48	(39.10)

B.2 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial assets						
Cash and cash equivalents	9,961.43	9,961.43	19,668.69	19,668.69	9,307.85	9,307.85
Other bank balances	2,428.59	2,428.59	3,379.85	3,379.85	1,453.88	1,453.88
Investments	999.98	999.98	5,000.01	5,000.01	-	-
Loans	37,211.73	39,986.63	36,918.09	36,923.95	1,05,081.33	1,07,689.18
Other financial assets	837.32	789.81	5,219.99	5,555.46	478.94	476.56
Total	51,439.05	54,166.44	70,186.63	70,527.96	1,16,322.00	1,18,927.47
Financial liabilities						
Trade payables	378.56	378.56	632.35	632.35	580.41	580.41
Other payables	911.49	911.49	300.95	300.95	181.94	181.94
Debt securities	7,706.03	8,014.12	8,042.78	8,545.48	17,389.62	17,389.62
Borrowings (other than debt securities)	23,879.34	23,920.36	39,699.95	39,712.14	58,362.10	58,477.34
Lease liabilities	1,338.99	1,336.40	2,334.33	2,407.23		
Other financial liabilities	3,239.16	3,239.16	1,369.82	1,369.82	4,002.16	4,002.16
Total	37,453.57	37,800.09	52,380.18	52,967.97	80,516.23	80,631.47

The management assessed that fair values of cash and cash equivalents, other financial assets and other financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Financial instruments measured at fair value and fair value of financial instruments carried at amortized cost

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable inputs and fair value and sensitivity
Financial assets and liabilities measured at amortized cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates	Not applicable	Not applicable
Financial assets measured at FVTPL	NAV based method.	Not applicable	Not applicable
Financial assets measured at FVOCI	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates	The discount rate is the average lending rate at which the loans are disbursed	There is an inverse correlation. Higher the discount rate i.e average lending rate for the disbursed loans, lower the fair value of the assets

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Financial risk management

i) **Risk Management**

As a Non-Banking Financial Company (NBFC), the 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 and interest rate risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial

In order to avoid excessive concentration of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

A) **Credit risk**

Credit risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, bank balances other than cash and cash equivalents, loan assets and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information

a) **Credit risk management**

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- Low credit risk
- Moderate credit risk
- High credit risk

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The Company provides for expected credit loss based on the following:

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Cash and cash equivalents, other bank balance, loans, Investment in CCD & Mutual fund, security deposits and other financial assets	12 month expected credit loss
Moderate credit risk	Loans	Life time expected credit loss
High credit risk	Loans and Investment in security receipt	Life time expected credit loss or fully provided for

Financial assets that expose the entity to credit risk*

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
(i) Low credit risk			
Cash and cash equivalents	9,961.43	19,668.69	9,307.85
Other bank balances	2,428.59	3,379.85	1,453.88
Loans	29,554.16	43,962.83	1,04,754.92
Investments	14,748.26	10,846.85	-
Other financial assets	837.32	5,219.99	478.94
(ii) Moderate credit risk			
Loans	7,779.47	2,220.15	733.85
(iii) High credit risk			
Investment	32.83	-	-
Other financial assets	163.56	191.57	-
Loans	4,270.14	909.49	841.29

* These represent gross carrying values of financial assets, without netting off impairment loss allowance.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only placing highly rated deposits in banks and financial institutions across the country.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans to employees, security deposits, interest spread on assigned assets and other recoverable. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Loans

The Company closely monitors the credit-worthiness of the borrower's through internal systems and project appraisal process (wherever applicable) to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for the amounts loan assets that become past due and default is considered to have been occurred when amounts receivable become one year past due.

The major guidelines for selection of the client includes:

- The client's income and indebtedness levels
- The client must possess the required Know Your Customer (KYC) documents
- Client must agree to follow the rules and regulations of the Company
- Credit bureau check - In order to deal with the problem of over extension of credit and indebtedness of the client, the Company undertakes credit bureau checks for every client. The credit bureau check helps the Company in identifying clients with poor repayment histories and multiple loans.

Category*	Inputs	Assumptions
Corporate borrowers	1. Historical data as per industry trends 2. Supplemental external information that could affect the borrowers behaviour	1. Recoverability assumptions for stage 3 loan assets and related assessment with value of collateral
Retail borrowers	3. Discount rate is based on internal rate of return on the loan	2. Management judgement is applied to determine the economic scenarios and the application of probability weights

* The Company has used forward looking information in form of GDP growth rate and unemployment rate specific to the sector.

Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

- b) **Credit risk exposure**
 i) **Expected credit losses for financial assets other than loans**

As at 31 March 2021	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	9,961.43	-	9,961.43
Other bank balances	2,428.59	-	2,428.59
Investments	24,271.31	177.27	24,094.04
Other financial assets	1,000.88	163.56	837.32
As at 31 March 2020	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	19,668.69	-	19,668.69
Other bank balances	3,379.85	-	3,379.85
Investments	19,399.15	-	19,399.15
Other financial assets	5,411.56	191.57	5,219.99
As at 31 March 2019	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	9,307.85	-	9,307.85
Bank balances other than cash and cash equivalents	1,453.88	-	1,453.88
Other financial assets	478.94	-	478.94

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ii) **Expected credit loss for loans**

Definition of default:

The Company considers default in all cases when the borrower becomes 90 days past due on its contractual payments. 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. ECL is the product of the probability of default, exposure at default and loss given default.

Changes in the gross carrying amount in relation to loans from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at 01 April 2018	40,029.72	124.76	20.80
Assets originated	98,456.21	-	-
Net transfer between stages and de-recognition	(1,859.24)	888.34	970.90
Assets derecognised (excluding write off)	(31,871.77)	(279.25)	(150.40)
Gross carrying amount as at 31 March 2019	1,04,754.92	733.85	841.30
Assets originated	1,17,088.70	-	-
Net transfer between stages and de-recognition	(1,77,880.79)	21,467.62	11,874.16
Assets derecognised (excluding write off)	-	-	(3,620.54)
Gross carrying amount as at 31 March 2020	43,962.83	22,201.47	9,094.92
Assets originated	44,515.78	-	-
Net transfer between stages and de-recognition	(58,924.45)	(14,422.00)	(2,983.24)
Assets derecognised (excluding write off)	-	-	(1,841.54)
Gross carrying amount as at 31 March 2021	29,554.16	7,779.47	4,270.14

Reconciliation of loss allowance provision from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Loss allowance on 1 April 2018	120.92	12.53	16.71
Increase of provision due to assets originated and purchased during the year	413.52	-	-
Net transfer between stages and written back	(813.38)	218.71	594.68
Loss allowance written-off	719.72	(1.43)	(33.23)
Loss allowance as on 31 March 2019	440.77	229.81	578.15
Increase of provision due to assets originated and purchased during the year	4,369.92	-	-
Net transfer between stages and written back	(711.58)	404.58	(2,641.41)
Loss allowance written-off	-	-	2,626.77
Write - offs	-	-	-
Loss allowance as at 31 March 2020	4,099.11	634.39	563.52
Increase of provision due to assets originated during the year	244.34	-	-
Net transfer between stages and written back	(4,131.44)	234.33	4,240.95
Loss allowance written-off	-	-	(1,493.16)
Write - offs	-	-	-
Loss allowance as at 31 March 2021	212.01	868.72	3,311.31

c) **Concentration of loans**

Prudent risk management involves the minimisation of concentration risk by diversifying the loan portfolio. Setting up exposure limit for particular industry, sector, geographical area, product, etc. is essential to reduce the concentration of the loan portfolio.

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Corporate borrowers	11,731.12	6,959.11	32,438.28
Retail borrowers	29,872.65	40,133.35	73,891.78
Total	41,603.77	47,092.46	1,06,330.06

d) **Loans secured against collateral**

Company's secured portfolio has security base as follows::

Particulars	Value of loans		
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Secured by tangible assets	7,195.83	11,816.21	49,430.67
Secured by other assets	-	116.19	177.67

Wherever required, the Company holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, pledge of securities, guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts, etc.

The Company does not physically possess properties or other assets in its normal course of business but makes efforts toward recovery of outstanding amounts on delinquent loans. Once contractual loan repayments are more than 90 days past due, possession of property may be initiated. Possessed property is disposed of in the manner prescribed under the regulatory guidance to recover outstanding debt.

B) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Company's (through Asset Liability Management Committee) liquidity positions (also comprising the undrawn borrowing facilities), matching of the financial assets and financial liabilities position and cash and cash equivalents on the basis of expected cash flows. The Company also takes into account liquidity of the market in which the entity operates.

(i) **Financing arrangements**

The Company had access to the following funding facilities:

As at 31 March 2021	Total facility	Undrawn
- Expiring within one year	2,500.00	2,450.00
Total	2,500.00	2,450.00
As at 31 March 2020	Total facility	Undrawn
- Expiring within one year	650.00	399.23
Total	650.00	399.23
As at 31 March 2019	Total facility	Undrawn
- Expiring within one year	2,085.90	612.93
Total	2,085.90	612.93

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(ii) Maturities of financial assets and liabilities

The tables below analyse the Company financial assets and liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at 31 March 2021	Less than 1 year	1-3 years	More than 3 years	Total
Financial assets				
Cash and cash equivalents	9,961.43	-	-	9,961.43
Other bank balances	2,428.59	-	-	2,428.59
Loans	16,083.21	22,657.39	23,133.50	61,874.10
Investments	14,781.09	-	9,312.95	24,094.04
Other financial assets	892.29	238.16	71.14	1,201.59
Total undiscounted financial assets	44,146.61	22,895.55	32,517.59	99,559.75
Financial liabilities				
Debt Securities	4,671.42	3,380.57	562.07	8,614.06
Borrowings (other than debt securities)	14,200.89	11,324.58	905.57	26,431.04
Trade payables	378.56	-	-	378.56
Other payable	911.49	-	-	911.49
Lease liabilities	309.39	555.84	978.40	1,843.63
Other financial liabilities	3,239.16	-	-	3,239.16
Total undiscounted financial liabilities	23,710.91	15,260.99	2,446.04	41,417.94
Net financial assets/(liabilities)	20,435.70	7,634.56	30,071.55	58,141.81

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at 31 March 2020	Less than 1 year	1-3 year	More than 3 years	Total
Financial assets				
Non-derivatives				
Cash and cash equivalents	19,668.69	-	-	19,668.69
Other bank balances	3,379.85	-	-	3,379.85
Loans	28,624.08	18,730.53	31,942.56	79,297.17
Investments	5,846.84	5,000.01	8,552.30	19,399.15
Other financial assets	4,900.09	926.80	145.51	5,972.40
Total undiscounted financial assets	62,419.55	24,657.34	40,640.37	1,27,717.26
Financial liabilities				
Non-derivatives				
Debt securities	1,552.66	6,502.06	1,739.77	9,794.49
Borrowings (other than debt securities)	21,181.12	21,953.94	1,825.91	44,960.97
Trade payables	632.35	-	-	632.35
Other payable	300.95	-	-	300.95
Lease liabilities	526.86	1,005.97	1,729.27	3,262.10
Other financial liabilities	1,369.82	-	-	1,369.82
Total undiscounted financial liabilities	25,563.76	29,461.97	5,294.95	60,320.68
Net financial assets/(liabilities)	36,855.79	(4,804.63)	35,345.42	67,396.58

As at 31 March 2019	Less than 1 year	1-3 years	More than 3 years	Total
Financial assets				
Non-derivatives				
Cash and cash equivalent and other bank balances	10,176.52	680.18	-	10,856.70
Loans	46,250.85	64,530.85	27,932.81	1,38,714.52
Investments	5,766.34	-	-	5,766.34
Other financial assets	225.15	206.45	181.31	612.92
Total undiscounted financial assets	62,418.87	65,417.48	28,114.12	1,55,950.47
Financial liabilities				
Non-derivatives				
Debt Securities	10,264.07	6,934.65	2,416.10	19,614.82
Borrowings other than debt securities	28,927.31	19,788.57	8,889.70	57,605.58
Trade payables	580.41	-	-	580.41
Other payable	181.94	-	-	181.94
Other financial liabilities	6,200.67	1,901.12	6.89	8,108.68
Derivatives (net settled)				
Index linked derivatives	20.94	-	-	20.94
Total undiscounted financial liabilities	46,175.35	28,624.34	11,312.69	86,112.38
Net undiscounted financial assets/(liabilities)	16,243.52	36,793.14	16,801.43	69,838.09

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C) Market risk

Market risk is the risk that the value of on and off-balance sheet positions of a financial institution will be adversely affected by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices resulting in a loss to earnings and capital.

The Company's exposure to market risk is primarily on account of interest rate risk and price risk

a) Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at 31 March 2021, the Company is exposed to changes in market interest rates borrowings other than debt securities at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Fixed rate liabilities*			
Debt securities	7,619.39	7,967.72	17,348.62
Borrowings (other than debt securities)	9,875.17	16,596.59	14,701.07
Variable rate liabilities*			
Borrowings (other than debt securities)	13,937.32	22,965.45	43,581.47
Total	31,431.88	47,529.76	75,631.16

* Above borrowing amounts exclude accrued interest

Sensitivity

Below is the sensitivity of profit or loss in interest rates.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest sensitivity*			
Interest rates - increase by 0.50%	69.69	114.83	(690.43)
Interest rates - decrease by 0.50%	(69.69)	(114.83)	(690.43)

* Holding all other variables constant

ii) Assets

The Company's term deposits and commercial paper/deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

b) Price risk

i) Exposure

The Company's exposure price risk arises from investments held and classified in the balance sheet at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

ii) Sensitivity

The table below summarises the impact of increases/decreases of the index on the Company's profit for the period:

Impact on profit after tax

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Mutual funds			
Net assets value - increase by 5%	687.41	39.35	275.23
Net assets value - decrease by 5%	(687.41)	(39.35)	(275.23)
Quoted debt securities			
Market price - increase by 5%	-	253.00	13.09
Market price - decrease by 5%	-	(253.00)	(13.09)

Note - 44

Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to comply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Net debt*	21,623.94	28,074.04	66,443.85
Total equity	41,756.79	42,377.38	43,681.29
Net debt to equity ratio	0.52	0.66	1.52

* Net debt includes debt securities + borrowings other than debt securities + interest accrued- cash & cash equivalents

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Note - 45

Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities.

Particulars	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Within 12 months	After 12 months	Within 12 months	After 12 months	Within 12 months	After 12 months
ASSETS						
Financial assets						
Cash and cash equivalents	9,961.43	-	19,668.69	-	9,307.85	-
Other bank balances	2,428.59	-	3,379.85	-	832.64	621.24
Loans	13,774.25	23,437.48	17,575.53	24,219.92	45,301.36	59,779.97
Investments	14,781.09	9,312.95	5,846.84	13,552.31	5,766.34	-
Other financial assets	594.73	242.59	4,392.38	827.61	196.11	282.83
	41,540.09	32,993.02	50,863.29	38,599.84	61,404.30	60,684.04
Non-financial assets						
Current tax assets (net)	1,256.94	-	909.37	-	71.35	-
Deferred tax assets (net)	-	1,047.85	-	479.91	-	339.33
Investment accounted for using equity method	-	-	-	-	-	357.04
Property, plant and equipment	-	601.29	-	630.84	-	309.33
Right-of-use assets	249.09	965.60	415.81	1,793.69	-	-
Intangible assets under development	-	38.05	-	54.26	-	24.61
Other intangible assets	-	446.55	-	487.96	-	518.49
Other non-financial assets	283.59	138.40	1,179.18	23.96	767.35	101.55
	1,789.62	3,237.74	2,504.36	3,470.62	838.70	1,650.35
TOTAL ASSETS	43,329.71	36,230.76	53,367.65	42,070.46	62,243.00	62,334.39
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Derivative financial instruments	-	-	-	-	20.94	-
Payables						
Trade payables						
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	378.56	-	632.35	-	580.41	-
Other payables						
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	911.49	-	300.95	-	181.94	-
Debt securities	4,292.44	3,413.59	825.06	7,217.72	6,748.00	10,600.62
Borrowings (other than debt securities)	14,973.23	8,906.11	17,980.40	21,719.55	27,764.25	30,518.29
Lease liabilities	177.97	1,161.02	297.73	2,036.60	-	-
Other financial liabilities	3,239.16	-	1,369.82	-	4,122.72	-
	23,972.85	13,480.72	21,406.31	30,973.87	39,418.26	41,118.91
Non-financial liabilities						
Provisions	3.55	210.89	4.50	239.64	2.34	104.41
Other non-financial liabilities	135.67	-	436.41	-	226.65	25.53
	139.22	210.89	440.91	239.64	228.99	129.94
TOTAL LIABILITIES	24,112.07	13,691.61	21,847.22	31,213.51	39,647.25	41,248.85
Net equity	19,217.64	22,539.15	31,520.43	10,856.95	22,595.76	21,085.54

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Operating segments

General information

The Company operates in a single reportable segment i.e. financing and investing related activities, which has similar risks and returns for the purpose of Ind AS 108 "Operating segments", is considered to be the only reportable business segment. The Company derives its major revenues from financing activities and its customers are widespread. Further, The Company is operating in India which is considered as a single geographical segment.

Note - 47

Related party disclosure

(a) Details of related parties:

Description of relationship **Names of related parties**

Holding company Dhani Services Limited

Subsidiary companies TranServ Limited (formerly known as TranServ Private Limited) (from 1 April 2019)

(including step-down subsidiaries) Indiabulls Distribution Services Limited (from 26 March 2020)

Indiabulls Alternate Investments Limited (from 26 March 2020)

Indiabulls Investment Advisors Limited (from 20 March 2020)

Fellow subsidiary companies Indiabulls Distribution Services Limited (till 26 March 2020)

(with whom transactions took place) Indiabulls Investment Advisors Limited (till 20 March 2020)

Indiabulls ARC- XVII Trust

Dhani Healthcare Limited

Dhani Stocks Limited

(b) Statement of transactions with related parties during the year:

Particulars	Holding company			Subsidiaries/Fellow subsidiaries/ Step-down subsidiaries			Key management personnel		
	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Finance									
- Loans given	-	6,050.00	-	550.00	7,100.00	3,000.00	-	-	-
(Maximum balance outstanding during the year):	-	-	-	-	-	-	-	-	-
- Loans taken	-	7,002.00	9,892.00	-	-	-	-	-	-
(Maximum balance outstanding during the year):	-	-	-	-	-	-	-	-	-
Share capital									
- Issue of equity shares	-	-	25,722.48	-	-	-	-	-	-
Investment/redemption									
- Purchase of equity shares	-	55.00	-	-	-	-	-	-	-
- Investment in equity shares	-	-	-	-	8,000.01	-	-	-	-
- Redemption of compulsory convertible preference shares	-	-	-	-	-	2,750.00	-	-	-
- Investment/ (redemption) in compulsorily convertible debentures	-	-	-	(4,000.03)	5,000.01	-	-	-	-
- Investment in security receipts	-	-	-	210.10	-	-	-	-	-
Assets									
- Advances given	-	-	-	-	-	-	-	-	-
- Deposit for mark to margin account	-	-	4.26	-	-	-	-	-	-
Liabilities									
- Employee benefits transfer received	-	4.39	1.38	-	5.27	20.60	-	-	-
- Employee benefits transfer paid	-	0.41	-	206.39	0.89	-	-	-	-
Fixed deposits pledged			110.00						
Income									
- Interest income from loan	-	123.99	-	23.79	137.12	2.71	-	-	-
- Service fee	-	-	-	-	-	0.18	-	-	-
- Interest income from Compulsorily Convertible Debentures	-	-	-	399.18	252.06	-	-	-	-
- Foreclosure fees and other related income	-	-	-	1.02	-	-	-	-	-
- Fees received against customer acquisition	-	-	-	213.84	-	-	-	-	-
- Net gain on derecognition of financial assets	-	-	-	1,015.06	-	-	-	-	-
- Charge back for common expenses	-	-	-	79.19	-	-	-	-	-
Expenses									
- Brokerage paid	-	1.44	2.56	-	-	-	-	-	-
- Interest expense	-	104.74	403.25	-	-	-	-	-	-
- Professional charges	-	-	-	25.80	-	-	-	-	-
Dividend paid		1,728.56	-	-	-	-	-	-	-
Reimbursement of expenses paid/(received)	8.65	28.33	-	(66.28)	228.20	5.11	-	-	-
Compensation to key management personnel									
- Short term employee benefits	-	-	-	-	-	-	13.68	26.71	30.40
- Sitting fees	-	-	-	-	-	-	1.85	1.20	2.18
- Post employee benefits- gratuity	-	-	-	-	-	-	0.02	0.20	1.32
- Other long-term benefits- compensated absences	-	-	-	-	-	-	(1.45)	0.80	1.28
- Share based payment expenses	-	-	-	-	-	-	(19.74)	49.34	84.43
Non convertible debentures issued	-	-	-	-	-	-	-	-	1.00

(c) Outstanding at year ended 31 March 2021:

Nature of transaction	Holding company			Subsidiaries/Fellow subsidiaries		
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Investment in compulsorily convertible debentures	-	-	-	999.98	5,000.01	-
Advance given	-	-	2,752.00	-	117.27	-
Other payables	-	-	-	127.65	-	-
Deposit for mark to market margin account	-	-	30.91	-	-	-
Corporate guarantees taken	-	-	-	-	-	-
Fixed deposits pledged (excluding interest accrued)	-	-	110.00	-	-	-

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Note -

During the year ended 31 March 2021, the Company has obtained borrowings from banks and financial institution, out of which ₹ 2,000.00 Millions (31 March 2020: ₹ 6,000.00 Millions, 31 March 2019: ₹ 14,390.00 Millions) is guaranteed by Dhani Services Limited (Holding Company) and guarantee released during the year amounts to ₹ 7,717.00 Millions (31 March 2020: ₹ 8,908.67 Millions, 31 March 2019: ₹ 22,500.00 Millions). The corporate guarantee outstanding as on 31 March 2021 is ₹ 13,056.00 Millions (31 March 2020: ₹ 18,773.00 Millions, 31 March 2019: ₹ 21,681.67 Millions).

Note - 48

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Details of trade payable dues to micro and small enterprises as defined under the msmed act, 2006

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
(iv) The amount of interest due and payable for the year	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Details of other payable dues to micro and small enterprises as defined under the msmed act, 2006

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
(iv) The amount of interest due and payable for the year	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Note - 49

Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Debt securities	Borrowings (other than debt)	Lease liabilities	Total
01-Apr-18	3,500.00	27,801.57	-	31,301.57
Cash flows:				
- Repayment	78,653.97	93,721.11	-	1,72,375.08
- Proceeds	(64,641.92)	(63,155.83)	-	(1,27,797.75)
Non cash:				
- Amortisation of upfront fees and others	(163.43)	(84.31)	-	(247.74)
31-Mar-19	17,348.62	58,282.54	-	75,631.16
Adjustment on account of Ind AS 116	-	-	2,188.83	2,188.83
Cash flows:				
- Proceeds	4,182.03	17,255.28	-	21,437.31
- Repayment	(13,750.01)	(36,040.47)	(490.98)	(50,281.46)
Non cash:				
- Amortisation of upfront fees and others	187.08	64.68	-	251.76
- Addition during the year	-	-	388.59	388.59
- Addition/(reduction) in interest accrued	75.06	137.92	-	212.98
- Others	-	-	247.89	247.89
31-Mar-20	8,042.78	39,699.95	2,334.33	50,077.06
Cash flows:				
- Proceeds	5,250.00	2,050.00	-	7,300.00
- Repayment	(5,714.50)	(17,896.08)	(363.57)	(23,974.15)
Non cash:				
- Amortisation of upfront fees and others	116.17	96.54	-	212.71
- Addition during the year	-	-	850.31	850.31
- Addition/(reduction) in interest accrued	11.58	(71.07)	-	(59.49)
- Others	-	-	(1,482.08)	(1,482.08)
31-Mar-21	7,706.03	23,879.34	1,338.99	32,924.36

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(All amounts are in Indian Rupees in millions unless stated otherwise)

Note - 50**Transferred financial assets****A) Securitisation**

In the course of its finance activity, the Company makes transfers of financial assets, where legal rights to the cash flows from the asset are passed to the counterparty and where the Company retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty.

The Company has securitized its loan assets to an unrelated and unconsolidated entities. As per the terms of the agreements, the Company is exposed to first loss default guarantee and cash collateral amounting in range of 14% to 18% of the amount securitised and therefore continues to be exposed to significant risk and rewards relating to the underlying receivables. Hence, these loan assets are not derecognised and proceeds received are presented as other financial liability.

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Securitisations	As at	As at	As at
	31 March 2021	31 March 2020	31 March 2019
Gross carrying amount of securitised assets	3,172.16	8,911.25	4,219.70
Gross carrying amount of associated liabilities	4,083.88	9,215.60	4,082.86
Carrying value and fair value of securitised assets	4,893.50	9,256.79	4,311.20
Carrying value and fair value of associated liabilities	4,083.88	9,215.60	4,082.85
Net position	809.62	41.19	228.35

B) Assignment

During the year ended March 31, 2020, the Company has sold certain loans by way of direct bilateral assignment, as a source of finance. As per the terms of such deals, since the derecognition criteria as per Ind AS 109 are met, (including transfer of substantial risks and rewards) relating to assets being transferred to the buyer, the assets have been derecognised from the books of the Company.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition.

Particulars	As at	As at	As at
	31 March 2021	31 March 2020	31 March 2019
Carrying amount of de-recognised financial asset	3,671.10	58,883.79	6,064.81
Gain on sale of the de-recognised financial asset	254.97	6,166.90	315.80

Since the Company has derecognized the above loan assets in entirety, the whole of the interest spread at the present value (discounted over the expected life of the assets) is recognised on the date of derecognition itself as interest-only strip receivable and corresponding profit on derecognition of financial assets is recognized in the Statement of Profit and Loss.

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Note - 51

Fair value hedges

A Risk management strategy

The use of derivatives can give rise to price risk. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The price risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes. The Company uses derivative instruments as part of its management of exposure to fluctuations in market price of equity investments. The derivative transactions are normally in the form of futures and these are subject to the Company guidelines and policies.

B Hedge relationship

The Company had done investment in shares of Reliance Industries Limited. The Company enters into selling of future of Reliance Industries Limited to hedge its price risk. Gains and losses on these hedge transactions are substantially offset by the amount of gains or losses on the underlying assets. Net gains and losses are recognised in the statement of profit and loss.

Hedge ratio is the relationship between the quantity of the hedging instrument and the quantity of the hedged item. In the case, total principal payments under the transaction is hedged with futures of the equivalent amount and at the same dates. Hence the entity hedge 100% of its exposure on the transaction and is considered highly effective. The Company has entered into nifty future contracts which provide an economic hedge to a risk component of a transaction.

C Other hedge related disclosures

The fair value of the Company's derivative positions recorded under derivative financial liabilities are as follows:

31-Mar-21

Type of hedge and risk	Change in fair value of hedging instrument	Maturity date	Change in value of hedged item used as a basis of recognising hedge effectiveness	Hedge ratio
-	-	-	-	-

Particulars	Carrying amount of derivative liabilities	Carrying amount of investments	Amount charged to statement of profit and loss
	-	-	-

31-Mar-20

Type of hedge and risk	Change in fair value of hedging instrument	Maturity date	Change in value of hedged item used as a basis of recognising hedge effectiveness	Hedge ratio
	-	-	-	-

Particulars	Carrying amount of derivative liabilities	Carrying amount of investments	Amount charged to statement of profit and loss
	-	-	-

31-Mar-19

Type of hedge and risk	Change in fair value of hedging instrument	Maturity date	Change in value of hedged item used as a basis of recognising hedge effectiveness	Hedge ratio
Equity Futures (loss)/gain	(263.39)	27th September 2018	283.01	01:01

Particulars	Carrying amount of derivative liabilities	Carrying amount of investments	Amount charged to statement of profit and loss
Investments	-	-	19.62

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Disclosures pursuant to paragraph 19 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as at and for the year ended 31 March 2021:

Particulars	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities Side:						
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:						
(a) Debentures : Secured	7,706.03	-	8,042.78	-	7,889.62	-
: Unsecured (other than falling within the meaning of public deposits)	-	-	-	-	-	-
(b) Deferred credits	-	-	-	-	-	-
(c) Term loans	19,745.46	-	30,233.58	-	50,049.55	-
(d) Inter-corporate loans and borrowing	-	-	-	-	2,752.00	-
(e) Commercial paper	-	-	-	-	9,500.00	-
(f) Public Deposits	-	-	-	-	-	-
(g) Other loans	-	-	-	-	-	-
- Loan repayable on demand	50.00	-	250.77	-	1,472.97	-
- Securitisation liabilities	4,083.88	-	9,215.60	-	-	-
- Vehicle loan	-	-	-	-	4.73	-
(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	-	-	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-	-	-
(c) Other public deposits	-	-	-	-	-	-

Assets side:	Amount outstanding as at 31 March 2021	Amount outstanding as at 31 March 2020	Amount outstanding as at 31 March 2019
	(3) Break-up of loans and advances including bills receivables [other than those included in (4) below]:		
(a) Secured	7,195.83	11,932.40	49,608.34
(b) Unsecured	34,407.94	35,160.07	56,721.72
Less: impairment loss allowance	(4,392.04)	(5,297.02)	(1,248.73)
Total	37,211.73	41,795.45	1,05,081.33
(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	-	5,059.90	261.75
(iii) Units of mutual funds	-	-	-
(iv) Government securities	-	-	-
(v) Others	-	-	-
2. Unquoted:			
(i) Shares: (a) Equity	-	-	-
(b) Preference	-	-	-
(ii) Debentures and bonds	-	-	-
(iii) Units of mutual funds	13,748.28	786.95	5,504.59
(iv) Government securities	-	-	-
(v) Investment in associate	-	-	-

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Assets side:	Amount outstanding as at 31 March 2021	Amount outstanding as at 31 March 2020	Amount outstanding as at 31 March 2019
Long Term Investments			
1. Quoted:			
(i) Shares: (a) Equity	-	-	-
(b) Preference	-	-	-
(ii) Debentures and bonds	-	-	-
(iii) Units of mutual funds	-	-	-
(iv) Government securities	-	-	-
(v) Others	-	-	-
2. Unquoted:			
(i) Shares: (a) Equity	-	-	-
(b) Preference	-	-	-
(ii) Debentures and bonds	999.98	5,000.01	-
(iii) Units of mutual funds	-	-	-
(iv) Government securities	-	-	-
(v) Others	-	-	-
(a) Equity investment in subsidiaries	9,312.95	8,552.30	-
(b) Investment in security receipts	32.83	-	-
(b) Investment in associate	-	-	357.04

(6) Borrower group-wise classification of all assets financed as in (3) and (4) above:

Category	Amount (including impairment of loss allowance)					
	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
1. Related parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties*	7,195.83	34,407.94	11,932.40	35,160.07	49,608.34	56,721.72
Total	7,195.83	34,407.94	11,932.40	35,160.07	49,608.34	56,721.72

*Includes provision against loan assets of ₹ 43,92.03 Millions (31 March 2020 ₹ 52,97.01 Millions, 31 March 2019, ₹ 1,248.73 Millions)

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Market Value	Book Value (net of allowance for impairment loss)	Market Value	Book Value (net of allowance for impairment loss)	Market Value	Book Value (net of allowance for impairment loss)
	1. Related parties					
(a) Subsidiaries	10,345.76	10,345.76	13,552.31	13,552.31	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	357.04	357.04
2. Other than related parties	13,748.28	13,748.28	5,846.85	5,846.85	5,766.34	5,766.34
Total	24,094.04	24,094.04	19,399.16	19,399.16	6,123.38	6,123.38

(8) Other information:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
(I) Gross non-performing assets			
(a) Related parties	-	-	-
(b) Other than related parties	4,270.14	909.49	841.29
(II) Net non-performing assets			
(a) Related parties	-	-	-
(b) Other than related parties	958.83	345.98	263.14

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Note - 53

Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.no 109/22.10.106/2019-20 dated 13 March 2020 pertaining to Asset Classification as per RBI norms and Income Recognition, Asset Classification and Provisioning ("IRACP") norms.

As at 31 March 2021

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 required as per 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 Assets	Stage 1	29,554.16	212.01	29,342.15	117.62	94.39
	Stage 2	7,779.47	868.72	6,910.75	30.91	837.81
Sub- Total		37,333.63	1,080.73	36,252.90	148.53	932.20
Non-Performing Assets (NPA)						
Substandard	Stage 3	3,811.30	2,859.40	951.90	381.13	2,478.27
Doubtful - up to 1 year	Stage 3	458.84	451.91	6.93	451.64	0.27
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Sub- Total For Doubtful		458.84	451.91	6.93	451.64	0.27
Loss	Stage 3	-	-	-	-	-
Sub- Total For NPA		4,270.14	3,311.31	958.83	832.77	2,478.54
Other items such as guarantees, loan commitments, 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	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub- Total		-	-	-	-	-
Total	Stage 1	29,554.16	212.01	29,342.15	117.62	94.39
	Stage 2	7,779.47	868.72	6,910.75	30.91	837.81
	Stage 3	4,270.14	3,311.31	958.83	832.77	2,478.54
	Total	41,603.77	4,392.04	37,211.73	981.30	3,410.74

As at 31 March 2020

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 required as per 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 Assets	Stage 1	43,962.83	4,099.11	39,863.72	175.85	3,923.26
	Stage 2	2,220.15	634.39	1,585.76	8.88	625.51
Sub- Total		46,182.98	4,733.50	41,449.48	184.73	4,548.77
Non-Performing Assets (NPA)						
Substandard	Stage 3	903.04	558.68	344.36	90.30	468.38
Doubtful - up to 1 year	Stage 3	6.45	4.84	1.61	6.45	(1.61)
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Sub- Total For Doubtful		6.45	4.84	1.61	6.45	(1.61)
Loss	Stage 3	-	-	-	-	-
Sub- Total For NPA		909.49	563.52	345.97	96.75	466.77
Other items such as guarantees, loan commitments, 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	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub- Total		-	-	-	-	-
Total	Stage 1	43,962.83	4,099.11	39,863.72	175.85	3,923.26
	Stage 2	2,220.15	634.39	1,585.76	8.88	625.51
	Stage 3	909.49	563.52	345.97	96.75	466.77
	Total	47,092.47	5,297.02	41,795.45	281.48	5,015.54

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Additional disclosures as per Circular Number: RBI/DNBR/2016-17/45 Master Direction DNBR.PD.008/03.10.119/2016-17, dated 1 September 2016 updated as on 17 February 2020 issued by RBI as under:

i. Disclosure for capital to risk assets ratio (CRAR):-

Items	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
(i) CRAR (%)	58.24%	58.92%	37.70%
(ii) CRAR - Tier I Capital (%)	58.24%	52.66%	37.12%
(iii) CRAR - Tier II Capital (%)	0.00%	6.27%	0.58%

ii. Investments

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
A. Value of investments			
(I). Gross value of investments			
a) In India	24,271.31	19,399.16	6,123.38
b) Outside India	-	-	-
(II) Provision for depreciation			
a) In India	177.27	-	-
b) Outside India	-	-	-
(III) Net value of investments			
a) In India	24,094.04	19,399.16	6,123.38
b) Outside India	-	-	-
B. Movement of provisions held towards depreciation on investments.			
Opening balance	-	-	-
Add : Provisions made during the year	203.01	-	-
Less : Write-off of excess provisions during the year	25.74	-	-
Closing balance	177.27	-	-

iii. Disclosures relating to derivatives:

The Company has no investment in forward rate agreement / interest rate swaps / exchange traded interest rate (IR) derivatives during the year. (31 March 2020: ₹ Nil, 31 March 2019: ₹ N

iv. Disclosures relating to securitisation:

a. Outstanding amount of securitised assets as per books of the SPVs sponsored by the NBFC and total amount of exposure retained by the NBFC as on the date of balance sheet towards the Minimum Retention Requirements (MRR)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
1. No of SPVs sponsored by the NBFC for securitisation transactions	7	7	3
2. Total amount of securitised assets as per books of SPVs sponsored	4,083.88	9,215.60	4,082.85
3. Total amount of exposures retained by the NBFC towards the MRR as on the date of balance sheet			
i) Off-balance sheet exposures			
- First loss	-	-	-
- Others	-	-	-
ii) On-balance sheet exposures towards credit concentration			
- First loss	2,335.02	2,336.02	621.24
- Others	-	-	-
4. Amount of exposures to securitisation transactions other than MRR			
i) Off-balance sheet exposures			
- First loss	-	-	-
- Others	-	-	-
ii) On-balance sheet exposures			
- First loss	-	-	-
- Others	-	-	-

b. Details of Financial assets sold to Securitisation/Reconstruction Company for Asset Reconstruction

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
i) No. of accounts	6,99,785	-	-
ii) Aggregate value (net of provisions) of accounts sold to SC/RC	234.94	-	-
iii) Aggregate consideration	1,250.00	-	-
iv) Additional consideration realised in respect of accounts transferred in earlier years	-	-	-
v) Aggregate gain/loss over net book value	1,015.06	-	-

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c. Details of Assignment transactions undertaken by NBFCs

Particulars	As at	As at	As at
	31 March 2021	31 March 2020	31 March 2019
i). No. of accounts (nos)	98,656	19,74,676	345
ii) Aggregate value (net of provisions) of accounts assigned	3,671.10	58,883.79	6,064.81
iii) Aggregate consideration	3,671.10	58,883.79	6,064.81
iv) Additional consideration realised in respect of accounts transferred in earlier years	-	-	-
v) Aggregate gain/loss over net book value	-	-	-

d. Details of non-performing financial assets purchased:

Particulars	As at	As at	As at
	31 March 2021	31 March 2020	31 March 2019
i) No. of accounts purchased during the year	-	-	-
ii) Aggregate outstanding	-	-	-
iii) Of these, number of accounts restructured during the year	-	-	-
iv) Aggregate outstanding	-	-	-

e. Details of non-performing financial assets sold:

Particulars	As at	As at	As at
	31 March 2021	31 March 2020	31 March 2019
i). No. of accounts sold	6,99,785	-	-
ii) Aggregate outstanding	673.75	-	-
iii) Aggregate consideration received	1,250.00	-	-

(v) Exposure to real estate sector:-

Category	As at	As at	As at
	31 March 2021	31 March 2020	31 March 2019
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	3,400.69	5,970.24	-
(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;	1,001.95	1,459.33	48,529.45
(iii) Investments in mortgage backed securities (MBS) and other securitised exposures:			
a. Residential	-	-	-
b. Commercial real estate	-	-	-

* as per contractual receivables at balance sheet date.

(vi) Exposure to capital markets*

Particulars	As at	As at	As at
	31 March 2021	31 March 2020	31 March 2019
i. direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-	3,124.79
ii. advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-	-
iii. advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	116.19	175.19
iv. advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-	-
v. secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-	-
vi. loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-	-
vii. bridge loans to companies against expected equity flows / issues;	-	-	-
viii. all exposures to venture capital funds (both registered and unregistered)	-	-	-
Total exposure to capital market	-	116.19	3,299.98

* as per contractual receivables at balance sheet date.

vii. Maturity pattern of assets and liabilities as at 31 March 2021:

In accordance with the Reserve Bank of India ("RBI") guidelines for Assets Liability Management System in NBFC, the maturity pattern of Assets and Liabilities has been estimated based on the behavioural pattern of assets and liabilities on the basis of past data available with the Company.

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years
Liabilities										
Borrowings*	50.00	-	-	6,572.78	351.40	7,491.71	1,667.27	9,893.56	1,321.29	-
Assets										
Advances**	325.00	325.00	650.00	1,290.00	1,280.00	3,780.00	7,750.00	18,500.00	3,000.00	4,703.77
Investments	-	-	2,032.83	5,000.00	1,500.00	6,248.26	-	-	-	9,312.95

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Maturity pattern of assets and liabilities as at 31 March 2020:

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years
Liabilities										
Borrowings	553.16	-	-	553.16	1,708.70	6,821.04	3,519.90	22,152.26	3,005.93	-
Assets										
Advances	433.22	433.22	912.34	1,666.12	1,674.58	5,654.28	9,029.24	20,669.96	4,459.86	2,159.65
Investments	5,846.84	-	-	-	-	-	-	5,000.01	-	8,552.30

Maturity pattern of assets and liabilities as at 31 March 2019:

Particulars	1 day to 7 days	8 day to 14 days	15 day to 30/31 days (One)	Over one month to 2 months	Over 2 months to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years
Liabilities										
Borrowings from banks	-	-	1,493.98	7,553.39	3,768.29	16,377.29	5,872.79	22,244.56	14,165.20	72.80
Assets										
Advances	928.02	928.02	1,849.60	3,901.10	3,965.09	11,977.81	22,290.07	50,596.41	9,181.03	712.92
Investments	2641.54	-	-	3,124.79	-	-	-	-	-	357.04

Note:

- (a) The above borrowings exclude accrued interest.
(b) The advances comprises of gross loan portfolio , accrued interest and other Ind AS adjustments.
(c) Advances and borrowings are adjusted for moratorium granted pursuant to RBI guidelines relating to COVID-19 Regulatory Package dated 27 March 2020, 07 April 2020 and 23 May 2020

viii. Registration under other regulators

- The Company is not registered under any other regulator other than Reserve Bank of India.

ix. Penalties imposed by RBI and other Regulators

- No penalties have been imposed by RBI during the financial year 2020-21 (FY 2019-20: ₹ Nil, FY 2018-19: ₹ NIL).

x. Disclosure on frauds pursuant to RBI Master direction

- The frauds detected and reported for the year amounted to ₹ 77.15 lakh (FY 2019-20: ₹ 116.24 lakh, FY 2018-19: NIL).

xi. Details of financing of parent company products

- There is no financing during the current year.

xii. Details of Single Borrower Limits (SBL)/ Group Borrower Limits (GBL) exceeded

- The Company has not exceeded the single borrower limit as set as Reserve Bank of India.

xiii. Draw down from reserves

- The Company has made no drawdown from reserves.

xiv. Provision and contingencies

Break up of 'Provisions and Contingencies shown under the head expenditure in statement of profit and loss	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Provision for depreciation on investment	177.26	-	-
Provision towards non-performing assets	2,747.79	(14.64)	561.45
Provision made towards income tax [net of advance tax]	-	-	-
Other provision and contingencies (with details)			
i) Provision for compensated absences	(15.75)	59.27	15.72
ii) Provision for gratuity	60.63	67.04	24.73
Provision for other assets	(28.01)	191.57	-
Provision for Standard assets	(3,079.61)	4,062.92	53.71

xv. Concentration of advances, exposures & NPA's *

a. Concentration of advances

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Total advances to twenty largest borrowers*	13,513.86	7,624.10	5,631.87
Percentage of advances to twenty largest borrowers to total advances of the NBFC	32.48%	16.19%	5.30%

* as per contractual receivables at balance sheet date.

b. Concentration of exposures

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Total exposures to twenty largest borrowers*	13,513.86	7,624.10	5,631.87
Percentage of exposures to twenty largest borrowers to total exposure of the NBFC on borrowers	32.48%	16.19%	5.30%

* as per contractual receivables as per balance sheet date.

c. Concentration of NPA's

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Total exposure to top four NPA accounts*	197.32	124.11	111.75
* as per contractual receivables as per balance sheet date.			

d. Sector-wise distribution of NPA's*

Particulars	% of NPA's total advances		
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Agriculture & allied activities	0.00%	0.00%	0.00%
MSME	0.05%	0.22%	0.00%
Corporate borrowers	0.20%	0.19%	0.06%
Services	0.01%	0.01%	0.05%
Unsecured personal loans	1.50%	0.24%	0.14%
Auto loans	0.00%	0.00%	0.00%
Other personal loans	0.54%	0.08%	0.00%
* as per contractual receivables as per balance sheet date.			

xvi. Movement of NPAs

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
a. Net NPAs to Net Advances (%)	2.50%	0.74%	0.25%
b. Movement of NPAs (Gross)			
i) Opening balance	909.50	841.30	20.80
ii) Addition during the year (net)	5,202.19	3,688.74	970.90
iii) Write off during the year	(1,841.54)	(3,620.54)	(150.40)
iv) Closing balance	4,270.15	909.50	841.30
c. Movement of Net NPAs			
i) Opening balance	345.98	263.14	4.09
ii) Addition during the year (net)	961.24	1,064.21	376.22
iii) Write off during the year	(348.38)	(981.37)	(117.17)
iv) Closing balance	958.83	345.98	263.14
d. Movement of provisions for NPA (excluding provisions on standard assets)			
i) Opening balance	563.52	578.15	16.71
ii) Provision made during the year	4,240.96	2,624.53	594.68
iii) Write off of excess provisions	(1,493.16)	(2,639.17)	(33.23)
iv) Closing balance	3,311.32	563.52	578.16

xvii. Overseas assets

There are no overseas asset owned by the Company.

xviii. Off-balance Sheet SPVs sponsored

There are no SPVs which are required to be consolidated as per accounting norms.

xix. The Company has been assigned the following credit ratings:

Instruments	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Non- convertible debentures - Public issue	CARE A+ ; Stable	CARE AA- ; Stable	CARE AA; Stable [Double A; Outlook: Stable]
	BWR AA/Stable	BWR AA (Stable)	BWR AA+ (Stable)
	IVR AA/ Stable	-	-
Non- convertible debentures - Privately issue	CARE A+ ; Stable	CARE AA- ; Stable	CARE AA; Stable [Double A; Outlook: Stable]
	BWR AA/Stable	-	-
Commercial papers	CARE A1+	CARE A1+ (A One plus)	CARE A1+ (A One plus)
	BWR A1+	BWR A1+	BWR A1+
	-	-	CRISIL A1+ ICRA A1+
Bank borrowings	CARE A+; Stable / CARE A1+	CARE AA-; Stable / CARE A1+	CARE AA; Stable/ Care A1+ [Double A; Outlook: Stable/ A One Plus]
	BWR AA/Stable	BWR AA (Stable)	BWR AA+ /(Stable)
	IVR AA/ Stable	-	-

xx. Customer complaints

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
No. of complaints pending at the beginning of the year	19	3	1
No. of complaints received during the year	5439	1019	211
No. of complaints redressed during the year	5193	1003	209
No. of complaints pending at the end of the year	265	19	3

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Consequent to the outbreak of the COVID-19 pandemic, the Indian Government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the Government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. The impact of COVID-19, including changes in customer behavior and pandemic fears, as well as restriction of business and individual activities led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. This may lead to a rise in the number of borrower defaults and consequently an increase in corresponding provisions. The extent to which COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's performance and will depend on ongoing as well as future developments which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.

The Company has recognized provisions as on 31 March 2021 towards its loan assets, based on the information available at this point of time, in accordance with the expected credit loss method. The Company believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of standalone financial statements. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor any material changes to future economic condition.

COVID 19 Regulatory Package -

(i) Asset classification and provisioning pursuant to the notification Vide: DOR.No.BP.BC.63/21.04.048/2019-20 dated 17 April 2020:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
(i) Respective amounts in SMA/overdue	2,295.77	894.25	-
(ii) Respective amount where asset classification benefits is extended	2,284.51	894.25	-
(iii) Provisions made during the quarter ended 31 March 2020 in terms of paragraph 5 of the above circular	229.58	89.43	-
(iv) Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6	-	-	-

During the year, to relieve COVID-19 pandemic related stress, the Company has invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the one-time restructuring policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on 6 August 2020

(ii) Disclosures for the year ended 31 March 2021 pursuant to RBI Notification RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020.

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Number of accounts where resolution plan has been implemented under this window	exposure to accounts mentioned at (A) before implementation of the plan	Of (B), aggregate amount of debt that was converted into other securities	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Increase in provisions on account of the implementation of the resolution plan
Personal Loans	2,85,588	3,148.49	-	-	216.15
Corporate persons*	-	-	-	-	-
Of which,	-	-	-	-	-
Others	-	-	-	-	-
Total	2,85,588	3,148.49	-	-	216.15

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

(iii) Disclosures for the year ended 31 March 2021 pursuant to RBI Notification RBI/2020-21/17 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector - Restructuring of advances having exposure less than or equal to ₹ 25 crores).

Type of borrower	Number of accounts restructured	(Amount in ₹ Million)
MSMEs	97	35.89
Total	97	35.89

(iv) Additional disclosures pursuant to para 25 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking company and Deposit taking company (Reserve Bank) Directions, 2016:

Type of Restructuring		As on 31 March 2021					As on 31 March 2020			
Asset Classification		Others					Others			
Details		Standard	Sub	Doubtful	Loss	Total	Standard	Sub Standard	Doubtful	Loss
Restructured Accounts at the beginning of the year	No. of borrowers	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-
Fresh Restructuring during the year	No. of borrowers	2,85,685	-	-	-	-	-	-	-	-
	Amount outstanding	3,184.38	-	-	-	-	-	-	-	-
	Provision thereon	216.15	-	-	-	-	-	-	-	-
Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-
Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-
Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-
Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-
Restructured accounts at the end of the year	No. of borrowers	2,79,994	-	-	-	-	-	-	-	-
	Amount outstanding	2,937.03	-	-	-	-	-	-	-	-
	Provision thereon	216.15	-	-	-	-	-	-	-	-

DHANI LOANS AND SERVICES LIMITED

(Formerly known as Indiabulls Consumer Finance Limited)

ANNEXURE V - Summary of significant accounting policies and other explanatory information to Reformatted Standalone Financial Information

(All amounts are in Indian Rupees in millions unless stated otherwise)

(iv) The Government of India, Ministry of Finance, vide its notification dated 23 October 2020, had announced COVID-19 Relief Scheme ("the Scheme") for grant of exgratia payment being difference between compounded interest and simple interest for six months period from 1 March 2020 to 31 August 2020 to eligible borrowers as per the Scheme. The management has credited the differential interest in the borrower accounts in line with the requirement of the Scheme and does not have any impact on the standalone financial statements. The Company have received the entire amount from Government of India on 31 March 2021.

(v) In view of the Hon'ble Supreme Court of India interim order dated September 3, 2020 (Public Interest Litigation (PIL) by Gajendra Sharma Vs Union of India & ANR), no additional borrower accounts were classified as impaired (non-performing assets (NPA)), which were not declared non-performing till August 31, 2020. Basis the said interim order the Company had not classified any additional borrower account as NPA as per RBI or other regulatory prescribed norms, after August 31, 2020 which were not NPA as of August 31, 2020. The interim order granted to not declare accounts as NPA stood vacated on March 23, 2021. In accordance with the instructions in paragraph 5 of the RBI circular dated April 07, 2021 issued in this connection, the Company has complied with the asset classification of borrower accounts as per the extant RBI instructions / IRAC norms, without considering any standstill in asset classification and also done staging of the borrower accounts in accordance with the ECL model/framework under IndAS in the standalone financial statements for the year ended 31

(vi) In accordance with the instructions vide RBI circular dated April 07 2021, and the Indian Banks' Association ('IBA') advisory letter dated 19 April 2021, the Company has put in place a Board approved policy to refund / adjust the 'interest on interest' charged to borrowers during the moratorium period i.e., 1 March 2020 to 31 August 2020.

Note - 56

Additional disclosures in terms of Appendix I of Liquidity Risk Management Framework RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 04 November 2019:

i. Funding Concentration based on significant counterparty for the year ended 31 March 2021

Sr. no.	Number of Significant Counterparties	Amount (₹ in Million)	% of Total Deposits	% of Total Liabilities
1	10	23,311.13	N.A	61.66%

Funding Concentration based on significant counterparty for the year ended 31 March 2020

Sr. no.	Number of Significant Counterparties	Amount (₹ in Million)	% of Total Deposits	% of Total Liabilities
1	12	39,101.30	N.A	73.69%

Notes:

- A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

ii. Top 20 large deposits

- There is no deposit outstanding as at 31 March 2021 (FY 2019-20: ₹ Nil, FY 2018-19 : NIL)

iii. Top 10 borrowings

As at 31 March 2021	Amount (₹ in Million)	% of Total Borrowings
Top 10 Borrowings	23,311.13	97.89%

As at 31 March 2020	Amount (₹ in Million)	% of Total Borrowings
Top 10 Borrowings	37,778.95	95.49%

iv. Funding Concentration based on significant instrument/product for the year ended 31 March 2021

Sr. no.	Particulars	Amount (₹ in Million)	% of Total Liabilities
1	Non-convertible debentures	7,706.03	20.38%

Funding Concentration based on significant instrument/product for the year ended 31 March 2020

Sr. no.	Particulars	Amount (₹ in Million)	% of Total Liabilities
1	Non-convertible debentures	8,042.78	15.02%

Notes:

- A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

v. Stock Ratios:

a. Commercial papers

- There is no commercial papers outstanding as at 31 March 2021 (FY 2019-20: ₹ Nil, FY 2018-19: ₹ NIL).

b. Non-convertible debentures (original maturity of less than one year)

- There is no Non-convertible debentures with original maturity of less than one year outstanding as at 31 March 2021 (FY 2019-20: ₹ Nil, FY 2018-19: ₹ NIL).

c. Other short-term liabilities

Particulars	% of Total Public Funds	% of Total Liabilities	% of Total Assets
As at 31 March 2021			
Loans repayable on demand from banks	0.65%	0.13%	0.06%

Particulars	% of Total Public Funds	% of Total Liabilities	% of Total Assets
As at 31 March 2020			
Loans repayable on demand from banks	3.15%	0.47%	0.26%

vi. Institutional set-up for liquidity risk management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held as warranted from time to time. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held as warranted from time to time.

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Disclosures of liquidity coverage ratio (LCR) in terms of Annex III of the RBI Directions, 2016

Particulars	Q4FY21		Q3FY21		Q2FY21		Q1FY21	
	Total unweighted Value	Total weighted value						
Cash and Bank Balance	1,936.90	1,936.90	1,951.62	1,951.62	1,829.60	1,829.60	1,536.99	1,536.99
High Quality Liquid Assets (HQLA)	1,936.90	1,936.90	1,951.62	1,951.62	1,829.60	1,829.60	1,536.99	1,536.99
Cash outflows								
Deposits	-	-	-	-	-	-	-	-
Unsecured wholesale funding	-	-	-	-	-	-	-	-
Secured wholesale funding	1,316.13	91,513.55	2,573.61	2,959.65	2,874.04	3,305.14	1,380.71	1,587.82
Additional requirements	-	-	-	-	-	-	-	-
- Outflows related to derivative exposure and other collateral requirements	-	-	-	-	-	-	-	-
- Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
- Credit and liquidity facilities	-	-	-	-	-	-	-	-
Other contractual funding obligations	219.95	252.94	123.65	142.19	148.95	171.29	561.30	645.49
Other contingent funding obligations	-	-	-	-	-	-	-	-
Total cash outflows	1,536.08	91,766.49	2,697.26	3,101.84	3,022.99	3,476.43	1,942.01	2,233.31
Cash inflows								
Secured lending	-	-	-	-	-	-	-	-
Inflows from fully performing advances	1,237.06	927.80	1,138.60	853.95	1,479.50	1,109.63	1,679.68	1,259.76
Other cash inflows	11,717.83	8,788.37	11,754.73	8,816.05	8,802.33	6,601.75	13,199.78	9,899.84
Total cash Inflows	12,954.89	9,716.17	12,893.33	9,670.00	10,281.83	7,711.38	14,879.46	11,159.60
Total HQLA		1,936.90		1,951.62		1,829.60		1,536.99
Total net cash outflows over next 30 days								
(Weighted value of total cash outflow- Minimum of weighted value of total cash inflows, 75% of weighted value of total cash outflow)		82,050.32		775.46		869.11		558.33
Liquidity coverage ratio (%)		2.36%		251.67%		210.51%		275.28%

Notes:

1. Unweighted Values: Inflows and Outflows within 1 month are considered as per outstanding balances that mature in 1 month

2. Weighted values are calculated as per the applicable haircuts or stress factors

3. Below is level of minimum LCR in terms of Annex III of the RBI Directions, 2016

From	December 1, 2020	December 1, 2021	December 1, 2022	December 1, 2023	December 1, 2024
Minimum LCR	30%	50%	60%	85%	100%

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ANNEXURE V - Summary of significant accounting policies and other explanatory information to Reformatted Standalone Financial Information

(All amounts are in Indian Rupees in millions unless stated otherwise)

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Employee stock option schemes:

The employees of the Company have been granted option as per the existing schemes of Dhani Services Limited ('Holding Company') Formerly known as Indiabulls Ventures Limited). On exercise, the employees will be allotted shares of the Holding Company.

A. Grants during the year:

The Holding Company has established the "Udaan Employee Welfare Trust" ("Udaan - EWT") (earlier known as Indiabulls Ventures Limited - Employees Welfare Trust" ("Trust") for the implementation and management of its employees benefit scheme viz. the "Dhani Services Limited - Employee Stock Benefit Scheme - 2019" (Scheme), for the benefit of the employees of its company and subsidiaries. Pursuant to Regulation 3(12) of the SEBI (Share Based Employee Benefits) Regulations, 2014, fully paid up equity shares of 10,400,000 lying in Trust have been appropriated towards the Scheme for grant of Share Appreciations Rights (SARs) to the employees of the holding company and its subsidiaries as permitted by SEBI. The holding company will treat these SARs as equity and therefore they will be treated as equity settled SARs and accounting has been done accordingly.

B. Employees Stock Options Schemes:

(i) Employees Stock Option Scheme - 2008 (DSL ESOP - 2008)

	DSL ESOP - 2008			
	2,00,00,000			
	2,00,00,000	97,00,000	5,00,000	8,80,600
		(Regrant)	(Regrant)	(Regrant)
Total options under the scheme (Nos.)				
Options granted (Nos.)				
Vesting period and percentage	Ten years, 1st Year - 15% 2nd year to 9th year - 10% each year 10th year - 5%	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year
Vesting date	25 th January each year, commencing 25 January 2010	2 nd July each year, commencing 2 July 2017	2 nd September each year, commencing 2 September 2018	25 th March each year, commencing 25 March 2019
Exercisable period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Exercise price (₹)	17.40	24.15	219.65	254.85
Outstanding as at 1 April 2018 (Nos.)	12,77,866	97,00,000	5,00,000	8,80,600
Options vested during the year (Nos.)*	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	4,06,950	-	-	1,87,000
Outstanding at the beginning of 31 March 2019 (Nos.)	8,70,916	97,00,000	5,00,000	6,93,600
Granted/ regranted during the year (Nos.)	-	-	-	-
Forfeited during the year (Nos.)	-	10,000	5,00,000	1,52,000
Exercised during the year (Nos.)	8,70,916	50,50,800	-	25,800
Expired during the year (Nos.)	-	-	-	-
Outstanding as at 31 March 2020 (Nos.)	-	46,39,200	-	5,15,800
Vested and exercisable as at 31 March 2020 (Nos.)	-	7,69,200	-	1,92,640
Remaining contractual life (weighted months)	-	66	-	73
Outstanding at the beginning of 1 April 2020 (Nos.)	-	46,39,200	-	5,15,800
Granted/ regranted during the year (Nos.)	-	-	-	-
Forfeited during the year (Nos.)	-	14,400	-	4,29,000
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Outstanding as at 31 March 2021 (Nos.)	-	46,39,200	-	5,15,800
Vested and exercisable as at 31 March 2021 (Nos.)	-	26,97,000	-	-
Remaining contractual life (weighted months)	-	54	-	73

Weighted average exercise price of share during the year ended 31 March 2021: Not applicable (31 March 2020: ₹ 198.22, 31 March 2019: Not applicable).

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(All amounts are in Indian Rupees in millions unless stated otherwise)

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Employee Stock Option Schemes (continued)

(ii) Employees Stock Option Scheme - 2009 (DSL - ESOP 2009)

	<u>DSL ESOP - 2009</u>	<u>DSL ESOP - 2009</u>	<u>DSL ESOP - 2009</u>	<u>DSL ESOP - 2009</u>
Total options under the Scheme (Nos.)	2,00,00,000	2,00,00,000	2,00,00,000	2,00,00,000
Options granted (Nos.)	20,50,000	95,00,000 (Regrant)	1,00,00,000 (Regrant)	6,69,400 (Regrant)
Vesting period and percentage	Ten years, 10% each year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year
Vesting date	13 th April each year, commencing 13 April 2011	13 th May each year, commencing 13 May 2017	2 nd September each year, commencing 2 September 2018	25 th March each year, commencing 25 March 2019
Exercisable period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Exercise price (₹)	31.35	16.00	219.65	254.85
Outstanding as at 1 April 2018 (Nos.)	1,50,000	71,52,500	99,70,000	6,69,400
Options vested during the year (Nos.)*	-	18,30,600	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	6,64,800	90,000	4,50,000
Outstanding at the beginning of 31 March 2019 (Nos.)	1,50,000	64,87,700	98,80,000	2,19,400
Granted/ regranted during the year (Nos.)	-	-	-	-
Forfeited during the year (Nos.)	-	1,65,000	1,95,500	-
Exercised during the year (Nos.)	1,00,000	32,25,100	8,52,600	40,000
Expired during the year (Nos.)	-	-	-	-
Outstanding as at 31 March 2020 (Nos.)	50,000	30,97,600	88,31,900	1,79,400
Vested and exercisable as at 31 March 2020 (Nos.)	50,000	-	30,34,400	47,760
Remaining contractual life (Weighted Months)	60	67	67	77
Outstanding at the beginning of 1 April 2020 (Nos.)	50,000	30,97,600	88,31,900	1,79,400
Granted/ regranted during the year (Nos.)	-	-	-	-
Forfeited during the year (Nos.)	-	5,72,000	61,46,300	1,79,400
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Outstanding as at 31 March 2021 (Nos.)	50,000	25,25,600	26,85,600	-
Vested and exercisable as at 31 March 2021 (Nos.)	50,000	12,62,800	-	-
Remaining contractual life (Weighted Months)	48	55	71	-

Weighted average exercise price of share during the year ended 31 March 2021: Nil (31 March 2020: ₹ 187.29, 31 March 2019: ₹. Not applicable)

(iii) Dhani Services Limited - Employee Stock Benefit Scheme 2019 ("Scheme") ("DSL-ESBS 2019").

The Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of the Holding Company at its meeting held on 22 October 2019; and (b) a special resolution of the shareholders' of the Holding Company passed through postal ballot on 4 December 2019, result of which were declared on 5 December 2019.

This Scheme comprises:

- Dhani Services Limited Employees Stock Option Plan 2019 ("ESOP Plan 2019")
- Dhani Services Limited Employees Stock Purchase Plan 2019 ("ESP Plan 2019")
- Dhani Services Limited Stock Appreciation Rights Plan 2019 ("SARs Plan 2019")

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SBEB Regulations"), the Holding Company has set up "Udaan - Employee Welfare Trust" ("Trust") for the purpose of implementation of the Scheme as per the terms of the respective Schemes as aforesaid. The Trust, in compliance with the "SBEB Regulations", is authorised to purchase upto an aggregate of 10,500,000 (One Crore Five lakh) fully paid-up equity shares, being not more than 2% (Two percent) of the fully paid-up equity share capital of the Holding Company as on the date of approval of shareholders, from the secondary market. The Holding Company has appropriated its 10,400,000 fully paid up equity shares purchased by the Trust under the Scheme.

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Employee Stock Option Schemes (continued)

	DSL-ESBS 2019
Total options under the Scheme (Nos.)	1,05,00,000
Options granted (Nos.)	1,04,00,000
Vesting period and percentage	Three years, 33.33% each year
Vesting date	17 th August each year, commencing 17 August 2021
Exercisable period	5 years from each vesting date
Exercise price (₹)	250.00
Outstanding at the beginning of 1 April 2020 (Nos.)	-
Granted during the year (Nos.)	1,04,00,000
Forfeited during the year (Nos.)	-
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Surrendered and eligible for re-grant during the year (Nos.)	-
Outstanding as at 31 March 2021 (Nos.)	1,04,00,000
Vested and exercisable as at 31 March 2021 (Nos.)	-
Remaining contractual life (Weighted Months)	77

(iv) Dhani Services Limited - Employee Stock Benefit Scheme 2020 ("Scheme") ("DSL-ESBS 2020").

The Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of the Holding Company at its meeting held on 23 January 2020; and (b) a special resolution of the shareholders' of the Holding Company passed through postal ballot on 20 March 2020, result of which were declared on 21 March 2020.

This Scheme comprises:

- Dhani Services Limited Employees Stock Option Plan 2020 ("ESOP Plan 2020")
- Dhani Services Limited Employees Stock Purchase Plan 2020 ("ESP Plan 2020")
- Dhani Services Limited Stock Appreciation Rights Plan 2020 ("SARs Plan 2020")

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SBEB Regulations"), the Company has set up "Udaan - Employees Welfare Trust" (Trust) for the purpose of implementation of the Scheme as per the terms of the respective Schemes as aforesaid. The Trust, in compliance with the "SBEB Regulations", is authorised to purchase upto an aggregate of 9,300,000 (Ninety Three lakh) fully paid-up equity shares, being not more than 2% (Two percent) of its fully paid-up equity share capital as on the date of approval of shareholders, from the secondary market. The Holding Company has not granted any options/ SARs under the said scheme as at 31 March 2021.

C. Fair Valuation:

The details of the Fair value of the options / SARs as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model:-

	DSL ESOP - 2008			
	2,00,00,000 Options	97,00,000 Options	5,00,000 Options	8,80,600 Options
1. Exercise price (₹)	17.40	24.15	219.65	254.85
2. Expected volatility *	79.00%	42.97%	46.70%	47.15%
3. Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil
4. Option Life (Weighted Average) (in years)	11	6	6	6
5. Expected Dividends yield	22.99%	10.82%	1.27%	1.10%
6. Risk Free Interest rate	6.50%	7.45%	6.54%	7.56%
7 Fair value of the options (₹)	0.84	4.31	106.31	130.05

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Employee Stock Option Schemes (continued)

	DSL-ESBS		DSL ESOP - 2009		
	1,04,00,000	20,50,000	95,00,000	1,00,00,000	6,69,400
	SARs	Options	Options	Options	Options
1. Exercise price (₹)	250.00	31.35	16.00	219.65	254.85
2. Expected volatility *	68.45%	48.96%	40.74%	46.70%	47.15%
3. Expected forfeiture percentage on each vesting	Nil	Nil	Nil	Nil	Nil
4. Option Life (Weighted Average) (in years)	4 Years	10 Years	6 Years	6 Years	6 Years
5. Expected dividends yield	1.71%	6.86%	16.33%	1.27%	1.10%
6. Risk free interest rate	4.17%	8.05%	7.45%	6.54%	7.56%
7. Fair value of the options (₹)	55.49	9.39	1.38	106.31	130.05

* The expected volatility was determined based on historical volatility data.

D. Share based payment expense:

The Company has recognised reversal of Share based payments expense to employees of ₹ 1,04.15 Millions (31 March 2020: ₹ 1,50.42 Millions, 31 March 2019 Rs. 345.37 Millions) in the statement of Profit and loss for the year ended 31 March 2021 as follows:

	For the year	For the year	For the year
	March 31, 2021	March 31, 2020	March 31, 2020
Share based payments (reversal) / expense (continuing operations)	(104.15)	150.41	345.37
Share based payments expense (discontinued operations)	-	-	-
	(104.15)	150.41	345.37

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(All amounts are in Indian Rupees in millions unless stated otherwise)

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As at 31 March 2021, there were no dues required to be credited to the Investor Education and Protection Fund under Section 124(5) of the Act. (31 March 2020: ₹ Nil, 31 March 2019: NIL).

In terms of our report of even date attached.

For Hem Sandeep & Co
Chartered Accountants
Firm's registration no. : 009907N

For and on behalf of the Board of Directors

Ajay Sardana
Partner
Membership No.: 089011

Pinank Jayant Shah
Whole Time Director &
Chief Executive Officer
DIN: 07859798

Nafees Ahmed
Director
DIN: 03496241

Rajeev Lochan Agrawal
Chief Financial Officer

Manish Rustagi
Company Secretary

Place: New Delhi
Date: 30 November 2021

Place: Mumbai
Date: 30 November 2021

Place: Gurugram
Date: 30 November 2021

Place: Gurugram
Date: 30 November 2021

Place: Gurugram
Date: 30 November 2021

DHANI LOANS AND SERVICES LIMITED
(Formerly known as Indiabulls Consumer Finance Limited)
ANNEXURE VI - Statement of Dividend

Dividend on Equity Shares

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Equity Share Capital (₹ in million)	611.88	611.88	611.88
Face Value per Equity Share (in ₹)	10.00	10.00	10.00
Interim Dividend on Equity Shares (₹ per Equity Share)	-	28.25	18.85
Amount of total Dividend on Equity Shares (₹ in million)	-	1,728.56	462.80
Dividend Distribution Tax (₹ in million)	-	355.31	95.13
Rate of Dividend (in %)	-	282.50%	188.50%

Dividend on Preference Shares

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Preference Share Capital (₹ in million)	-	-	-
Face Value Per Preference Share (in ₹)	-	-	10.00
Interim Dividend on Preference Shares (₹ per Share)	-	-	0.00
Amount of total Dividend on Preference Shares (₹ in million)	-	-	0.00*
Dividend Distribution Tax** (₹ in million)	-	-	0.00*
Rate of Dividend (in %)	-	-	0.001%

*Dividend on preference shares was ₹550 and corporate dividend tax of ₹113 for the financial year ended 31 March 2019.

For and on behalf of the Board of Directors

Pinank Jayant Shah
Whole Time Director &
Chief Executive Officer
DIN: 07859798

Nafees Ahmed
Director
DIN: 03496241

Rajeev Lochan Agrawal
Chief Financial Officer

Manish Rustagi
Company Secretary

Place: Mumbai
Date: 30 November 2021

Place: Gurugram
Date: 30 November 2021

Place: Gurugram
Date: 30 November 2021

Place: Gurugram
Date: 30 November 2021

Hem Sandeep & Co.

Chartered Accountants

Independent Auditor's Review Report on Review of Unaudited Interim Consolidated Financial Information

To The Board of Directors of
Dhani Loans and Services Limited
(formerly *Indiabulls Consumer Finance Limited*)
M-62 & 63, First Floor,
Connaught Place,
New Delhi – 110 001, India

Subject: Proposed public issue by Dhani Loans and Services Limited (the "Company" or the "Issuer") of secured redeemable non-convertible debentures of face value of Rs. 1,000 each (the "NCDs"), aggregating up to Rs. 1,500 million ("Base Issue") with an option to retain oversubscription up to Rs. 1,500 million, aggregating up to Rs. 3,000 million ("Issue Size") ("Issue").

Dear Sirs

1. At your request, we have reviewed the accompanying Unaudited Interim Consolidated Financial Information of Dhani Loans and Services Limited (formerly Indiabulls Consumer Finance Limited) ("**the Company**" or "**the Holding Company**") of the Company and its subsidiaries (collectively referred to as "**the Group**") (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter and half year ended September 30, 2021 ("**the Statement**"), prepared by the management of the Company in connection with the proposed Issue as approved by the Board of Directors in its meeting dated January 14, 2019, in accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended (the "**SEBI NCS Regulations**"), issued by the Securities and Exchange Board of India (the "**SEBI**"). We have initiated the Statement for identification purposes only. This Statement, which is the responsibility of the Holding Company's Management and has been approved by the Bond Issue Committee of the Board of Directors on November 30, 2021, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("**Ind AS 34**"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410-'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit, conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We do not express an audit opinion.

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3. We draw attention to Note 5 to the Statement, which describes the effects of uncertainties relating to the COVID – 19 pandemic outbreak on the Group’s operations, that are dependent upon future developments, and the consequential impact thereof on the impairment assessment of financial assets outstanding as at September 30, 2021. Our conclusion is not modified in respect of this matter.
4. The figures and details pertaining to the period(s) i.e. quarter ended June 30, 2021 and the quarter and half year ended September 30, 2020 have been extracted/traced from the review reports of M/s Walker Chandiook & Co. LLP (“**the Erstwhile Auditors**”). Similarly, the figures and details pertaining to the year ended March 31, 2021 and notes thereto in the Statement have been traced from the financial statements for the year ended March 31, 2021 which have been audited by the Erstwhile Auditors who have expressed an unmodified opinion vide their report dated June 18, 2021. Our conclusion is not modified in respect of these matters. We have not audited or reviewed any financial statements of the Group as of or for any periods prior to March 31, 2021. Accordingly, we express no opinion on the financial position, profit and loss (including other comprehensive income) or cash flows of the Group as of and for any periods prior to March 31, 2021.
5. Based on our review conducted as stated above in paragraph 2 above and upon consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, contains any material misstatement.
6. We did not review the interim financial statements/ financial information of four subsidiaries included in the Statement, whose financial information reflects total assets of 15,454.04 millions as at September 30, 2021 and total revenue of Rs. 1,146.00 millions, total net loss after tax of Rs. 479.98 millions and total comprehensive loss of Rs. 483.06 millions for the half year ended September 30, 2021 as considered in the Statement. These interim financial statements/ financial information have been reviewed by other auditors whose review reports have been furnished by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors. Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.
7. This report has been issued solely at the request of the Company’s management for the purpose of inclusion in Draft Prospectus and the Prospectus in connection with the Issue in accordance with the provisions of the SEBI NCS Regulations, which requires it to submit the report with the accompanying Statement and therefore, it may not be suitable for another purpose and accordingly should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this review report is shown or into whose hands it may come without our prior consent in writing.

8. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For Hem Sandeep & Co.
Chartered Accountants
Firm Registration No. 009907N

Ajay Sardana
Partner
Membership No. 089011
New Delhi, November 30, 2021
UDIN: 21089011AAAABB9222

Annexure 1 to the Independent Auditor's Review Report on Unaudited Interim Consolidated Financial Information of Dhani Loans and Services Limited (formerly Indiabulls Consumer Finance Limited) for the half year ended September 30, 2021

List of entities included in the Statement

1. Indiabulls Investment Advisors Limited
2. Indiabulls Distribution Services Limited
3. Transerv Limited (formerly Transerv Private Limited)
4. Indiabulls Alternative Investments Limited

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Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
(CIN: U74899DL1994PLC062407)
Statement of Unaudited Interim Consolidated Financial Information
for the quarter and half months ended 30 September 2021

(Amount in ₹ Millions)						
Statement of Unaudited Interim Consolidated Financial Information for quarter and six months ended 30 September 2021						
Particulars	For quarter ended			For half year ended		For year ended
	30 September 2021	30 June 2021	30 September 2020	30 September 2021	30 September 2020	31 March 2021
	(Refer Note 8)	(Unaudited)	(Refer Note 8)	(Unaudited)	(Unaudited)	(Audited)
1 Revenue from operations						
Interest income	1,105.39	839.46	2,478.00	1,944.85	5,211.61	8,450.44
Fees and commission income	1,148.69	510.34	290.83	1,659.03	538.64	1,730.00
Net gain on fair value changes	55.54	92.36	59.57	147.90	127.92	306.45
Net gain on derecognition of financial assets	0.24	0.12	1,163.43	0.36	1,299.84	1,004.55
Total revenue from operations	2,309.86	1,442.28	3,991.83	3,752.14	7,178.01	11,491.44
2 Other income	61.07	24.01	(2.35)	85.08	36.21	275.50
3 Total income (1+2)	2,370.93	1,466.29	3,989.48	3,837.22	7,214.22	11,766.94
Expenses :						
Finance costs	661.87	796.47	1,168.27	1,458.34	2,469.80	4,585.00
Fees and commission expense	230.13	253.48	65.01	483.61	105.27	519.25
Impairment on financial assets	1,002.07	1,671.17	536.35	2,673.24	495.47	1,841.20
Employee benefits expenses	650.29	1,170.95	623.56	1,821.24	1,358.18	3,334.05
Depreciation and amortisation	175.26	164.56	229.41	339.82	468.63	734.19
Other expenses	665.89	645.04	445.55	1,310.93	1,247.02	2,002.20
4 Total expenses	3,385.51	4,701.67	3,068.15	8,087.18	6,144.37	13,015.89
5 (Loss)/profit before tax (3-4)	(1,014.58)	(3,235.38)	921.33	(4,249.96)	1,069.85	(1,248.95)
6 Tax expense:						
a) Current tax	0.18	0.42	419.63	0.60	710.95	420.72
b) Income tax of earlier years	0.02	-	-	0.02	-	-
c) Deferred tax charge/(credit)	(268.69)	(756.26)	(118.81)	(1,024.95)	(368.00)	(511.41)
Total tax expense	(268.49)	(755.84)	300.82	(1,024.33)	342.95	(90.69)
7 (Loss)/profit for the period (5-6)	(746.09)	(2,479.54)	620.51	(3,225.63)	726.90	(1,158.26)
8 Other comprehensive income						
Items that will not be reclassified to profit or loss	3.76	-	49.86	3.76	52.60	60.78
Income-tax relating to items that will not be reclassified to profit or loss	(0.95)	-	(12.55)	(0.95)	(13.24)	(15.30)
Items that will be reclassified to profit or loss	(14.70)	(57.30)	(85.59)	(72.00)	(15.90)	(35.70)
Income-tax relating to items that will be reclassified to profit or loss	3.70	14.42	21.54	18.12	4.00	8.99
Total other comprehensive income	(8.19)	(42.88)	(26.74)	(51.07)	27.46	18.77
9 Total comprehensive income for the period	(754.28)	(2,522.42)	593.77	(3,276.70)	754.36	(1,139.49)
10 Net (Loss)/profit after tax attributable to :-						
Owners of the Holding Company	(739.55)	(2,478.74)	617.96	(3,218.29)	720.20	(1,115.91)
Non controlling interests	(6.54)	(0.81)	2.55	(7.35)	6.69	(42.35)
11 Other comprehensive income attributable to :-						
Owners of the Holding Company	(8.19)	(42.88)	(26.73)	(51.07)	27.47	18.77
Non controlling interests	-	-	-	-	-	-
12 Total comprehensive income attributable to :-						
Owners of the Holding Company	(747.73)	(2,521.62)	591.23	(3,269.35)	747.67	(1,097.14)
Non controlling interests	(6.54)	(0.81)	2.55	(7.35)	6.69	(42.35)
13 Paid-up equity share capital (face value of ₹ 10 each per equity share)	611.88	611.88	611.88	611.88	611.88	611.88
14 Other equity as per Statement of Assets and Liabilities						39,667.51
15 (Loss)/Earnings per share (EPS) (face value of ₹ 10 each per equity share)						
(EPS for the quarter and half year ended not annualised)						
(1) Basic (amount in ₹)	(12.09)	(40.51)	10.10	(52.60)	11.77	(18.24)
(2) Diluted (amount in ₹)	(12.09)	(40.51)	10.10	(52.60)	11.77	(18.24)

Note 1: Consolidated Statement of Assets and Liabilities as at 30 September 2021		
Particulars	(Amount in ₹ Millions)	
	As at 30 September 2021	As at 31 March 2021
	(Unaudited)	(Audited)
A ASSETS		
1. Financial assets		
Cash and cash equivalents	4,181.24	10,140.84
Other bank balance	3,618.72	3,513.00
Receivables		
(i) Trade receivables	1,032.33	982.47
(ii) Other receivables	271.13	628.93
Loans	36,535.90	40,898.22
Investments	4,177.80	13,810.47
Other financial assets	3,912.89	3,714.32
Total financial assets	53,730.01	73,688.25
2. Non-financial assets		
Current tax assets (net)	1,692.37	1,573.83
Deferred tax assets (net)	2,342.29	1,300.16
Property, plant and equipments	688.15	619.98
Right-of-use asset	1,185.88	1,215.45
Intangible assets under development	24.93	38.05
Goodwill	648.30	648.30
Other intangible assets	668.59	769.22
Other non-financial assets	4,756.61	3,254.33
Total non financial assets	12,007.12	9,419.32
Total assets	65,737.13	83,107.57
B LIABILITIES AND EQUITY		
LIABILITIES		
1. Financial liabilities		
(a) Payables		
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	0.81	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	751.26	526.45
Other payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	954.97	902.37
Debt securities	3,565.15	7,706.03
Borrowings (other than debt securities)	17,043.80	27,405.83
Lease liabilities	1,343.32	1,339.87
Other financial liabilities	3,605.10	3,879.67
Total financial liabilities	27,264.41	41,760.22
2. Non-financial liabilities		
Current tax liabilities (net)	4.40	3.80
Provisions	287.20	229.36
Other non-financial liabilities	226.47	183.60
Total non financial liabilities	518.07	416.76
3 EQUITY		
Equity share capital	611.88	611.88
Other equity	36,698.92	39,667.51
Equity attributable to the owners of the Holding Company	37,310.80	40,279.39
Non controlling interests	643.85	651.20
Total equity	37,954.65	40,930.59
Total liabilities and equity	65,737.13	83,107.57

Note 2 : Statement of Cash Flows for the half year ended 30 September 2021

Particulars	(Amount in ₹ Millions)	
	For the half year ended	
	30 September 2021	30 September 2020
	(Unaudited)	(Unaudited)
A Cash flow from Operating activities:		
Net profit/(loss) before tax	(4,249.96)	1,069.84
Adjustments for :		
Depreciation and amortisation	339.82	468.63
Impairment on financial instruments	2,673.24	495.47
Excess provisions written back	(3.03)	(2.51)
Provision for employee benefits	6.81	53.91
Interest expenses on leasing arrangement	70.77	93.11
Net gain on fair value changes	(147.90)	(127.92)
Effective interest rate adjustment for financial instruments	(2.02)	191.96
Share based payments to employees	300.77	(154.85)
Gain on derecognition of financial assets	(8.81)	-
Loss on sale of property, plant and equipment (net)	7.48	10.46
Operating profit before working capital changes	(1,012.83)	2,098.10
Adjustments for:		
Loans	3,439.78	(8,445.39)
Other financial assets	4.43	(2,355.97)
Other non financial assets	(1,871.11)	(41.99)
Trade payables	225.62	12.37
Other payables	55.62	196.18
Other financial liabilities	(270.87)	2,036.63
Provisions	54.79	(60.09)
Other non financial liabilities	42.88	(412.81)
Trade and other receivables	(1,823.47)	(197.81)
Cash generated from operating activities	(1,155.16)	(7,170.78)
Income taxes paid (including tax deducted at source)	(118.55)	(193.44)
Net cash used in operating activities	(1,273.71)	(7,364.22)
B Cash flow from investing activities:		
Purchase of property, plant and equipment, intangible assets under development and intangible assets	(199.13)	(29.75)
Proceeds from Disposal of property, plant and equipments and refund of capital advance	400.53	1.26
Payment made for acquisition of subsidiary	-	(289.63)
Purchase/sale of investments (net)	9,780.56	994.96
Net cash generated from / (used in) investing activities	9,981.96	676.84
C Cash flow from financing activities:		
Proceeds from debt securities	-	5,000.00
Repayment of debt securities	(4,144.85)	(124.15)
Repayment of borrowings other than debt securities	(11,619.82)	(12,406.50)
Payment of lease liabilities	(163.23)	(237.63)
Proceeds from borrowings other than debt securities	1,260.05	1,317.70
Net cash generated from / (used in) financing activities	(14,667.85)	(6,450.58)
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	(5,959.60)	(13,137.96)
E Cash and cash equivalents at the beginning of the period	10,140.84	19,900.90
Cash and cash equivalents at the end of the period (D+E)	4,181.24	6,762.94

3 Dhani Loans and Services Limited (formerly Indiabulls Consumer Finance Limited) ('DLSL', 'the Company', 'the Holding Company') and its subsidiaries are together referred to as 'the Group' in the following notes. The Unaudited Interim Consolidated financial Information of the Holding Company and its subsidiaries for the Quarter and Half year ended 30th September 2021 along with the comparative period have been approved by the Bond Issue Committee of the Board of Directors at their meeting held on November 30, 2021.

4 The Unaudited Interim Standalone Financial Information of the Group has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act 2013 ('the Act'), and other recognized accounting practices generally accepted in India. The disclosure and presentation requirements in accordance with Ind-AS have not been complied with since this Statement is prepared solely for the purpose of inclusion in Draft Prospectus and the Prospectus (collectively "the Offer Documents") in connection with Proposed public issue by the Company of secured redeemable non-convertible debentures of face value of Rs. 1,000 each (the "NCDs"), aggregating up to Rs. 1,500 million ("Base Issue") with an option to retain oversubscription up to Rs. 1,500 million, aggregating up to Rs. 3,000 million ("Issue Size") ("Issue"). This Statement has been prepared by the Company's management for the purpose of inclusion in Draft Prospectus and the Prospectus in connection with the Issue in accordance with the provisions of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended.

5 Consequent to the outbreak of the COVID-19 pandemic, the Indian Government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the Government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. The impact of COVID-19, including changes in customer behavior and pandemic fears, as well as restriction of business and individual activities led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. This may lead to a rise in the number of borrower defaults and consequently an increase in corresponding provisions. The extent to which COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's performance and will depend on ongoing as well as future developments which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.

The Group has recognized provisions as on 30 September 2021 towards its loan assets, based on the information available at this point of time, in accordance with the expected credit loss method. The Company believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of financial results/statements/information. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor any material changes to future economic condition.

The Group's capital and liquidity position remains sufficient and would continue to be the focus area for the Company; accordingly, the Company does not expect a stress on its liquidity situation in the immediate future.

6 During the year ended March 31, 2021, to relieve COVID-19 pandemic related stress, the Group has invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the one-time restructuring policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on 6 August 2020

(i) Disclosures pursuant to RBI Notification RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020.

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	28,558.80	3,148.49	-	216.15
Corporate persons*	-	-	-	-
Of which, MSMEs	-	-	-	-
Others	-	-	-	-
Total	28,558.80	3,148.49	-	216.15

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

(ii) Disclosures pursuant to RBI Notification RBI/2020-21/17 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector – Restructuring of advances having exposure less than or equal to ₹ 25 crores).

Type of borrower	Number of accounts restructured	(Amount in ₹ Millions)
MSMEs	97	35.89
Total	97	35.89

7 The Government of India, Ministry of Finance, vide its notification dated 23 October 2020, had announced COVID-19 Relief Scheme ("the Scheme") for grant of exgratia payment being difference between compounded interest and simple interest for six months period from 1 March 2020 to 31 August 2020 to eligible borrowers as per the Scheme. The management has credited the differential interest in the borrower accounts in line with the requirement of the Scheme and does not have any impact on the financial results/statements/information. The Company have received the entire amount from Government of India as on 30th September 2021.

8 The figures for the Quarter ended 30th September 2021 and 30th September 2020 are the balancing figures between the reviewed figures in respect of Half year ended 30th September 2021 and 30th September 2020 respectively and the reviewed figures for the quarter ended 30th June 2021 and 30th June 2020 respectively, which were subject to limited review by the erstwhile statutory auditors, M/s Walker Chandiook & Co. LLP.

9 The Indian Parliament has approved the code on Social Security 2020 which would impact the contributions by the Group towards Provident Funds and Gratuity. The Ministry of Labour and Employment has released draft rules for the code on Social Security, 2020 on November 13, 2020 and has invited suggestions from stakeholders which are under active Considerations by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial results/statements/information in the period in which, the code becomes effective and the related rules to determine the financial impact are published.

10 Segment results

The Group's operating segments are established on the basis of those components of the group that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of services, the differing risks and returns and the internal business reporting systems.

Particulars	For quarter ended			For half year ended		For the year ended
	30 September 2021	30 June 2021	30 September 2020	30 September 2021	30 September 2020	31 March 2021
	(Refer Note 8)	(Unaudited)	(Refer Note 8)	(Unaudited)	(Unaudited)	(Audited)
Segment revenue						
Broking and related activities	163.42	160.61	274.41	324.03	498.18	1,047.28
Financing and related activities	2,195.16	1,277.33	3,603.86	3,472.49	6,696.33	10,438.11
Others	1.41	4.34	1.37	5.75	6.78	29.34
Total	2,359.99	1,442.28	3,879.64	3,802.27	7,201.29	11,514.73
Less: Inter segment revenue	(50.14)	-	112.19	(50.14)	(23.29)	(23.29)
Total revenue from operations	2,309.85	1,442.28	3,991.83	3,752.13	7,178.00	11,491.44
Segment results						
Profit before tax and interest expense						
Broking and related activities	(262.15)	(185.60)	161.69	(447.75)	323.00	378.15
Financing and related activities	(669.63)	(2,970.36)	790.15	(3,639.99)	807.52	(1,343.30)
Others	(0.47)	1.69	(1.42)	1.22	1.13	17.50
Total	(932.25)	(3,154.27)	950.42	(4,086.52)	1,131.65	(947.65)
(i) Less: Interest expense	72.40	70.85	11.24	143.25	26.18	230.19
(ii) (Less)/Add: Other unallocable income / (expenses)	(9.93)	(10.26)	(17.86)	(20.19)	(35.62)	(71.10)
Profit/ (Loss) before tax	(1,014.58)	(3,235.38)	921.32	(4,249.96)	1,069.85	(1,248.94)
Segment assets						
Broking and related activities	8,664.41	9,291.53	12,645.89	8,664.41	12,645.89	9,568.71
Financing and related activities	52,048.68	57,297.25	76,607.72	52,048.68	76,607.72	69,612.04
Unallocable segment assets	5,024.05	4,713.95	3,075.67	5,024.05	3,075.67	3,926.81
Total	65,737.14	71,302.73	92,329.28	65,737.14	92,329.28	83,107.56
Segment liabilities						
Broking and related activities	1,166.85	1,281.27	2,656.97	1,166.85	2,656.97	1,882.60
Financing and related activities	26,610.38	31,505.79	46,950.05	26,610.38	46,950.05	40,289.28
Unallocable segment liabilities	5.26	5.09	0.02	5.26	0.02	5.08
Total	27,782.49	32,792.15	49,607.04	27,782.49	49,607.04	42,176.96
Capital employed (segment assets - segment liabilities)						
Broking and related activities	7,497.56	8,010.26	9,988.92	7,497.56	9,988.92	7,686.11
Financing and related activities	25,438.30	25,791.46	29,657.67	25,438.30	29,657.67	29,322.76
Unallocable capital employed	5,018.79	4,708.87	3,075.65	5,018.79	3,075.65	3,921.73
Total	37,954.65	38,510.59	42,722.24	37,954.65	42,722.24	40,930.60

11 Figures for previous year/period have been regrouped, wherever necessary to make them comparable to current period.

Registered Office: M-62 & 63, First Floor, Connaught Place, New Delhi - 110001
(CIN: U74899DL1994PLC062407)

For and on behalf of Board of Directors

Place : Mumbai
Date : 30 November 2021

Pinank Shah
CEO & Whole Time Director

Hem Sandeep & Co.

Chartered Accountants

Independent Auditor's Review Report on Review of Interim Standalone Financial Information

To The Board of Directors of
Dhani Loans and Services Limited
(formerly Indiabulls Consumer Finance Limited)
New Delhi

Subject: Proposed public issue by Dhani Loans and Services Limited (the "Company" or the "Issuer") of secured redeemable non-convertible debentures of face value of Rs. 1,000 each (the "NCDs"), aggregating up to Rs. 1,500 million ("Base Issue") with an option to retain oversubscription up to Rs. 1,500 million, aggregating up to Rs. 3,000 million ("Issue Size") ("Issue").

Dear Sirs

1. At your request, we have reviewed the accompanying Unaudited Interim Standalone Financial Information of Dhani Loans and Services Limited (formerly Indiabulls Consumer Finance Limited) ("the **Company**") for the half year ended September 30, 2021 ("the **Statement**"), prepared by the management of the Company in connection with the proposed Issue as approved by the Board of Directors in its meeting dated January 14, 2019, in accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended (the "**SEBI NCS Regulations**"), issued by the Securities and Exchange Board of India (the "**SEBI**"). We have initiated the Statement for identification purposes only. This Statement is the responsibility of the Company's Management and has been approved by the Bond Issue Committee of the Board of Directors on November 30, 2021, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("**Ind AS 34**"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410-'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit, conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We do not express an audit opinion.

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3. We draw attention to Note 7 to the Statement, which describes the effects of uncertainties relating to the COVID – 19 pandemic outbreak on the Company’s operations, that are dependent upon future developments, and the impact thereof on the Company’s estimates of impairment of loans to customers outstanding as at September 30, 2021 and that such estimates may be affected by the severity and duration of the pandemic and the actual credit loss could be different than that estimated as of the date of the Statement. Our conclusion is not modified in respect of this matter.
4. The figures and details pertaining to the period(s) i.e. quarter ended June 30, 2021 and the quarter and half year ended September 30, 2020 have been extracted/traced from the review reports of M/s Walker Chandiook & Co. LLP (“the **Erstwhile Auditors**”). Similarly, the figures and details pertaining to the year ended March 31, 2021 and notes thereto in the Statement have been traced from the financial statements for the year ended March 31, 2021 which have been audited by the Erstwhile Auditors who have expressed an unmodified opinion vide their report dated June 18, 2021. Our conclusion is not modified in respect of these matters. We have not audited or reviewed any financial statements of the Company as of or for any periods prior to March 31, 2021. Accordingly, we express no opinion on the financial position, profit and loss (including other comprehensive income) or cash flows of the Company as of and for any periods prior to March 31, 2021.
5. Based on our review conducted as stated in paragraph 2 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, contains any material misstatement.
6. This report has been issued solely at the request of the Company’s management for the purpose of inclusion in Draft Prospectus and the Prospectus in connection with the Issue in accordance with the provisions of the SEBI NCS Regulations, which requires it to submit the report with the accompanying Statement and therefore, it may not be suitable for another purpose and accordingly should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this review report is shown or into whose hands it may come without our prior consent in writing.
7. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For Hem Sandeep & Co.
Chartered Accountants
Firm Registration No. 009907N

Ajay Sardana
Partner
Membership No. 089011
New Delhi, November 30, 2021
UDIN: 21089011AAAABA8744

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
(CIN: U74899DL1994PLC062407)

Statement of Unaudited Standalone Financial Information for the Quarter and Half year ended 30th September 2021

(Amount in ₹ Millions)							
Statement of Unaudited Standalone Profit and Loss for the Quarter and Half year ended 30th September 2021							
Particulars	For Quarter ended			For Half year ended		For year ended	
	30th September 2021	30th June 2021	30th September 2020	30th September 2021	30th September 2020	31st March 2021	
	(Refer Note 10)	(Unaudited)	(Refer Note 10)	(Unaudited)	(Unaudited)	(Audited)	
I Revenue from operations							
(i) Interest income	985.22	717.00	2,375.06	1,702.22	5,020.82	8,008.09	
(ii) Fees and commission income	562.85	259.94	117.98	822.79	173.87	836.36	
(iii) Net gain on fair value changes	56.48	92.09	58.24	148.57	125.83	305.58	
(iv) Net gain on derecognition of financial assets	-	-	1,163.43	-	1,299.84	1,001.78	
Total revenue from operations	1,604.55	1,069.03	3,714.71	2,673.58	6,620.36	10,151.81	
II Other income	70.38	22.97	0.56	93.35	242.62	476.87	
III Total income (I+II)	1,674.93	1,092.00	3,715.27	2,766.93	6,862.98	10,628.68	
IV Expenses							
(i) Finance costs	589.47	725.62	1,157.82	1,315.09	2,447.79	4,359.09	
(ii) Impairment on financial Instruments	520.41	1,339.61	483.40	1,860.02	442.49	1,539.34	
(iii) Employee Benefits expense	604.77	1,125.54	599.07	1,730.31	1,316.09	3,034.84	
(iv) Depreciation, Amortization and Impairment	138.67	127.72	190.24	266.39	384.58	570.72	
(v) Other expenses	621.15	633.90	384.13	1,255.05	1,127.02	1,822.69	
Total expenses (IV)	2,474.47	3,952.39	2,814.66	6,426.86	5,717.97	11,326.68	
V (Loss)/profit before Exceptional items and tax (III-IV)	(799.54)	(2,860.39)	900.61	(3,659.93)	1,145.01	(698.00)	
VI Exceptional Items	-	-	-	-	-	-	
VII (Loss)/profit before Tax (V-VI)	(799.54)	(2,860.39)	900.61	(3,659.93)	1,145.01	(698.00)	
VIII Tax expense:							
a) Current tax	-	-	418.41	-	709.24	416.02	
b) Deferred tax (credit)/charge	(212.13)	(739.49)	(131.31)	(951.62)	(369.08)	(573.05)	
Net tax expense (VIII)	(212.13)	(739.49)	287.10	(951.62)	340.16	(157.03)	
IX (Loss)/profit for the period/year after tax (VII-VIII)	(587.41)	(2,120.90)	613.51	(2,708.31)	804.85	(540.97)	
X Other comprehensive income							
(A) (i) Items that will not be reclassified to Statement of Profit and Loss	7.87	-	46.11	7.87	48.85	55.95	
(ii) Income tax relating to items that will not be reclassified to statement of Profit or Loss	(1.98)	-	(11.60)	(1.98)	(12.29)	(14.08)	
(B) (i) Items that will be reclassified to statement of Profit and Loss	(14.70)	(57.30)	(85.59)	(72.00)	(15.90)	(35.70)	
(ii) Income tax relating to items that will be reclassified to statement of Profit and Loss	3.70	14.42	21.54	18.12	4.00	8.98	
Total other comprehensive income (X)	(5.11)	(42.88)	(29.54)	(47.99)	24.66	15.15	
XI Total comprehensive income for the period/year (IX+X)	(592.52)	(2,163.78)	583.97	(2,756.30)	829.51	(525.82)	
XII Paid-up equity share capital (face value of ₹ 10 each per equity share)	611.88	611.88	611.88	611.88	611.88	611.88	
XIII Other equity as per Statement of Assets and Liabilities						41,144.91	
XIV (Loss)/earning per share (EPS) (face value of ₹ 10 each per equity share)							
*(EPS for the Quarter/Half year not annualised)							
- Basic (amount in ₹)	(9.60)*	(34.66)*	10.03*	(44.26)*	13.15*	(8.84)	
- Diluted (amount in ₹)	(9.60)*	(34.66)*	10.03*	(44.26)*	13.15*	(8.84)	

Notes to the Unaudited Interim Standalone Financial Information:

Note 1 : Statement of Standalone Assets and Liabilities as at 30th September 2021		
Particulars	(Amount in ₹ Millions)	
	As at	As at
	30th September 2021 (Unaudited)	31st March 2021 (Audited)
A. ASSETS		
1 Financial Assets		
(a) Cash and cash equivalents	3,476.47	9,961.43
(b) Bank balances other than (a) above	2,161.89	2,428.59
(c) Trade receivables	172.36	-
(d) Loans	33,025.18	37,211.73
(e) Investments	14,462.57	24,094.04
(f) Other financial Assets	560.95	837.32
Total financial assets	53,859.42	74,533.11
2 Non-financial assets		
(a) Current tax assets (Net)	1,436.33	1,256.94
(b) Deferred tax assets (Net)	2,015.62	1,047.85
(c) Property, Plant and Equipment	672.44	601.29
(d) Right-of-use assets	1,177.67	1,214.69
(e) Intangible assets under development	24.93	38.05
(f) Other Intangible Assets	423.82	446.55
(g) Other Non-financial Assets	2,391.52	421.99
Total Non-financial Assets	8,142.33	5,027.36
Total Assets	62,001.75	79,560.47
B. LIABILITIES AND EQUITY		
LIABILITIES		
1 Financial liabilities		
(a) Payables		
(i) Trade payables		
- Total Outstanding Dues of micro enterprises and small enterprises	-	-
- Total Outstanding Dues of Other than micro enterprises and small enterprises	721.57	378.56
(ii) Other payables		
-Total Outstanding Dues of micro enterprises and small enterprises	-	-
-Total Outstanding Dues of Other than micro enterprises and small enterprises	935.80	911.49
(b) Debt securities	3,565.15	7,706.03
(c) Borrowings (other than Debt Securities)	14,018.79	23,879.34
(d) Lease liabilities	1,343.32	1,338.99
(e) Other Financial liabilities	1,677.07	3,239.16
Total financial liabilities	22,261.70	37,453.57
2 Non-financial liabilities		
(a) Provisions	268.26	214.44
(b) Other Non-Financial liabilities	213.24	135.67
Total Non-Financial liabilities	481.50	350.11
3 EQUITY		
(a) Equity Share capital	611.88	611.88
(b) Other Equity	38,646.67	41,144.91
Total Equity	39,258.55	41,756.79
Total Liabilities and Equity	62,001.75	79,560.47

Note 2 : Statement of Cash Flow for the half year ended 30th September 2021

(Amount in ₹ Millions)

	Particulars	For the half year ended		For the half year ended	
		30th September 2021		30th September 2020	
		(Unaudited)		(Unaudited)	
A	Cash flow from Operating activities:				
	Net profit/(loss) before tax		(3,659.93)		1,145.01
	Adjustments for :				
(i)	Depreciation/amortisation & loss on sale of fixed asset	273.87		384.58	
(ii)	Impairment on financial instruments	1,860.02		442.49	
(iii)	Provision for gratuity and compensated absences	65.52		7.61	
(iv)	Interest on lease liabilities	70.76		91.86	
(v)	(Profit)/loss on fair value changes	(148.57)		(125.83)	
(vi)	Gain on sale of loan portfolio through assignment	396.30		1,868.76	
(vii)	Effective interest rate adjustment for financial instruments	(2.02)		191.96	
(viii)	Share based payments to employees	258.07		(161.20)	
			2,773.95		2,700.23
	Operating profit / (Loss) before working capital changes		(885.98)		3,845.24
	Adjustments for:				
(i)	Trade receivables	(172.36)		-	
(ii)	Loans	2,123.10		(8,528.00)	
(iii)	Other financial assets	276.97		(3,583.48)	
(iv)	Other non financial assets	(1,938.67)		(550.04)	
(v)	Trade payables	343.02		60.33	
(vi)	Other payables	24.31		200.99	
(vii)	Other financial liabilities	(1,558.36)		1,393.76	
(viii)	Provisions	(3.84)		(7.94)	
(ix)	Other non financial liabilities	77.55		(245.37)	
			(828.28)		(11,259.75)
	Cash generated/(Used) from operating activities		(1,714.26)		(7,414.51)
	Income taxes paid (including tax deducted at source)		(179.38)		(177.46)
	Net cash generated/(Used) from operating activities		(1,893.64)		(7,591.97)
B	Cash flow from investing activities:				
(i)	Purchase/sale of property, plant and equipment, intangible assets under development and intangible assets		(205.78)		(27.32)
(ii)	Investment made in Subsidiaries and Associates		-		(760.65)
(iii)	Purchase/sale of investments (net)		9,780.05		3,197.47
	Net cash Flow/(used) from investing activities		9,574.27		2,409.50
C	Cash flow from financing activities:				
(i)	Proceeds from debt securities		-		5,000.00
(ii)	Repayment of debt securities		(4,144.85)		(124.15)
(iii)	Proceeds from borrowings other than debt securities		-		-
(iv)	Repayment of borrowings other than debt securities		(9,858.29)		(12,463.52)
(v)	Payment of lease liabilities		(162.45)		(231.29)
	Net cash Flow/(used) in financing activities		(14,165.59)		(7,818.96)
D	Net Increase/(decrease) in cash and cash equivalents (A+B+C)		(6,484.96)		(13,001.43)
E	Cash and cash equivalents at the beginning of the year		9,961.43		19,668.69
F	Cash and cash equivalents at the end of the half year (D+E)		3,476.47		6,667.26

- 3 The name of the Company has been changed from 'Indiabulls Consumer Finance Limited' to 'Dhani Loans and Services Limited' ('DLSL', 'the Company') with effect from 07 July 2020 in order to align its business of providing technology enabled subscription based healthcare and transaction finance services, through its Dhani App.
- 4 The Unaudited Interim standalone financial information of the Company for the Quarter and Half year ended 30th September 2021 along with the comparative period have been approved by the Bond Issue Committee of the Board of Directors at their meeting held on November 30, 2021.
- 5 The Unaudited Interim Standalone Financial Information of the Company has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act 2013 ('the Act'), and other recognized accounting practices generally accepted in India. The disclosure and presentation requirements in accordance with Ind-AS have not been complied with since this Statement is prepared solely for the purpose of inclusion in Draft Prospectus and the Prospectus (collectively "the Offer Documents") in connection with Proposed public issue by the Company of secured redeemable non-convertible debentures of face value of Rs. 1,000 each (the "NCDs"), aggregating up to Rs. 1,500 million ("Base Issue") with an option to retain oversubscription up to Rs. 1,500 million, aggregating up to Rs. 3,000 million ("Issue Size") ("Issue"). This Statement has been prepared by the Company's management for the purpose of inclusion in Draft Prospectus and the Prospectus in connection with the Issue in accordance with the provisions of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended.
- 6 The Chief Operating Decision Maker ("CODM") reviews operations and makes allocation of resources at the Company level. Therefore, operations of the Company fall under "finance and allied activities" business only, which is considered to be the only reportable segment in accordance with the provision of Ind AS 108 - "Operating Segment".
- 7 Consequent to the outbreak of the COVID-19 pandemic, the Indian Government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the Government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. The impact of COVID-19, including changes in customer behavior and pandemic fears, as well as restriction of business and individual activities led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. This may lead to a rise in the number of borrower defaults and consequently an increase in corresponding provisions. The extent to which COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's performance and will depend on ongoing as well as future developments which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.

The Company has recognized provisions as on 30th September 2021 towards its loan assets, based on the information available at this point of time, in accordance with the expected credit loss method. The Company believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of financial results/statements/information. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor any material changes to future economic condition.

The Company's capital and liquidity position remains sufficient and would continue to be the focus area for the Company; accordingly, the Company does not expect a stress on its liquidity situation in the immediate future.

- 8 During the year ended March 31, 2021, to relieve COVID-19 pandemic related stress, the Company has invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the one-time restructuring policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on 6 August 2020.

(i) Disclosures pursuant to RBI Notification RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020.

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Number of accounts where resolution plan has been implemented under this window	exposure to accounts mentioned at (A) before implementation of the plan	Of (B), aggregate amount of debt that was converted into other securities	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Increase in provisions on account of the implementation of the resolution plan
Personal Loans	28,558.80	3,148.49	-	-	216.15
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	28,558.80	3,148.49	-	-	216.15

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

(ii) Disclosures pursuant to RBI Notification RBI/2020-21/17 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector – Restructuring of advances having exposure less than or equal to ₹ 25 crores).

Type of borrower	Number of accounts restructured	(Amount in ₹ Millions)
MSMEs	97	35.89
Total	97	35.89

- 9 The Government of India, Ministry of Finance, vide its notification dated 23 October 2020, had announced COVID-19 Relief Scheme ("the Scheme") for grant of exgratia payment being difference between compounded interest and simple interest for six months period from 1 March 2020 to 31 August 2020 to eligible borrowers as per the Scheme. The management has credited the differential interest in the borrower accounts in line with the requirement of the Scheme and does not have any impact on the financial results/statements/information. The Company has received the entire amount from Government of India as on 31st March 2021.
- 10 The figures for the Quarter ended 30th September 2021 and 30th September 2020 are the balancing figures between the reviewed figures in respect of Half year ended 30th September 2021 and 30th September 2020 respectively and the reviewed figures for the quarter ended 30th June 2021 and 30th June 2020 respectively, which were subject to limited review by the erstwhile statutory auditors, M/s Walker Chandio & Co. LLP.
- 11 The Indian Parliament has approved the code on Social Security 2020 which would impact the contributions by the Company towards Provident Funds and Gratuity. The Ministry of Labour and Employment has released draft rules for the code on Social Security, 2020 on November 13, 2020 and has invited suggestions from stakeholders which are under active Considerations by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial results/ statements/ information in the period in which, the code becomes effective and the related rules to determine the financial impact are published.
- 12 Figures for previous year/period have been regrouped, wherever necessary to make them comparable to current period.

Registered Office: M-62 & 63, First Floor, Connaught Place, New Delhi - 110001
(CIN: U74899DL1994PLC062407)

For and on behalf of Board of Directors

Place : Mumbai
Date : 30 November 2021

Pinank Shah
CEO & Whole Time Director

MATERIAL DEVELOPMENTS

There have been no material developments since September 30, 2021 till the date of this Draft Prospectus and there have arisen no circumstances that materially or adversely affect the operations, or financial condition or profitability or credit quality of the Company or the value of its assets or its ability to pay its liabilities with the next 12 months except as stated in the section “*Financial Information*” on page 185.

There has been no material indebtedness incurred by our Company and no Equity Shares has been allotted by our Company since September 30, 2021.

FINANCIAL INDEBTEDNESS

Details of the outstanding borrowings of our Company as on September 30, 2021:

S. No.	Nature of Borrowing	Amount (₹ in million)
1.	Secured Borrowings	17,583.94
2.	Unsecured Borrowings	Nil

Set forth below, is a brief summary of the borrowings by our Company as at September 30, 2021 together with a brief description of certain significant terms of such financing arrangements.

Our Company's secured term loans from banks and financial institutions as on September 30, 2021 amount to ₹ 12,018.35 million (as per Ind AS).

The details of the secured borrowings are set out below:

Secured Loan Facilities

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in million)	Principal Amount outstanding (as per Ind-AS) (as on September 30, 2021)* (in ₹ million)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
1.	Punjab and Sind Bank	TL	5,000	2,499.71	September 12, 2022	Equal annual instalments at the end of 48 th and 60 th months after a moratorium of 36 months	Nil prepayment charges subject to notice period of 30 days	<ul style="list-style-type: none"> interest rate to be raised by 0.5% or by increase of spread which comes on account of downgrading of credit risk, whichever is higher
2.	Canara Bank (e. Syndicate Bank)	TL	1,000	374.94	March 18, 2023	Repayable in 16 equal quarterly instalments after a moratorium of 1 year from the date of first release	Nil prepayment charges if prior written notice of 30 days is given,	<ul style="list-style-type: none"> 2% - in case of delay/default in payment of instalment of interest/ other monies on their respective due dates

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in million)	Principal Amount outstanding (as per Ind-AS) (as on September 30, 2021)* (in ₹ million)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
3.	Bank of Baroda (e. Vijay Bank)	TL	3,000	1,497.84	September 28, 2022	Repayable in 2 equal annual instalments after moratorium of 3 years from 1 st disbursement	- else prepayment penalty of 1% is levied	<ul style="list-style-type: none"> 1% - over and above the sanctioned ORI on failure to comply with perfection of security, from the date of default till the date of perfection of security Penal interest at applicable rates for the following- <ul style="list-style-type: none"> i) Delay in submission of stock statements ii) Non-submission of audited balance sheet, FFR, review/renewal data within stipulated time iii) Non-obtention of external credit risk rating from agency approved by RBI
4.	Indian Bank	Overseas TL	3,000	1,497.29	September 29, 2022	Equal annual installments at the end of 48 th and 60 th months after a moratorium of 36 months	Concessional interest rate to be withdrawn and 1% will be levied in case of takeover by another bank	<ul style="list-style-type: none"> 1% - if audited financials and certified stock statement are not submitted within stipulated time 2% - any non-compliance of sanction terms and conditions 1% - non-submission of monthly receivable statements on or before the 15th day

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in million)	Principal Amount outstanding (as per Ind-AS) (as on September 30, 2021)* (in ₹ million)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
5.	Union Bank of India	TL	1,500	1,498.52	June 18, 2023	Repayable in 2 annual instalments after moratorium of 3 years from 1 st disbursement	Nil prepayment charges if paid within 30 days after each reset date else prepayment charge of 1% in case the prepayment is done on any other dates	<ul style="list-style-type: none"> • 2% - non-perfection of security and obtention of NOC from all other lenders within stipulated time • 2% - in case of any delay/default in payment of instalment of principal/ interest/ other monies on their respective due dates
6.	South Indian Bank Limited	TL	750	747.85	December 13, 2023	Principal to be repaid in 3 equal instalments of ₹250 million at the end of 3 rd , 4 th and 5 th year after a repayment holiday of 2 years	Prepayment is not allowed during the holiday period of 2 years after which prepayment charges would be nil if prepaid with 30 days' notice, else 1% penal	<ul style="list-style-type: none"> • 2% - defaults and non-compliances of any of the sanction stipulations

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in million)	Principal Amount outstanding (as per Ind-AS) (as on September 30, 2021)* (in ₹ million)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
7.	National Bank for Agriculture and Rural Development	TL	5,000	507.84	January 31, 2024	Repayable in five years at half yearly rests with ₹ 750 million to be paid for the first six instalments and ₹ 100 million to be paid for the last five instalments	charges will be applicable on the entire outstanding loan amount at the time of prepayment Prepayment may be done by giving 3 days' clear notice and the same will attract prepayment charges as per the rate prevailing on the date of payment	<ul style="list-style-type: none"> 1% - for non-submission of NOC from existing lenders for creating charge within 90 days from the date of release of refinance
8.	National Bank for Agriculture and Rural Development	TL	3,640	924.49	July 31, 2024	Repayable in five years at half yearly rests with ₹ 546 million to be paid for the first six instalments and ₹ 72.8 million to be paid for the last five instalments	Prepayment may be done by giving 3 days' clear notice and the same will attract prepayment charges as per the rate prevailing on	<ul style="list-style-type: none"> 1% - for non-submission of NOC from existing lenders for creating charge within 90 days from the date of release of refinance

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in million)	Principal Amount outstanding (as per Ind-AS) (as on September 30, 2021)* (in ₹ million)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
9.	National Bank for Agriculture and Rural Development	TL	3,000	761.93	July 31, 2024	Repayable in five years at half yearly rests with ₹ 450 million to be paid for the first six instalments and ₹ 60 million to be paid for the last five instalments	the date of payment Prepayment may be done by giving 3 days' clear notice and the same will attract prepayment charges as per the rate prevailing on the date of payment	<ul style="list-style-type: none"> 1% - for non-submission of NOC from existing lenders for creating charge within 90 days from the date of release of refinance
10.	National Bank for Agriculture and Rural Development	TL	2,000	1707.94	December 31, 2024	Repayable in five years in twenty quarterly instalments of ₹ 100 million each	Prepayment may be done by giving 3 days' clear notice and the same will attract prepayment charges at 2.5% p.a.	<ul style="list-style-type: none"> 1% - for non-submission of NOC from existing lenders for creating charge within 90 days from the date of release of refinance
11.	Axis Bank Limited	FD-OD	836	Nil	-	On Demand	-	<ul style="list-style-type: none"> 2% - in the event of non-payment of overdraft/ interest on the amount of overdue amount.
12.	HDFC Bank Limited	FD-OD	250	Nil	-	On Demand	-	<ul style="list-style-type: none"> 2% - on overdue amount for the period account remains overdrawn due to

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in million)	Principal Amount outstanding (as per Ind-AS) (as on September 30, 2021)* (in ₹ million)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
13.	RBL Bank Limited	FD-OD	750	Nil	-	On Demand	-	<p>irregularities such as non-payment of interest immediately on application, non-payment of instalments, reduction in drawing power/ limit, excess borrowings.</p> <ul style="list-style-type: none"> • 1% - default in complying with terms of sanction within stipulated time from the date of expiry of such time, apart from the withdrawal of facility. • 2% - on occurrence of such events as specified in the agreement or as may be deemed necessary in the bank's sole discretion • 2% - non-submission of stock statement or financials, non-perfection of security within permitted timelines, irregularity or any other non-compliance • 2% - on occurrence of such events as specified in the agreement or as may be deemed necessary
14.	RBL Bank Limited	CC (sublimit of WCDL)	250	Nil	-	On Demand	-	<ul style="list-style-type: none"> • 2% - on occurrence of such events as specified in the agreement or as may be deemed necessary

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in million)	Principal Amount outstanding (as per Ind-AS) (as on September 30, 2021)* (in ₹ million)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
15.	RBL Bank Limited	WCDL	2,500	Nil	-	On Demand	-	<p>in the bank's sole discretion</p> <ul style="list-style-type: none"> • 2% - non-submission of stock statement or financials, non-perfection of security within permitted timelines, irregularity or any other non-compliance • 2% - on occurrence of such events as specified in the agreement or as may be deemed necessary in the bank's sole discretion • 2% - non-submission of stock statement or financials, non-perfection of security within permitted timelines, irregularity or any other non-compliance
16.	Kotak Mahindra Bank	OD/FD	15	Nil	-	On Demand	-	<ul style="list-style-type: none"> • Amounts unpaid on due date shall attract interest at 2.00% p.m., compounded monthly.
17.	IDFC First Bank	OD/FD	50	Nil	-	On Demand	-	<ul style="list-style-type: none"> • 2% p.a. plus Applicable Rate of Interest due non-payment of interest/

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in million)	Principal Amount outstanding (as per Ind-AS) (as on September 30, 2021)* (in ₹ million)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
18.	Bank of Baroda	OD/FD	9	Nil	-	On Demand	-	principal or any other amount on the due date or breach of terms and conditions under the Facility/Loan Agreement and the Sanction Letter.
19.	Yes Bank	OD/FD	100	Nil	-	On Demand	-	<ul style="list-style-type: none"> Fixed Deposit to be treated as continuing security. Fixed Deposit to be treated as continuing security.

*Includes interest accrued, if any.

Security for above loans:

First pari passu charge on (i) all the current assets (including) investments of our Company, both present and future and (ii) all current and future loan assets of our Company and all monies receivable thereunder. The minimum asset cover required to be maintained by our Company for secured loan facilities mentioned above ranges from 110% to 125%

Secured Non-Convertible Debentures

Our Company has issued secured redeemable non-convertible debentures of which ₹ 3565.15 million (as per Ind AS) is outstanding as of September 30, 2021, the details of which are set forth further below:

Face Value (in ₹)	Amount (₹ in million)
1,000	3296.74
10,00,000	268.41
Total	3565.15

Redemption date represents actual maturity and does not consider call/put option, except as stated below:

S. No.	Description (ISIN)	Tenor (In Years)	Coupon Rate	Amount (In ₹ million)	Date of Allotment	Date of Redemption	Latest Credit Rating
1.	INE614X07043	1.4	10.40%	327.21	March 8, 2019	May 8, 2022	BWR AA and CARE A
	INE614X07050	1.4	10.91%	802.70	March 8, 2019	May 8, 2022	BWR AA and CARE A
	INE614X07068	1.4	10.90%	306.79	March 8, 2019	May 8, 2022	BWR AA and CARE A
	INE614X07159	1.5	10.41%	122.04	June 27, 2019	June 27, 2022	BWR AA and CARE A
	INE614X07167	1.5	10.40%	123.67	June 27, 2019	June 27, 2022	BWR AA and CARE A
	INE614X07175	1.5	10.40%	52.89	June 27, 2019	June 27, 2022	BWR AA and CARE A
	INE614X07241	1.7	10.25%	29.76	September 6, 2019	September 6, 2022	BWR AA and CARE A
	INE614X07258	1.7	10.25%	22.52	September 6, 2019	September 6, 2022	BWR AA and CARE A
	INE614X07266	1.7	10.25%	10.43	September 6, 2019	September 6, 2022	BWR AA and CARE A
	INE614X07076	3.2	11.01%	470.82	March 8, 2019	March 8, 2024	BWR AA and CARE A
	INE614X07084	3.2	10.99%	275.80	March 8, 2019	March 8, 2024	BWR AA and CARE A
	INE614X07092	3.2	11.00%	251.63	March 8, 2019	March 8, 2024	BWR AA and CARE A
	INE614X07183	3.5	10.60%	151.54	June 27, 2019	June 27, 2024	BWR AA and CARE A
	INE614X07191	3.5	10.60%	127.44	June 27, 2019	June 27, 2024	BWR AA and CARE A
	INE614X07209	3.5	10.60%	53.67	June 27, 2019	June 27, 2024	BWR AA and CARE A
	INE614X07274	3.7	10.50%	37.82	September 6, 2019	September 6, 2024	BWR AA and CARE A
	INE614X07282	3.7	10.50%	117.36	September 6, 2019	September 6, 2024	BWR AA and CARE A

S. No.	Description (ISIN)	Tenor (In Years)	Coupon Rate	Amount (In ₹ million)	Date of Allotment	Date of Redemption	Latest Credit Rating
	INE614X07290	3.7	10.50%	12.65	September 6, 2019	September 6, 2024	BWR AA and CARE A
	INE614X07316	1.4	9.50%	268.41	November 17, 2020	May 17, 2022	BWR AA and CARE A

Security for Secured Non-Convertible Debentures:

The secured redeemable non-convertible debenture is secured by a first ranking pari-passu charge on the current assets (including investments) of our Company, both present and future; and on present and future loan assets of our Company, including all monies receivable for the principal amount and interest thereon. The minimum asset cover required to be maintained by our Company for the secured NCD is 1.00 time.

Penalty Clause for all Secured Non-Convertible Debentures

Penalty clause applicable to all secured non-convertible debentures – (i) In case of default in payment of interest and/or principal redemption on the due dates, additional interest of at least 2% per annum over the coupon rate shall be payable by our Company for the defaulting period; and (ii) Fails to create security within the stipulated time, penal interest at the rate of 2% shall be payable by our Company.

Details of Unsecured Loan Facilities:

Subordinated Debt

Nil

Perpetual Debt

Nil

Commercial Papers

The total face value of commercial papers outstanding as on September 30, 2021, is nil.

Details of corporate guarantees:

The amount of corporate guarantees issued by our Company for securitization transactions/ assignment with different assignee as on September 30, 2021 is nil.

As on September 30, 2021, the amount of corporate guarantee issued by our Company in favour of its subsidiaries, joint venture entity, group companies, etc. is nil.

Details of any other contingent liabilities as on March 31, 2021 including amount and nature of liability.

Our contingent liabilities amounted to Rs. 15.18 millions in respect of direct tax litigations on a consolidated basis as at March 31, 2021.

Inter-Corporate Deposits:

Our Company has not borrowed any amount by way of inter-corporate deposits as on September 30, 2021.

Inter-Corporate Loans:

Our Company has not borrowed any amount by way of demand loans under the same management as on September 30, 2021.

Loan from Directors and Relatives of Directors:

Our Company has not raised any loan from directors and relatives of directors as on September 30, 2021.

Restrictive Covenants under our Financing Arrangements:

Many of our financing arrangements include various restrictive conditions and covenants restricting certain corporate actions and our Company is required to take the prior approval of the lenders before carrying out such activities. For instance, our Company, inter alia, is required to obtain the prior written consent in the following:

1. To create or permit to submit any charge, pledge, lien or other encumbrances over the receivables in favour of any other party/person;
2. To transfer, encumber, charge, pledge, hypothecate or mortgage the receivables in respect of the identified loans;
3. To undertake any guarantee obligation on behalf of any other company (including group companies) if the Company is in breach of any of the terms and conditions mentioned in the financing agreement;
4. To change or in way alter the capital structure of the borrowing concern;
5. Effect any scheme of amalgamation or reconstitution;
6. Implement a new scheme or expansion or take up an allied line of business or manufacture;
7. Enlarge the scope of the other manufacturing/trading activities, if any;
8. Withdraw or allow to be withdrawn any moneys brought in by the promoters and directors or relatives and friends of the promoters or directors;
9. Invest any funds by way of deposits, or loans or in share capital of any other concern (including subsidiaries) so long as any money is due;
10. To change its constitution, more particularly change in promoter, directors or in the core management team or any merger/acquisition/amalgamation;
11. To induct or continue with a person as a director, promoter or partner of the Company who is also a director, promoter or partner of a company that has been identified as a willful defaulter by the RBI;
12. To undertake any new project/ any further expansion or acquire fixed assets;
13. To obtain any fund bases/non fund bases credit facility from any financial institution or any other source;
14. To effect any change in Company's capital structure or business;

15. To undertake any investment activity within group companies;
16. To enter into any scheme of expansion programme or take up any new activities;
17. To invest or lend money except in the ordinary course of business or act as surety or guarantor;
18. To lease out or dispose of the building/ machinery/ vehicle/ other assets or any part of the building/ machinery/ vehicle/ other assets mortgaged/ hypothecated or shift of plant and machinery/ vehicle/ other assets to any other place;
19. To transfer, encumber, charge, alienate its movable/ immovable assets (both present and future) in any manner whatsoever which materially or substantially affect the business or interest and other money, etc.;
20. To enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, company or otherwise accept deposit;
21. To permit any merger, consolidation, scheme or arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction;
22. Implement any scheme of expansion/ diversification/ modernisation other than incurring routine capital expenditure;
23. Make any investments by way of share capital, or debentures or loan or to place deposits with any concern except giving trade credits;
24. Revalue its assets at any time;
25. Permit any transfer of the controlling interest of promoters/ directors/ partners or make drastic change in the management set up;
26. To grant any loans to promoters/ directors/ associates and other group companies;
27. Enter into contractual obligations of long term nature or affecting the borrower's financial position to any significant extent;
28. Increase the remuneration of directors/ partners whether by way of salary, commission, perquisite, sitting fees, etc. or make any change in the existing practice with regard to payment of remuneration, salary, perquisite, sitting fees, etc.;
29. To pay dividend other than out of the current year's earnings after making the due provisions applicable only in the event of default;
30. To pay any consideration whether by way of commission, brokerage, fees or any other form to the guarantors for giving their personal/ corporate guarantee;
31. To make any amendment in our Company's memorandum and articles of association;
32. To enter into partnership, profit sharing or royalty agreement or other similar arrangement whereby its income or profits are or might be shared with any other person, firm or company or enter into any management contract or similar arrangement whereby the business and operations of the borrower are managed by any person, firm or company;
33. To change the registered office or the location of the borrower; and
34. To file any application or initiate any proceedings under the Insolvency and Bankruptcy Code, 2016.

Events of Default under our Financing Arrangements:

Set forth below, is a list of the key events that constitute a default of covenants under our facility agreements for our financing arrangements and also attract a penal interest in some cases. These include, but are not limited to:

1. Default in the repayments of the loans by our Company;
2. Entering into a composition with its creditors;
3. If our Company becomes bankrupt or is adjudicated as insolvent or any insolvency petition is filed against our Company;
4. Order or resolution passed for the winding up of our Company, or if a petition or a notice of a meeting to pass such a resolution has been initiated;
5. If any of the representations made by our Company in the application for granting credit facilities is found to be misleading, untrue or false;
6. If any instalments of the principal money, due in respect of the loans, whether payment is demanded or not, remain unpaid on the due date for payment by our Company;
7. Any interest due in respect of the loan remaining unpaid and in arrears after the same have become due;
8. Any execution, attachment or distraint being enforced or levied against the whole or any part of our Company's property;

9. A receiver being appointed in respect of the whole or any part of the property of our Company;
10. Ceasing or threatening to cease the activity/ activities for the purpose for which loans are borrowed or availed;
11. The occurrence of any circumstance which is prejudicial to or impairs, imperils or depreciates or is likely to depreciate the value of the security given to the bank by our Company;
12. The occurrence of any event or circumstances which would likely or prejudicially or adversely affect in any manner the capacity of our Company to repay our loans;
13. Going into liquidation, except for the purpose of amalgamation or reconstruction;
14. Cross default;
15. Failure on our Company's part to create the security as provided in the respective facility agreement;
16. Failure in business;
17. Withdrawal or modification of any governmental or regulatory license, approval, permission, authorization or consent required by the Company to perform any of its obligations under the financing agreements;
18. Default in perfection of securities;
19. Inadequate insurance;
20. Misutilization of loan;
21. Breach of any financial covenant in the financing agreements;
22. Invalidity or unenforceability of the documents of our Company;
23. Nationalisation or expropriation of our Company's assets or operations;
24. Downgrade in rating below present rating;
25. Non-compliance with RBI norms;
26. Change in ownership or management control of our Company; and
27. Diversion of funds apart from the purpose for which the respective facilities are sanctioned by the banks.

Servicing behaviour on existing debt securities, payment of due interest on due dates on term loans and debt securities:

As on the date of this Draft Prospectus, there has been no rescheduling, default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee(s) issued by our Company, in the past 3 years.

Details of any outstanding borrowing taken/ debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option:

There are no outstanding borrowings taken/debt securities issued were taken/issued (i) for consideration other than cash, whether in whole or in part, (ii) at a premium or discount, or (iii) in pursuance of an option as on September 30, 2021.

List of top 10 holders of non-convertible securities in terms of value (on cumulative basis) as on September 30, 2021:

S. No.	Name of Debenture Holder	Amount (In ₹ million)	% of total non-convertible securities outstanding
1.	Bank of India	500.00	14.99
2.	Indian Overseas Bank	250.00	7.50

S. No.	Name of Debenture Holder	Amount (In ₹ million)	% of total non-convertible securities outstanding
3.	RSRTC CPF TRUST	100.00	3.0
4.	Krsna Suraj Kalra	30.00	0.90
5.	Girdharilal V Lakhi	25.00	0.75
6.	Dilipkumar Lakhi	25.00	0.75
7.	Shri Bhagwan Trust Committe	12.50	0.36
8.	Shri Swamy Atmanand Dharmarth	10.15	0.30
9.	Shatrughan Sharma	10.00	0.30
10.	Omam Consultants Private Limited	10.00	0.30

Details of rest of the borrowings (if any, including hybrid debt like FCCB, Optionally Convertible Debentures/Preference Shares) as on September 30, 2021:

The total amount of loans and advances from related parties (ICDs) outstanding as on September 30, 2021 is nil.

SECTION VI – LEGAL AND OTHER INFORMATION OUTSTANDING LITIGATIONS AND DEFAULTS

Our Company, Subsidiaries, Directors, Promoter, and Group Companies are subject to various legal proceedings from time to time, mostly arising in the ordinary course of its business. The legal proceedings are initiated by us and also by customers and other parties. These legal proceedings are primarily in the nature of (a) consumer complaints, (b) petitions pending before appellate authorities, (c) criminal complaints, (d) civil suits, and (e) tax matters. We believe that the number of proceedings which we are involved in is not unusual for a company of our size in the context of doing business in India. Except as disclosed below, there are no outstanding litigations involving our Company, Promoter, Directors, Subsidiaries, Group Companies or any other person, whose outcome would have a material adverse effect on our operations or financial position, or which may affect the Issue or an investor's decision to invest in the Issue.

For the purpose of disclosures in this Draft Prospectus, our Company has considered the following litigation as 'material' litigation:

- *all pending proceedings whether civil, arbitral, tax related litigations, or otherwise of our Company, Subsidiaries, Directors (other than proceedings involving our promoter DSL), of value exceeding more than ₹212.57 million; and all pending proceedings whether civil, arbitral, tax related litigations, or otherwise, of DSL, of value exceeding more than ₹272.69 million ("**Materiality Threshold**")*; and
- *any other outstanding legal proceeding which is likely to have a material adverse effect on the financial position, profitability, and cash flows of our Company.*

Save as disclosed below, there are no:

1. *outstanding civil or tax proceedings involving the Company, Subsidiaries, Directors and Promoter in which the pecuniary amount involved is in excess of the Materiality Threshold.*
2. *outstanding actions initiated or show-cause notices issued by regulatory authorities such as SEBI or RBI or the Stock Exchanges or ministry of corporate affairs, registrar of companies or any other such similar authorities, involving the Company, its Subsidiaries, Directors and Promoter.*
3. *outstanding criminal proceedings filed by or against the Company, its Subsidiaries, Directors and Promoter.*
4. *defaults in or non-payment of any statutory dues by the Company.*
5. *litigations or legal actions pending or taken against the Promoter by a Government department or a statutory body during the last three years immediately preceding the year of this Draft Prospectus.*
6. *inquiries, inspections or investigations initiated or conducted under the Securities laws or Companies Act or any previous companies' law in the last three years immediately preceding the year of issue of this Draft Prospectus against our Company and our Subsidiaries and if there were any prosecutions filed (whether pending or not); fines imposed or compounding of offences done in the last three years immediately preceding the year of this Draft Prospectus for the Company and our Subsidiaries.*
7. *outstanding litigation involving our Company, Subsidiaries, Directors, Promoter, Group Companies or any other person, whose outcome could have material adverse effect on the position of our Company, or which may affect the Issue or an investor's decision to invest in the Issue.*
8. *pending proceedings initiated against our Company for economic offences.*
9. *material frauds committed against our Company in the last three years preceding the date of this Draft Prospectus and actions taken by our Company in this regard.*

I. Litigation involving our Company

A. Material Civil proceedings

As on the date of this Draft Prospectus, there are no civil proceedings initiated by or against our Company.

B. Material Tax proceedings

As on the date of this Draft Prospectus, there are no tax proceedings initiated by or against our Company.

C. Criminal cases

Cases instituted by our Company

1. Our Company (the “**Complainant**”) filed a criminal complaint under Section 200 of CrPC read with Section 156(3) of the CrPC against Nav Durga Roadlines and certain other persons (“**Accused**”) in the court of Chief Metropolitan Magistrate, Patiala House, New Delhi on July 26, 2018. The complaint was filed for cheating, forgery, criminal breach of trust, causing wrongful loss through conspiracy and criminal intimidation under sections 420, 406, 468, 471, 120 B and 506 of the IPC against all the Accused. Order date, stated, current stage. The Complainant has filed a new First Information Report (“**FIR**”) under Section 154 of the CrPC before the Connaught Place Police Station, New Delhi against the Accused alleging cheating and causing wrongful loss through conspiracy (Section 420/120 of the IPC) on July 20, 2020. The FIR is currently pending for investigation.
2. Our Company has filed 15 FIRs against our customers to whom loans were granted by our Company and such customers have defaulted in their respective loan repayment(s) to our Company. These FIRs have been filed in different jurisdictions and are currently pending investigation.

Cases instituted against our Company

As on the date of this Draft Prospectus, there are no criminal proceedings initiated against our Company.

D. Regulatory and Statutory proceedings

As on the date of this Draft Prospectus, there are no regulatory or statutory proceedings initiated against the Company.

E. Consumer cases

There are 19 pending consumer cases against the company in various consumer forums. These cases are currently at different stages of proceedings.

F. Proceedings under Section 138 of Negotiable Instruments Act

Our Company, has initiated 56,345 proceedings aggregating to ₹2,747.91 million, against defaulting customers under the Negotiable Instruments Act, 1881. These proceedings are currently pending.

G. Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the actions taken by our Company

There have been instances of fraud, which are inherent in the nature of the business of our Company. However, except as disclosed below, there is no material fraud committed against our Company in the last three years.

Particulars	April 1, 2021 to September 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Nature of Frauds	Nil	Cheating and Forgery	Cheating and Forgery	Nil
Aggregate amount involved (Rs. In lakhs)	Nil	18.04	117.77	Nil
Corrective actions taken by the Company	1. Complaint has been filed for legal action to be taken against the fraudster 2. Bureau suppressions initiated to rectify the credit history of a victim]			

II. Litigation involving our Promoter, DSL

A. Material Civil proceedings

As on the date of this Draft Prospectus, there are no material civil proceedings initiated by or against DSL.

B. Material Tax proceedings

As on the date of this Draft Prospectus, there are no material tax proceedings initiated by or against DSL.

C. Criminal proceedings

- Ms. Piyush Kant Vishwakarma (“**Petitioner**”) filed a revision petition dated December 7, 2012, bearing number 3933/2012, before the Hon’ble High Court of Judicature at Allahabad against an order dated September 6, 2012 passed by the Additional Judicial Magistrate, Allahabad which dismissed the complaint dated January 30, 2006 filed by the Petitioner (the “**Complaint**”). The Complaint was filed by the Petitioner under Section 406, 409 418, 420 of the IPC and 200 of the CrPC against, amongst others, an ex-employee of DSL, and DSL, in relation to disagreements regarding certain transactions in his securities trading account. The matter is currently pending adjudication and is currently listed for December 12, 2021.
- Our Promoter, DSL, in the ordinary course of business, has filed 76 criminal complaints against its clients, under Section 200 of CrPC for offence punishable under Section 420 of IPC at the Patiala House Court, New Delhi. The complaints have been admitted and the proceedings are currently pending.
- Mr. Vinod Kumar Arora (the “**Complainant**”) filed a criminal complaint in February 2008 under Section 200 of CrPC before the Court of the Metropolitan Magistrate, Patiala House Court, New Delhi, against, amongst others, an ex-employee of DSL (“**Respondent 1**”) and DSL (collectively, the “**Respondents**”), alleging that the Respondents had sold certain securities of the Complainant without the Complainant’s consent. An order dated March 11, 2013 was passed by Metropolitan Magistrate, New Delhi summoning the Respondents under Sections 406 and 420 of IPC. Subsequently, the Respondents filed a petition bearing number 3274/2013 on August 12, 2013 before the High Court of Delhi for quashing the Complaint. The matter is currently pending for adjudication and is listed for hearing on January 21, 2022.
- A criminal appeal was filed under Section 378 of CrPC by DSL, against the order dated September 27, 2019 passed by the Hon’ble Court Patiala House, New Delhi to acquit Respondent no. 2 (Vinod Kumar Arora) from the charges under Section 138 of the Negotiable Instruments Act, 1881 in CC no. 46414/2016. The matter is pending adjudication and is listed for hearing on December 20, 2021.

D. Proceedings under Section 138 of Negotiable Instruments Act

Our Promoter, DSL, has initiated 16 proceedings against defaulting customers under the Negotiable Instruments Act, 1881. 14 of such proceedings are still pending

E. Other than as mentioned below, there are no litigation or legal action pending or taken by any ministry or department of the government or a statutory authority against DSL during the last three years immediately preceding the year of the issue of this Draft Prospectus and that there have been no direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action

1. Adjudication proceedings were initiated against our Company pursuant to a show cause notice dated March 31, 2008 issued by SEBI (“**Show Cause Notice**”) to our Company under Rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995. The Show Cause Notice was issued in relation to synchronized reversal trades by our Company in the futures and options segment, during February and March 2005. SEBI disposed of the adjudication proceedings by its order dated April 27, 2018.
2. SEBI conducted Inspection of Stock broking/ DP Operations for DSL in December 2019 and communicated its findings thereto via a letter dated April 20, 2020, alleging non-compliance with Clause A (2) and A (5) of Code of Conduct under Schedule II of SEBI (Stock Broker) Regulations, 1992, that speak about exercise of due care and skill and compliance with statutory requirements by a stock broker, and the SEBI circulars dated April 23, 2010 and August 31, 2010 on execution of power of attorney by a client in favour of the stock broker, and Clause 2.2.1 (f) and (g) of SEBI Master Circular SEBI/HO/MIRSD/DOS3/CIR/P/2018/104 dated July 04, 2018 on client due diligence.

The Stock Broking, Depository business and other business related to stock broking of DSL have been transferred to Dhani Stocks Limited, a wholly owned subsidiary of DSL by way of a slump sale, on a going concern basis through a Business Transfer Agreement (BTA) with effect from February 21, 2020 and thereafter the said business of DSL has been carried out/managed by Dhani Stocks Limited. Reply to the SEBI inspection observation was sent to SEBI by Dhani Stocks Limited on May 20, 2020 denying the allegations. Inspection of Stock broking division has been concluded by BSE and BSE vide its letter dated September 7, 2021 issued warning, advised and imposed penalty of Rs 2.02 Lacs on the observed non-compliances. Inspection of DP Operations has been concluded by NSDL and NSDL vide its letter dated September 30, 2021 issued advice and imposed penalty of Rs 50,450/- on the observed non-compliances.

3. SEBI has issued a Show Cause Notice dated August 20, 2020 to DSL and their Company Secretary (collectively, the “**Noticees**”) under Section 15 I of Securities and Exchange Board of India, 1992 read with Rule 4(1) of SEBI (Procedure for Holding enquiry and imposing penalty) Rules, 1995 in the matter of Dhani Services Limited, wherein SEBI had provided their observations pursuant to an investigation conducted by them from January 1, 2017 to November 7, 2017. They had observed that there are sufficient grounds to inquire and adjudicate upon the alleged violations of the Minimum Standards for Code of Conduct to Regulate, Monitor and Report Trading by Insiders and the PTI Regulations and accordingly appointed an adjudicating officer by a communication order dated July 17, 2020 and issued this Show Cause Notice to call upon the Noticees to show cause as to why an enquiry should not be held against them. By order dated May 21, 2021 SEBI had imposed a penalty of Rs. 55 Lakhs on DSL and its Company Secretary, against which an appeal has been filed before the Securities Appellate Tribunal (“**SAT**”). SAT passed an interim order dated July 16, 2021, whereby it was noted that if DSL pays 50% of the penalty, the balance amount will not be recovered during the pendency of the appeal. DSL had complied with this conditional order. The appeal is now listed for December 22, 2021.
4. NSE had conducted regular inspection of Dhani Services Limited’s Stock Broking business for the period January 1, 2017 to December 31, 2017 in the month of March 2018. Pursuant to the said inspection, NSE issued a notice to DSL on August 29, 2018 listing their observations pursuant to the inspection alleging, *inter alia*, violation of Rules 8(1)(f) and 8(3)(f) of the Securities (Contracts) Regulations Rules, 1957 that prohibit members of a stock exchange from engaging in a business other than that of securities or commodities derivatives, either as a principal or employee. DSL provided their reply to the said observations on September 6, 2018 denying the above allegations on the grounds that, *inter alia*, subscribing to equity shares of a subsidiary is different than engaging in the business of the said subsidiary and, therefore, does not amount to violation of either of the above mentioned provisions. NSE replied to the Company’s reply on August 5, 2019 asking us to ensure that the non-compliances noted in their inspection do not occur in the future, and to take necessary corrective measures to ensure proper compliance with the relevant rules, bye laws and regulations of NSE and the circulars and directives issued thereunder.
5. Consequent to inspection of the Books of Accounts and other Statutory Records of our Promoter for the

FY 2014-2015 to FY 2016-2017 by the Ministry of Corporate Affairs (MCA), our Promoter had earlier received preliminary observation letter dated April 5, 2019, which was suitably responded by our Promoter on May 6, 2019. Pursuant to that, our Promoter and its Key Managerial Personnel(s) (KMPs) had received Show Cause Notices (“SCNs”) from Registrar of Companies, NCT of Delhi & Haryana (RoC) for non-compliance of certain provisions/disclosure requirements, which were on account of clerical omissions of certain disclosures of technical nature. To buy peace our Promoter and its KMPs, suo moto filed Compounding Applications/ Petitions in response to the SCNs received from RoC. Except few of such Applications / petitions the remaining Applications / petitions have been adjudicated and the Compounding Fees / Penalties levied have already been deposited with MCA by our Promoter and its KMPs and intimated to the concerned authorities.

III. Litigation involving Sameer Gehlaut, promoter of our Promoter, DSL

A. Material Civil proceedings

- a. Citizens Whistle Blower Forum (“CWBF”) has filed a writ petition before the Hon’ble High Court of Delhi on September 6, 2017 seeking directions for investigation by the Government Authorities into alleged violations by Indiabulls Housing Finance Ltd. (“IHFL”) and Mr. Sameer Gehlaut as its promoter (“Writ Petition”). The Court issued notice in the Writ Petition and has also issued notice to the CWBF on two applications filed by IHFL. One application was for initiation of perjury under Section 340 of CrPC against Prashant Bhushan (authorised representative of CWBF and signatory to the Writ Petition) for having made false statements on oath. The other application sought summary dismissal of the Writ Petition and was filed on September 27, 2019. SEBI has filed its counter affidavit to the Writ Petition on January 6, 2020, wherein it has been stated that there appears to be no specific allegations as far as non-compliance, if any, of the provisions of the SEBI Act, 1992, rules and regulations. MCA, in the Counter Affidavit filed by it on November 28, 2019, has said that out of the five borrower groups pertaining to whom allegations have been made in writ, loan of three groups has already been repaid and the other two are standard accounts. Further, RBI has also filed counter affidavit on February 26, 2020 and has not found any wrongdoing. The matter is currently listed for hearing on January 5, 2022.
- b. For details in relation to complaint filed by Daiichi Sanko Company Limited against Sameer Gehlaut, please see “– *Litigation involving our Directors*” beginning on page 206.

B. Material Tax proceedings

As on the date of this Draft Prospectus, there are no material tax proceedings involving Mr. Sameer Gehlaut.

- a. For details in relation to complaints filed by Raghani Property Holdings Private Limited and Mr. Ramesh Kumar Gupta against Mr. Sameer Gehlaut, please see “– *Litigation involving our Directors*” beginning on page 206.
- b. Lease Plan India Private Limited and another (“Complainants”) filed a complaint in the Court of Metropolitan Magistrate, New Delhi (“CMM, New Delhi”), against Store One Retail India Limited (“Store One”), Sameer Gehlaut, Shamsher Singh Ahlawat, Prem Prakash Mirdha, Anil Lepps, Mehul C. Johnson, Aishwarya Katoch, Mukul Bansal and Karan Singh, each impleaded in their capacity as directors of Store One (collectively, “Accused”), alleging the commission of offence punishable under Sections 406, 420 and 120-B of the IPC and seeking issuance of summons to the Accused to face trial and award compensation in terms of Section 357 of CrPC. Additionally, the Complainants filed an application dated April 24, 2012 before the Chief Judicial Magistrate, New Delhi, seeking for directions to be given to the concerned police station to register a first information report. By an order dated March 30, 2017 (“Impugned Order”), the CMM New Delhi dismissed the complaint filed before it. Subsequently, the Complainants have filed an application in the High Court of Delhi, New Delhi (“High Court of Delhi”), seeking quashing the Impugned Order and issue summons to the Accused to face trial for offences under Sections 406, 420 and 120-B the IPC. The matter is currently pending.

- c. Manisha Rajgaria (“**Complainant**”) filed a complaint dated July 19, 2010 before the Chief Judicial Magistrate, South 24 Parganas at Alipore (“**CJM, Alipore**”) against IHFL and Sameer Gehlaut, in his capacity as the erstwhile managing director of IHFL alleging commission of criminal breach of trust punishable under Section 406 of the IPC in relation to certain loan facilities extended by IHFL. The CJM, Alipore took cognizance of the matter and transferred the matter to the Judicial Magistrate, 10th Court, Alipore (“**JM, Alipore**”) for disposal. By an order dated July 29, 2010 (“**Impugned Order 1**”), the JM, Alipore issued process against Sameer Gehlaut. The matter was last heard on August 13, 2020. Additionally, IHFL has filed an application in the High Court of Calcutta, Criminal Revisional Jurisdiction (“**Calcutta High Court**”) seeking to, *inter alia*, (i) quash the Impugned Order 1 and the proceedings before the JM, Alipore; and (ii) stay the proceedings before the JM, Alipore. By an order dated June 20, 2011, the Calcutta High Court stayed the proceedings before the JM, Alipore for a period of 10 weeks. The matter is currently ongoing.

The Complainant further filed another complaint dated March 25, 2011 against IHFL, Mr. Sameer Gehlaut in his capacity as the director of IHFL and two of its former directors, Mr. Rajiv Ratan and Mr. Saurabh K Mitthal (“**Accused**”) on grounds of alleged criminal breach of trust punishable under Section 406 and commission of offenses punishable under Sections 420 and 120B of the IPC in relation for misappropriation of the cheques issued by the Complainant which was encashed by IHFL after the loan account was closed upon due payments made by the Complainant. The CJM, Alipore took cognizance of the matter and transferred the matter to JM, Alipore. By an order dated March 29, 2011 (“**Impugned Order 2**”), the JM, Alipore issued process against the Accused. Subsequently, IHFL filed an application in the Calcutta High Court seeking to, *inter alia*, (i) quash the Impugned Order 2 and the proceedings before the JM Alipore; and (ii) stay the proceedings before the JM, Alipore. By an order dated May 18, 2011, the Calcutta High Court stayed the proceedings before the JM, Alipore for a period of 10 weeks. The matter is currently ongoing.

- d. Deepak Gupta Education Trust has filed a Revision petition u/s 397 of Cr.PC 1973, against state & Ors. Including Mr. Sameer Gehlaut as Respondent No. 9 Challenging the order dated November 9, 2020 in CC. No. 7193 of 2018 in the matter titled Deepak Gupta Eductaion Trust Vs. State & Ors., wherein the LD. Metropolitan Magistrate, Patiala House Courts, New Delhi dismissed the Application of the petitioner filed U/s 156(3) of CrPC. The Complaint is filed by customer in relation to a residential unit booked by him in group housing project “Indiabulls Enigma” at sector 110 Gurugram. Wherein customer has alleged delay in handing over possession of the unit booked by him. The Revision petition is listed for January 22, 2022.

C. Statutory and Regulatory proceedings

As on the date of this Draft Prospectus, there are no statutory and regulatory proceedings initiated against the promoter of our Promoter, Mr. Sameer Gehlaut.

IV. Litigation involving our Directors

1. Mr. Gagan Banga

A. Material Civil proceedings

Daiichi Sanko Company Limited (through its power of attorney holder Vinay Prakash Singh) (“**Petitioner**”) filed a contempt petition in the Supreme Court of India against Sachin Chaudhary in his capacity as the managing director and CEO of IHFL, Sameer Gehlaut, Gagan Banga and Ashwani Kumar Hooda as the directors of IHFL, and Divyesh Bharat Kumar Shah, Pinak Shah (collectively, “**Indiabulls Contemnors**”), Malvinder Mohan Singh, Shivinder Mohan Singh, Vivek Singh, Japna Malvinder Singh and Aditi Shivinder Singh alleging wilful disobedience of orders dated August 31, 2017, February 15, 2018, February 23, 2018 and August 11, 2018 passed by the Supreme Court of India (collectively, “**SC Orders**”). Each of the SC Orders pertained to maintenance of status quo with regard to shareholding of Fortis Healthcare Holding Private Limited (“**FHHPL**”) in Fortis Healthcare Limited (“**FHL**”) and accordingly it was alleged by the Petitioner that the transfer of shares of FHL held by FHHPL kept in a depository account with Indiabulls Ventures Limited (“**IVL**”) by use of pre-signed instruction slips for transfer of shares under various pre-existing loan agreements, to IHFL. Through an order dated December 18, 2019, the Supreme Court of India closed the matter against Indiabulls Contemnors on account of deposit

of ₹17.934 crores and personal affidavit tendering apology.

Subsequently, through an order dated February 18, 2021, the Supreme Court of India directed each of the noticee banks and financial institution, including IHFL to place on record certain information including basic documents pertaining to loans advanced, nature of securities offered in connection with loan arrangements details of shares of FHL standing in the name of FHHPL sold by such banks/financial institutions from January 2017. IHFL through its affidavit dated February 22, 2021 submitted the required information and documents with the Supreme Court of India. The Supreme Court of India has reserved its orders on the application.

B. Material Tax proceedings

As on the date of this Draft Prospectus, there are no material tax proceedings involving Mr. Gagan Banga, above the materiality threshold.

C. Criminal proceedings

- a. Ramesh Kumar Gupta (“**Complainant**”) filed a complaint on September 26, 2006 against Gagan Banga, Shamsher Singh Ahlawat, Prem Prakash Mirdha, Sameer Gehlaut, Karan Singh, Rajiv Rattan, Saurabh Mittal, Ashwini Omprakash Kumar, in their capacity as the directors of Indiabulls Ventures Limited (erstwhile Indiabulls Securities Limited) (“**IVL**”), Amit Jain in his capacity as the company secretary of IVL and other employees of IVL, in Kaithal Police Station alleging commission of offences punishable under Sections 406, 420, 467, 468, 471 and 120-B of the IPC. Subsequently, the Complainant filed a complaint in the Court of Judicial Magistrate, Kaithal (Haryana) (“**CMM, Kaithal**”) against Indiabulls Ventures Limited, Gagan Banga, Shamsher Singh Ahlawat, Prem Prakash Mirdha, Sameer Gehlaut, Karan Singh, Rajiv Rattan, Saurabh Mittal, Ashwini Omprakash Kumar, Amit Jain and other employees of IVL in relation to a dispute regarding alleged unauthorised trading effected in his securities trading account. Through a letter dated October 6, 2006, the allegations were denied on the grounds that (i) Sameer Gehlaut, Ashwini Omprakash Kumar, Shamsher Singh Ahlawat, Prem Prakash Mirdha, Saurabh Mittal, Karan Singh were not directors of IVL; (ii) Gagan Banga and Rajiv Rattan were not involved in the day to day management of the trading in the accounts maintained by IVL; and (iii) Amit Jain was not the company secretary of IVL. We understand that upon completion of the investigation, a closure report has been filed by the police authorities as no cognizable offence has been made out. The matter is currently pending for closure in the CMM, Kaithal.
- b. Raghani Property Holdings Private Limited (the “**Complainant**”), filed a criminal complaint dated April 19, 2017, under Sections 406, 409, 420 and 506 read with Sections 34 and 120B of the IPC, before the Chief Metropolitan Magistrate, Calcutta (“**CMM, Calcutta**”) against Indiabulls Real Estate Limited, Labh Singh Sitara, Lucina Land Development Limited (“**LLDL**”), IHFL and the promoter, directors and key managerial persons of IHFL at the time i.e. Mr. Sameer Gehlaut, Mr. Gagan Banga, Mr. Prem Prakash Mirdha, Samesher Singh Ahlawat, Sachin Chaudhary, Ajit Kumar Mittal, Ashwini Omprakash Kumar, Kamlesh Shailesh Chandra Chakraborty, Manjari Ashok Kacker, Justice B P Singh and others (collectively, the “**Respondents**”) in relation to repayment of a loan extended to the Complainant. The Complainant alleged that the Respondents have entered into criminal conspiracy and have cheated the Complainant. The Complainant has also alleged that the Respondents have engaged in unilaterally modifying the terms of the “interest subvention scheme” under which the Complainant had availed loan from our Company to purchase of two apartments at “Indiabulls Greens” situated at Raigad, Maharashtra. The CMM, Calcutta took cognizance of the matter and transferred the matter to the Metropolitan Magistrate, 19th Court, Calcutta (“**MM Court, Calcutta**”) for enquiry and disposal. By an order dated April 25, 2017 (“**Impugned Order**”), the MM Court, Calcutta issued summons and processes against the Respondents. Subsequently, the Respondents filed a petition in the High Court of Calcutta, Criminal Revisional Jurisdiction (“**Calcutta High Court**”) seeking to (i) quash the Impugned Order and the proceedings before the CMM, Calcutta; and (ii) to stay the proceedings before the MM Court, Calcutta. By an order dated July 5, 2017 (“**Stay Order**”), the Calcutta High Court granted a stay on proceedings for six weeks or until further orders with liberty to apply for extension of the stay order. The stay granted through the Stay Order has been periodically extended through orders of the Calcutta High Court and was last extended by the Calcutta High Court on its own motion till September 15, 2021 with liberty to parties to apply for vacation of such order. Application for extension of Stay Order has been filed.

- c. Ms. Piyali Dey & another (the “**Complainant**”) filed a complaint under Section 17 of the Consumer Protection Act, 1986 before the Hon’ble State Consumer Disputes Redressal Commission, Kolkata, West Bengal, against, amongst others, Vedic Realty Private Limited (“**Respondent 1**”), Mr. Labh Singh Sitara and Mr. Gagan Banga, in the capacity of Directors of IDSL, and IDSL (acting in the capacity of a marketing associate) (the “**Respondents**”) (the “**Complaint**”). It was alleged by the Complainant that despite the payment of a consideration of ₹20,32,835 (“**Consideration**”) in relation to the purchase of a flat from Respondent 1, there was a delay on part of the Respondent to hand over the possession of the flat. Expecting delay in possession, the Complainant has made a request for cancellation of the booking and refund of amounts paid along with interest. The reply has been filed by IDSL, Mr. Labh Singh Sitara and Mr. Gagan Banga denying the allegations contained in the Complaint and stating that the Respondents were wrongly impleaded as parties in the matter. The matter is currently pending hearing and listed on March 14, 2022 for hearing.

D. Statutory and Regulatory proceedings

As on the date of this Draft Prospectus, there are no statutory or regulatory proceedings initiated against our director, Mr. Gagan Banga.

2. **Brig. (Retd.) Labh Singh Sitara**

A. Material Civil proceedings

As on the date of this Draft Prospectus, there are no material civil proceedings initiated against our director, Brig. (Retd.) Labh Singh Sitara.

B. Material Tax proceedings

3. As on the date of this Draft Prospectus, there are no material tax proceedings involving our director, Mr. Brig. (Retd.) Labh Singh Sitara.

C. Criminal proceedings

- a. For details in relation to complaint filed by Raghani Property Holdings Private Limited against Brig. (Retd.) Labh Singh Sitara, please see “– *Litigation involving our Directors*” beginning on page 206.
- b. Deepak Gupta Education Trust has filed a Revision petition u/s 397 of Cr.PC 1973, against state & Ors. including Brig. (Retd.) Labh Singh Sitara as Respondent No.8 Challenging the order dated November 09, 2020 in CC. No. 7193 of 2018 in the matter titled Deepak Gupta Education Trust v. State & Ors. , wherein the LD. Metropolitan Magistrate, Patiala House Courts, New Delhi dismissed the Application of the petitioner filed U/s 156(3) of CrPC. The Complaint is filed by customer in relation to a residential unit booked by him in group housing project “Indiabulls Enigma” at sector 110 Gurugram. Wherein customer has alleged delay in handing over possession of the unit booked by him. The Revision Petition is listed for January 22, 2022.

D. Statutory and Regulatory proceedings

As on the date of this Draft Prospectus, there are no statutory or regulatory proceedings initiated against our director, Brig. (Retd.) Labh Singh Sitara.

4. **Mr. Ajit Kumar Mittal**

A. Material Civil proceedings

5. As on the date of this Draft Prospectus, there are no material civil proceedings involving our director, Mr. Ajit Kumar Mittal.

B. Material Tax proceedings

6. As on the date of this Draft Prospectus, there are no material tax proceedings involving our director, Mr.

Ajit Kumar Mittal.

C. Criminal proceedings

- a. Mr. Arveen Nehraw (the “**Complainant**”) filed a consumer complaint on March 29, 2018 (the “**Complaint**”) before the National Consumer Disputes Redressal Commission, New Delhi (“**NCDRC**”) against Indiabulls Commercial Credit Limited (“**ICCL**”) and Mr. Ajit Kumar Mittal (collectively the “**Accused Persons**”) alleging that the Accused Persons have levied illegal foreclosure charges on the loan availed by the Complainant from them. The Complainant has, in his complaint, prayed for refund of the foreclosure charge along with interest from the date of payment to the date of disposal of the complaint. ICCL filed an application with NCDRC on November 18, 2018 seeking deletion of the name of the Directors from the array of parties to the Complaint. ICCL has also filed with the NCDRC a written statement on December 28, 2018. The matter was listed on April 9, 2021 for final hearing. On April 9, 2021, matter was adjourned to June 23, 2021 however after June 23, 2021 no date has been given, registry will notify the next date of hearing in due course.
- b. For details in relation to complaint filed by Raghani Property Holdings Private Limited against Mr. Ajit Kumar Mittal, please see “*Litigation involving our Directors*” beginning on page 206.

D. Statutory and Regulatory proceedings

As on the date of this Draft Prospectus, there are no statutory or regulatory proceedings initiated against our director, Mr. Ajit Kumar Mittal.

V. Litigation involving our Subsidiaries

1. Indiabulls Distribution Services Limited (“**IDSL**”)

IDSL was impleaded in a writ petition as a party in the capacity of a marketing agent. The petitioner, Sanjay Gajanan Wani (“**Petitioner**”), had booked one flat in the project being developed by Mahavir Patwa Developers & Construction Pvt. Ltd. (“**Developer**”). Thereafter, due to the Developer not undertaking constructions on time, the Petitioner decided to cancel the booking. Pursuant to the said cancellation, the Petitioner demanded a refund of the initial deposit made by him, but the Developer failed to refund the said amount to the Petitioner. Aggrieved by such failure, the Petitioner filed a complaint with the Police Station and also filed a writ petition seeking direction for registration of FIR and impleading IDSL in the capacity of a marketing agent. The petition is pending adjudication and next date of hearing is yet to be notified. The Petitioner also filed a consumer complaint against, *inter alia*, the Developer and IDSL, with the State Consumer Disputes Redressal Commission, Maharashtra (“**Commission**”) (“**Complaint**”), but the Commission *via* order dated December 18, 2019 ruled that the Complaint cannot be admitted against IDSL as there is no complaint of deficiency against them, and therefore only admitted the Complaint against the Developer and its directors.

VI. Litigation involving our Group Companies

1. Dhani Stocks Limited

- a. Ms. Manisha Patlankar (“**Petitioner/ Applicant**”) had filed a criminal case bearing number 431 of 2011 under Section 200 of CrPC, before the Court of the Judicial Magistrate, First Class, Kalyan. In the complaint, she alleged, amongst others, that an ex-employee of IBCL had enticed the Petitioner into opening an account with IBCL based on false representations. The petition is pending adjudication and listed on December 22, 2021. She had also initially filed an arbitration claim against Dhani Stocks Limited with MCX, Mumbai, wherein the arbitral award has been passed dismissing the claim of the Applicant.

2. Dhani Healthcare Limited

- a. Dhani Healthcare Limited (“**Assessee Company**”) engaged in providing consultancy services relating to investment and other matters, filed return of income for the annual year 2011-12, pursuant to which, a statutory notice was filed by the Principal Commissioner of Income Tax (“**Assessing Officer**”) under Section 143(2) of the Income Tax Act, 1961 (“**Act**”) for wrongful amount of taxable income and

expenditure filed in reference to investment and loan facilitations within the company. Invoking the provisions contained under Section 14A of the Act, read with Rule 8D of the Income Tax Rules, 1962, the Assessing Officer made a disallowance of interest expenditure of Rs. 31.26 crores on the grounds that it was a self-inflicted loss as the Assessee Company had accepted loans from its group companies amounting to Rs. 3,931 crores only to lend the same back to its other group companies at an interest rate similar to the rate of borrowing. The Assessee Company filed an appeal before CIT(A) dated March 17, 2015, who validated the observations of the Assessing Officer, pursuant to which, the Assessee Company filed an appeal with the Income Tax Appellate Tribunal (“ITAT”) on April 4, 2018 against the impugned CIT(A) order. The ITAT duly held the loans advanced by the Assessee Company to have a direct nexus with the interest income earned and the interest expenses incurred on grounds that the Assessee Company was in the business of money lending. Thus, the appeal was allowed in the Assessee Company’s favour and the ITAT deleted the disallowance of interest against returns for assessment year 2011-12. The ITAT order was appealed by the Assessing Officer in the High Court of Delhi. The matter is currently pending.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

At the meeting of the Board of Directors of our Company, held on January 14, 2019, the Directors approved the issue of NCDs to the public. Pursuant to such resolution, the present issue through this Draft Prospectus of NCDs of face value of ₹1,000 each for an amount of ₹1,500 million with an option to retain oversubscription of up to ₹1,500 million aggregating up to the ₹3,000 million was approved by the Bond Issue Committee of our Board of Directors in its meeting dated December 2, 2021.

Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013, duly approved by the Shareholders' *vide* their resolution passed at their AGM held on September 20, 2018.

Prohibition by SEBI

Our Company, persons in control of our Company and/or our Directors and/or our Promoter and/or our Promoter Group have not been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. None of our Directors and/or our Promoter, is a director or promoter of another company which is has been restrained, prohibited, or debarred by SEBI from accessing the securities market or dealing in securities.

Our Company is not in default of payment of interest or repayment of principal amount in respect of non-convertible securities, for a period of more than six-months.

None of our Directors and/or our Promoter have been declared as fugitive economic offenders.

The Company confirms that there are no fines or penalties levied by SEBI or the Stock Exchanges pending to be paid by the Company as on the date of this Draft Prospectus.

Wilful Defaulter

Our Company, our Directors and/or our Promoters have not been categorised as a wilful defaulter by the RBI, ECGC, any government / regulatory authority and/or by any bank or financial institution. None of our whole-time Directors and/or our Promoter, is a whole-time director or promoter of another company which is has been categorised as a wilful defaulter.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGERS, EDELWEISS FINANCIAL SERVICES LIMITED AND TRUST INVESTMENT ADVISORS PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

Disclaimer Clause of NSE

AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (HEREINAFTER REFERRED TO AS NSE). NSE HAS GIVEN *VIDE* ITS LETTER REF.: [●] DATED [●], PERMISSION TO THE ISSUER TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS ISSUER'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS DRAFT OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS ISSUER.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE AFORESAID PERMISSION GIVEN BY NSE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY NSE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; NOR DOES IT WARRANT THAT THIS ISSUER'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; NOR DOES IT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS ISSUER, ITS PROMOTER, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS ISSUER.

EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRE ANY SECURITIES OF THIS ISSUER MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION /ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR ANY OTHER REASON WHATSOEVER.

Disclaimer Clause of BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN *VIDE* ITS LETTER DATED [•], PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS THE STOCK EXCHANGE ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

- A. WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS DRAFT OFFER DOCUMENT; OR**
- B. WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR**
- C. TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTER, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY;**

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Disclaimer Clause of the RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED AUGUST 21, 2020 BEARING REGISTRATION NO. B-14.00909 ISSUED BY THE RESERVE BANK OF INDIA UNDER SECTION 45 IA OF THE RESERVE BANK OF INDIA ACT, 1934 TO CARRY ON THE ACTIVITIES OF A NBFC. HOWEVER, A COPY OF THIS DRAFT PROSPECTUS HAS NOT BEEN FILED WITH OR SUBMITTED TO THE RESERVE BANK OF INDIA ("RBI"). IT IS DISTINCTLY UNDERSTOOD THAT THIS DRAFT PROSPECTUS SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO BE APPROVED OR VETTED BY RBI. RBI DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE ISSUER OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE ISSUER AND FOR DISCHARGE OF LIABILITY BY THE ISSUER. BY ISSUING THE AFORESAID CERTIFICATE OF REGISTRATION DATED AUGUST 21,

2020 TO THE ISSUER, RBI NEITHER ACCEPTS ANY RESPONSIBILITY NOR GUARANTEE FOR THE PAYMENT OF ANY AMOUNT DUE TO ANY INVESTOR IN RESPECT OF THE PROPOSED NCDS.

Disclaimer Statement of Credit Rating Agencies

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Disclaimer statement from CRISIL

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Disclaimer statement from the Issuer

THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THIS DRAFT PROSPECTUS OR IN ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF OUR COMPANY AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

Disclaimer statement from the Lead Managers

THE LEAD MANAGERS ACCEPT NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THIS DRAFT PROSPECTUS OR IN ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE COMPANY AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

Disclaimer in Respect of Jurisdiction

THE ISSUE IS BEING MADE IN INDIA, TO INVESTORS FROM CATEGORY I, CATEGORY II, CATEGORY III AND CATEGORY IV. THIS DRAFT PROSPECTUS AND THE PROSPECTUS WILL NOT, HOWEVER CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE FOR THE NCDs OFFERED HEREBY IN ANY JURISDICTION OTHER THAN INDIA TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE AN OFFER OR INVITATION IN SUCH JURISDICTION. ANY PERSON INTO WHOSE POSSESSION THIS DRAFT PROSPECTUS AND THE PROSPECTUS COMES IS REQUIRED TO INFORM HIMSELF OR HERSELF ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

Undertaking by the Issuer

INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED. THE NCDs HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF THE “RISK FACTORS” CHAPTER ON PAGE [●].

OUR COMPANY, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THIS DRAFT PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, THAT THE INFORMATION CONTAINED IN THIS DRAFT PROSPECTUS IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THIS DRAFT PROSPECTUS AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING.

THE COMPANY HAS NO SIDE LETTER WITH ANY DEBT SECURITIES HOLDER EXCEPT THE ONE(S) DISCLOSED IN THIS DRAFT PROSPECTUS. ANY COVENANTS LATER ADDED SHALL BE DISCLOSED ON THE STOCK EXCHANGES WEBSITES.

OUR COMPANY DECLARES THAT NOTHING IN THIS DRAFT PROSPECTUS IS CONTRARY TO THE PROVISIONS OF COMPANIES ACT, 2013 (18 OF 2013), THE SECURITIES CONTRACTS (REGULATION) ACT, 1956 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES AND REGULATIONS MADE THEREUNDER.

Disclosures in accordance with the DT Circular

Debenture Trustee Agreement

Our Company has entered into a Debenture Trustee Agreement with the Debenture Trustee which provides for, inter alia, the following terms and conditions:

- a) The Debenture Trustee has agreed for a lumpsum fee amounting to ₹3,00,000.00 and annual charges of ₹ 4,50,000.00 for the services as agreed in terms of the letter dated December 1, 2021.
- b) The Debenture Trustee, either through itself or its agents / advisors / consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Offer Documents and the applicable laws, has been obtained. For the purpose of carrying out the due diligence as required in terms

of the applicable laws, the Debenture Trustee, either through itself or its agents/ advisors/ consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/ valuers/ consultants/ lawyers/ technical experts/ management consultants appointed by the Debenture Trustee;

- c) Our Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, sub-registrar of assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets proposed to secure the NCDs, whether owned by our Company or any other person, are registered / disclosed;
- d) The Debenture Trustee shall have the power to either independently appoint, or direct our Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee and the Debenture Trustee shall subsequently form an independent assessment that the assets for creation of security are sufficient to discharge the outstanding amounts on NCDs at all times. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports / certificates / documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by our Company;
- e) Our Company has undertaken to promptly furnish all and any information as may be required by the Debenture Trustee, including such information as required to be furnished in terms of the applicable laws and the Debenture Trust Deed on a regular basis;
- f) Our Company has agreed that the Issue proceeds shall be kept in the public issue account with a scheduled commercial bank and shall not be utilised by the Company until the Debenture Trust Deed and the relevant security documents are executed and until the listing and trading approval in respect of the NCDs is obtained by our Company; and
- g) The Debenture Trustee, ipso facto does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the NCDs.

Terms of carrying out due diligence

As per the SEBI Circular "SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 titled "Creation of Security in issuance of listed debt securities and due diligence by debenture trustee(s)", the Debenture Trustee is required to exercise independent due diligence to ensure that the assets of the Issuer are sufficient to discharge the interest and principal amount with respect to the debt securities of the Issuer at all times. Accordingly, the Debenture Trustee shall exercise due diligence as per the following process, for which our Company has consented to.

- a) The Debenture Trustee, either through itself or its agents / advisors / consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the offer document / disclosure document / information memorandum / private placement memorandum, have been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents / advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors / valuers / consultants / lawyers / technical experts / management consultants appointed by the Debenture Trustee.
- b) The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be relevant, where the assets and/or encumbrances in relation to the assets of the Company or any third party security provider are registered / disclosed.
- c) Further, in the event that existing charge holders have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the

existing charge holders about proposal of creation of further encumbrance and seeking their comments/objections, if any.

- d) Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the relevant laws/ applicable law.
- e) The Debenture Trustee shall have the power to either independently appoint or direct the Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.

Process of Due Diligence to be carried out by the Debenture Trustee

Due Diligence will be carried out as per SEBI (Debenture Trustees) Regulations, 1993, SEBI NCS Regulations and circulars issued by SEBI from time to time.

Other confirmations

The Debenture Trustee undertakes that the NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and Registrar of Companies or CERSAI or depository, etc., as applicable, or is independently verifiable by the Debenture Trustee.

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with applicable law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI circulars titled (i) "Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)" dated November 3, 2020; and (ii) "Monitoring and Disclosures by Debenture Trustee(s)" dated November 12, 2020.

BEACON TRUSTEESHIP LIMITED HAVE FURNISHED TO STOCK EXCHANGES AND SEBI A DUE DILIGENCE CERTIFICATE DATED DECEMBER 2, 2021, AS PER THE FORMAT SPECIFIED IN ANNEXURE A OF DT CIRCULAR AND SCHEDULE IV OF SEBI NCS REGULATIONS WHICH READS AS FOLLOWS:

- 1. WE HAVE EXAMINED DOCUMENTS PERTAINING TO THE SAID ISSUE AND OTHER SUCH RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS.**
- 2. ON THE BASIS OF SUCH EXAMINATION AND OF THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND ON INDEPENDENT VERIFICATION OF THE VARIOUS RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS, WE CONFIRM THAT:**
 - A. THE ISSUER HAS MADE ADEQUATE PROVISIONS FOR AND/OR HAS TAKEN STEPS TO PROVIDE FOR ADEQUATE SECURITY FOR THE DEBT SECURITIES TO BE ISSUED.**
 - B. THE ISSUER HAS OBTAINED THE PERMISSIONS / CONSENTS NECESSARY FOR CREATING SECURITY ON THE SAID PROPERTY(IES).**
 - C. THE ISSUER HAS MADE ALL THE RELEVANT DISCLOSURES ABOUT THE SECURITY AND ALSO ITS CONTINUED OBLIGATIONS TOWARDS THE HOLDERS OF DEBT SECURITIES.**
 - D. ISSUER HAS ADEQUATELY DISCLOSED ALL CONSENTS / PERMISSIONS REQUIRED FOR CREATION OF FURTHER CHARGE ON ASSETS IN OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM AND ALL DISCLOSURES MADE IN THE OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/**

INFORMATION MEMORANDUM WITH RESPECT TO CREATION OF SECURITY ARE IN CONFIRMATION WITH THE CLAUSES OF DEBENTURE TRUSTEE AGREEMENT.

- E. ISSUER HAS DISCLOSED ALL COVENANTS PROPOSED TO BE INCLUDED IN DEBENTURE TRUST DEED (INCLUDING ANY SIDE LETTER, ACCELERATED PAYMENT CLAUSE ETC.), OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM AND GIVE AN UNDERTAKING THAT DEBENTURE TRUST DEED WOULD BE EXECUTED BEFORE FILING OF LISTING APPLICATION.**
- F. ISSUER HAS GIVEN AN UNDERTAKING THAT CHARGE SHALL BE CREATED IN FAVOUR OF DEBENTURE TRUSTEE AS PER TERMS OF ISSUE BEFORE FILING OF LISTING APPLICATION.**
- G. ALL DISCLOSURES MADE IN DRAFT OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/INFORMATION MEMORANDUM WITH RESPECT TO THE DEBT SECURITIES ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE.**

WE HAVE SATISFIED OURSELVES ABOUT THE ABILITY OF THE ISSUER TO SERVICE THE DEBT SECURITIES.

Our Company undertakes that it shall submit the due diligence certificates from Debenture Trustee to the Stock Exchanges and SEBI as per format specified in Annexure A of the DT Circular and Schedule IV of the SEBI NCS Regulations.

Our Company and the Debenture Trustee will execute a Debenture Trust Deed specifying, *inter alia*, the powers, authorities and obligations of the Debenture Trustee and the Company, as per SEBI regulations applicable for the proposed NCD Issue.

Track record of past public issues handled by the Lead Managers

The track record of past issues handled by the Lead Managers, as required by SEBI circular number CIR/MIRSD/1/2012 dated January 10, 2012, are available at the following websites:

Name of Lead Manager	Website
Edelweiss Financial Services Limited	www.edelweissfin.com
Trust Investment Advisors Private Limited	www.trustgroup.in

Listing

The NCDs proposed to be offered through this Issue are proposed to be listed on BSE and NSE. An application has been made to the BSE and NSE for permission to deal in and for an official quotation of our NCDs. BSE has been appointed as the Designated Stock Exchange.

If permissions to deal in and for an official quotation of our NCDs are not granted by the BSE and NSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Draft Prospectus and the Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges mentioned above are taken within six Working Days from the date of closure of the Issue.

For the avoidance of doubt, it is hereby clarified that in the event of under subscription to any one or more of the series, such NCDs with series shall not be listed.

Our Company shall pay interest at 15% (fifteen) per annum if Allotment is not made and refund orders/allotment letters are not dispatched and/or demat credits are not made to investors within six Working Days of the Issue

Closing Date or date of refusal of the Stock Exchange(s), whichever is earlier. In case listing permission is not granted by the Stock Exchange(s) to our Company and if such money is not repaid within the day our Company becomes liable to repay it on such account, our Company and every officer in default shall, on and from expiry of such days, be liable to repay the money with interest at the rate of 15% as prescribed under Rule 3 of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 26 of the 2013 Act, provided that the beneficiary particulars relating to such Applicants as given by the Applicants is valid at the time of the upload of the demat credit.

Consents

Consents in writing of: (a) the Directors, (b) our Company Secretary and Compliance Officer, (c) Lead Managers, (d) the Registrar to the Issue, (e) Legal Advisor to the Issue, (f) Credit Rating Agencies, (g) CRISIL for use of their report titled 'NBFC Report 2021 dated October 2021' (h) the Debenture Trustee, (i) Chief Financial Officer, (j) Public Issue Account Bank and/or Sponsor Bank*, (k) Refund Bank*, (l) Lead Brokers / Consortium Members* and (m) lenders have been obtained and will be filed along with a copy of the Prospectus with the ROC as required under Section 26 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Prospectus with the ROC.

** The consents will be procured at the time of filing of the Prospectus*

Our Company has received written consent dated December 2, 2021 from Hem Sandeep & Co., Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with the SEBI NCS Regulations, in this Draft Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013, to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) examination reports, dated November 30, 2021 on our Reformatted Financial Statement; and (ii) their review reports dated November 30, 2021 on our Unaudited Interim Financial Statements, respectively, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

The consent from the Tax Auditor, namely, Ajay Sardana Associates, under Section 26(1) of the Companies Act, 2013 for inclusion of statement of tax benefits dated November 30, 2021, issued by them, in this Draft Prospectus has been obtained and it has not withdrawn such consent and the same will be filed with the RoC.

Our Company has appointed Beacon Trusteeship Limited as the Debenture Trustee under Regulation 8 of the SEBI NCS Regulations. The Debenture Trustee has given its consent to our Company for its appointment as Debenture Trustee to the Issue, pursuant to the SEBI NCS Regulations and for its name to be included in this Draft Prospectus, the Prospectus, and in all related advertisements, communications to the NCD holders or filings pursuant to the Issue, which is enclosed as Annexure B.

Expert Opinion

Except the following, our Company has not obtained any expert opinions in connection with this Draft Prospectus:

1. Our Company has received written consent dated December 2, 2021 from Hem Sandeep & Co., Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with the SEBI NCS Regulations, in this Draft Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013, to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) examination reports, dated November 30, 2021 on our Reformatted Financial Statement; and (ii) their review reports dated November 30, 2021 on our Unaudited Interim Financial Statements, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.
2. Our Company has received consent from Ajay Sardana Associates, to include their name as required under Section 26 (5) of the Companies Act, 2013 and as "Expert" as defined under Section 2(38) of the Companies Act, 2013 in this Draft Prospectus in respect of their statement of tax benefits dated November 30, 2021, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.
3. The above experts are not, and has not been, engaged or interested in the formation or promotion or management, of the Company and have given their written consent to the Company and has not withdrawn/will not withdraw such consent before the Prospectus will be filed with the RoC for registration.

Common form of Transfer

The Issuer undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Minimum Subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of the Base Issue Size, prior to the Issue Closing Date the entire subscription amount shall be unblocked in the Applicants ASBA Account within eight Working Days from the date of closure of the Issue, or such time as may be specified by SEBI. The refunded subscription amount shall be credited only to the account from which the relevant subscription amount was remitted. In the event, there is a delay by the our Company in unblocking the aforesaid ASBA Account within the prescribed time limit, our Company will pay interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the Operational Circular.

Filing of this Draft Prospectus

A copy of this Draft Prospectus is filed with the Stock Exchanges in terms of SEBI NCS Regulations for dissemination on their website prior to opening of the Issue. The Draft Prospectus is also displayed on the website of the Company and the Lead Managers.

Filing of the Prospectus

The Prospectus shall be filed with the RoC in accordance with Section 26 of the Companies Act, 2013.

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with Rule 16 of the SEBI Debt Regulations, any non-banking finance company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. The Government, in the union budget for the Financial Year 2019-20 had announced that non-banking finance companies raising funds in public issues would be exempt from the requirement of creating a DRR.

Pursuant to the amendment to the Companies (Share Capital & Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Draft Prospectus, the Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue. The Company shall, as per the Companies (Share Capital & Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;
2. in unencumbered securities of the Central Government or any State Government;
3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;

4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Details of Auditors to the Issue

Name of the Auditor	Address	Auditor since
Hem Sandeep & Co., Chartered Accountants	D 118 Saket, New Delhi - 110017	August 13, 2021

Change in Auditors of our Company during the last three years

Name of the Auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of Resignation
Walker Chandiok & Co LLP, Chartered Accountants	L-41, Connaught Circus, New Delhi - 110001	September 29, 2017	August 13, 2021	NA
Hem Sandeep & Co., Chartered Accountants	D 118 Saket, New Delhi - 110017	August 13, 2021	NA	NA

Issue Related Expenses

The expenses of this Issue include, *inter alia*, lead management fees and selling commission to the Lead Managers, Consortium Members/Lead Broker, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, printing and distribution expenses, legal fees, advertisement expenses and listing fees. The Issue expenses and listing fees will be paid by our Company. For further details see, "*Objects to the Issue*" on page 79.

Recovery Expense Fund

Our Company has already created a recovery expense fund in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchange and informed the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Kindly note, any default committed by the Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Series of NCDs under the Issue.

Underwriting

This Issue shall not be underwritten.

Reservation

No portion of this Issue has been reserved.

Utilisation of Proceeds

Our Board of Directors certifies that:

1. All monies received pursuant to the issue of NCDs to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013 and the SEBI NCS Regulations, and our Company will comply with the conditions as stated therein, and these monies will be transferred to Company's bank account after receipt of listing and trading approvals;
2. The allotment letter/intimation shall be issued, or application money shall be refunded in accordance with the applicable law failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period;
3. Details of all monies utilised out of the Issue shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised;
4. Details of all unutilised monies out of issue of NCDs, if any, shall be disclosed and continued to be disclosed under an appropriate separate head in our Balance Sheet till the time any part of the proceeds of the Issue remains unutilised indicating the form of financial assets in which such unutilised monies have been invested;
5. The Issue proceeds shall not be utilised towards full or part consideration for the purchase or any other acquisition, *inter alia*, by way of a lease, of any immovable property;
6. We shall utilise the Issue proceeds only after (i) receipt of minimum subscription, i.e., 75% of the Base Issue Size pertaining to the Issue; (ii) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (iii) creation of security; (iv) obtaining requisite permissions or consents for creation of *pari passu* charge over assets sought to be provided as Security; (v) obtaining listing and trading approval as stated in this Draft Prospectus in the section titled "*Issue Structure*" on page 236;

7. The Issue proceeds shall be utilised in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time. Further the Issue proceeds shall be utilised only for the purpose and objects stated in the Offer Documents; and
8. If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 6 Working Days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws.

Details of previous Issues

Other than as disclosed below, our Company has not made any issue of Equity Shares in the last three years:

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Premium per equity share (₹)	Issue price per equity share (₹)	Nature of Consideration	Cumulative Number of Equity Shares	Cumulative Equity Share Capital (₹)	Nature of Allotment
June 12, 2018	28,901,735	10	682	692	Cash	53,453,300	534,533,000	Rights issue
August 30, 2018	4,139,700	10	708	718	Cash	57,593,000	575,930,000	Rights issue
March 15, 2019	3,595,000	10	755	765	Cash	61,188,000	611,880,000	Preferential Issue

Note: Our Company has utilized the proceeds of the rights issue in line with the objects for which such rights issue funds were raised.

Our Company has made a public issuance of 62,62,053 secured redeemable non-convertible debentures of the face value of ₹ 1,000 amounting to ₹ 6,262.05 million, of which ₹2,434.95 million (as per Ind AS) is outstanding as of September 30, 2021, the details of which are set forth further below:

Date of Opening	February 4, 2019	
Date of closing	March 1, 2019	
Total issue size	₹ 30,000 million	
Total value of NCDs allotted	₹ 6,262.05 million	
Date of allotment(s)	March 8, 2019	
Objects of the Issue (as per the prospectus)	Object	Object % of amount proposed to be
	For the purpose of onward lending, financing, and for repayment of interest and principal of existing borrowings of the Company	At least 75%
	General corporate purposes	Maximum up to 25%
Net utilization of Issue proceeds	Fully utilized in accordance with the objects of the issue	

Further, our Company has also made a public issuance of 847,644 secured redeemable non-convertible debentures of the face value of ₹ 1,000 amounting to ₹ 847.64 million, of which ₹ 631.25 million (as per Ind AS) is outstanding as of September 30, 2021 the details of which are set forth further below:

Date of Opening	May 30, 2019	
Date of closing	June 21, 2019	
Total issue size	₹ 10,000 million	
Total value of NCDs allotted	₹ 847.64 million	
Date of allotment(s)	June 27, 2019	
Objects of the Issue (as per the prospectus)	Object	Object % of amount proposed to be
	For the purpose of onward lending, financing, and for repayment of interest and principal of existing borrowings of the Company	At least 75%
	General corporate purposes	Maximum up to 25%
Net utilization of Issue proceeds	Fully utilized in accordance with the objects of the issue	

Further, our Company has also made a public issuance of 834,384 secured redeemable non-convertible debentures of the face value of ₹ 1,000 amounting to ₹ 834.38 million, of which ₹ 230.54 million (as per Ind AS) is outstanding as of September 30, 2021, the details of which are set forth further below:

Date of Opening	July 31, 2019	
Date of closing	August 30, 2019	
Total issue size	₹ 10,000 million	
Total value of NCDs allotted	₹ 834.38 million	
Date of allotment(s)	September 06, 2019	
Objects of the Issue (as per the prospectus)	Object	Object % of amount proposed to be
	For the purpose of onward lending, financing, and for repayment of interest and principal of existing borrowings of the Company	At least 75%
	General corporate purposes	Maximum up to 25%
Net utilization of Issue proceeds	Fully utilized in accordance with the objects of the issue]	

Other than as mentioned above, our Company has raised funds for augmenting its capital adequacy requirements, long-term resources for meeting funding requirements for its business purposes and for general corporate purposes by way of private placement of debentures in the last three years. The funds have been fully utilized as per the objects mentioned in the respective information/private placement memorandums. In accordance with the objects of the above-mentioned issuance of debentures and equity shares on private placement basis.

Benefit/ interest accruing to Promoters/ Directors out of the object of the Issue

Neither the Promoter nor the Directors of our Company are interested in the Objects of the Issue.

Details regarding the Company and other listed companies under the same management within the meaning of section 370(1B) of the Companies Act, 1956 which made any capital issue during the last three years

Other than the details as disclosed below in relation to capital issues done by DSL, promoter of our Company, during the last three years, there are no other capital issuances made by the Company and other listed companies under the same management within the meaning of section 370(1B) of Companies Act, 1956.

Dhani Services Limited (formerly Indiabulls Ventures Limited)

DSL has raised funds by way of private placement of equity shares, warrants, compulsorily convertible debentures in the last three years. The funds have been fully utilized in accordance with the objects of such issuance of equity shares, warrants, compulsorily convertible debentures on private placement basis, being Investment in the Company to meet its business requirements and support the future growth of its business and subsidiaries.

Details regarding the Company, its Subsidiaries and other listed companies which are associate companies as described under the Companies Act, 2013, which made any capital issue during the last three years.

Nil

Other than as stated in “—*Details of previous Issues*” on page 222, the Company has not made any capital issue during the last three years.

Details regarding the previous issues of the Subsidiaries as on the date of this Draft Prospectus:**Indiabulls Distribution Services Limited**

Date of Allotment	No. of Equity shares	Issue Price per share (Rs.)	Premium per share (Rs.)	Nature of Allotment	Cumulative	
					No. of Equity share	Equity Share Capital (Rs)
March 19, 2020	3,08,220	10	14,590	Preferential Allotment	3,58,220	35,82,200

Indiabulls Investment Advisors Limited

Date of Allotment	No. of Equity shares	Issue Price per share (Rs.)	Premium per share (Rs.)	Nature of Allotment	Cumulative	
					No. of Equity share	Equity Share Capital (Rs)
March 20, 2020	35,00,00,000	10	Nil	Preferential Allotment	35,55,00,000	3,55,50,00,000

TranServ Limited

Date of allotment	Number of Equity Shares allotted	Number of Preference Shares	Face value per Equity Share	Face value per Preference Share	Premium per Equity Share (₹)	Premium per Preference Share (₹)	Issue price per Equity Share (₹)	Issue price per Preference Share (₹)	Nature of Consideration	Cumulative Number of Equity Shares	Cumulative Number of Preference Shares	Cumulative Equity Share Capital	Cumulative Share Premium (₹)	Nature of Allotment
June 30, 2018	6,78,130		10.00		34.35		44.35		Other than cash	44,88,915	1304431	4,48,89,150	67,81,23,725.4	Conversion of 0.001% compulsory convertible debentures
March 26, 2019	3,02,217		10.00		2.14		12.14		Cash	47,91,132	1304431	4,79,11,320	67,87,70,469.8	Private Placement
March 26, 2019	1,96,894		10.00		34.35		44.35		Other than cash	49,88,026	NIL	4,98,80,260	68,55,34,055.8	Conversion of 0.001% compulsory conv

Date of allotment	Number of Equity Shares allotted	Number of Preference Shares	Face value per Equity Share	Face value per Preference Share	Premium per Equity Share (₹)	Premium per Preference Share (₹)	Issue price per Equity Share (₹)	Issue price per Preference Share (₹)	Nature of Consideration	Cumulative Number of Equity Shares	Cumulative Number of Preference Shares	Cumulative Equity Share Capital	Cumulative Share Premium (₹)	Nature of Allotment
														Convertible debentures
March 26, 2019	2,25,670		10.00		120.28		130.28		Other than cash	52,13,696	NIL	5,21,36,960	71,26,77,323.8	Conversion of class A 0.001% CCP S
March 26, 2019	12,65,439		10.00		40.00		50.00		Other than cash	64,79,135	NIL	6,47,91,350	7,63,29,488.38	Conversion of class B 0.001% CCP S

Previous Issues by our Group Companies

Dhani Stocks Limited (formerly Indiabulls Securities Limited)

Date of allotment	No. of equity shares allotted	Issue price per share (Rs.)	Premium per share (Rs.)	Nature of allotment	Cumulative	
					No. of equity share	Equity share capital (Rs)
February 20, 2020	1,31,00,000	10	Nil	Preferential Allotment	1,37,00,000	13,70,00,000

Revaluation of assets

Our Company has not revalued its assets in the last five years.

Details regarding lending out of Issue proceeds of previous issues and loans advanced by the Company

A. Lending Policy

Please see “Our Business” at page 112.

B. Loans/advances to associates, entities/persons relating to Board, senior management or Promoter or group entities out of the proceeds of previous issues

Company has not provided any loans or advances to associates, entities or persons relating to the Board, senior management, or Promoters out of the proceeds of the previous issues of debt securities.

C. Types of loans

- Types of loans given by the Company as on March 31, 2021 are as follows:

S. No	Type of loans	Amount (₹ in million)	Percentage (in %)
1	Secured	7,195.83	17.30
2	Unsecured	34,407.94	82.70
	Total loan book*	41,603.77	100.00

* Information required at borrower level (and not by loan account as customer may have multiple loan accounts);

- Denomination of loans outstanding by ticket size* as on March 31, 2021 are as follows:

S. No.	Ticket size	Percentage of AUM (in %)
1	Upto ₹2 lakh	47.93%
2	₹2-5 lakh	10.25%
3	₹5-10 lakh	2.91%
4	₹10-25 lakh	5.74%
5	₹50lakh-1 crore	2.77%
6	₹1-5 crore	0.68%

S. No.	Ticket size	Percentage of AUM (in %)
7	₹5-25 crore	7.55%
8	₹25-100 crore	6.23%
9	>₹100 crore	10.45%
	Total	5.48%

* Ticket size at the time of origination.

- Denomination of loans outstanding by LTV* as on March 31, 2021 are as follows:

S. No	LTV	Percentage of Loan Book (in %)
1	Upto 40%	15.37%
2	40-50%	36.90%
3	50-60%	36.54%
4	60-70%	6.93%
5	70-80%	4.27%
6	80-90%	0.00%
7	>90%	0.00%
	Total	100.00%

* LTV at the time of origination and does not include unsecured loans AUM.

- Geographical classification of top 5 states borrower wise as on March 31, 2021 is as follows

Sr. No.	Top 5 States	Percentage of AUM (in %)
1	Maharashtra	35%
2	Delhi	16%
3	Haryana	7%
4	Gujarat	5%
5	Karnataka	5%
	Total	68%

- Types of loans according to sectoral exposure as on March 31, 2021 is as follows:

S. No	Segment- wise breakup of AUM	Percentage of AUM
1.	Mortgages (home loans and loans against property)	14.89%
2.	Gold loans	0.00%

3.	Vehicle finance	0.00%
4.	MFI	0.00%
5.	MSME	0.00%
6.	Capital market funding (loans against shares, margin funding)	0.00%
7.	Others	82.70%
8.	Infrastructure	0.00%
9.	Real Estate (including builder loans)	2.41%
10.	Promoter funding	0.00%
11.	Any other sector (as applicable)	0.00%
	Total	100.00%

- **Maturity profile of total loan portfolio of the Company as on March 31, 2021 is as follows:**

Period	Amount (₹ in millions)
1 to 7 days	325.00
8 to 14 days	325.00
15 days to 30 /31 days	650.00
Over one month to 2 months	1,290.00
Over 2 months to 3 months	1,280.00
Over 3 months to 6 months	3,780.00
Over 6 months to 1 year	7,750.00
Over 1 year to 3 years	19,458.84
Over 3 years to 5 years	3,000.00
Over 5 years	433.63
Total	38,292.47

- **Details of loans overdue and classified as non – performing in accordance with the RBI guidelines as on March 31, 2021**

Movement of gross NPAs*	Amount (₹ in millions)
(a) Opening balance	909.50
(b) Additions during the year	5,202.19
(c) Reductions during the year	1,841.54
(d) closing balance	4,270.15

*indicated the gross NPA recognition policy (Day's Past Due)

Movement of provisions for NPAs	Amount (₹ in millions)
(a) Opening balance	563.52
(b) Provisions made during the year	4,240.96
(c) Write-off/write b-back of excess provisions	1,493.16
(d) closing balance	3,311.32

Movement of NPAs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
(I) Net NPAs to Net Advances (%)	2.50%	0.74%	0.25%
(II) Movement of NPAs (Gross)			
(a) Opening balance	909.50	841.30	20.80
(b) Additions during the year	5,202.19	3,688.74	970.90
(c) Reductions during the year	1,841.54	3,620.54	150.40
(d) closing balance	4,270.14	909.50	841.30
(III) Movement of Net NPAs			
(a) Opening balance	345.98	263.14	4.09
(b) Additions during the year	961.24	1,064.21	376.22
(c) Reductions during the year	348.38	981.37	117.17
(d) closing balance	958.83	345.98	263.14
IV) Movement of provisions for NPAs (excluding provisions on standard assets)			
(a) Opening balance	563.52	578.15	16.71
(b) Provisions made during the year	4,240.96	2,624.53	594.68
(c) Write-off/write-back of excess provisions	1,493.16	2,639.17	33.23
(d) Closing balance	3,311.32	563.52	578.16

- **Aggregated exposure to top 20 borrowers with respect to concentration of advances as on March 31, 2021**

	Amount (₹ in millions)
Total Advances to twenty largest borrowers (₹ in million)	13513.86
Percentage of Advances to twenty largest borrowers to Total Advances to our Company (%)	32.48%

- **Aggregated exposure to top 20 borrowers with respect to concentration of exposures as on March 31, 2021**

	Amount (₹ in millions)
Total Exposures to twenty largest borrowers/Customers (₹ in million)	13513.86
Percentage of Exposures to twenty largest borrowers/Customers to Total Advances of our Company on borrowers/Customers (%)	32.48%

- **Segment –wise gross NPA as on March 31, 2021**

S. No	Segment- wise breakup of gross NPAs	Gross NPA (%)
1.	Mortgages (home loans and loans against property)	0.75%
2.	Gold loans	0.00%
3.	Vehicle finance	0.00%
4.	MFI	0.00%
5.	MSME & Business Loans (Unsecured)	0.00%
6.	Capital market funding (loans against shares, margin funding)	0.00%
7.	Others	9.48%
8.	Infrastructure	0.00%
9.	Real Estate (including builder loans)	0.03%
10.	Promoter funding	0.00%
11.	Any other sector (as applicable)	0.00%
	Total	10.26%

D. Concentration of Exposure and NPA as of March 31, 2021

Particulars	FY 21	FY 20	FY 19
Gross NPA / Gross Stage 3	4,270.15	909.50	841.30
Net NPA / Net Stage 3	958.83	345.98	263.14
Total Exposure to top 4 NPA accounts	197.32	124.11	111.75

ECL allowance Stage 3 on a standalone basis derived from the Reformatted Financial Statements for Fiscal 2021 was Rs.3,311.32 million.

E. Promoter Shareholding

There is no change in promoter holdings in the Company beyond the threshold level stipulated at 26% during the last financial year.

- **Residual maturity profile of assets and liabilities as on March 31, 2021**

(₹ in million)

	1 to 30/31 days (one month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	over 3 to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	1,300.00	1,290.00	1,280.00	3,780.00	7,750.00	19,458.84	3,000.00	433.63	38,292.46
Investments	2,032.83	5,000.00	1,500.00	6,248.26	-	-	-	9,312.95	24,094.05
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Borrowings (including liabilities against securitized assets)	400.50	6,889.01	680.00	8,371.69	2,924.47	10,998.40	1,321.29	-	31,585.37
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

Debentures or bonds and redeemable preference shares and other instruments issued by our Company and outstanding

Other than the privately placed listed secured debentures disclosed under “*Financial Indebtedness*” on page 187, our Company does not have listed rated/ unrated, secured/ unsecured, non-convertible redeemable debentures and listed subordinated debt as on September 30, 2021.

Dividend

Our Company has no stated dividend policy. The declaration and payment of dividends on our shares will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition.

(a) The following table details the dividend declared by our Company on the Equity Shares for the Fiscal 2021, Fiscal 2020, and Fiscal 2019:

Particulars	Financial Performance		
	Fiscal 2021	Fiscal 2020	Fiscal 2019
Equity Share Capital (₹ in million)	611.88	611.88	611.88
Face Value Per Equity Share (in ₹)	10	10	10
Interim Dividend on Equity Shares (₹ in million)	Nil	1,728.56	462.80
Final Dividend on Equity Shares	Nil	Nil	Nil
Total Dividend on Equity Shares (₹ in million)*	Nil	1,728.56	462.80
Dividend Declared Rate (In %)	Nil	282.50	188.50
Dividend Distribution Tax (₹ in million)	Nil	355.31	95.13

* Excluding dividend distribution tax

Board of the Company (the “**Board**”) at its meeting held on April 25, 2019 has declared an interim dividend of ₹ 9.25 per fully paid-up Equity Share and the Board at its meeting held on January 23, 2020 has declared an interim dividend of ₹ 19.00 per fully paid up Equity Share for Fiscal 2020.

(b) The following table details the dividends declared by our Company on its Preference Shares of face value of ₹10 per preference share for the Fiscal 2021, 2020 and 2019:

Particulars	Financial Performance		
	Fiscal 2021	Fiscal 2020	Fiscal 2019
Preference Share Capital (₹ in million)	Nil	Nil	Nil
Face Value Per Preference Share (in ₹)	Nil	Nil	10
Interim Dividend on Preference Shares (₹ in million)	Nil	Nil	0.00
Final Dividend on Preference Shares	Nil	Nil	Nil
Total Dividend on Preference Shares (₹ in million)*	Nil	Nil	0.0001
Dividend Declared Rate (In %)	Nil	Nil	0.001
Dividend Rate (In %)	Nil	Nil	0.001
Dividend Distribution Tax** (₹ in million)	Nil	Nil	0.00

* Excluding dividend distribution tax

**Dividend on preference shares is ₹550 and corporate dividend tax of ₹113 for the financial year ended March 31, 2019]

Mechanism for redressal of investor grievances

The Registrar Agreement dated December 1, 2021 between the Registrar to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the Allotment Advice, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances. All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, Series applied for, number of NCDs applied for, amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchange, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchange or through their Trading Members. The Intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

The contact details of Registrar to the Issue are as follows:

KFIN Technologies Private Limited (formerly known as Karvy Fintech Private Limited)

Selenium Tower B, Plot No – 31 & 32,
Financial District, Nanakramguda, Serilingampally
Hyderabad Rangareddy, Telangana– 500 032
Telephone No.: +91 40 6716 2222
Facsimile No.: +91 40 2343 1551
Email: dhani.ncd@kfintech.com
Investor Grievance Email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M. Murali Krishna
SEBI Registration Number: INR000000221
CIN: U67200TG2017PTC117649

The Registrar shall endeavour to redress complaints of the investors within three (3) days of receipt of the complaint during the currency of this MoU and continue to do so during the period it is required to maintain records under the RTA Regulations and our Company shall extend necessary co-operation to the Registrar for its complying with the said regulations. However, the Registrar shall ensure that the time taken to redress investor complaints does not exceed fifteen (15) days from the date of receipt of complaint. The Registrar shall provide a status report of investor complaints and grievances on a fortnightly basis to our Company. Similar status reports should also be provided to our Company as and when required by our Company.

The details of the person appointed to act as the Company Secretary and Compliance Officer for the purposes of this Issue are set out below:

Mr. Manish Rustagi
Company Secretary & Compliance Officer

Dhani Loans and Services Limited (*formerly Indiabulls Consumer Finance Limited*)
448-451, Udyog Vihar
Phase - V
Gurugram - 122 016, India
Telephone No.: + 91 124 668 5899
Facsimile No.: + 91 124 668 1240
Email: mrustagi@dhani.com

Investors may contact the Registrar to the Issue or the Compliance Officer in case of any pre-issue or post Issue related issues such as non-receipt of Allotment Advice, demat credit, refund orders, non-receipt of Debenture Certificates, transfers, or interest on application amount etc.

Reservations/ Qualifications/ Adverse Remarks or Emphasis of Matter by Auditors

There have been no reservations or qualifications or adverse remarks of auditors in respect of our Financial Statements in the last three financial years from the date of this Draft Prospectus. For details in relation to emphasis of matter, please see “*Financial Statements*” on page 185.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will contain the information as prescribed in Schedule V of SEBI NCS Regulations in compliance with the Regulation 30 of SEBI NCS Regulations. Material updates, if any, between the date of filing of the Prospectus with RoC and the date of release of the statutory advertisement, will be included in the statutory advertisement.

Trading

Debt securities issued by our Company, which are listed on BSE and NSE’s wholesale debt market are infrequently traded with limited or no volumes. Consequently, there has been no material fluctuation in prices or volumes of such listed debt securities.

Caution

Attention of the applicants is specifically drawn to the provision of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of the Companies Act, 2013”

SECTION VII- ISSUE RELATED INFORMATION

ISSUE STRUCTURE

The following are the key terms of the NCDs. This chapter should be read in conjunction with and is qualified in its entirety by more detailed information in “*Terms of the Issue*” on page 241.

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, the Debt Listing Agreement, and the Companies Act, 2013, the RBI Act, the terms of this Draft Prospectus, the Prospectus, the Application Form, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, and other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, RBI, the GoI, and other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

The key common terms and conditions of the NCDs are as follows:

Issuer	Dhani Loans and Services Limited
Type of instrument/ Name of the security/ Seniority	Secured Redeemable Non-Convertible Debentures
Nature of the instrument	Secured Redeemable Non-Convertible Debenture
Mode of the issue	Public issue
Eligible investors	Please see “ <i>Issue Procedure – Who can apply?</i> ” on page 258
Listing	The NCDs are proposed to be listed on NSE and BSE. . BSE shall be the Designated Stock Exchange for this Issue. The NCDs shall be listed within six Working Days from the date of Issue Closure. For more information see “ <i>Other Regulatory and Statutory Disclosures</i> ” on page 211
Credit ratings	IVR AA/ Stable Outlook by Informerics
Base Issue Size	₹1,500 million
Issue Size	Public issue of secured redeemable NCDs of our Company of face value of ₹1,000 each aggregating up to ₹1,500 million, with an option to retain over-subscription up to ₹1,500 million, aggregating up to ₹3,000 million, on the terms and in the manner set forth herein
Option to retain Oversubscription Amount	₹1,500 million
Objects of the Issue	Please see “ <i>Objects of the Issue</i> ” on page 79
Details of utilization of the proceeds	Please see “ <i>Objects of the Issue</i> ” on page 79
Lead Managers	Edelweiss Financial Services Limited and Trust Investment Advisors Private Limited
Debenture Trustee	Beacon Trusteeship Limited
Market Lot/ Trading Lot	One NCD
Registrar	KFIN Technologies Private Limited
Issue	Public issue by our Company of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹1,000 each, aggregating up to ₹1,500 million, with an option to retain oversubscription up to ₹1,500 million aggregating to ₹3,000 million on the terms and in the manner set forth herein.
Interest rate for each category of investors	Please see “ <i>Terms of the Issue</i> ” on page 241
Step up/ Step down interest rates	Not applicable
Frequency of interest payment	Please see “ <i>Issue Structure – Specific Terms of NCDs</i> ” on page 239
Interest payment date	Please see “ <i>Issue Structure – Specific Terms of NCDs</i> ” on page 239
Interest type	Please see “ <i>Issue Structure – Specific Terms of NCDs</i> ” on page 239
Interest reset process	Please see “ <i>Issue Structure – Specific Terms of NCDs</i> ” on page 239
Day count basis	Actual/ Actual
Interest on application money	Please see “ <i>Terms of the Issue</i> ” on page 241
Default interest rate	Our Company shall pay interest in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits

	prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws
Tenor	Please see “ <i>Issue Structure – Specific Terms of NCDs</i> ” on page 239
Redemption Date	[●]
Redemption Amount	The principal amount of the NCDs along with interest accrued on them, if any, as on the Redemption Date.
Redemption premium/ discount	Not applicable
Issue Price (in ₹)	₹ 1,000 per NCD
Discount at which security is issued and the effective yield as a result of such discount.	Not applicable
Put option date	Not applicable
Put option price	Not applicable
Call option date	Not applicable
Call option price	Not applicable
Put notification time	Not applicable
Call notification time	Not applicable
Face value	₹1,000 per NCD
Minimum Application size and in multiples of NCD thereafter	10 NCDs i.e., ₹10,000 (across all Series of NCDs)
Issue opening date	[●]
Issue closing date**	[●]
Issue schedule	[●]
Pay-in date	Application Date. The entire Application Amount is payable on Application
Modes of payment	Please see “ <i>Issue Procedure – Terms of Payment</i> ” on page 240
Deemed date of Allotment	The date on which the Board or the Bond Issue Committee approves the Allotment of the NCDs or such date as may be determined by the Board of Directors or the Bond Issue Committee and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to NCD Holders from the Deemed Date of Allotment.
Issuance mode of the instrument	Public Issue of NCDs in dematerialised form only*
Trading mode of the instrument	In dematerialised form only
Mode of settlement	Please refer to the chapter titled “ <i>Terms of Issue – Payment on Redemption</i> ” on page 252
Minimum subscription	Minimum subscription is 75% of the Base Issue, i.e., ₹1,125 million
Depositories	NSDL and CDSL
Working day convention/ Effect of holidays on payment	Working Day means all days on which commercial banks in Mumbai are open for business. If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day (the “Effective Date”), however the dates of the future interest payments would continue to be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.
Record date	The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 Working Days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchanges,

	<p>as the case may be.</p> <p>In case Record Date falls on a day when Stock Exchange is having a trading holiday, the immediate subsequent trading day will be deemed as the Record Date.</p>
Seniority	Senior (to clarify, the claims of the NCD Holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements).
All covenants of the issue (including side letters, accelerated payment clause, etc.)	Please refer to the chapter titled “ <i>Terms of the Issue</i> ” on page 241.
Asset cover and description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum.	<p>The NCDs proposed to be issued will be secured by a first ranking <i>pari passu</i> charge on present and future receivables and current assets of the Issuer for the principal amount and accrued interest thereon as specifically set out in and fully described in the Debenture Trust Deed. The NCDs will have a security cover of minimum one time on the principal amount and interest thereon at all times during the tenor of the NCDs. The Issuer reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a charge on <i>pari passu</i> or exclusive basis thereon for its present and future financial requirements provided that a minimum security cover of one time on the principal amount and accrued interest thereon, is maintained. However, if consent and/or intimation is required under applicable law, then the Issuer shall obtain such consents and/ or intimation in accordance with such law. We have received necessary consents from the relevant lenders, debenture trustees and security trustees for ceding <i>pari passu</i> charge in favour of the Debenture Trustee in relation to the NCDs. The NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and RoC or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee. For further details on date of creation of security/likely date of creation of security, minimum security cover etc, please refer to the “<i>Terms of the Issue – Security</i>” on page 241. Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 18 of the SEBI NCS Regulations or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent.) per annum to the NCD holders, over and above the interest rate on the NCDs, till the execution of the Debenture Trust Deed.</p> <p>The security shall be created prior to making the listing application for the NCDs with the Stock Exchange(s). The revaluation and replacement of the security shall be in accordance with the Debenture Trust Deed.</p>
Issue documents	This Draft Prospectus and the Prospectus, read with any notices, corrigenda, addenda thereto, the Debenture Trust Deed and other documents, if applicable, and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Managers and/or other intermediaries for the purpose of this Issue including but not limited to the Issue Agreement, Debenture Trust Deed, the Debenture Trustee Agreement, the Tripartite Agreements, the Registrar Agreement. For further details, see “ <i>Material Contracts and Documents for Inspection</i> ” on page 293.
Conditions precedent to disbursement	Other than the conditions specified in the SEBI NCS Regulations and the Debenture Trust Deed, there are no conditions precedent to disbursement.
Conditions subsequent to disbursement	Other than the conditions specified in the SEBI NCS Regulations and Debenture Trust Deed, there are no conditions subsequent to disbursement.
Events of default / cross default (including manner of voting/conditions of joining Inter Creditor Agreement)	Please see “ <i>Terms of the Issue – Events of Default</i> ” on page 243.

Creation of recovery expense fund	Our Company has already created a recovery expense fund in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 as amended from time to time and Regulation 11 of the SEBI NCS Regulations with the Designated Stock Exchange and informed the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	The conditions for breach of covenants will be finalised upon execution of the Debenture Trust Deed which shall be executed within a period specified under Regulation 18 of SEBI NCS Regulations.
Provisions related to Cross Default Clause	Please refer to the chapter titled “ <i>Terms of Issue – Events of Default</i> ” on page 243.
Roles and responsibilities of the Debenture Trustee	Please see “ <i>Terms of the Issue – Trustees for the NCD Holders</i> ” on page 242
Risk factors pertaining to the issue	Please see “ <i>Risk Factors</i> ” on page 19
Governing law and jurisdiction	The governing law and jurisdiction for the purpose of the Issue shall be Indian law, and the competent courts of jurisdiction in New Delhi, India, respectively.

* In terms of Regulation 7 of the SEBI NCS Regulations, our Company will undertake this public issue of the NCDs in dematerialised form. However, in terms of section 8(1) of the Depositories Act, our Company, at the request of the Investors who wish to hold the NCDs in physical form will fulfil such request. However, trading in NCDs shall be compulsorily in dematerialized form.

** The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated above, except that the Issue may close on such earlier date or extended date (subject to a maximum of 30 days from the date of the Prospectus) as may be decided by the Board of Directors of our Company or Bond Issue Committee thereof subject to receipt of necessary approvals. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement and advertisement for opening or closure of the Issue have been given on or before such earlier or extended date of Issue closure. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the BSE and NSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day post the Issue Closing Date.

While the NCDs are secured to the tune of 100% of the principal and interest amount or as per the terms of offer document, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained and the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Please see “*Issue Procedure*” on page 257 for details of category wise eligibility and allotment in the Issue.

SPECIFIC TERMS OF NCDs

[•]

Interest and Payment of Interest

[•]

Day count convention

Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.

Please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Draft Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the transferee of deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs subject to such Transferee holding the NCDs on the Record Date.

Terms of payment

The entire face value per NCDs is payable on application (except in case of ASBA Applicants). In case of ASBA Applicants, the entire amount of face value of NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall refund the amount paid on application to the Applicant, in accordance with the terms specified in “*Terms of Issue – Manner of Payment of Interest / Redemption Amounts*” on page 249.

Participation by any of the above-mentioned Investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue. Further, Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

The NCDs have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the NCDs have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the “**Securities Act**”) or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof. This Draft Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account (in case of Applicants applying for Allotment of the NCDs in dematerialized form) held in joint names. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

For further details, please see “*Issue Procedure*” on page 257.

TERMS OF THE ISSUE

Authority for the Issue

This Issue has been authorised by the Board of Directors of our Company pursuant to a resolution passed at their meeting held on January 14, 2019. Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013 duly approved by the Shareholders' *vide* their resolution approved at the annual general meeting dated September 20, 2018.

Principal Terms and Conditions of this Issue

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, the Act, the Memorandum and Articles of Association of our Company, the terms of this Draft Prospectus, the Application Forms, the terms and conditions of the Debenture Trust Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI/the Government of India/the Stock Exchanges, RBI and/or other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of NCDs

The NCDs would constitute secured and senior obligations of our Company and shall be first ranking *pari passu* with the existing secured creditors on all loans and advances/ book debts/ receivables, both present and future, of our Company equal to the value one time of the debentures outstanding plus interest accrued thereon, and subject to any obligations under applicable statutory and/or regulatory requirements. The NCDs proposed to be issued under the Issue and all earlier issues of secured debentures outstanding in the books of our Company, shall be first ranking *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption. Our Company confirms that all permissions and/or consents for creation of a *pari passu* charge on the book debts/ loans and advances/ receivables, both present and future and immovable property as stated above, have been obtained from all relevant creditors, lenders and debenture trustees of our Company, who have an existing charge over the above mentioned assets.

Our Company is required to obtain permissions or consents from the prior creditors for proceeding with this Issue. Pursuant to SEBI Circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020, our Company undertakes, inter alia, that the assets on which charge is created are already charged, the permissions or consent to create *pari passu* charge on the assets of the Company have been obtained from the earlier creditors.

Security

The NCDs proposed to be issued will be secured by a first ranking *pari passu* charge on present and future receivables and current assets of the Issuer for the principal amount and accrued interest thereon as specifically set out in and fully described in the Debenture Trust Deed. The NCDs will have a security cover of minimum one time on the principal amount and interest thereon. The Issuer reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a charge on *pari passu* or exclusive basis thereon for its present and future financial requirements, provided that a minimum-security cover of one time on the principal amount and accrued interest thereon, is maintained, on such terms and conditions as the Issuer may think appropriate, without the consent of, or intimation to, the NCD Holders or the Debenture Trustee in this connection. However, if consent and/or intimation is required under applicable law, then the Company shall obtain such consents and/ or intimation in accordance with such law. We have received necessary consents from the relevant debenture trustees and security trustees for ceding *pari passu* charge in favour of the Debenture Trustee in relation to the NCDs. The security shall be created prior to making the listing application for the NCDs with the Stock Exchange(s)

Further, NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and RoC or Central Registry of Securitisation Asset Reconstruction and Security Interest ("CERSAI") or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee.

Pursuant to the SEBI Circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020, our Company has entered into the Debenture Trustee Agreement with the Debenture Trustee and proposes to complete

the execution of the Debenture Trust Deed before making the application for listing of the NCDs for the benefit of the NCD Holders, the terms of which shall govern the appointment of the Debenture Trustee and the issue of the NCDs.

Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 18 of the SEBI NCS Regulations or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate on the NCDs, till the execution of the Debenture Trust Deed.

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital and Debentures) Rules 2014, read with Regulation 16 of the SEBI NCS Regulations, any non-banking finance company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. The Government, in the union budget for the Financial Year 2019-2020 had announced that non-banking finance companies raising funds in public issues would be exempt from the requirement of creating a DRR.

Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Draft Prospectus, the Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue. The Company shall, as per the Companies (Share Capital and Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien
2. in unencumbered securities of the Central Government or any State Government;
3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;
4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Face Value

The face value of each of the NCD shall be ₹1,000.

Trustees for the NCD Holders

We have appointed Beacon Trusteeship Limited to act as the Debenture Trustee for the NCD Holders in terms of Regulation 8 of the SEBI NCS Regulations and Section 71 (5) of the Companies Act, 2013 and the rules prescribed thereunder. We and the Debenture Trustee will execute a Debenture Trust Deed, before making the application for listing of NCDs, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us *pro tanto* to the NCD Holder(s).

The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

Events of Default:

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution, passed at a meeting of the NCD Holders, (subject to being indemnified and/or secured by the NCD Holders to its satisfaction), give notice to our Company specifying that the NCDs and/or any particular Series of NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice *inter alia* if any of the events listed below occurs (and is not cured within permissible cure period(s) set out under the Debenture Trust Deed). The description below is indicative; and a complete list of events of default and its consequences will be specified in the Debenture Trust Deed:

Indicative list of Events of Default:

- (i) default is committed in payment of the principal amount of the NCDs on the due date(s);
- (ii) default is committed in payment of any interest on the NCDs on the due date(s);
- (iii) Default is committed in the performance of any other covenants, conditions or agreements on the part of the Company under the Debenture Trust Deed or the other Transaction Documents or deeds entered into between the Company and the Debenture Holder(s)/ Beneficial Owner(s)/ Debenture Trustee;
- (iv) Default is committed if any information given by the Company in the Prospectus, the Transaction Documents and/or other information furnished and/or the representations and warranties given/deemed to have been given by the Company to the Debenture Holder(s)/ Beneficial Owner(s) for financial assistance by way of subscription to the Debenture is or proves to be misleading or incorrect in any material respect or is found to be incorrect;
- (v) Default is committed if the Company is unable to pay its material debts and has admitted in writing its inability to pay its debts as they mature;
- (vi) The Company has voluntarily or involuntarily become the subject of proceedings under any bankruptcy or insolvency law or suffered any action to be taken for its reorganisation, liquidation or dissolution;
- (vii) Default is committed if extraordinary circumstances have occurred which makes it impossible for the Company to fulfill its obligations under the Debenture Trust Deed and/or the Debentures;
- (viii) The Company ceases to carry on its business or gives notice of its intention to do so;
- (ix) Default is committed if the Company a receiver or liquidator has been appointed or allowed to be appointed for any or the entire part of the undertaking of the Company;
- (x) If it becomes unlawful for the company to perform any of its obligations under any transaction document;
- (xi) Any expropriation, attachment, sequestration, distress, execution or any other creditors' process affects hypothecated properties of the Company;
- (xii) Except as stated in the Debenture Trust Deed and this Draft Prospectus, any security created at any time during the tenure of the NCDs, without prior written consent of the Debenture Trustee (if required by applicable laws) or unless otherwise provided for in the Debenture Trust Deed, the Company, attempts or purports to create any charge, mortgage, pledge, hypothecation, lien or other encumbrance over any of the hypothecated properties; and

Any other event described as an Event of Default in the Disclosure Documents/ Prospectus and the Transaction Documents. In accordance with the circular (SEBI/HO/MIRSD/CRADT/CIR/P/2020/203) dated October 13, 2020 issued by SEBI on "Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities", post the occurrence of a "default", the consent of the NCD Holders for entering into an inter-creditor agreement (the "ICA") /enforcement of security shall be sought by the debenture trustee after providing a notice to the investors in the manner stipulated under applicable law. Further, the meeting of the NCD Holders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the debenture trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received

for signing the ICA, the debenture trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.

Regulation 51 read with the Explanation to Clause A (11) in Part B of Schedule III of the SEBI Listing Regulations, defines 'default' as non-payment of interest or principal amount in full on the pre-agreed date which shall be recognized at the first instance of delay in the servicing of any interest or principal on debt.

It is hereby confirmed, in case of an occurrence of a "default", the Debenture Trustee shall abide and comply with the procedures mentioned in the abovementioned circular (SEBI/HO/MIRSD/CRADT/CIR/P/2020/203) dated October 13, 2020 issued by SEBI.

NCD Holder not a Shareholder

The NCD Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent of the right to receive the annual reports of our Company and such other rights as may be prescribed under the Companies Act, 2013 and the rules prescribed thereunder and the SEBI Listing Regulations.

Rights of NCD Holders

Some of the significant rights available to the NCD Holders are as follows:

1. The NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Debenture Trust Deed, confer upon the holders thereof any rights or privileges available to our Company's members/shareholders including, without limitation, the right to receive notices or annual reports of, or to attend and/or vote at any general meeting of our Company's members/shareholders. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members/shareholders of our Company, the said resolution will first be placed before the concerned registered NCD Holders, for their consideration. In terms of Section 136 (1) of the Companies Act, 2013, holders of NCDs shall be entitled to a copy of the balance sheet and copy of trust deed on a specific request made to our Company.
2. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, including requirements of the RBI, the rights, privileges and conditions attached to the NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution passed at a meeting of the concerned NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the NCDs, if the same are not acceptable to us.
3. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, the registered NCD Holder or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such NCDs, either in person or by proxy, at any meeting of the concerned NCD Holders and every such holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the NCD Holders shall be in proportion to the outstanding nominal value of NCDs held by him/her.
4. The NCDs are subject to the provisions of the SEBI NCS Regulations, the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of this Draft Prospectus, the Prospectus, the Application Forms, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the NCDs.
5. The Depositories shall maintain the up to date record of holders of the NCDs in dematerialised Form. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial of NCDs maintained by a Depository for any NCD in dematerialised form under Section 11 of the Depositories Act shall be deemed to be a Register of NCD holders for this purpose.
6. A register of NCD Holders holding NCDs in physical form pursuant to rematerialisation ("**Register of NCD**

Holders”) will be maintained in accordance with Section 88 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the Register of NCD Holders as on the Record Date. For the NCDs issued in dematerialised form, the Depositories shall also maintain the up to date record of holders of the NCDs in dematerialised Form. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial of NCDs maintained by a Depository for any NCDs in dematerialised form under Section 11 of the Depositories Act shall be deemed to be a Register of NCD holders for this purpose.

7. Subject to compliance with RBI requirements, the NCDs can be rolled over only with the consent of the holders and after providing 15 days prior notice for such roll over in accordance with Regulation 39 of the SEBI NCS Regulations. Our Company may redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

The aforementioned rights of the NCD Holders are merely indicative. The final rights of the NCD Holders will be as per the terms of the Prospectus and the Debenture Trust Deed.

Nomination facility to NCD Holder

In accordance with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 (“**Rule 19**”) and the Companies Act, 2013, the sole NCD holder, or first NCD holder, along with other joint NCD Holders’ (being individual(s)), may nominate, in the **Form No. SH.13**, any one person with whom, in the event of the death of Applicant the NCDs were Allotted, if any, will vest. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate in **Form No.SH.13** any person as nominee. A nominee entitled to the NCDs by reason of the death of the original holder(s), will, in accordance with Rule 19 and Section 56 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the NCDs. Where the nominee is a minor, the NCD holder(s) may make a nomination to appoint, in **Form No. SH.14**, any person to become entitled to NCDs in the event of the holder’s death during minority. A nomination will stand rescinded on a sale/transfer/alienation of NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office, Corporate Office or with the Registrar to the Issue.

NCD Holder(s) are advised to provide the specimen signature of the nominee to us to expedite the transmission of the NCD(s) to the nominee in the event of demise of the NCD Holder(s). The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

In accordance with Rule 19, any person who becomes a nominee by virtue of the Rule 19, will on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of NCDs; or
- to make such transfer of the NCDs, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the NCDs, and if the notice is not complied with, within a period of 90 days, our Board may thereafter withhold payment of all interests or other monies payable in respect of the NCDs, until the requirements of the notice have been complied with.

For all NCDs held in the dematerialised form, nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant in connection with NCDs held in the dematerialised form.

Since the allotment of NCDs will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant.

Applicants who have opted for rematerialisation of NCDs and are holding the NCDs in the physical form should provide required details in connection with their nominee to our Company.

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in New Delhi, India.

Application in the Issue

NCDs being issued through this Offer Document can be applied for, through a valid Application Form filled in by the applicant along with attachments, as applicable. Further, Applications in this Issue shall be made through the ASBA facility only.

In terms of Regulation 7 of SEBI NCS Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

However, in the terms of Section 8(1) of the Depositories Act, our Company at the request of the Investors who wish to hold the NCDs in physical form will rematerialise the NCDs. However, trading of the NCDs shall be compulsorily in dematerialised form only.

Form of Allotment and Denomination of NCDs

The trading of the NCDs on the Stock Exchange shall be in dematerialised form only in multiples of one 1 (one) NCD (“**Market Lot**”). Allotment in the Issue to all Allottees, will be in electronic form i.e., in dematerialised form and in multiples of one NCD.

A successful Applicant can also request for the issue of NCDs certificates in the denomination of 1 (one) NCD at any time post allotment of the NCDs (“**Market Lot**”).

It is however distinctly to be understood that the NCDs pursuant to this issue shall be traded only in demat form.

In respect of consolidated certificates, we will, only upon receipt of a request from the NCD Holder, split such consolidated certificates into smaller denominations subject to the minimum of Market Lot. No fees would be charged for splitting of NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the NCD Holder. The request for splitting should be accompanied by the original NCD certificate which would then be treated as cancelled by us.

Transfer/Transmission of NCD(s)

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013. The NCDs held in dematerialised form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transfer or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date.

In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar. The seller should give delivery instructions containing details of the buyer’s DP account to his depository participant.

Please see “*Issue Structure – Interest and Payment of Interest*” on page 239 for the implications on the interest applicable to NCDs held by different category of Investors on the Record Date. Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 (“**SEBI LODR IV Amendment**”), NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialised form only.

Title

The NCD Holder for the time being appearing in the record of beneficial owners maintained by the Depository shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes.

Succession

Where NCDs are held in joint names and one of the joint holders dies, the survivor(s) will be recognised as the NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased NCD Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the debentures. In the event of demise of the sole or first holder of the Debentures, our Company will recognise the executors or administrator of the deceased NCD Holders, or the holder of the succession certificate or other legal representative as having title to the Debentures only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. The directors of our Company in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation.

Where a non-resident Indian becomes entitled to the NCDs by way of succession, the following steps have to be complied with:

1. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased NCD Holder.
2. Proof that the non-resident Indian is an Indian national or is of Indian origin.
3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint-holders

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles.

Procedure for Re-materialisation of NCDs

NCD Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. **Holders of NCDs who propose to rematerialise their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to our Company and the DP. No proposal for rematerialisation of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialisation.**

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of NCDs allotted pursuant to this Issue. Pursuant to the SEBI LODR IV Amendment, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialised form only.

Period of Subscription

ISSUE PROGRAMME	
ISSUE OPENS ON	[●]
ISSUE CLOSES ON	[●]

The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated above, except that the Issue may close on such earlier date or extended date (subject to a maximum of 30 days from the date of the Prospectus) as may be decided by the Board of Directors of our Company or Bond Issue Committee thereof subject to receipt of necessary approvals. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a daily national newspaper and a daily regional newspaper with wide circulation at the

place where the registered office of the Company is situated on or before such earlier or extended date of Issue closure. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by BSE and NSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day post the Issue Closing Date. For further details please refer to the section titled “*Issue Related Information*” on page 236.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Managers or Trading Members of the Stock Exchanges are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on the basis of date of upload of each application into the electronic book of the Stock Exchanges in accordance with the SEBI Operational Circular. However, in the event of oversubscription, on such date, the allotments would be made to the applicants on proportionate basis.

Payment of Interest/Maturity Amount will be made to those Debenture Holders whose names appear in the Register of Debenture Holders (or to first holder in case of joint-holders) as on Record Date.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the Investors. In such cases, interest, on the Interest Payment Date, would be directly credited to the account of those Investors who have given their bank mandate.

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to help Debenture Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. Please see, “- *Manner of Payment of Interest / Redemption Amounts*” on page 249.

Taxation

As per clause (ix) of Section 193 of the I.T. Act, no tax is required to be withheld on any interest payable on any security issued by a company, where such security is in dematerialised form and is listed on a recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the rules made thereunder. Accordingly, no tax will be deducted at source from the interest on listed NCDs held in the dematerialised form.

However, in case of NCDs held in physical form, as per the current provisions of the IT Act, tax will not be deducted at source from interest payable on such NCDs held by the investor, if such interest does not exceed ₹5,000 in any financial year. If interest exceeds the prescribed limit of ₹5,000 on account of interest on the NCDs, then the tax will be deducted at applicable rate. However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13. The aforesaid documents, as may be applicable, should be submitted at the office of the Registrar quoting the name of the sole/ first NCD Holder, NCD folio number and the distinctive number(s) of the NCD held, at least seven days prior to the Record Date to ensure non-deduction/lower deduction of tax at source from interest on the NCD. The investors need to submit Form 15H/ 15G/certificate in original with the Assessing Officer for each financial year during the currency of the NCD to ensure non-deduction or lower deduction of tax at source from interest on the NCD.

Any tax exemption certificate/document, if any, must be lodged at the office of the Registrar at least seven days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company’s books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Draft Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Day Count Convention

Interest shall be computed on actual/actual basis i.e., on the principal outstanding on the NCDs as per the SEBI Operational Circular.

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day (the “**Effective Date**”), however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment. The interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

Illustration for guidance in respect of the day count convention and effect of holidays on payments

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by the SEBI Operational Circular will be disclosed in the Prospectus.

Application Size

Each Application should be for a minimum of 10 NCDs and multiples of one NCD thereof. The minimum Application size for each Application would be ₹10,000 (for any/all kinds of Series of NCDs either taken individually or collectively) and in multiples of ₹1,000 thereafter.

Applicants can apply for any or all types of NCDs offered hereunder (any/all series) provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Maturity and Redemption

[•]

Terms of Payment

The entire issue price per NCD is blocked in the ASBA Account on application itself. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall instruct the SCSBs to unblock the excess amount blocked on application in accordance with the terms of this Draft Prospectus.

Manner of Payment of Interest / Refund / Redemption

The manner of payment of interest / refund / redemption in connection with the NCDs is set out below:

For NCDs held in physical form on account of rematerialisation

The bank details will be obtained from the Registrar to the Issue for payment of interest / refund / redemption as the case may be along with the rematerialisation request.

For NCDs applied / held in electronic form:

The bank details will be obtained from the Depositories for payment of Interest / refund / redemption as the case may be. Applicants who have applied for or are holding the NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in credit of refunds to the Applicant at the Applicant's sole risk, and the Lead Managers, our Company nor the Registrar to the Issue shall have any responsibility and undertake any liability for the same.

The mode of interest / refund / redemption payments shall be undertaken in the following order of preference:

1. Direct Credit

Investors having their bank account with the Refund Bank, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Banker.

2. NACH

National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

3. RTGS

Applicants having a bank account with a participating bank and whose interest payment/ refund/ redemption amounts exceed ₹200,000, or such amount as may be fixed by RBI from time to time, have the option to receive refund through RTGS. Such eligible Applicants who indicate their preference to receive interest payment/ refund/ redemption through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrar to the Issue at least seven days prior to the Record Date. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest payment/ refund/ redemption shall be made through NACH subject to availability of complete bank account details for the same as stated above.

4. NEFT

Payment of interest/ refunds/ redemption shall be undertaken through NEFT wherever the Applicants' banks have been assigned the Indian Financial System Code ("IFSC"), which can be linked to a Magnetic Ink Character Recognition ("MICR"), if any, available to that particular bank branch. The IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of interest/ refund/ redemption will be made to the applicants through this method.

5. Registered Post/Speed Post

For all other applicants, including those who have not updated their bank particulars with the MICR code, the interest payment / refund / redemption orders shall be dispatched through speed post/ registered post.

Please note that applicants are eligible to receive payments through the modes detailed in (1), (2) (3), and (4) herein above provided they provide necessary information for the above modes and where such payment facilities are allowed / available.

Please note that our Company shall not be responsible to the holder of NCD, for any delay in receiving credit of interest / refund / redemption so long as our Company has initiated the process of such request in time.

In case of ASBA Applicants, the Registrar to the Issue will issue requisite instructions to the relevant SCSBs to unblock amounts in the ASBA Accounts of the Applicants representing the amounts to be refunded to the Applicants.

6. The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Issue Closing Date.

Printing of Bank Particulars on Interest/ Redemption Warrants

As a matter of precaution against possible fraudulent encashment of refund orders and interest/redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. In relation to NCDs applied and held in dematerialised form, these particulars would be taken directly from the depositories. In case of NCDs held in physical form either on account of rematerialisation or transfer, the investors are advised to submit their bank account details with our Company / Registrar at least 7 (seven) days prior to the Record Date failing which the orders / warrants will be dispatched to the postal address of the holder of the NCDs as available in the records of our Company. Bank account particulars will be printed on the orders/ warrants which can then be deposited only in the account specified.

Loan against NCDs

Pursuant to the RBI Circular dated June 27, 2013, our Company, being an NBFC, is not permitted to extend any loans against the security of its NCDs.

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buyback of NCDs, upon such terms and conditions as may be decided by our Company.

Our Company may from time to time invite the NCD Holders to offer the NCDs held by them through one or more buy-back schemes and/or letters of offer upon such terms and conditions as our Company may from time to time determine, subject to applicable statutory and/or regulatory requirements. Such NCDs which are bought back may be extinguished, re-issued and/or resold in the open market with a view of strengthening the liquidity of the NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Record Date

15 (fifteen) days prior to the relevant Interest Payment Date, relevant Redemption Date for NCDs issued under the Prospectus or as may be otherwise prescribed by the Stock Exchanges. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the record date and the date of redemption. In the event the Record Date falls on a Sunday or holiday of Depositories, the succeeding Working Day or a date notified by the Company to the Stock Exchanges shall be considered as Record Date.

Procedure for Redemption by NCD Holders

The procedure for redemption is set out below:

NCDs held in physical form pursuant to rematerialisation of NCDs:

No action would ordinarily be required on the part of the NCD Holder at the time of redemption and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificates) be surrendered for redemption on maturity and should be sent by the NCD Holders by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. NCD Holders may be requested to surrender the NCD certificates in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment.

We may at our discretion redeem the NCDs without the requirement of surrendering of the NCD certificates by the holder(s) thereof. In case we decide to do so, the holders of NCDs need not submit the NCD certificates to us and the redemption proceeds would be paid to those NCD holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of redemption of NCDs. In such case, the NCD certificates would be deemed to have been cancelled. Also see the para “Payment on Redemption” given below.

NCDs held in electronic form:

No action is required on the part of NCD holder(s) at the time of redemption of NCDs.

Payment on Redemption

The manner of payment of redemption is set out below*.

NCDs held in physical form on account of rematerialisation

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificates, duly discharged by the sole holder/ all the joint-holders (signed on the reverse of the NCD certificates). Despatch of cheques/ pay orders, etc. in respect of such payment will be made on the redemption date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the redemption date to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. Hence the transferees, if any, should ensure lodgment of the transfer documents with us at least seven days prior to the Record Date. In case the transfer documents are not lodged with us at least seven days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties inter se and no claim or action shall lie against us or the Registrar to the Issue.

Our liability to NCD Holders towards his/their rights including for payment or otherwise shall stand extinguished from the redemption in all events and when we dispatch the redemption amounts to the NCD Holders.

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCDs.

NCDs held in electronic form

On the redemption date, redemption proceeds would be paid by cheque/ pay order/ electronic mode to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories’ records on the Record Date fixed for the purpose of redemption. These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of NCD Holders.

Our liability to NCD Holders towards his/their rights including for payment/ redemption in all events shall end when we dispatch the redemption amounts to the NCD Holders.

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCDs.

**In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹1,837.5, then the amount shall be rounded off to ₹1,838.*

Recovery Expense Fund

The Company has created a recovery expense fund and deposit an amount equal to 0.01% of the issue size subject to maximum of ₹25 lakhs towards recovery expense fund (“**Recovery Expense Fund**”/ “**REF**”) with the Designated Stock Exchange in the manner specified by SEBI and informed the Debenture Trustee about the same.

The Recovery Expense fund may be utilised by Debenture Trustee, in the event of default by the Company, for taking appropriate legal action to enforce the security.

Issue of Duplicate NCD Certificate(s)

If any NCD certificate(s) is/are mutilated or defaced or the cages for recording transfers of NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity/security and/or documents as we may deem adequate, duplicate NCD certificate(s) shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Right to reissue NCD(s)

Subject to the provisions of the Companies Act, 2013, where we have fully redeemed or repurchased any NCDs, we shall have and shall be deemed always to have had the right to keep such NCDs in effect without extinguishment thereof, for the purpose of resale or re-issue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such NCDs either by reselling or re-issuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original NCDs.

Sharing of Information

We may, at our option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us, with our subsidiaries, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper at the place where the registered office of the Company is situated and/or will be sent by post/ courier or through email or other electronic media to the Registered Holders of the NCD(s) from time to time.

Future Borrowings

We will be entitled to borrow/raise loans or avail of financial assistance in whatever form as also to issue debentures/ NCDs/other securities in any manner having such ranking in priority, pari passu or otherwise, subject to applicable consents, approvals or permissions that may be required under any statutory/regulatory/contractual requirement, and subject to the stipulated minimum security cover being maintained, and no event of default has occurred and is continuing, and change the capital structure including the issue of shares of any class, on such terms and conditions as we may think appropriate, without the consent of, or intimation to, the NCD Holders or the Debenture Trustee in this connection. However, if consent and/or intimation is required under applicable law, then the Company shall obtain such consents and/ or intimation in accordance with such law.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who: (a) makes or abets making of an application in a fictitious name to a company for acquiring, or

subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of the Companies Act, 2013”

Pre-closure

Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription. Our Company shall allot NCDs with respect to the Applications received until the time of such pre-closure in accordance with the Basis of Allotment as described herein and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the issue have been given.

Minimum Subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities, the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of the Base Issue Size, prior to the Issue Closing Date the entire subscription amount shall be unblocked in the Applicants ASBA Account within eight Working Days from the date of closure of the Issue or such time as may be specified by SEBI. The refunded subscription amount shall be credited only to the account from which the relevant subscription amount was remitted. In the event, there is a delay, by our Company in unblocking aforesaid ASBA Accounts within the prescribed time limit, our Company will pay interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard in the SEBI Operational Circular.

Utilisation of Application Amount

The sum received in respect of the Issue will be kept in separate bank accounts until the documents for creation of security are executed and on receipt of listing and trading approval we will have access to such funds as per applicable provisions of law(s), regulations and approvals.

Utilisation of Issue Proceeds

1. All monies received pursuant to the issue of NCDs to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013 and the SEBI NCS Regulations, and our Company will comply with the conditions as stated therein, and these monies will be transferred to Company's bank account after receipt of listing and trading approvals;
2. The allotment letter/intimation shall be issued, or application money shall be refunded in accordance with the applicable law/SEBI guidelines failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period;
3. Details of all utilised and unutilised monies out of the monies collected out of the Issue and previous issues made by way of public offers, if any, shall be disclosed under an appropriate separate head in our balance sheet till the time any part of the proceeds of such issue remain unutilised, indicating the purpose for which such monies have been utilised and the securities or other forms of financial assets in which such unutilized monies have been invested;
4. The Issue proceeds shall not be utilised towards full or part consideration for the purchase or any other acquisition, *inter alia*, by way of a lease, of any immovable property;

5. We shall utilise the Issue proceeds only after (i) receipt of minimum subscription, i.e., 75% of the Base Issue Size pertaining to the Issue; (ii) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (iii) creation of security; (iv) obtaining requisite permissions or consents for creation of *pari passu* charge over assets sought to be provided as Security; (v) obtaining listing and trading approval as stated in this Draft Prospectus in the section titled “*Issue Structure*” on page 236;
6. The Issue proceeds shall be utilised in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time. Further the Issue proceeds shall be utilised only for the purpose and objects stated in the Offer Documents; and
7. If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 6 Working days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws.

Guarantee/Letter of Comfort

The Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Arrangers to the Issue

There are no arrangers to the Issue.

Lien

Our Company will have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD Holder, to the extent of all outstanding dues, if any by the NCD Holder to our Company, subject to applicable laws.

Lien on Pledge of NCDs

Subject to applicable laws, our Company, at its discretion, may note a lien on pledge of NCDs if such pledge of NCDs is accepted by any bank or institution for any loan provided to the NCD Holder against pledge of such NCDs as part of the funding.

Monitoring and Reporting of Utilisation of Issue Proceeds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. Our Board shall monitor the utilisation of the proceeds of the Issue. For the relevant quarters, our Company will disclose in our quarterly financial statements, the utilisation of the net proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Issue.

Procedure for Rematerialisation of NCDs

NCD Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. Holders of NCDs who propose to rematerialise their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to our Company and the DP. No proposal for rematerialisation of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialisation.

Sharing of Information

We may, at our option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us, with our subsidiaries, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holder(s) required to be given by us or the Debenture Trustee will be sent by post/ courier or through email or other electronic media to the Registered Holders of the NCD(s) from time to time.

Filing of this Draft Prospectus

The Draft Prospectus is filed with the Stock Exchanges in terms of Regulation 27 of the SEBI NCS Regulations for dissemination on its website(s) prior to the opening of the Issue.

Filing of the Prospectus

The Prospectus shall be filed with the RoC, in accordance with Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will contain the information as prescribed in Schedule V of SEBI NCS Regulations in compliance with the Regulation 30(1) of SEBI NCS Regulations. Material updates, if any, between the date of filing of the Prospectus with the RoC and the date of release of the statutory advertisement will be included in the statutory advertisement.

ISSUE PROCEDURE

This section applies to all Applicants. Pursuant to the SEBI Operational Circular, all Applicants are required to apply for in the Issue through the ASBA process. Please note that all Applicants are required to pay the full Application Amount or ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application.

In addition, specific attention is invited to SEBI Operational Circular, whereby investor may use the Unified Payment Interface (“UPI”) to participate in the public issue for an amount up to ₹2,00,000.

ASBA Applicants ensure that their respective ASBA accounts can be blocked by the SCSBs, in the relevant ASBA Accounts. Applicants should note that they may submit their Applications to the Lead Managers or Members of the Syndicate or Registered Brokers at the Broker Centres or CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs as mentioned on the Application Form.

Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Draft Prospectus.

The procedure mentioned in this section is subject to the Stock Exchanges putting in place the necessary systems and infrastructure for implementation of the provisions of the abovementioned circular. The Direct Online Application facility will be available for this Issue.

Retail Individual Investors should note that they may use the UPI Mechanism to block funds for application value upto ₹2,00,000 submitted through the app/web interface of the Stock Exchange or through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants).

Specific attention is drawn to the SEBI Operational Circular, which provides for allotment in public issues of debt securities to be made on the basis of date of upload of each application into the electronic book of the Stock Exchanges, as opposed to the date and time of upload of each such application.

PLEASE NOTE THAT ALL TRADING MEMBERS OF THE STOCK EXCHANGES WHO WISH TO COLLECT AND UPLOAD APPLICATIONS IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGES WILL NEED TO APPROACH THE RESPECTIVE STOCK EXCHANGES AND FOLLOW THE REQUISITE PROCEDURES AS MAY BE PRESCRIBED BY THE RELEVANT STOCK EXCHANGE. THE FOLLOWING SECTION MAY CONSEQUENTLY UNDERGO CHANGE BETWEEN THE DATES OF THIS DRAFT PROSPECTUS, THE ISSUE OPENING DATE AND THE ISSUE CLOSING DATE.

THE LEAD MANAGERS, THE CONSORTIUM MEMBERS AND THE COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF THE TRADING MEMBERS IN CONNECTION WITH THE RESPONSIBILITIES OF SUCH TRADING MEMBERS INCLUDING BUT NOT LIMITED TO COLLECTION AND UPLOAD OF APPLICATIONS IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE. FURTHER, THE RELEVANT STOCK EXCHANGES SHALL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS THROUGH TRADING MEMBERS REGISTERED WITH SUCH STOCK EXCHANGE.

For purposes of the Issue, the term “Working Day” shall mean, all days on which commercial banks in Mumbai are open for business. In respect of announcement or bid/issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Further, in respect of the time period between the bid/ issue closing date and the listing of the non-convertible securities on the stock exchanges, working day shall mean all trading days of the stock exchanges for non-convertible securities, excluding Saturdays, Sundays and bank holidays, as specified by the Board.

The information below is given for the benefit of the investors. Our Company and the Members of the Consortium /Lead Broker are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus.

PROCEDURE FOR APPLICATION

Availability of this Draft Prospectus, the Prospectus, Abridged Prospectus, and Application Forms

Please note that only ASBA Applicants shall be permitted to make an application for the NCDs.

Please note that there is a single Application Form for Applicants who are Persons Resident in India.

Physical copies of the Abridged Prospectus containing the salient features of this Draft Prospectus together with Application Forms may be obtained from:

1. Our Company's Registered Office and Corporate Office;
2. Offices of the Lead Managers;
3. Offices of the Lead Brokers;
4. Registrar to the Issue
5. Designated RTA Locations for RTAs;
6. Designated CDP Locations for CDPs; and
7. Designated Branches of the SCSBs.

Electronic copies of this Draft Prospectus and the Prospectus along with the downloadable version of the Application Form will be available on the websites of the Lead Managers, the Stock Exchanges, SEBI and the SCSBs.

Electronic Application Forms may be available for download on the websites of the Stock Exchanges and on the websites of the SCSBs that permit submission of Applications electronically. A unique application number ("UAN") will be generated for every Application Form downloaded from the websites of the Stock Exchanges.

Our Company may also provide Application Forms for being downloaded and filled at such websites as it may deem fit. In addition, brokers having online demat account portals may also provide a facility of submitting the Application Forms virtually online to their account holders.

Trading Members of the Stock Exchanges can download Application Forms from the websites of the Stock Exchanges. Further, Application Forms will be provided to Trading Members of the Stock Exchanges at their request.

Who can apply?

The following categories of persons are eligible to apply in the Issue:

Category I	Category II	Category III	Category IV
Category I Institutional Investors	Non-Institutional Investors	High Net-worth Individual, ("HNIs"), Investors	Retail Individual Investors
<ul style="list-style-type: none"> • Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institution which are authorised to invest in the NCDs; • Provident funds, pension funds with a minimum corpus of ₹250 million, superannuation funds 	<ul style="list-style-type: none"> • Companies within the meaning of section 2(20) of the Companies Act, 2013; • Statutory Bodies/ Corporations and Societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks 	Resident Indian individuals or Undivided Families through the Karta applying for an amount aggregating to above ₹1 million across all series of NCDs in Issue	Resident Indian individuals or Undivided Families through the Karta applying for an amount aggregating up to and including ₹1 million across all series of NCDs in Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than

Category I	Category II	Category III	Category IV
Category I Institutional Investors	Non-Institutional Investors	High Net-worth Individual, (“HNIs”), Investors	Retail Individual Investors
<p>and gratuity funds, which are authorised to invest in the NCDs;</p> <ul style="list-style-type: none"> • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Mutual Funds registered with SEBI • Resident Venture Capital Funds registered with SEBI; • Insurance Companies registered with IRDA; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company, a nonbanking financial company registered with the Reserve Bank of India and having a net-worth of more than ₹5,000 million as per the last audited financial statements; • National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of 	<ul style="list-style-type: none"> • Public/private charitable/ religious trusts which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners; • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons. 		<p>₹200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.</p>

Category I	Category II	Category III	Category IV
Category I Institutional Investors	Non-Institutional Investors	High Net-worth Individual, (“HNIs”), Investors	Retail Individual Investors

India published in the Gazette of India.

Please note that it is clarified that Persons Resident outside India shall not be entitled to participate in the Issue and any applications from such persons are liable to be rejected.

Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/ consents/ approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue.

The Members of the Consortium/Lead Broker and their respective associates and affiliates are permitted to subscribe in the Issue.

Who are not eligible to apply for NCDs?

The following categories of persons, and entities, shall not be eligible to participate in the Issue and any Applications from such persons and entities are liable to be rejected:

1. Minors without a guardian name*(A guardian may apply on behalf of a minor. However, Applications by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian);
2. Foreign nationals, NRI *inter-alia* including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;
3. Persons resident outside India and other foreign entities;
4. Foreign Institutional Investors;
5. Foreign Portfolio Investors;
6. Foreign Venture Capital Investors
7. Qualified Foreign Investors;
8. Overseas Corporate Bodies; and
9. Persons ineligible to contract under applicable statutory/regulatory requirements.

**Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of such Applications, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange.

The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in the Issue.

Please refer to “– *Rejection of Applications*” on page 279 for information on rejection of Applications.

Method of Applications

In terms of the SEBI Operational Circular, an eligible investor desirous of applying in this Issue can make Applications through the ASBA mechanism only.

Further, the Application may also be submitted through the app or web interface developed by Stock Exchanges wherein the Application is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI mechanism, as applicable.

Applicants are requested to note that in terms of the SEBI Operational Circular, SEBI has mandated issuers to provide, through a recognised stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility (“Direct Online Application Mechanism”). In this regard, SEBI has, through the SEBI Operational Circular, directed recognised Stock Exchange in India to put in necessary systems and infrastructure for the implementation of the SEBI Operational Circular and the Direct Online Application Mechanism infrastructure for the implementation of the SEBI Operational Circular and the Direct Online Application Mechanism. The Direct Online Application facility will be available for this Issue as per mechanism provided in the SEBI Operational Circular.

All Applicants shall mandatorily apply in the Issue through the ASBA process only. Applicants intending to subscribe in the Issue shall submit a duly filled Application form to any of the Designated Intermediaries. Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a Retail Individual Investor bidding using the UPI mechanism) to the respective SCSB, where such investor has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank.

Applicants should submit the Application Form only at the Bidding Centres, i.e. to the respective Members of the Syndicate at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at <https://www.sebi.gov.in>.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from ASBA Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchange and submit these Application Forms with the SCSB with whom the relevant ASBA Accounts are maintained.

An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to this Issue should be made by Applicants directly to the relevant Stock Exchange.

In terms of the SEBI Operational Circular, an eligible investor desirous of applying in this Issue can make Applications through the following modes:

1. **Through Self-Certified Syndicate Bank (SCSB) or intermediaries** (viz. Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants)
 - a. An investor may submit Application form, with ASBA as the sole mechanism for making payment, physically at the branch of a SCSB, i.e. investor’s bank. For such applications, the existing process of uploading of bid on the Stock Exchange bidding platform and blocking of funds in investors account by the SCSB would continue.
 - b. An investor may submit the completed bid-cum-application form to intermediaries mentioned above along

with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

- c. An investor may submit the bid-cum-application form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹2 lakhs or less. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI mechanism in this case.

2. Through Stock Exchanges

- a. An investor may submit the bid-cum-application form through the App or web interface developed by Stock Exchanges (or any other permitted methods) wherein the bid is automatically uploaded onto the Stock Exchanges bidding platform and the amount is blocked using the UPI Mechanism.
- b. The Stock Exchanges have extended their web-based platforms i.e 'BSEDirect' and 'NSE goBID' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value upto Rs. 2 Lac. To place bid through 'BSEDirect' and 'NSE goBID' platform/ mobile app the eligible investor is required to register himself/ herself with BSE Direct/ NSE goBID.
- c. An investor may use the following links to access the web-based interface developed by the Stock Exchanges to bid using the UPI Mechanism: BSE: <https://www.bsedirect.com>; and NSE: <https://www.nseindiaipo.com>.
- d. The BSE Direct and NSE goBID mobile application can be downloaded from play store in android phones. Kindly search for 'BSEdirect' or 'NSE goBID' on Google Playstore for downloading mobile applications.
- e. For further details on the registration process and the submission of bids through the App or web interface, the Stock Exchanges have issued operational guidelines and circulars available at BSE and NSE:

<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60>, and
<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61>;

NSE: <https://www1.nseindia.com/content/circulars/IPO46907.zip>;
<https://www1.nseindia.com/content/circulars/IPO46867.zip>

APPLICATIONS FOR ALLOTMENT OF NCDs

Details for Applications by certain categories of Applicants including documents to be submitted are summarised below.

Applications by Mutual Funds

Pursuant to the SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2019/104 dated October 1, 2019, mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 20% of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector not exceeding 10% of net assets value of scheme shall be allowed only by way of increase in exposure to HFCs. However the overall exposure in HFCs shall not exceed the sector exposure limit of 20 % of the net assets of the scheme. Further, the group level limits for debt schemes and the ceiling be fixed at 10% of net assets value extendable to 15% of net assets value after prior approval of the board of trustees.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which Application is being made. In case of Applications made by Mutual Fund registered with SEBI, a certified copy of their SEBI registration certificate must be submitted with the Application Form. The Applications must be also accompanied by certified true copies of (i) SEBI Registration Certificate and trust deed (ii) resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorised signatories. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Application by Commercial Banks, Co-operative Banks and Regional Rural Banks

Commercial Banks, Co-operative banks and Regional Rural Banks can apply in the Issue based on their own investment limits and approvals. The Application Form must be accompanied by certified true copies of their (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) resolution authorising investments/containing operating instructions; and (iv) specimen signatures of authorised signatories. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Pursuant to SEBI Operational Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Systemically Important Non-Banking Financial Companies

Systemically Important Non-Banking Financial Companies can apply in the Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) their memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; and (iv) specimen signatures of authorised signatories. Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Application by Insurance Companies

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with Application Form. The Applications must be accompanied by certified copies of (i) Memorandum and Articles of Association (ii) Power of Attorney (iii) Resolution authorising investment and containing operating instructions (iv) Specimen signatures of authorised signatories. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason, therefore.**

Application by Indian Alternative Investment Funds

Applications made by Alternative Investment Funds eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the “**SEBI AIF Regulations**”) for Allotment of the NCDs must be accompanied by certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons. The Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment

In case of Applications made by Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) Power of Attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to the Issue must ensure that (a) they are authorised under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) Power of Attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to the Issue must ensure that (a) they are authorised under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required

under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by Public Financial Institutions or Statutory Corporations, which are authorised to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) Any Act/ Rules under which they are incorporated; (ii) Board Resolution authorising investments; and (iii) Specimen signature of authorised person. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by Provident Funds, Pension Funds, Superannuation Funds and Gratuity Fund, which are authorised to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) Any Act/Rules under which they are incorporated; (ii) Power of Attorney, if any, in favour of one or more trustees thereof, (iii) Board Resolution authorising investments; (iv) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (v) Specimen signature of authorised person; (vi) certified copy of the registered instrument for creation of such fund/trust; and (vii) Tax Exemption certificate issued by Income Tax Authorities, if exempt from Tax. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Applications by National Investment Fund

The application must be accompanied by certified true copies of: (i) resolution authorising investment and containing operating instructions; and (ii) Specimen signature of authorised person. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Applications by companies, bodies corporate and societies registered under the applicable laws in India

The Application must be accompanied by certified true copies of: (i) Any Act/ Rules under which they are incorporated; (ii) Board Resolution authorising investments; and (iii) Specimen signature of authorised person. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by Indian scientific and/or industrial research organisations, which are authorised to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) Any Act/ Rules under which they are incorporated; (ii) Board Resolution authorising investments; and (iii) Specimen signature of authorised person. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by partnership firms formed under applicable Indian laws in the name of the partners and Limited Liability Partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009)

The Application must be accompanied by certified true copies of: (i) Partnership Deed; (ii) Any documents evidencing registration thereof under applicable statutory/regulatory requirements; (iii) Resolution authorising investment and containing operating instructions; (iv) Specimen signature of authorised person. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney by Applicants who are Institutional Investors or Non Institutional Investors, a certified copy of the power of attorney or the relevant resolution or authority, as the case

may be, with a certified copy of the memorandum of association and articles of association and/or bye laws must be submitted with the Application Form. In case of Applications made pursuant to a power of attorney by Applicants who are HNI Investors or Retail Individual Investors, a certified copy of the power of attorney must be submitted with the Application Form. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor. Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney with the Application Forms subject to such terms and conditions that our Company, the Lead Managers may deem fit.**

Brokers having online demat account portals may also provide a facility of submitting the Application Forms online to their account holders. Under this facility, a broker receives an online instruction through its portal from the Applicant for making an Application on his/ her behalf. Based on such instruction, and a power of attorney granted by the Applicant to authorise the broker, the broker makes an Application on behalf of the Applicant.

APPLICATIONS FOR ALLOTMENT OF NCDs IN THE DEMATERIALISED FORM

Submission of Applications

This section is for the information of the Applicants proposing to subscribe to the Issue. The Lead Managers and our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Investors are advised to make their independent investigations and to ensure that the Application Form is correctly filled up. Our Company, our directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by and/or uploaded by and/or accepted but not uploaded by Lead Brokers, Trading Members, Registered Brokers, CDPs, RTAs and SCSBs who are authorised to collect Application Forms from the Applicants in the Issue, or Applications accepted and uploaded without blocking funds in the ASBA Accounts by SCSBs. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount payable on Application has been blocked in the relevant ASBA Account. The list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive Application Forms from the Members of the Syndicate is available on the website of SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> as updated from time to time or any such other website as may be prescribed by SEBI from time to time. The list of Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Applications can be submitted through either of the following modes:

1. Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of ASBA Application in physical mode, the ASBA Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Investor's bank records, as mentioned in the ASBA Application, prior to uploading such ASBA Application into the electronic system of the Stock Exchange. **If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such ASBA Application and shall not upload such ASBA Application in the electronic system of the Stock Exchange.** If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the ASBA Application in the electronic system of the Stock Exchange. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application. In case of Application in the electronic mode, the ASBA Applicant shall submit the ASBA Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such ASBA Applications.
2. Physically through the Members of the Consortium/Lead Broker, or Trading Members of the Stock Exchanges

only at the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Vadodara and Surat), i.e. Syndicate ASBA. Kindly note that ASBA Applications submitted to the Members of the Consortium/Lead Broker or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Application, is maintained has not named at least one branch at that Specified City for the Members of the Consortium/Lead Broker or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Applications (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>).

Upon receipt of the Application Form by the Members of the Consortium/Lead Broker or Trading Members of the Stock Exchange, as the case may be, an acknowledgement shall be issued by giving the counter foil of the Application Form to the ASBA Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchanges and the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Specified City, named by such SCSB to accept such ASBA Applications from the Members of the Consortium/Lead Broker or Trading Members of the Stock Exchange, as the case may be (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>). Upon receipt of the ASBA Application, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the ASBA Form. **If sufficient funds are not available in the ASBA Account, the relevant ASBA Application is liable to be rejected.** If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be.

Applicants must note that:

1. Physical Application Forms will be available with the Designated Branches of the SCSBs and with the Members of the Consortium/Lead Broker and Trading Members of the Stock Exchanges at the Specified Cities; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchanges at least one day prior to the Issue Opening Date. Application Forms will also be provided to the Trading Members of the Stock Exchanges at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that this Draft Prospectus is made available on their websites.
2. The Designated Branches of the SCSBs shall accept Applications directly from Applicants only during the Issue Period. The SCSB shall not accept any Applications directly from Applicants after the closing time of acceptance of Applications on the Issue Closing Date. However, the relevant branches of the SCSBs at Specified Cities can accept Applications from the Members of the Consortium/Lead Broker or Trading Members of the Stock Exchange, as the case may be, after the closing time of acceptance of Applications on the Issue Closing Date, if the Applications have been uploaded. For further information on the Issue programme, please refer to “*General Information – Issue Programme*” on page 69.
3. Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.

Please note that ASBA Applicants can make an Application for Allotment of NCDs in the dematerialised form only.

Submission of Direct Online Applications

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges.

In the event the Direct Online Application facility is implemented by the Stock Exchanges, relevant “know your customer” details of such Applicants will be validated online from the Depositories, on the basis of the DP ID and Client ID provided by them in the Application Form. On successful submission of a Direct Online Application, the Applicant will receive a system-generated unique application number (“UAN”) and an SMS or an e-mail confirmation on credit of the requisite Application Amount paid through the online payment facility with the Direct

Online Application. On Allotment, the Registrar to the Issue shall credit NCDs to the beneficiary account of the Applicant and in case of refund, the refund amount shall be credited directly to the Applicant's bank account. Applicants applying through the Direct Online Application facility must preserve their UAN and quote their UAN in: (a) any cancellation/withdrawal of their Application; (b) in queries in connection with Allotment of NCDs and/or refund(s); and/or (c) in all investor grievances/complaints in connection with the Issue.

As per the SEBI Operational Circular, the availability of the Direct Online Applications facility is subject to the Stock Exchanges putting in place the necessary systems and infrastructure, and accordingly the aforementioned disclosures are subject to any further clarifications, notification, modification deletion, direction, instructions and/or correspondence that may be issued by the Stock Exchanges and/or SEBI.

INSTRUCTIONS FOR FILLING-UP THE APPLICATION FORM

General Instructions

A. General instructions for completing the Application Form

- Applications must be made in prescribed Application Form only.
- Application Forms must be completed in block letters in English, as per the instructions contained in this Draft Prospectus and the Application Form.
- If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names.
- Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details (in case of Applicants applying for Allotment of the Bonds in dematerialised form) and Applications should be made by Karta in case the Applicant is an HUF. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.
- Applicants applying for Allotment in dematerialised form must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchanges by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.
- Applications must be for a minimum of 10 NCDs and in multiples of one NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of 10 NCDs, an Applicant may choose to apply for 10 NCDs of the same series or across different series. Applicants may apply for one or more series of NCDs Applied for in a single Application Form.
- If the ASBA Account holder is different from the ASBA Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.
- If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.
- Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta.
- Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal.
- No separate receipts will be issued for the money payable on the submission of the Application Form. However, the Members of the Consortium/Lead Broker, Trading Members of the Stock Exchanges or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the Transaction Registration Slip ("TRS"). This TRS will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Lead Managers, Trading Member of the Stock Exchanges or the Designated Branch of the SCSBs, as the case may be.
- Every Applicant should hold valid Permanent Account Number (PAN) and mention the same in the Application Form.
- All Applicants are required to tick the relevant column of "Category of Investor" in the Application Form.

- Applicant should correctly mention the ASBA Account number and UPI ID in case applying through UPI Mechanism and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and ensure that the signature in the Application Form matches with the signature in the Applicant's bank records.

The series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Members of the Consortium/Lead Broker, Trading Member of the Stock Exchanges in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Members of the Consortium/Lead Broker, Trading Member of the Stock Exchange nor Designated Branches, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms.

Our Company would allot the series of NCDs, as specified in this Draft Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

B. Applicant's Beneficiary Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDS SHOULD MENTION THEIR DP ID, CLIENT ID, PAN AND UPI ID (in case applying through UPI Mechanism) IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, CLIENT ID PAN AND UPI ID GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, CLIENT ID, PAN AND UPI ID AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

Applicants applying for Allotment in dematerialised form must mention their DP ID and Client ID in the Application Form and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form for Allotment in dematerialised form is submitted in the first Applicant's name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID and PAN mentioned in the Application Form for Allotment in dematerialised form and entered into the electronic system of the Stock Exchanges do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form for Allotment in dematerialised form is liable to be rejected. Further, Application Forms submitted by Applicants applying for Allotment in dematerialised form, whose beneficiary accounts are inactive, will be rejected.

On the basis of the DP ID, Client ID and UPI ID provided by the Applicant in the Application Form for Allotment in dematerialised form and entered into the electronic system of the Stock Exchange, the Registrar to the Issue will obtain from the Depositories the Demographic Details of the Applicant including PAN, address, bank account details for printing on refund orders/sending refunds through electronic mode, Magnetic Ink Character Recognition ("MICR") Code and occupation. These Demographic Details would be used for giving Allotment Advice and refunds (including through physical refund warrants, direct credit, NACH, NEFT and RTGS), if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the DP and ensure that they are true and correct, and carefully fill in their Beneficiary Account details in the Application Form. Failure to do so could result in delays in dispatch/credit of refunds to Applicants and delivery of Allotment Advice at the Applicants' sole risk, and neither our Company, the Members of the Consortium/Lead Broker, Trading Members of the Stock Exchange, SCSBs, Registrar to the Issue nor the Stock Exchanges will bear any responsibility or liability for the same.

The Demographic Details would be used for correspondence with the Applicants including mailing of the Allotment Advice and printing of bank particulars on the refund orders, or for refunds through electronic transfer of funds, as applicable. Allotment Advice and physical refund orders (as applicable) would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund orders/ Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Applicant (other than ASBA Applicants) in the Application Form would be used only to ensure dispatch of refund orders.

Please note that any such delay shall be at such Applicants sole risk and neither our Company, the Members of the Consortium/Lead Broker, Trading Members of the Stock Exchange, SCSBs, Registrar to the Issue nor the Stock Exchanges shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Draft Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under power of attorney, our Company in its absolute discretion, reserves the right to permit the holder of Power of Attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of refund orders/ Allotment Advice, the demographic details obtained from the Depository of the Applicant shall be used. By signing the Application Form, the Applicant would have deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Issue.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to the Issue will be made into the accounts of such Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the four parameters, namely, DP ID, Client ID, PAN and UPI ID, then such Application are liable to be rejected.

Applicants should note that the NCDs will be allotted to all successful Applicants only in dematerialised form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for Retail Individual Investor Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected.

C. Unified Payments Interface (UPI)

Pursuant to the SEBI Operational Circular, the UPI Mechanism is applicable for public debt issues as a payment mechanism (in addition to the mechanism of blocking funds maintained with SCSBs under ASBA) for applications by retail individual bidders through Designated Intermediaries. All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using UPI. The Company will be required to appoint one SCSB as a Sponsor Bank to act as a conduit between the Stock Exchange and National Payments Corporation of India in order to facilitate the collection of requests and/or payment instructions of the investors.

D. Permanent Account Number (PAN)

The Applicant should mention his or her Permanent Account Number (PAN) allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the Central or State Government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008 and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market. In accordance with circular No. MRD/DOP/Cir-05/2007 dated April 27, 2007 issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. **Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.**

However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN Field i.e. either Sikkim category or exempt category.

D. Joint Applications

Applications may be made in single or joint names (not exceeding three). In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein. If the depository

account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

E. Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs for the same or other series of NCDs, subject to a minimum application size of ₹10,000 and in multiples of ₹1,000 thereafter as specified in this Draft Prospectus. **Any Application for an amount below the aforesaid minimum application size will be deemed as an invalid application and shall be rejected.** However, multiple Applications by the same individual Applicant aggregating to a value exceeding ₹10 lakhs shall be deemed such individual Applicant to be a HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the basis of allotment to such Applicant. However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a Karta of a Hindu Undivided family and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application. For the purposes of allotment of NCDs under the Issue, Applications shall be grouped based on the PAN, i.e. Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN number of the sole or the first Applicant is one and the same.

Process for investor application submitted with UPI as mode of payment

- a. Before submission of the application with the intermediary, the investor would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- b. An investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchange App/ Web interface, or any other methods as may be permitted.
- c. The intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the stock exchange bidding platform using appropriate protocols.
- d. Once the bid has been entered in the bidding platform, the Stock Exchange shall undertake validation of the PAN and Demat account combination details of investor with the depository.
- e. The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- f. Once the bid details are uploaded on the Stock Exchange platform, the Stock Exchange shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next working day.
- g. Post undertaking validation with the Depository, the Stock Exchange shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the issuer.
- h. The Sponsor Bank shall initiate a mandate request on the investor.
- i. The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.
- j. The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the public issue bid details submitted by investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorise the mandate. Such mandate raised by Sponsor Bank would be a one-time mandate for each application in the public issue.
- k. An investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the issue period or any other modified closure

date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next working day.

- l. An investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.
- m. For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 day till 1 PM.
- n. The facility of re-initiation/ resending the UPI mandate shall be available only till 5 pm on the day of bidding.
- o. Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.
- p. The information containing status of block request (e.g. accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange. The block request status would also be displayed on the Stock Exchange platform for information of the intermediary.
- q. The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- r. Post closure, the Stock Exchange shall share the bid details with RTA. Further, the Stock Exchange shall also provide the RTA, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.
- s. The allotment of debt securities shall be done as SEBI Operational Circular.
- t. The RTA, based on information of bidding and blocking received from the Stock Exchange, shall undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.
- u. Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the investor's account. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the public issue account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.
- v. Upon confirmation of receipt of funds in the public issue account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the investor.
- w. Thereafter, Stock Exchange will issue the listing and trading approval.
- x. Further, in accordance with the Operational Instructions and Guidelines for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 the investor shall also be responsible for the following:
 - i. Investor shall check the Issue details before placing desired bids;
 - ii. Investor shall check and understand the UPI mandate acceptance and block of funds process before placing the bid;
 - iii. The receipt of the SMS for mandate acceptance is dependent upon the system response/ integration of UPI on Debt Public Issue System;
 - iv. Investor shall accept the UPI Mandate Requests within the stipulated timeline;
 - v. Investor shall note that the transaction will be treated as completed only after the acceptance of mandates by the investor by way of authorising the transaction by entering their UPI pin and successfully blocking funds through the ASBA process by the investor's bank;

- vi. Investor shall check the status of their bid with respect to the mandate acceptance and blocking of funds for the completion of the transaction; and
 - vii. In case the investor does not accept the mandate within stipulated timelines, in such case their bid will not be considered for allocation.
- y. Further, in accordance with circular issued by National Stock Exchange of India Limited for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 05, 2021 the investor shall also be responsible for the following:
- i. After successful registration & log-in, the investors shall view and check the active Debt IPO's available from IPO dashboard.
 - ii. Investors shall check the issue/series details. Existing registered users of NSE goBID shall also be able to access once they accept the updated terms and condition.
 - iii. After successfully bidding on the platform, investors shall check the NSE goBID app/psp/sms for receipt of mandate & take necessary action.
 - iv. UPI mandate can be accepted latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next working day.
 - v. For UPI bid the facility of re-initiation/ resending the UPI mandate shall be available only till 5 pm on the day of bidding.
 - vi. Investors can use the re-initiation/ resending facility only once in case of any issue in receipt/acceptance of mandate.
- z. The Investors are advised to read the operational guidelines mentioned for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 and the circular issued by National Stock Exchange of India Limited for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 05, 2021 before investing through the through the app/ web interface of Stock Exchange(s).

Kindly note, the Stock Exchange(s) shall be responsible for addressing investor grievances arising from Applications submitted online through the App based/ web interface platform of Stock Exchanges or through their Trading Members.

Further, the collecting bank shall be responsible for addressing any investor grievances arising from non-confirmation of funds to the Registrar despite successful realization/blocking of funds, or any delay or operational lapse by the collecting bank in sending the Application forms to the Registrar.

Do's and Don'ts

Applicants are advised to take note of the following while filling and submitting the Application Form:

Do's

1. Check if you are eligible to apply as per the terms of this Draft Prospectus and applicable law;
2. Read all the instructions carefully and complete the Application Form in the prescribed form;
3. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to the Issue.
4. Ensure that the DP ID, Client ID and PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange are correct and match with the DP ID, Client ID and PAN available in the Depository database. Ensure that the DP ID and Client ID are correct and beneficiary account is activated for Allotment of NCDs in dematerialised form. The requirement for providing Depository Participant details shall be mandatory for all Applicants.
5. Ensure that you have mentioned the correct ASBA Account number in the Application Form.
6. Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the ASBA account holder.
7. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Designated Intermediaries, as

- the case may be.
8. Ensure that the Application Forms are submitted at the collection centres provided in the Application Forms, bearing the stamp of a Member of the Consortium or Trading Members of the Stock Exchange, as the case may be.
 9. Before submitting the Application Form with the Designated Intermediaries ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that relevant Bidding Centre;
 10. Ensure that you have been given an acknowledgement as proof of having accepted the Application Form;
 11. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchange, ensure that you have first withdrawn your original Application and submit a fresh Application. For instance, as per the notice No: 20120831-22 dated August 31, 2012 issued by the NSE, fields namely, quantity, series, application no., sub-category codes will not be allowed for modification during the Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes.
 12. Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
 13. Ensure that you mention your PAN in the Application Form. In case of joint Applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground.
 14. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta;
 15. Ensure that the Applications are submitted to the Members of the Consortium/Lead Broker, Trading Members of the Stock Exchanges or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Issue Closing Date. For further information on the Issue programme, please see "*General Information – Issue Programme*" on page 69.
 16. Ensure that the Demographic Details including PAN are updated, true and correct in all respects.
 17. Permanent Account Number: Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same.
 18. All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form and Tick the series of NCDs in the Application Form that you wish to apply for.
 19. Retail individual investors using the UPI Mechanism to ensure that they submit bids upto the application value of ₹2,00,000.
 20. Investor using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form.
 21. Investors bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue and submit the application with any of the intermediaries or through the Stock Exchange App/ Web interface.
 22. Ensure that you have correctly signed the authorisation /undertaking box in the Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form, as the case may be, at the time of submission of the Bid. In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
 23. Ensure that you have mentioned the correct details of ASBA Account (i.e., bank account number or UPI ID, bank name, bank branch, as applicable) in the Application Form.
 24. In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
 25. Retail Individual Investors submitting Application Form using the UPI Mechanism, should ensure that the: (a) bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle

being used for making the Bid, are listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40

In terms of SEBI Operational Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account.

SEBI Operational Circular stipulates the time between closure of the Issue and listing at 6 (six) Working Days. In order to enable compliance with the above timelines, investors are advised to use ASBA facility only to make payment.

Don'ts:

1. Do not apply for lower than the minimum application size.
2. Do not pay the Application Amount in cash, by cheque, by money order or by postal order or by stock invest.
3. Do not send Application Forms by post; instead submit the same to the Members of the Consortium/Lead Broker, sub-brokers, Trading Members of the Stock Exchanges or Designated Branches of the SCSBs, as the case may be.
4. Do not submit the Application Form to any non-SCSB bank or our Company.
5. Do not Bid on an Application Form that does not have the stamp of the relevant Designated Intermediary or the Designated Branch of the SCSB, as the case may be.
6. Do not fill up the Application Form such that the NCDs applied for exceeds the Issue size and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations.
7. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
8. Do not submit incorrect details of the DP ID, Client ID, UPI ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue.
9. Do not submit an Application Form using UPI ID, if the Application is for an amount more than ₹2,00,000.
10. Do not submit a bid using UPI ID, if you are not a Retail Individual Investor.
11. Do not submit the Application Forms without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account.
12. Do not submit Applications on plain paper or on incomplete or illegible Application Forms.
13. Do not apply if you are not competent to contract under the Indian Contract Act, 1872.
14. Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI.
15. Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise.
16. Do not submit an Application that does not comply with the securities law of your respective jurisdiction.
17. Do not apply if you are a person ineligible to apply for NCDs under the Issue including Applications by Persons Resident Outside India, NRI (*inter-alia* including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA).
18. Do not make an application of the NCD on multiple copies taken of a single form.
19. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted in the Issue.
20. Do not submit more than five Application Forms per ASBA Account.
21. If you are a Retail Individual Investor who is submitting the ASBA Application with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third-party linked bank account UPI ID.

Kindly note that ASBA Applications submitted to the Members of the Consortium/Lead Broker or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that Specified City for the Members of the Consortium/Lead Broker or Trading Members of the Stock Exchange, as the case may be, to deposit such Application Forms (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>)).

Please refer to “*Rejection of Applications*” on page 279 for information on rejection of Applications.

TERMS OF PAYMENT

The entire issue price for the NCDs is payable on Application only. In case of Allotment of lesser number of NCDs than the number applied, our Company shall refund the excess amount paid on Application to the Applicant (or the excess amount shall be unblocked in the ASBA Account, as the case may be).

The ASBA Applicants shall specify the ASBA Account number in the Application Form.

For ASBA Applications submitted to the Members of the Consortium/Lead Broker or Trading Members of the Stock Exchanges at the Specified Cities, the ASBA Application will be uploaded onto the electronic system of the Stock Exchanges and deposited with the relevant branch of the SCSB at the Specified City named by such SCSB to accept such ASBA Applications from the Members of the Consortium/Lead Broker or Trading Members of the Stock Exchange, as the case may be (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>). The relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application.

For ASBA Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application, before entering the ASBA Application into the electronic system of the Stock Exchange. SCSBs may provide the electronic mode of application either through an internet enabled application and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account.

ASBA Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the ASBA Application to the Members of the Consortium/Lead Broker or Trading Members of the Stock Exchange, as the case may be, at the Specified Cities or to the Designated Branches of the SCSBs. An ASBA Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, and upon receipt of intimation from the Registrar, the controlling branch of the SCSB shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 6 (six) Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the ASBA Application, as the case may be.

An Applicant may submit the Application Form with a SCSB, or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is Rs.2 lac or less. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant in this case.

An Applicant may submit the Application Form through the App or web interface developed by Stock Exchanges wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Payment mechanism for Direct Online Applicants

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges.

Additional Instructions for Retail Individual Investors using the UPI mechanism:

- a. Before submission of the application form with the Designated Intermediary, a Retail Individual Investor shall

download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with his bank and link it to his/ her bank account where the funds equivalent to the application amount is available.

- b. The Retail Individual Investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchanges App/Web interface.
- c. The Designated Intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the Stock Exchange(s) bidding platform using appropriate protocols.
- d. Once the bid has been entered in the bidding platform, the Stock Exchange(s) shall undertake validation of the PAN and Demat account combination details of investor with the depository.
- e. The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to Stock Exchange(s) which would be shared by the Stock Exchange(s) with the Designated Intermediaries through its platform, for corrections, if any.
- f. Once the bid details are uploaded on the Stock Exchange(s) platform, the Stock Exchange(s) shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next Working Day.
- g. Post undertaking validation with the Depository, the Stock Exchange(s) shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the Company.
- h. The Sponsor Bank shall initiate a mandate request on the investor i.e. request the investor to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
- i. The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.
- j. The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the bid details submitted by such investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorise the mandate. Such mandate raised by the Sponsor Bank would be a one-time mandate for each application in the Issue.
- k. The investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the Issue period or any other modified closure date of the Issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next Working Day.
- l. The investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.
- m. For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 (T being the Issue Closing Date) modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 (T being the Issue Closing Date) day till 1 pm.
- n. The facility of Re-initiation/ Resending the UPI mandate shall be available only till 5 pm on the day of bidding.
- o. Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.
- p. The information containing status of block request (e.g. accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange(s). The block request status would also be displayed on the Stock Exchange(s) platform for information of the intermediary.

- q. The information received from Sponsor Bank, would be shared by Stock Exchange(s) with the Registrar to the Issue in the form of a file for the purpose of reconciliation.
- r. Post closure of the Issue, the Stock Exchange(s) shall share the bid details with the Registrar to the Issue. Further, the Stock Exchange(s) shall also provide the Registrar to the Issue, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.

SUBMISSION OF COMPLETED APPLICATION FORMS

Mode of Submission of Application Forms	To whom the Application Form has to be submitted
ASBA Applications	<p>(i) If using <u>physical Application Form</u>, (a) to the Members of the Consortium/Lead Broker or Trading Members of the Stock Exchanges only at the Specified Cities (“Syndicate ASBA”), or (b) to the Designated Branches of the SCSBs where the ASBA Account is maintained; or</p> <p>(ii) If using <u>electronic Application Form</u>, to the SCSBs, electronically through internet banking facility, if available.</p>

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges.

No separate receipts will be issued for the Application Amount payable on submission of Application Form. However, the Members of the Consortium/Lead Broker Trading Members of Stock Exchanges will acknowledge the receipt of the Application Forms by stamping the date and returning to the Applicants a TRS which will serve as a duplicate Application Form for the records of the Applicant.

Electronic Registration of Applications

- (a) The Members of the Consortium/Lead Broker, Trading Members of the Stock Exchanges and Designated Branches of the SCSBs, as the case may be, will register the Applications using the on-line facilities of the Stock Exchange. **The Members of the Consortium/Lead Broker, our Company and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) with respect to ASBA Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts, or (v) any Applications accepted both uploaded and/or not uploaded by the Trading Members of the Stock Exchange.**

In case of apparent data entry error by the Members of the Consortium/Lead Broker, Trading Members of the Stock Exchange, or Designated Branches of the SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange. However, the series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Members of the Consortium/Lead Broker, Trading Member of the Stock Exchanges in the data entries as such data entries will be considered for allotment/rejection of Application.

- (b) The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available on the terminals of Members of the Consortium/Lead Broker, Trading Members of the Stock Exchanges and the SCSBs during the Issue Period. The Members of the Consortium/Lead Broker and Trading Members of the Stock Exchanges can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on the Issue Closing Date. On the Issue Closing Date, the Members of the Consortium/Lead Broker, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchange. This information will be available with the Members of the Consortium/Lead Broker, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs on a regular basis.

Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation. For further information on the Issue programme, please refer to “*General Information – Issue Programme*” on page 69.

- (c) With respect to ASBA Applications submitted directly to the SCSBs at the time of registering each Application, the Designated Branches shall enter the requisite details of the Applicants in the on-line system including:
- Application Form number
 - PAN (of the first Applicant, in case of more than one Applicant)
 - Investor category and sub-category
 - DP ID
 - Client ID
 - Series of NCDs applied for
 - Number of NCDs Applied for in each series of NCD
 - Price per NCD
 - Bank code for the SCSB where the ASBA Account is maintained
 - Bank account number
 - Application amount
- (d) With respect to ASBA Applications submitted to the Members of the Consortium/Lead Broker, or Trading Members of the Stock Exchanges only at the Specified Cities, at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:
- Application Form number
 - PAN (of the first Applicant, in case of more than one Applicant)
 - Investor category and sub-category
 - DP ID
 - Client ID
 - Series of NCDs applied for
 - Number of NCDs Applied for in each series of NCD
 - Price per NCD
 - Bank code for the SCSB where the ASBA Account is maintained
 - Location of Specified City
 - Application amount
- (e) A system generated acknowledgement (TRS) will be given to the Applicant as a proof of the registration of each Application. **It is the Applicant’s responsibility to obtain the acknowledgement from the Members of the Consortium/Lead Broker, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs, as the case may be. The registration of the Application by the Members of the Consortium/Lead Broker, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs, as the case may be, does not guarantee that the NCDs shall be allocated/ Allotted by our Company. The acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.**
- (f) Applications can be rejected on the technical grounds listed on page 279 or if all required information is not provided or the Application Form is incomplete in any respect.
- (g) The permission given by the Stock Exchanges to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchanges.
- (h) Only Applications that are uploaded on the online system of the Stock Exchanges shall be considered for allocation/ Allotment. The Members of the Consortium/Lead Broker, Trading Members of the Stock Exchanges

and the Designated Branches of the SCSBs shall capture all data relevant for the purposes of finalising the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchange. In order that the data so captured is accurate the Members of the Consortium/Lead Broker, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

REJECTION OF APPLICATIONS

Applications would be liable to be rejected on the technical grounds listed below or if all required information is not provided or the Application Form is incomplete in any respect. The Board of Directors and/or Bond Issue Committee of our Company reserves its full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

- i. Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, except bids by Minors (applying through the guardian) having valid demat account as per demographic details provided by the Depository Participants.
- ii. Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant.
- iii. PAN not mentioned in the Application Form, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian, when PAN of the Applicant is not mentioned.
- iv. Application Amount blocked being higher or lower than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size.
- v. Applications where a registered address in India is not provided for the Applicant.
- vi. In case of partnership firms (except LLPs), NCDs applied for in the name of the partnership and not the names of the individual partner(s).
- vii. DP ID and Client ID not mentioned in the Application Form;
- viii. GIR number furnished instead of PAN.
- ix. Applications by OCBs.
- x. Applications for an amount below the minimum application size.
- xi. Submission of more than five ASBA Forms per ASBA Account.
- xii. Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals.
- xiii. In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted.
- xiv. Applications accompanied by Stock invest/cheque/ money order/ postal order/ cash.
- xv. If an authorisation to the SCSB or Sponsor Bank for blocking funds in the ASBA Account or acceptance of UPI Mandate Request raised has not been provided;
- xvi. Signature of sole Applicant missing, or in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository).
- xvii. Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.
- xviii. Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form.
- xix. Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant.
- xx. Signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB bank's records where the ASBA Account mentioned in the Application Form is maintained.
- xxi. Application Forms submitted to the Members of the Consortium/Lead Broker or Trading Members of the Stock Exchanges or Designated Branches of the SCSBs does not bear the stamp of the relevant Member of Consortium/Lead Broker or Trading Member of the Stock Exchange or Designated Branch of the SCSB, as the case may be.
- xxii. Applications not having details of the ASBA Account to be blocked.
- xxiii. In case no corresponding record is available with the Depositories that matches three parameters namely,

- DP ID, Client ID and PAN or if PAN is not available in the Depository database.
- xxiv. Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds.
 - xxv. SCSB making an application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues.
 - xxvi. Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law.
 - xxvii. Authorisation to the SCSB for blocking funds in the ASBA Account or acceptance of UPI Mandate Request raised has been not provided.
 - xxviii. Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority.
 - xxix. Applications by any person outside India.
 - xxx. Applications by other persons who are not eligible to apply for NCDs under the Issue under applicable Indian or foreign statutory/regulatory requirements.
 - xxxi. Applications not uploaded on the online platform of the Stock Exchange.
 - xxxii. Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchanges, as applicable.
 - xxxiii. Application Forms not delivered by the Applicant within the time prescribed as per the Application Form, this Draft Prospectus and as per the instructions in the Application Form and this Draft Prospectus.
 - xxxiv. Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010.
 - xxxv. Where PAN details in the Application Form and as entered into the electronic system of the Stock Exchange, are not as per the records of the Depositories.
 - xxxvi. Applications for Allotment of NCDs in dematerialised form providing an inoperative demat account number.
 - xxxvii. Applications submitted to the Members of the Consortium/Lead Broker, or Trading Members of the Stock Exchanges at locations other than the Specified Cities or at a Designated Branch of a SCSB where the ASBA Account is not maintained.
 - xxxviii. Applications tendered to the Trading Members of the Stock Exchanges at centers other than the centers mentioned in the Application Form.
 - xxxix. Investor Category not ticked.
 - xl. In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application.
 - xli. The UPI Mandate Request is not approved by the Retail Individual Investor.
 - xlii. Forms not uploaded on the electronic software of the Stock Exchange.

Kindly note that Applications submitted to the Members of the Consortium/Lead Broker, or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that Specified City for the Members of the Consortium/Lead Broker, or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Applications (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>).

For information on certain procedures to be carried out by the Registrar to the Offer for finalisation of the basis of allotment, please refer to “– *Information for Applicants*” on page 283.

BASIS OF ALLOTMENT

Basis of Allotment for NCDs

The Registrar will aggregate the Applications, based on the applications received through an electronic book from the Stock Exchange and determine the valid Application for the purpose of drawing the basis of allocation.

Allocation Ratio

The Registrar will aggregate the Applications based on the Applications received through an electronic book

from the Stock Exchange and determine the valid applications for the purpose of drawing the basis of allocation. Grouping of the application received will be then done in the following manner:

Grouping of Applications and Allocation Ratio: Applications received from various applicants shall be grouped together on the following basis:

- (a) Applications received from Category I applicants: Applications received from Category I, shall be grouped together, (“Institutional Portion”);
- (b) Applications received from Category II applicants: Applications received from Category II, shall be grouped together, (“Non-Institutional Portion”);
- (c) Applications received from Category III applicants: Applications received from Category III, shall be grouped together, (“High Net-Worth Individual Portion”).
- (d) Applications received from Category IV applicants: Applications received from Category IV, shall be grouped together, (“Retail Individual Portion”).

For removal of doubt, “*Institutional Portion*”, “*Non-Institutional Portion*”, “*High Net-Worth Individual*” and “*Retail Individual Portion*” are individually referred to as “*Portion*” and collectively referred to as “*Portions*”.

For the purposes of determining the number of NCDs available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of NCDs to be Allotted over and above the Base Issue Size, in case our Company opts to retain any oversubscription in the Issue up to ₹3,000 millions. The aggregate value of NCDs decided to be allotted over and above the Base Issue Size, (in case our Company opts to retain any oversubscription in the Issue), and/or the aggregate value of NCDs up to the Base Issue Size shall be collectively termed as the “Overall Issue Size”.

Basis of Allotment for NCDs

Allotments in the first instance:

- (i) Applicants belonging to the Category I, in the first instance, will be allocated NCDs up to [●]% of overall Issue Size on first come first serve basis (determined on the basis of date of receipt of each Application duly acknowledged by the Lead Manager and their respective affiliates/SCSB (Designated Branch or online acknowledgement));
- (ii) Applicants belonging to the Category II, in the first instance, will be allocated NCDs up to [●]% of Overall Issue Size on first come first serve basis (determined on the basis of date of receipt of each Application duly acknowledged by the Members of the Syndicate/Trading Members/SCSB (Designated Branch or online acknowledgement));
- (iii) Applicants belonging to the Category III, in the first instance, will be allocated NCDs up to [●]% of Overall Issue Size on first come first serve basis (determined on the basis of date of receipt of each Application duly acknowledged by the Members of the Syndicate/Trading Members/SCSB (Designated Branch or online acknowledgement));
- (iv) Applicants belonging to the Category IV, in the first instance, will be allocated NCDs up to [●]% of Overall Issue Size on first come first serve basis (determined on the basis of date of receipt of each Application duly acknowledged by the Members of the Syndicate/Trading Members/SCSB (Designated Branch or online acknowledgement));

Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e., a first-come first-serve basis, based on the date of upload of each Application in to the electronic book with Stock Exchange, in each Portion subject to the Allocation Ratio. However, on the date of oversubscription, the Allotments would be made to the Applicants on proportionate basis.

- (a) Under Subscription:

Under subscription, if any, in any Portion, priority in Allotments will be given in the following order:

- (i) Retail Individual Portion
- (ii) High Net-Worth Individual Portion
- (iii) Non-Institutional Portion;
- (iv) Institutional Portion

Within each Portion, priority in Allotments will be given on a first-come-first-serve basis, based on the date of upload of each Application into the electronic system of the Stock Exchange.

For each Portion, all Applications uploaded into the electronic book with the Stock Exchange would be treated at par with each other. Allotment would be on proportionate basis, where Applications uploaded into the Platform of the Stock Exchange on a particular date exceeds NCDs to be allotted for each Portion, respectively.

Minimum allotment of 10 NCD and in multiples of 1 (one) NCD thereafter would be made in case of each valid Application.

- (b) Allotments in case of oversubscription:

In case of an oversubscription, Allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full Allotment of NCDs to the valid Applicants on a first come first serve basis for forms uploaded up to 5 pm of the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of NCDs to the valid Applicants on the date of oversubscription (based on the date of upload of the Application on the Stock Exchange Platform, in each Portion). In case of over subscription on date of opening of the Issue, the Allotment shall be made on a proportionate basis. Applications received for the NCDs after the date of oversubscription will not be considered for Allotment.

In view of the same, the Investors are advised to refer to the website of the Stock Exchanges for details in respect of subscription.

- (c) Proportionate Allotments: For each Portion, on the date of oversubscription:

- (i) Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer;

- (ii) If the process of rounding off to the nearest integer results in the actual allocation of NCDs being higher than the Issue Size, not all Applicants will be allotted the number of NCDs arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference;

- (iii) In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the Basis of Allotment is finalised by draw of lots in a fair and equitable manner; and

- (d) Applicant applying for more than one Series of NCDs:

If an Applicant has applied for more than one Series of NCDs, and in case such Applicant is entitled to allocation of only a part of the aggregate number of NCDs applied for due to such Applications received on the date of oversubscription, the option-wise allocation of NCDs to such Applicants shall be in proportion to the number of NCDs with respect to each option, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with Lead Manager and Designated Stock Exchange.

All decisions pertaining to the Basis of Allotment of NCDs pursuant to the Issue shall be taken by our Company in consultation with the Lead Manager, and the Designated Stock Exchange and in compliance with the aforementioned provisions of this Draft Prospectus.

Our Company would allot Series [●] NCDs to all valid applications, wherein the Applicants have not indicated their choice of the relevant series of the NCDs.

Valid applications where the Application Amount received does not tally with or is less than the amount equivalent to value of number of NCDs applied for, may be considered for Allotment, to the extent of the Application Amount paid rounded down to the nearest ₹1,000 in accordance with the pecking order mentioned above.

Retention of oversubscription

Our Company shall have an option to retain over-subscription up to the Issue limit.

Information for Applicants

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship).

Unblocking of Funds for withdrawn, rejected or unsuccessful or partially successful Applications

The Registrar shall, pursuant to preparation of Basis of Allotment, instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful Applications within 6 (six) Working Days of the Issue Closing Date.

ISSUANCE OF ALLOTMENT ADVICE

Our Company shall ensure dispatch of Allotment Advice and/ or give instructions for credit of NCDs to the beneficiary account with Depository Participants within 6 (six) Working Days of the Issue Closing Date. The Allotment Advice for successful Applicants will be mailed to their addresses as per the Demographic Details received from the Depositories.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for commencement of trading at the Stock Exchanges where the NCDs are proposed to be listed are taken within 6 (six) Working Days from the Issue Closing Date; provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Account(s) of the Applicants within 6 (six) Working Days from the Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate of 15 (fifteen) percent per annum for the delayed period.

Our Company will provide adequate funds required for dispatch of Allotment Advice, as applicable, to the Registrar to the Issue.

OTHER INFORMATION

Withdrawal of Applications during the Issue Period

Withdrawal of Applications

Applicants can withdraw their Applications during the Issue Period by submitting a request for the same to Member of the Consortium, Trading Member of the Stock Exchanges or the Designated Branch, as the case may be, through whom the Application had been placed. In case of Applications submitted to the Member of the Consortium, or Trading Members of the Stock Exchanges at the Specified Cities, upon receipt of the request for withdrawal from the Applicant, the relevant Member of the Consortium, or Trading Member of the Stock Exchange, as the case may be, shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchange. In case of Applications submitted directly to the Designated Branch of the SCSB, upon receipt of the request for withdraw from the Applicant, the relevant Designated Branch shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchanges and unblocking of the funds in the ASBA Account directly.

In case an Applicant wishes to withdraw the Application after the Issue Closing Date, the same can be done by submitting a withdrawal request to the Registrar to the Issue prior to the finalisation of the Basis of Allotment.

Early Closure

Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Closing Date, subject to receipt of minimum subscription for NCDs aggregating to 75% of the Base Issue Size. Our Company shall allot NCDs with respect to the Applications received at the time of such early closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

If our Company does not receive the minimum subscription of 75% of Base Issue Size within the timelines prescribed under applicable laws, the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within eight Working Days from the Issue Closing Date, or such time as may be specified by SEBI. In case of failure of the Issue due to reasons such as non-receipt of listing and trading approval from the Stock Exchanges wherein the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be unblocked in the Applicants ASBA Account within two Working Days from the scheduled listing date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum from the scheduled listing date till the date of actual payment.

Revision of Applications

As per the notice No: 20120831-22 dated August 31, 2012 issued by the BSE and notice No: NSE/CML/2012/0672 dated August 7, 2012 issued by NSE, cancellation of one or more orders (series) within an Application is permitted during the Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. Please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the stock exchange(s), by submitting a written request to the Member of the Consortium / Trading Members of the Stock Exchange/ the SCSBs, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchange(s) as per the procedures and requirements prescribed by each relevant Stock Exchange, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Issue Closing Date. However, in order that the data so captured is accurate, the Member of the Consortium, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

Depository Arrangements

We have made depository arrangements with NSDL and CDSL. Please note that Tripartite Agreements have been executed between our Company, the Registrar and both the depositories.

As per the provisions of the Depositories Act, 1996, the NCDs issued by us can be held in a dematerialised form. In this context:

- i. Tripartite agreement dated April 11, 2018 among our Company, the Registrar and CDSL and tripartite agreement dated May 18, 2017 among our Company, the Registrar and NSDL, respectively for offering depository option to the investors.
- ii. An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.
- iii. The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.
- iv. NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.

- v. Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to this Issue.
- vi. It may be noted that NCDs in electronic form can be traded only on the Stock Exchanges having electronic connectivity with NSDL or CDSL. The Stock Exchanges have connectivity with NSDL and CDSL.
- vii. Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.
- viii. The trading of the NCDs on the floor of the Stock Exchanges shall be in dematerialised form only.

Please also refer to “– *Instructions for filling up the Application Form - Applicant’s Beneficiary Account and Bank Account Details*” on page 268.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable premium and interest for such NCDs) prior to redemption of the NCDs.

PLEASE NOTE THAT TRADING OF NCDs ON THE FLOOR OF THE STOCK EXCHANGES SHALL BE IN DEMATERIALISED FORM ONLY IN MULTIPLE OF ONE NCD.

Allottees will have the option to re-materialise the NCDs Allotted under the Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or first Applicant, Application Form number, Applicant’s DP ID and Client ID, Applicant’s PAN, number of NCDs applied for, date of the Application Form, name and address of the Lead Managers, Trading Member of the Stock Exchanges or Designated Branch, as the case may be, where the Application was submitted, and cheque/ draft number and issuing bank thereof or with respect to ASBA Applications, ASBA Account number in which the amount equivalent to the Application Amount was blocked. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB.

Applicants may contact our Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice, refunds, or credit of NCDs in the respective beneficiary accounts, as the case may be.

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment, demat credit and refunds, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

Undertaking by the Issuer

Statement by the Board:

- (a) All monies received pursuant to the Issue of NCDs to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013.
- (b) Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised; and
- (c) Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.
- (d) the details of all utilised and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilised indicating the purpose for which such monies have been utilised, and the securities or other forms of financial assets in which such unutilised monies have been

- invested;
- (e) Undertaking by our Company for execution of Debenture Trust Deed;
 - (f) We shall utilise the Issue proceeds only upon execution of the Debenture Trust Deed as stated in this Draft Prospectus, on receipt of the minimum subscription of 75% of the Base Issue Size and receipt of listing and trading approval from the Stock Exchange.
 - (g) The Issue proceeds shall not be utilised towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property dealing of equity of listed companies or lending/investment in group companies.
 - (h) The allotment letter/intimation shall be issued or application money shall be refunded as may be specified by Securities and Exchange Board of India, or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Other Undertakings by our Company

Our Company undertakes that:

- a) Complaints received in respect of the Issue will be attended to by our Company expeditiously and satisfactorily;
- b) Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the NCDs are outstanding;
- c) Our Company will take necessary steps for the purpose of getting the NCDs listed within the specified time, i.e., within 6 Working Days of the Issue Closing Date;
- d) Funds required for dispatch of refund orders/Allotment Advice will be made available by our Company to the Registrar to the Issue;
- e) Our Company will forward details of utilisation of the proceeds of the Issue, duly certified by the Statutory Auditor, to the Debenture Trustee on a half-yearly basis;
- f) Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of the Issue as contained in this Draft Prospectus.
- g) Our Company shall make necessary disclosures/reporting under any other legal and regulatory requirement as may be required by our Company from time to time.
- h) Our Company will disclose the complete name and address of the Debenture Trustee in its annual report and website.
- i) If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within six Working Days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws;
- j) We have created a recovery expense fund in the manner as maybe specified by SEBI from time to time and inform the Debenture Trustee about the same
- k) We undertake that the assets on which charge is created, are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or pari-passu charge on the assets of the issuer has been obtained from the earlier creditor.

SECTION VIII- MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

ARTICLES OF ASSOCIATION

OF

DHANI LOANS AND SERVICES LIMITED

PRELIMINARY

1. Article 1: *The regulations contained in Table F of Schedule I shall apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the management of the Company, so however that the Articles shall to the extent to which they are repugnant to and / or at variance with the provisions of the Companies Act 2013, various Schedules thereto and the Rules made thereunder (collectively referred to as "Act"), be deemed to have been replaced by the relevant provisions/rules in the Act so as to be in consonance and harmony therewith.*

INTERPRETATION

2. (1) In these regulations: -
 - (a) **"The Act" means the Companies Act, 1956, as amended, from time to time.**
 - (b) **"The Directors" means the Directors of the Company and include persons occupying the position of Directors by what-ever name called.**
 - (c) **"This Seal" means the Common Seal of the Company.**
- (2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any Statutory modification thereof in force.

3. **DELETED**

IV. CAPITAL

4. The Authorised Share Capital of the Company is such that stated in Clause V of the Memorandum of Association of the Company or altered thereat, from time to time. The company has the, Power from time to time to increase or reduce, its capital. Any of the said shares and new shares hereafter to be created may, from time to time, be divided into shares of several classes in such manner as may be provided hereinafter. The shares of each class may have or confer such preferential or other special right and privileges may be issued under such restrictions and conditions whether in regard to dividend, voting, return of capital or otherwise as shall have been assigned thereto by or under provisions of Articles of Association but so that the special rights or privileges belonging to holders of any share issued with preferred or other rights shall not be varied or abrogated or effected except with such sanction as is provided for hereinafter.
5. The shares shall be under the control of the Board of Directors who may allot or otherwise dispose of the same to such persons on such terms as the Board of Directors think fit and to give any persons any shares whether at par or at premium and for such consideration as the Board of Directors think fit.
6. Subject to these presents and the provisions of the Act, the shares of the Company whenever issued shall be under the control and the disposal of Board of Directors who may allot, issue or otherwise dispose of the same or any of them to such persons or on such terms and conditions and at such times and at par or premium or discount as they may, from time to time, think fit and proper, may also allot and issue shares in capital of the Company in payment or part payment for any property sold or transferred to or for service rendered to the Company in or about the conduct of its business and the shares which may be allotted may be issued as fully paid up shares and if so issued deemed to the fully paid up shares.

V. TRANSFER AND TRANSMISSION

7. Subject to these Provisions of Section 108 of the Companies Act, 1956, Any member desiring to sell any of his shares must notify to the Board of Directors of the number of shares, the value and the name of the

proposed transferee and the Board of Directors must offer to other share-holders, the shares altered at the fair value and if, the offer is accepted, the shares shall be transferred to the acceptors and if the sharers of any of them are not so accepted within one month from the date of notice of Board , the members, proposing transfer shall, be at liberty, subject to Article 8 and 9 hereof, to sell and transfer the shares to any other person either at the same price or at higher price. In case of any dispute, regarding the fair value of the share it shall be decided and fixed by the company Auditor whose decision shall be final.

8. No transfer of shares shall be made or registered without the previous sanction of the Board of Directors, except when the transfer is made by any member of the Company to another member or to a member's spouse or child or children or his/her heirs and Directors may decline to give such sanction without assigning any reason, subject to Section 111 of the Act.
9. The Board of Directors may refuse to register any transfer of shares (I) where the Company has a lien on the share, or (2) where the share is not a fully paid up share, subject to Section 111 of the Act.

VI. GENERAL MEETING

10. All General Meetings, other than Annual General Meeting shall be called Extra-Ordinary General Meetings.
11.
 - (1) The directors may, whenever it thinks fit, call an Extra-Ordinary General Meeting.
 - (2) If at any time they are not within India, Directors capable of acting who are sufficient in number to form a quorum, any director or any two members if the company may call for an Extra-Ordinary General Meeting in the same manner, as nearly as possible, as that in which a meeting may be called by the Board.
 - (3) Subject to Sections 190, 171, and 219 of the Act, all General Meetings may be called by giving to members clear seven days' notice in writing except where such condition is waived off unanimously by all members in writing in the meeting.

VII PROCEEDINGS AT GENERAL MEETING

12.
 - (1) No business shall be transacted at any General Meeting unless a quorum of members is present at the time when meeting proceeds to business.
 - (2) Subject to regulation 49 of Table 'A' at least two members present in person shall be a quorum.
13. The Chairman if any, of the Board of Directors shall preside as Chairman of every General Meeting of the Company.
14. If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the Directors present shall elect one of their member to be the Chairman of the meeting.
15. If at any meeting, no Director is willing to act as Chairman or if no Director is present within 15 (Fifteen) minutes after the time appointed for holding the meeting, the members (present shall elect one of their members to be Chairman of the meeting.
16.
 - (I) The Chairman may with the consent of any meeting at which quorum is present and shall, if so directed by the meeting adjourn the meeting, from time to time and from place to place.
 - (II) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
 - (III) 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.
 - (IV) Same as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.

17. In case of equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hand takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
18. Any business other than upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

VIII. DIRECTORS

19. The business of the Company shall be managed by the Board of Directors who may pay all expenses incurred in getting the Company registered and may exercise all such powers of the Company as are not restricted by the Act or any statutory modification thereof for the time being in force or by these Articles required to be exercised by the Company in general meeting subject nevertheless, to all regulations of these Article, to the provisions of the Act and to such regulations being not inconsistent with the aforesaid Regulation or provisions as may be prescribed by the Company in General Meeting. Nothing shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.
20. The First Directors of the Company shall be:
 - (1) Mr. Rajesh Kumar Malpani
 - (2) Mr. Amit Kumar Malpani
 - (3) Kamal Kishore Malpani
21. No person, other than a retiring Director, shall be elected as a Director (except as a first Director or Directors appointed by the Director) unless fourteen days' notice shall have been given at the Registered Office of the Company of the intention to propose himself together with a notice in writing, signed by himself signifying his willingness to be elected.
22. The Directors shall not be required to hold any qualification shares in the Company.
23. Each Directors shall receive out of the funds of the Company by way of sitting fee for his services a sum in accordance with the provision of the Companies Act 1956 and Rules made thereunder for every meeting of the Board or any Committee of Directors attended by him.
24. The Director shall also be paid travelling and other expenses of attending and returning from meetings of the Board of Directors (including hotel expenses) and any other expenses properly incurred by them in connection with the business of the Company. Directors may also be remunerated for any extra services done by them outside their ordinary duties as a Director, subject to the provisions of Section 314 of the Act.
25. If any Director, being willing shall be called upon to perform extra services or special attention for the purpose of the Company, the Company may, subject to Section 314 of the Act, remunerate such Director which is either in addition to or in substitution for remuneration to which he may otherwise be entitled.
26. Subject to Sections 297 and 299 of the Act, no Director shall be disqualified by his office from contracting with the Company, nor shall any such contract entered into by or on behalf of the Company, in which any Director shall be in any way interested, be avoided nor shall any Director contracting or being so interested be liable to account to the Company for any profit realized by any such contract by reason only of such Director holding that office or of fiduciary relations thereby established but it is declared that the nature of his interest must be disclosed by him at the meeting of the Directors at which the contract is determined if his interest then exists or in any other case at the first meeting of the Directors after he acquires such interest.
27. The Board of Directors shall have the power, at any time and from time to time, to appoint any person as Additional Director in addition to the existing Directors but so that the total number of Directors shall not be less than two and not more than twelve including nominee director at any time. Any Director, so appointed shall hold office only till the net following Annual General Meeting but shall be eligible thereof for election as Director.

28. Subject to Section 197A of the Act, the Directors may, from time to time, appoint one or more of them to the office of Managing Director on such terms and conditions and at such remuneration as they may think fit.

IX. PROCEEDINGS OF DIRECTORS

29. The Directors may meet together for the despatch of business adjourn and otherwise regulate their meetings as they think fit and determine the quorum necessary for the transaction of business and the place and manner in which the meeting shall be called. At least two Directors or one third of its total strength whichever is higher, present in accordance with Section 287 of the Act, shall form a quorum. Subject to the provisions of the Act, questions arising at any meeting shall be decided by majority of votes, in case of an equality of votes, the Chairman shall have a second or casting vote.
30. A director may and on the request of a Director, the Secretary, if any shall at any time summon a meeting of Directors. A Director who is not in India shall not be entitled to a notice of a meeting of the Directors.
31. The Directors may and from time to time elect a Chairman who shall preside at the meeting of the Directors and determine the period for which he is to hold office, but if no such Chairman is elected or if at any time, the Chairman is not present the Directors present shall choose one of their numbers to be the Chairman of such meeting.
32. Except a resolution which the Companies Act, 1956 requires it specifically to be passed in a board meeting a resolution in writing signed by the majority of the Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly convened, held and constituted subject to section 289 of the Act.

X. POWERS OF THE DIRECTORS

33. Subject in section 292 of the Act the Board of Directors shall have the rights to delegate any of their powers to such managers, agents or other persons as they may deem fit and may at their own discretion revoke such powers.
34. The Board of Directors shall have powers for the engagement and dismissal of managers, engineers, clerks and assistants and shall have powers of general direction management and superintendence of the business of the Company with full power to do all such acts matters and things deemed necessary, proper or expedient for carrying on the business and concern of the Company, and to make and sign all such contracts and to draw and accept on behalf of the Company all such bills of exchange, hundies, cheques, drafts and other Government papers and instruments as shall be necessary, proper or expedient for authority and direction of the Company except only such or them as by the Act or by these presents which are expressly directed to be exercised by share-holders in the general meeting

XI. INSPECTION OF ACCOUNTS

35. (1) The Board shall cause proper books of accounts to be maintained under Section 209 of the Act.
- (2) The Board of Directors shall from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations all books of the Company, or any of them, shall be open to the inspection of members not being directors.
- (3) No member (not being a director) shall have any right of inspecting any account book or document of the Company except as conferred by law or authorised by the Board of Directors or by the Company in general meetings.

XII. SECRECY

36. Every manager, auditor, trustee, member of a committee officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board of Directors, before entering upon his duties, sign, declaration pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matter relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by any general meeting or by the laws of country and except so far as may be necessary in order to comply with any of the provisions in these presents or the Act.

XIII. BORROWING POWERS

37. Subject to section 58A and 292 of the Act, and Regulations made thereunder and Directions issued by the RBI the Board of Directors shall have the power, from time to time and at their discretion to borrow, raise or to secure the payment of any sum of money for the purpose of the Company in such manner and upon terms and condition in all respects as they think fit and in particular by the issue of debentures or bonds of the Company or by mortgage charged upon all or any of the properties of the Company both present and future including its uncalled capital for the time being.
- 37A. The Company may carry out consolidation and re-issuance of its debt securities, pursuant to and in terms of the provisions of Regulation 20A of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as may be amended, from time to time.

XIV. OPERATION OF BANK ACCOUNTS

38. The Board of Directors shall have the power to open bank accounts to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies, bills or may authorise any other such person or persons to exercise such powers.

XV. BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

39. The Board of Directors shall lay before each Annual General Meeting, Profit and Loss Account and Balance Sheet for the financial year of the company and Balance Sheet made upto the end of the financial year only and audited by a qualified auditor under the provisions of the Act.

XVI. AUDIT

40. The first auditors of the Company shall be appointed by the Board of Directors within one month after its incorporation who shall hold the office till the conclusion of first Annual General Meeting.
41. At each annual general meeting of the Company, the Company shall appoint auditors to hold office from the conclusion at the Annual General Meeting to the conclusion of the next Annual General Meeting.
42. The Board of Directors may fill up any casual vacancy by death in office of the Auditors.
43. The remuneration of the auditors shall be fixed by the company in the Annual General Meeting or in such manner as the company in the Annual General Meeting determine except that remuneration of the first or any auditors appointed by the Directors may be fixed by the Board of Directors.

XVII. THE SEAL

44. (1) The Board of Directors shall provide for the safe custody of the seal of the Company.

- (2) The seal shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors or of a Committee of the Board authorized by it in that behalf and except in the presence of one of the directors who shall sign every instrument to which the seal of the Company is so affixed. The share certificates will, however, be signed and in accordance with Rule 6 of the Companies (Issue of Share Certificates) Rules, 1960.

XVIII. WINDING UP

45. (1) On the winding up of the company, the liquidator may, subject to the provisions of the Act, divide amongst the members in specie or otherwise the whole or any part of the assets of the Company, whether they shall consist of property of the same kinds or not.
- (2) 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 much division shall be carried out as between the members or different classes of members.
- (3) 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 contributors as the liquidator shall, think fit but so that no member shall be compelled to accept any shares or other Securities whereon there is any liability.

XIX. INDEMNITY

46. Subject to Section 201 of the Companies Act, 1956, the Chairman, Directors, Auditors, Managing Directors, and other officers for the time being of the Company and any trustees for the time being acting in relation to any of the affairs of the company and their heirs, executors shall be indemnified out of the assets and funds of the Company from or against all bonafide suits proceedings, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done or committed in or about the execution of their duties in their respective offices except those done through their willful neglect, or default. Any such officers or trustee shall not be answerable for acts, omissions, neglects or defaults of any other officer or trustee.

SECTION IX- MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected on Working Days at the Corporate Office of our Company situated at One International Centre, Senapati Bapat Marg, Elphinstone road, Mumbai – 400 013 between 10 am to 5 pm on any Working Day (Monday to Friday) from the date of filing of this Draft Prospectus with Stock Exchanges until the Issue Closing Date.

MATERIAL CONTRACTS

1. Issue Agreement dated December 1, 2021 between our Company and the Lead Managers.
2. Registrar Agreement dated December 1, 2021 between our Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated December 1, 2021 executed between our Company and the Debenture Trustee.
4. The agreed form of the Debenture Trust Deed to be executed between the Company and the Debenture Trustee.
5. Tripartite agreement dated April 11, 2018 among our Company, the Registrar and CDSL.
6. Tripartite agreement dated May 18, 2017 among our Company, the Registrar and NSDL.

MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of our Company, as amended to date.
2. Certificate of incorporation of our Company dated October 27, 1994, issued by Registrar of Companies, NCT of Delhi and Haryana.
3. Certificate of registration dated August 21, 2020 bearing registration number B-14.00909 issued by the Reserve Bank of India to carry on business as a non deposit taking non banking finance company.
4. Copy of shareholders resolution passed at the AGM of our Company held on September 20, 2018 under section 180 (1)(c) of the Companies Act, 2013 on overall borrowing limits of the Board of Directors of our Company.
5. Copy of the resolution by the Board of Directors dated January 14, 2019, approving the issue of NCDs.
6. Copy of the resolution passed by Bond Issue Committee at its meeting held on December 2, 2021, approving this Draft Prospectus.
7. Credit rating letter dated March 10, 2021 as revalidated by letters dated May 22, 2021 and November 23, 2021 and credit rating rationale dated March 12, 2021 by Infomermics Valuation and Rating Private Limited assigning a rating IVR AA/ Stable Outlook for the Issue.
8. Consents of the Directors, Chief Financial Officer, our Company Secretary and Compliance Officer, Lead Managers, legal advisor to the Issue, Credit Rating Agencies, Statutory Auditor(s), Registrar to the Issue and the Debenture Trustee to the Issue, to include their names in this Draft Prospectus, in their respective capacities and consents from the relevant lenders, debenture trustees and security trustees for ceding *pari passu* charge in relation to the NCDs.
9. Consent letter dated November 19, 2021 from CRISIL in respect of permission to use and disclose the contents (along with the extracts of the content) of the industry report titled 'NBFC Report 2021' dated October 2021 for the section on 'Industry Overview' in this Draft Prospectus.
10. Consent of Ajay Sardana Associates, Tax Auditors of the Company, for inclusion of their name and statement of tax benefits dated November 30, 2021, in the form and context in which they appear in this Draft Prospectus.
11. Written consent dated December 2, 2021 of the Statutory Auditors of our Company, HEM Sandep & Co, Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with the SEBI NCS Regulations, in this Draft Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013, to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) examination reports, dated November 30, 2021 on our Reformatted Financial Statements; and (ii) their review reports on our Unaudited Interim Financial Statements, respectively, as included in this Draft Prospectus, dated November 30, 2021 and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.
12. Statutory Auditor's examination report dated November 30, 2021, in relation to the Reformatted Financial Statements included therein.
13. The Statutory Auditor's limited review report dated November 30, 2021, in relation to the Unaudited Interim Financial Statements included therein.
14. Statement of tax benefits dated November 30, 2021, issued by Tax Auditors of the Company.

15. Annual Report of our Company for the last three Fiscals.
16. In-principle approval from BSE by its letter no. [●] dated [●].
17. In-principle approval from NSE by its letter no. [●] dated [●].
18. Due diligence certificate dated December 2, 2021 from the Debenture Trustee to the Issue.
19. Due diligence certificate dated [●] filed by the Lead Managers with SEBI.
20. Share purchase agreement dated March 20, 2020 between our Company, and certain shareholders of the Company and DSL along with certain of its shareholders.
21. Share purchase agreement dated April 1, 2020 between the promoters of TranServ and the Company.

DECLARATION

We, the Directors of the Company, hereby certify and declare that:

- a. all applicable legal requirements in connection with the Issue and the Company, including relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable as on this date, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended, and rules, regulations, guidelines and circulars issued by the Government of India, the rules, regulations, guidelines and circulars issued by the Reserve Bank of India, and the rules, regulations, guidelines and circulars issued by Securities and Exchange Board of India including, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable, as the case may be, have been complied with;
- b. no statement made in this Draft Prospectus is contrary to the relevant provisions of any rules, regulations, guidelines and circulars as applicable to this Draft Prospectus;
- c. compliance with the Companies Act, 2013 and the rules does not imply that payment of interest or repayment of debt securities is guaranteed by the Central Government;
- d. the monies received under the Issue shall be used only for the purposes and objects indicated in this Draft Prospectus;
- e. all the disclosures and statements in this Draft Prospectus and in the attachments thereto are true, accurate, correct and complete and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, false or misleading;
- f. this Draft Prospectus does not contain any misstatements; and
- g. no information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Draft Prospectus is as per the original records maintained by the Promoter(s) subscribing to the Memorandum of Association and Articles of Association.

Signed by the Board of Directors of the Company

Pinank Jayant Shah

DIN: 07859798

Whole-time Director and Chief Executive Officer

Ajit Kumar Mittal

DIN: 02698115

Non-Executive Director

Gagan Banga

DIN: 00010894

Non-Executive Director

Nafees Ahmed

DIN: 03496241

Non-Executive Director

Dr. Narendra Damodar Jadhav

DIN: 02435444

Independent Director

Brig. (Retd.) Labh Singh Sitara

DIN: 01724648

Independent Director

Preetinder Virk

DIN: 02398827

Non-Executive Director

Place: New Delhi

Date: December 2, 2021

ANNEXURE A

For the annexure, please see the page below.



INFOMERICS VALUATION AND RATING PVT. LTD.

Integrated Financial Omnibus Metrics Research of International Corporate Systems

November 23, 2021

Mr. Pinank Shah

Chief Executive Officer,

Dhani Loans & Services Limited

M-62 & 63, First Floor, Connaught Place,

New Delhi - 110 001.

Revalidation of rating to Proposed Non-Convertible Debentures of Dhani Loans and Services Limited (DLSL)

Dear Sir,

Please refer to the Mandate contract dated **April 04, 2021** on the captioned subject and your request dated **November 23, 2021** for revalidation of the rating.

1. Our Rating Committee has assigned the following rating:

Instrument / Facility	Amount (INR Crore)	Rating	Rating Action
<u>Long-Term Fund based Facilities</u> Proposed Non-Convertible Debentures*	1000.00	IVR AA/ Stable Outlook [IVR Double A with Stable Outlook]	Revalidated
Total	1000.00 (One Thousand Crore)		

* The proposed NCDs of DLSL shall be through a Public Issue (not through a Private Placement) for INR 1,000 Crore.

2. Details of the credit facilities are attached in **Annexure I**. Our rating symbols for long-term ratings and explanatory notes thereon are attached in **Annexure II**.
3. The press release for the rating(s) will be communicated to you shortly.
4. If the proposed long term / short term facility (if any) is not availed within a period of six months / three months respectively from the date of this letter, then the rating may please be revalidated from us before availing the facility.

(10)

Corporate Office : Kanakia Wallstreet, Office No. 1105, B Wing, Off Andheri - Kurla Road, Andheri (East), Mumbai - 400093, India.
Phone : +91- 22 62396023 E-mail: mumbai@infomerics.com Website: www.infomerics.com

Registered & Head Office : Flat No. 104/106/108/303, 1st Floor, Golf Apartments, Sujan Singh Park, New Delhi - 110003, (INDIA)
Phone : +91-11-24601142, 24611910, 24649428 Fax : +91-11-24627549 E-mail : vma@infomerics.com



5. The above rating is normally valid for a period of one year from the date of our **initial communication** of rating to you (that is **November 22, 2022**).
6. A formal surveillance/review of the rating is normally conducted within 12 months from the date of initial rating/last review of the rating. However, INFOMERICS reserves the right to undertake a surveillance/review of the rating more than once a year if in the opinion of INFOMERICS, circumstances warrant such surveillance/review.
7. Further in terms of the mandate executed with us, you have undertaken to comply with the following: -
- a) Inform INFOMERICS before availing any new bank facility/ies and/or of any changes in the terms, conditions and/or size of the facilities rated.
 - b) Furnish all material information and any other information in a timely manner as may be required by INFOMERICS, for monitoring the Rating assigned during the tenure of the bank facilities rated by INFOMERICS.
 - c) Co-operate with and enable INFOMERICS to arrive at and maintain a true and fair rating and in particular, provide INFOMERICS with true, adequate, accurate, fair, and timely information for the purpose.
 - d) Inform INFOMERICS, in writing and in a timely manner, of any other developments which may have a direct or indirect impact on the CLIENT's debt servicing capability including any proposal for re-schedulement or postponement of the repayment programs of the dues/ debts of the CLIENT with any lender (s)/ investor (s) within seven days from the date of such developments/ proposal.
8. **You shall provide us a No Default Statement as at the last date of the month on the first date of succeeding month without fail.** The NDS shall be mailed every month to nds@Infomerics.com and to the mail id of the undersigned.
9. **You shall provide the quarterly performance results/quarterly operational data (being submitted to Banks) to us within 6 weeks from the close of each calendar quarter for our review/monitoring.**

(P)



Continuation Sheet No.

10. You shall furnish all material information and any other information called for by INFOMERICS in a timely manner, for monitoring the rating assigned by INFOMERICS. In the event of failure on your part in furnishing such information, to carry out continuous monitoring of the rating of the bank facilities, INFOMERICS shall carry out the review/annual surveillance on the basis of best available information throughout the lifetime of such bank facilities as per the policy of INFOMERICS.

11. INFOMERICS reserves the right to withdraw/revise/reaffirm the rating assigned on the basis of new information. INFOMERICS is also entitled to publicise/disseminate such withdrawal/revision in the assigned rating in any manner considered appropriate by it, without reference to you.

12. Please note that INFOMERICS ratings are not recommendations to buy, sell or hold any security or to sanction, renew, disburse or recall the bank facilities. INFOMERICS do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.

13. In case you require any clarification, you are welcome to communicate with us in this regard.

Thanking you,

With Regards,

for, *ffak*
Neha Mehta
Sr. Rating Analyst

nmehta@infomerics.com

Prakash
Far **Prakash Kabra**
Vice President

prakash.kabra@infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

ANNEXURE I

1. Long-term facilities

1.A. Proposed Long Term Facility – Proposed NCDs*

Facility Type	Sanction Amount (INR Crore)	ISIN number	Coupon	Tenure
Proposed Non-Convertible Debentures (NCD)*	1000.00	N.A.	To be decided	Upto 48 months

* The proposed NCDs of DLSL shall be through a Public Issue (not through a Private Placement) for INR 1,000 Crore.

Total Long-Term facilities

INR 1000.00 Crore

R

ANNEXURE II

INFOMERICS Rating Scale for Long Term Instruments & Borrowing Programmes

Rating Scale	Definition
IVR AAA	Instruments with this rating are considered to offer the highest degree of safety regarding timely servicing of financial obligations. Such issuers carry lowest credit risk.
IVR AA	Instruments with this rating are considered to offer high degree of safety regarding timely servicing of financial obligations. Such issuers carry very low credit risk.
IVR A	Instruments with this rating are considered to offer adequate degree of safety regarding timely servicing of financial obligations. Such issuers carry low credit risk.
IVR BBB	Instruments with this rating are considered to offer moderate degree of safety regarding timely servicing of financial obligations. Such issuers carry moderate credit risk.
IVR BB	Instruments with this rating are considered to offer moderate risk of default regarding timely servicing of financial obligations.
IVR B	Instruments with this rating are considered to offer high risk of default regarding timely servicing of financial obligations.
IVR C	Instruments with this rating are considered to offer very high risk of default regarding timely servicing of financial obligations.
IVR D	Instruments with this rating are in default or are expected to be in default soon in servicing of debt obligations.

INFOMERICS may apply '+' (plus) or '-' (minus) signs for ratings assigned 'IVR AA' to 'IVR C' to indicate their relative standing within the category.

INFOMERICS may assign rating outlooks for ratings from IVR 'AAA' to IVR 'B'.

HA.

INFOMERICS VALUATION AND RATING PRIVATE LIMITED

Head Office-Flat No. 104/108, Golf Apartments, Sujan Singh Park New Delhi-110003,

Corporate Office:1105-B Wing, KanakiaWallstreet, Off. AndheriKurla Road, Andheri (East), Mumbai-400093.

Email: vma@infomerics.com, Website: www.infomerics.com

Phone: +91-11 24601142, 24611910, Fax: +91 11 24627549

(CIN: U32202DL1986PTC024575)

May 22, 2021

Mr. Pinank Shah

Chief Executive Officer,

Dhani Loans & Services Limited

M-62 & 63, First Floor, Connaught Place,

New Delhi - 110 001.

Dear Sir,

Credit rating for bank facilities/NCDs

After taking into account all the relevant recent developments including operational and financial performance of your company for FY20 and 9MFY21 along with your enhancement mandate contract dated **April 04, 2021**.

1. Our Rating Committee has reviewed the following rating:

Instrument/ Facility	Amount (INR Crore)	Current Rating	Rating Action
<u>Long-Term Fund based Facilities</u> Term Loan Cash Credit	2250.00 250.00	IVR AA/ Stable Outlook [IVR Double A with Stable Outlook]	Assigned
<u>Long-Term Fund based Facilities</u> Proposed Non-Convertible Debentures*	1000.00	IVR AA/ Stable Outlook [IVR Double A with Stable Outlook]	Reaffirmed
Total	3500.00		

* The proposed NCDs of DLSL are through a Public Issue (not through a Private Placement) for INR 1,000 Crore.

2. Details of the credit facilities are attached in **Annexure I**. Our rating symbols for long-term rating and explanatory notes thereon are attached in **Annexure II**.

3. The press release for the rating(s) will be communicated to you shortly.

4. The above rating is normally valid for a **period of one year** from the date of our **initial communication of rating** to you (that is **March 10, 2021**).

INFOMERICS VALUATION AND RATING PRIVATE LIMITED

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(CIN: U32202DL1986PTC024575)

5. If the proposed long term / short term facility (if any) is not availed within a period of six months / three months respectively from the date of this letter, then the rating may please be revalidated from us before availing the facility.

6. This is to mention that all the clauses mentioned in the initial rating letter (**attached as Annexure III**) also stand applicable. If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

Amit Bhuwania

Asst. Vice President

abhuwania@infomerics.com

Avik Podder

Asst. Vice President

apodder@infomerics.com

Encl.: As above

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

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(CIN: U32202DL1986PTC024575)

Annexure - I

1. Long-term facilities

1.A. Secured Rupee Term Loan

Sr. No.	Lender	Rated Amount (INR Crore)	Debt Repayment Terms
1.	Indian Overseas Bank	300.00	Upto 29-Sep-2022
2.	NABARD	580.60	Upto 31-Dec-2025
3.	Punjab & Sind Bank	500.00	Upto 12-Sep-2022
4.	RBL Bank Ltd.	15.38	Upto 29-Sep-2021
5.	South India Bank	75.00	Upto 14-Dec-2023
6.	Canara Bank (i.e. Syndicate Bank)	50.00	Upto 18-Mar-2023
7.	Union Bank of India	150.00	Upto 18-Jun-2023
8.	Bank of Baroda (i.e. Vijaya Bank)	300.00	Upto 28-Sep-2022
9.	Proposed	279.02	
	Total Rupee Term Loan	2250.00	

1.B. Fund based working capital limits

Sr. No.	Name of Bank	Fund Based Limits		
		CC* (INR Crore)	PCFC/ EPC* (INR Crore)	Total fund-based
1.	RBL Bank Ltd.	250.00	-	250.00
	Total	250.00	-	250.00

*CC=Cash Credit, PCFC=Packing Credit in Foreign currency

1.C. Proposed Long Term Facility – Proposed NCDs*

Facility Type	Sanction Amount (INR Crore)	Tenure
Proposed NCD*	1000.00	To be decided

* The proposed NCDs of DLSL are through a Public Issue (not through a Private Placement) for INR 1,000 Crore.

Total Long-Term facilities

INR 3500.00 Crore

INFOMERICS VALUATION AND RATING PRIVATE LIMITED

Head Office-Flat No. 104/108, Golf Apartments, Sujan Singh Park New Delhi-110003,

Corporate Office:1105-B Wing, KanakiaWallstreet, Off. AndheriKurla Road, Andheri (East), Mumbai-400093.

Email: vma@infomerics.com, Website: www.infomerics.com

Phone: +91-11 24601142, 24611910, Fax: +91 11 24627549

(CIN: U32202DL1986PTC024575)

Annexure II

INFOMERICS Rating Scale for Long Term Instruments & Borrowing Programmes

Rating Scale	Definition
IVR AAA	Instruments with this rating are considered to offer the highest degree of safety regarding timely servicing of financial obligations. Such issuers carry lowest credit risk.
IVR AA	Instruments with this rating are considered to offer high degree of safety regarding timely servicing of financial obligations. Such issuers carry very low credit risk.
IVR A	Instruments with this rating are considered to offer adequate degree of safety regarding timely servicing of financial obligations. Such issuers carry low credit risk.
IVR BBB	Instruments with this rating are considered to offer moderate degree of safety regarding timely servicing of financial obligations. Such issuers carry moderate credit risk.
IVR BB	Instruments with this rating are considered to offer moderate risk of default regarding timely servicing of financial obligations.
IVR B	Instruments with this rating are considered to offer high risk of default regarding timely servicing of financial obligations.
IVR C	Instruments with this rating are considered to offer very high risk of default regarding timely servicing of financial obligations.
IVR D	Instruments with this rating are in default or are expected to be in default soon in servicing of debt obligations.

INFOMERICS may apply '+' (plus) or '-' (minus) signs for ratings assigned 'IVR AA' to 'IVR C' to indicate their relative standing within the category.

INFOMERICS may assign rating outlooks for ratings from IVR 'AAA' to IVR 'B'.



INFOMERICS VALUATION AND RATING PVT. LTD.

Integrated Financial Omnibus Metrics Research of International Corporate Systems

March 10, 2021

Mr. Pinank Shah
Chief Executive Officer,
Dhani Loans & Services Limited
M-62 & 63, First Floor, Connaught Place,
New Delhi - 110 001.

Dear Sir,

Assignment of rating to Proposed Non-Convertible Debentures of Dhani Loans & Services Limited (DLSL)

Please refer to the Mandate contract dated **January 22, 2021** on the captioned subject and your letter dated **March 09, 2021** accepting our rating & use thereof.

1. Our Rating Committee has assigned the following rating:

Instrument / Facility	Amount (INR Crore)	Rating	Rating Action
<u>Long Term Fund based facilities</u> Proposed Non-Convertible Debentures*	1000.00	IVR AA/ Stable Outlook [IVR Double A with Stable Outlook]	Assigned

* The proposed NCDs of DLSL are through a Public Issue (not through a Private Placement) for INR 1,000 Crore.

2. Details of the credit facilities are attached in Annexure I. Our rating symbols for long-term and explanatory notes thereon are attached in Annexure II.
3. The press release for the rating(s) will be communicated to you shortly.
4. If the proposed long term / short term facility (if any) is not availed within a period of six months / three months respectively from the date of this letter, then the rating may please be revalidated from us before availing the facility.
5. The above rating is normally valid for a period of one year from the date of our **initial communication** of rating to you (that is **March 10, 2021**).

Corporate Office : Kanakia Wallstreet, Office No.1105, B Wing, Off Andheri-Kurla Road, Andheri (East), Mumbai - 400093, India.
Phone : +91-22 62396023 E-mail: mumbai@infomerics.com Website: www.infomerics.com

Registered & Head Office : Flat No. 104/106/108/303, 1st Floor, Golf Apartments, Sujan Singh Park, New Delhi - 110003, (INDIA)
Phone : +91-11-24601142, 24611910, 24649428 Fax : +91-11-2462 7549 E-mail : vma@infomerics.com

CIN : U32202DL1986PTC024575

6. A formal surveillance/review of the rating is normally conducted within 12 months from the date of initial rating/last review of the rating. However, INFOMERICS reserves the right to undertake a surveillance/review of the rating more than once a year if in the opinion of INFOMERICS, circumstances warrant such surveillance/review.
7. Further in terms of the mandate executed with us, you have undertaken to comply with the following:-
 - a) Inform INFOMERICS before availing any new bank facility/ies and/or of any changes in the terms, conditions and/or size of the facilities rated.
 - b) Furnish all material information and any other information in a timely manner as may be required by INFOMERICS, for monitoring the Rating assigned during the tenure of the bank facilities rated by INFOMERICS.
 - c) Co-operate with and enable INFOMERICS to arrive at and maintain a true and fair rating and in particular, provide INFOMERICS with true, adequate, accurate, fair, and timely information for the purpose.
 - d) Inform INFOMERICS, in writing and in a timely manner, of any other developments which may have a direct or indirect impact on the CLIENT's debt servicing capability including any proposal for re-schedulement or postponement of the repayment programs of the dues/ debts of the CLIENT with any lender (s)/ investor (s) within seven days from the date of such developments/ proposal.
8. **You shall provide us with a No Default Statement as at the last date of the month on the first date of succeeding month without fail.** The NDS shall be mailed every month to nds@infomerics.com and to the mail id of the undersigned.
9. **You shall provide the quarterly performance results/quarterly operational data (being submitted to Banks) to us within 6 weeks from the close of each calendar quarter for our review/monitoring.**
10. You shall furnish all material information and any other information called for by INFOMERICS in a timely manner, for monitoring the rating assigned by INFOMERICS. In the event of failure on your part in furnishing such information, to carry out continuous monitoring of the rating of the bank facilities, INFOMERICS shall carry out the review/annual surveillance on the basis of best available information throughout the lifetime of such bank facilities as per the policy of INFOMERICS.



11. INFOMERICS reserves the right to withdraw/revise/reaffirm the rating assigned on the basis of new information. INFOMERICS is also entitled to publicise/disseminate such withdrawal/revision in the assigned rating in any manner considered appropriate by it, without reference to you.
12. Please note that INFOMERICS ratings are not recommendations to buy, sell or hold any security or to sanction, renew, disburse or recall the bank facilities. INFOMERICS do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.
13. In case you require any clarification, you are welcome to communicate with us in this regard.

Thanking you,

With Regards,

For, *Pratibha*

Neha Mehta
Rating Analyst
nmehta@infomerics.com

For, *Prakash*
Rajesh Rajiv
Rating Analyst

Prakash Kabra
Vice President
prakash.kabra@infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



Annexure - I

1. Long-term facilities

1.A. Proposed Long Term Facility – Proposed NCDs*

Facility Type	Sanction Amount (INR Crore)	Tenure
Proposed NCD*	1000.00	To be decided

* The proposed NCDs of DLSL are through a Public Issue (not through a Private Placement) for INR 1,000 Crore.

Total Long-Term facilities

INR 1000.00 Crore

Annexure II

INFOMERICS Rating Scale for Long Term Instruments & Borrowing Programmes

Rating Scale	Definition
IVR AAA	Instruments with this rating are considered to offer the highest degree of safety regarding timely servicing of financial obligations. Such issuers carry lowest credit risk.
IVR AA	Instruments with this rating are considered to offer high degree of safety regarding timely servicing of financial obligations. Such issuers carry very low credit risk.
IVR A	Instruments with this rating are considered to offer adequate degree of safety regarding timely servicing of financial obligations. Such issuers carry low credit risk.
IVR BBB	Instruments with this rating are considered to offer moderate degree of safety regarding timely servicing of financial obligations. Such issuers carry moderate credit risk.
IVR BB	Instruments with this rating are considered to offer moderate risk of default regarding timely servicing of financial obligations.
IVR B	Instruments with this rating are considered to offer high risk of default regarding timely servicing of financial obligations.
IVR C	Instruments with this rating are considered to offer very high risk of default regarding timely servicing of financial obligations.
IVR D	Instruments with this rating are in default or are expected to be in default soon in servicing of debt obligations.

INFOMERICS may apply '+' (plus) or '-' (minus) signs for ratings assigned 'IVR AA' to 'IVR C' to indicate their relative standing within the category.

INFOMERICS may assign rating outlooks for ratings from IVR 'AAA' to IVR 'B'.



Press Release

Dhani Loans and Services Limited [DLSL]

March 12, 2021

Rating

Sr. No.	Instrument/ Facility	Amount (INR Crore)	Rating Assigned	Rating Action
1	<u>Long Term Fund based facilities</u> Proposed Non-Convertible Debentures*	1000.00	IVR AA/ Stable Outlook [IVR Double A with Stable Outlook]	Assigned

* The proposed NCDs of DLSL are through a Public Issue (not through a Private Placement) for INR 1,000 Crore.

Details of facilities are in Annexure 1

Rating Rationale

The rating assigned to the Non-Convertible Debentures of Dhani Loans and Services Limited (DLSL) derives strength from experienced promoters backed by reputed board members, comfortable capitalization and strong resource-raising ability, strong linkage & support from the Promoters, improved gearing parameters and improved operating income parameters. The rating is however constrained by reduction in loan portfolio, moderate asset quality, significant amount of impairment losses, impact of COVID-19 global pandemic and competitive nature of industry.

Key Rating Sensitivities:

➤ **Upward Rating Factor:**

Substantial scaling up of its operations and diversifying its loan portfolio geographically, while maintaining the asset quality indicators, adequate capital position and profitability.

➤ **Downward Rating Factor:**

Adverse movement in the collection efficiency which impacts the asset quality significantly thereby increasing the credit cost for the Company.



Press Release

Detailed Description of Key Rating Drivers

Key Rating Strengths

Experienced promoters backed by reputed board members:

DLSL's promoter is Dhani Services Limited (formerly Indiabulls Ventures Limited) ('DSL').

Mr. Pinank Jayant Shah, aged 41 years, is a Whole-time Director on the Board and Chief Executive Officer of the Company. He holds a bachelor's degree in commerce from Mumbai University and a master's degree in management studies (Finance) from Jamnalal Bajaj Institute of Management Studies. He has over 18 years of experience in retail lending, corporate lending and fund raising.

He is also one of the Executive Director of the parent company DSL. All the remaining board members also well qualified and have vast experience in their respective fields and contribute significantly in the overall growth of the Company. The company shall benefit from the strong experience of its professional management team which will enable them to scale-up its operations while managing the risks inherent in this type of business.

Comfortable capitalization and strong resource-raising ability:

DLSL has comfortable capitalization primarily supported by steady capital infusion from the promoter group. The Company's Tangible Net Worth stood at INR 4263.37 Crore as at H1-FY21 as against INR 4183.52 Crore as at March 31, 2020. DLSL has been able to obtain continuous funding support from its promoters as well as investors. During the six months ended 30-Sep-2020, the Company has issued & allotted NCDs (privately placed) worth INR 500 Crore.

Considering the scale of operations as on March 31, 2020, the company is well capitalized with a CAR (%) of 58.92%. Also, it has adequately matched asset liability profile as on September 30, 2020.

Strong linkage & support from the Promoters

Dhani Loans & Services Limited is a wholly-owned subsidiary of Dhani Services Limited (DSL) (Formerly Indiabulls Ventures Limited). Dhani Services Ltd. is a consumer business that operates through its app 'Dhani' and provides digital healthcare and digital transactional



Press Release

finance to its customers. The equity shares of DSL are listed on NSE and BSE and its Global Depository Receipts are listed on the Luxembourg Stock Exchange.

DSL has raised multiple rounds of capital through placement of its equity shares to specialist tech enabled investors. The last round of such capital was a raise of 80 mn USD in Sep/Oct 2020.

During FY19, the Holding Company (DSL) infused equity capital of INR 2,302.75 Crore into DLSL.

Improved Gearing parameters

The Overall Gearing ratio has improved significantly from 1.75x as at FY19 to 1.14x as at FY20 & further to 0.94x as at half year ended Sep-20, as the borrowings reduced over the years.

Improved operating income parameters

The Company interest income has increased by almost 20% in FY20 from FY19. The Net Interest margin (NIM) has seen improvement given the increase in Net Interest Income while having a moderate level of loan book as on March 31, 2020. The NIM was 12.51% in FY19, which improved to 13.89% in FY20.

Key Rating Weaknesses

Reduction in loan portfolio:

Decline in loan portfolio is due to sale of loan assets by way of Assignment, subsequently resulting in de-recognition of such assets from the books of the Company. The gain on sale of loan portfolio through assignment amounted to INR 616.69 Crore in FY20.

The Company has also securitized its loan assets to unrelated entities. These loan assets are not derecognized and proceeds received are presented as other financial liability.

The own book portfolio reduced from INR 10,633 Crore (AUM – INR 11,228 Crore) as at FY19 to INR 4,710 (AUM – INR 9,626 Crore) as at FY20.

Moderate Asset Quality:



Press Release

The Gross NPAs increased in percentage terms to 2.18% in FY20 when compared to 0.80% in FY19 while the Net NPA levels stood at 0.74% in FY20 and 0.25% in FY19. This is largely due to the reduction in the portfolio size. The ability to grow its loan book while maintaining low delinquency levels remains to be seen. Given that the portfolio has grown aggressively only post lockdown (i.e. May 2020), the portfolio has not yet seen one complete cycle. The company's ability to manage the asset quality while growing its portfolio is a key rating sensitivity.

Significant amount of impairment losses

There has been a significant amount of impairment on financial assets in FY20 of INR 816.25 Crore as against INR 103.01 Crore in FY19. Out of INR 816 Crore in FY20, loans written off amounted to INR 362 Crore and Covid related provision amounted to INR 390 Crore.

Impact of COVID-19 global pandemic

COVID-19, a global pandemic has contributed to a significant decline and volatility in global & Indian markets and a significant decrease in economic activity. The Company's businesses are expected to be impacted by lower lending opportunities and decline in collection efficiencies.

However, the Company's capital & liquidity position remains strong. The Overall Gearing ratio improved from 1.14x as at Mar-20 to 0.94x as at Sep-20. Pursuant to RBI's circular, the Company had extended moratorium to its borrowers in accordance to their board approved policies. Around 28% of the loans were under moratorium. Collection Efficiency has also started improving post COVID-19. The company expects only around 5% of the loans to come under restructuring.

Competitive nature of industry:

DLSL is exposed to stiff competition from other NBFCs and banks. The lending industry focused around SMEs and small ticket loans is highly fragmented with unorganized lenders also vying for the same set of borrowers. However, DLSL's professional management and focused approach towards SME lending and conservative underwriting policy standards is expected to grow its business while mitigating the risks.



Press Release

Analytical Approach & Applicable Criteria:

- Standalone
- Rating methodology for Financial Institutions/NBFCs
- Financial ratios and Interpretation (Financial Sector)

Liquidity: Strong

Considering the scale of operations as on March 31, 2020, the company is well capitalized with a CAR (%) of 58.92%. Also, it has adequately matched asset liability profile as on September 30, 2020. Also, it has strong cash & bank balances of INR 746.35 Crore as at December 31, 2020.

About the company

Dhani Loans and Services Limited (Formerly Indiabulls Consumer Finance Limited) (DLSL) is a non-deposit taking, systemically important, non-banking finance company (NBFC-ND-SI), registered with the Reserve Bank of India. It is a wholly owned subsidiary of Dhani Services Limited (Formerly Indiabulls Ventures Limited). DLSL primarily extends three kinds of Loans – Secured and Unsecured MSME loans and self-employed and salaried personal loans.

Financials [DLSL – Standalone]

	INR in Crore	
For the year ended/ As on*	31-03-2019 (Audited)	31-03-2020 (Audited)
Total Operating Income	1,648.06	2,516.88
Interest expense	559.48	739.66
PAT	400.19	54.25
Total Debt	7,565.21	4,986.41
Tangible Net Worth	4,313.82	4,183.52
Total Loan Assets	10,508.13	4,179.55
Ratios (%)		
Overall Gearing Ratio (x)	1.75	1.14



Press Release

GNPA (%)	0.80%	2.18%
NNPA (%)	0.25%	0.74%
CAR (%)	37.70%	58.92%

* Classification as per Infomerics' standards

Details of Non Co-operation with any other CRA: Nil

Any other information: N.A.

Rating History for last three years:

Name of Instrument/ Facility	Current Rating (Year: 2020-21)			Rating History for the past 3 years		
	Type	Amount (INR Crore)	Rating	Rating assigned in 2019-20	Rating assigned in 2018-19	Rating assigned in 2017-18
Long Term Fund based facility	Proposed NCDs*	1000.00	IVR AA/ Stable Outlook	--	--	--

* The proposed NCDs of DLSL are through a Public Issue (not through a Private Placement) for INR 1,000 Crore.

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

Name and Contact Details of the Analysts:

Name: Ms. Neha Mehta

Tel: (022) 62396023

Email: nmehta@infomerics.com

Name: Mr. Prakash Kabra

Tel: (022) 62396023

Email: prakash.kabra@infomerics.com



Press Release

About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Sr. No.	Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR Crore)	Rating Assigned/ Outlook
1	<u>Long Term Fund based facilities</u> Proposed Non-Convertible Debentures*	--	--	To be decided	1000.00	IVR AA/ Stable Outlook

* The proposed NCDs of DLSS are through a Public Issue (not through a Private Placement) for INR 1,000 Crore.

ANNEXURE B

For the annexure, please see the page below.

17901/CL/MUM/21-22/DEB/140

Date: December 01,2021

Dhani Loans and Services Limited

International Finance Centre, Tower - 1 , 4th Floor,
Senapati Bapat Marg,
Elphinstone Road, (W),
Mumbai-400013,Maharashtra
India

Dear Sirs,

Subject: Proposed public issue by Dhani Loans and Services Limited (the "Company" or the "Issuer") of secured redeemable non-convertible debentures of face value of Rs.1,000 each (the "NCDs"), aggregating up to Rs.1,500 million ("Base Issue") with an option to retain oversubscription up to Rs.1,500 million, aggregating up to Rs.3,000 million ("Issue Size") ("Issue").

We, the undersigned, hereby consent to act as the Debenture Trustee to the Issue pursuant to Regulation 8 of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time, and to our name being inserted as the Debenture Trustee to the Issue in the (i) the draft prospectus ("**Draft Prospectus**") with the National Stock Exchange of India Limited ("**NSE**") and BSE Limited (together with NSE, the "**Stock Exchanges**") and submit with the Securities and Exchange Board of India ("**SEBI**"); and (ii) the prospectus ("**Prospectus**") with the Registrar of Companies, National Capital Territory of Delhi & Haryana (the "RoC") and submit to SEBI and the Stock Exchanges which the Company intends to issue in respect of the Issue of NCDs and also in all related advertisements and communications sent pursuant to the Issue of NCDs.

The following details with respect to us may be disclosed:

Name: Beacon Trusteeship Limited
Address: 4C & D, Siddhivinayak Chambers, Opposite MIG Cricket Club, Gandhi Nagar, Bandra East, Mumbai 400 051
Telephone: 022-26558759
Fax: 022-26558759
Email: contact@beacontrustee.co.in
Investor Grievance Email: investorgrievances@beacontrustee.co.in
Website: www.beacontrustee.co.in
Contact Person: Mr. Vitthal Nawandhar
SEBI Registration No.: IND000000569

Trustee Logo:



BEACON TRUSTEESHIP LTD.

Regd & Corporate Office : 4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

We confirm that we are registered with the SEBI and that such registration is valid as on date of this letter. We enclose a copy of our registration certificate and declaration regarding our registration with SEBI in the required format in **Annexure A**. We also certify that we have not been prohibited by SEBI to act as an intermediary in capital market issues. We also authorize you to deliver a copy of this letter of consent to the RoC, pursuant to the provisions of Section 26 of the Companies Act, 2013, as amended and other applicable laws or any other regulatory authority as required by law.

We also agree to keep strictly confidential, until such time as the proposed transaction is publicly announced by the Company in the form of a press release, (i) the nature and scope of this transaction; and (ii) our knowledge of the proposed transaction of the Company.

We undertake to immediately inform the Company and Lead Managers to the Issue of any changes in respect of the matters covered in this letter till the date when the NCDs of the Company, offered, issued, and allotted pursuant to the Issue, are listed and traded on the Stock Exchanges. In absence of any such communication from us, the above information should be taken as updated information until the listing and trading of the NCDs on the Stock Exchanges, pursuant to the Issue.

This letter may be relied upon by the Company, the legal advisors in relation to the Issue and the Lead Managers in relation to the Issue and may inter alia be submitted to SEBI, RoC, Stock Exchanges and/or any other regulatory, statutory, governmental or legal authority.

The Company hereby agrees and undertakes to comply with the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015; SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021; SEBI Circular on Uniform Listing Agreement dated October 13, 2015; SEBI (Debenture Trustees) Regulations, 1993; SEBI Circular bearing reference no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/230 dated November 12, 2020 and Companies Act, 2013, each as may be amended from time to time and such other applicable provisions as may be applicable from time to time and the Company agree to furnish to Debenture Trustee such information as may be required by Trustee on regular basis.

This consent letter is subject to the due diligence required to be done by the Debenture Trustee pursuant to SEBI Circular dated November 3, 2020 and the Company agrees that the Issue shall be opened only after the due diligence has been carried by the Debenture Trustee.

We also confirm that we are not disqualified to be appointed as Debenture Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debentures) Rules, 2014, as amended.

All capitalized terms not defined hereinabove shall have the same meaning as ascribed to in the Draft Prospectus and Prospectus.

Sincerely,
For Beacon Trusteeship Limited



Authorised Signatory

CC:

BEACON TRUSTEESHIP LTD.

Regd & Corporate Office : 4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

Annexure A

डिबेंचर न्यासी	प्ररूप ख FORM-B	DEBENTURE TRUSTEE
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भारतीय प्रतिभूति और विनियम बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA
(डिबेंचर न्यासी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993
000 270 (विनियम 8)
(Regulation 8)
रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

1) बोर्ड, भारतीय प्रतिभूति और विनियम बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उस अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए,
1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

BEACON TRUSTEESHIP LIMITED
4C & D, SIDDHIVINAYAK CHAMBERS,
GANDHI NAGAR, OPP. MIG CRICKET CLUB,
BANDRA EAST, MUMBAI - 400051
MAHARASHTRA, INDIA

को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है।
as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.

2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट है।
2) Registration Code for the debenture trustee is **IND000000569**

This Certificate of registration shall be valid for permanent, unless suspended or cancelled by the Board

3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विधिमान्य है।
3) Unless renewed, the certificate of registration is valid from to

आदेश से
भारतीय प्रतिभूति और विनियम बोर्ड
के लिए और उसकी ओर से
By order
For and on behalf of
Securities and Exchange Board of India

ANUPMA CHADHA
प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory

स्थान Place : **Mumbai**
तारीख Date : **February 12, 2021**

**BEACON TRUSTEESHIP LTD.**Regd & Corporate Office : 4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

Date: December 01,2021

Dhani Loans and Services Limited

International Finance Centre, Tower - 1 , 4th Floor,
Senapati Bapat Marg,
Elphinstone Road, (W),
Mumbai-400013,Maharashtra
India

Dear Sirs,

Subject: Proposed public issue by Dhani Loans and Services Limited (the “Company” or the "Issuer") of secured redeemable non-convertible debentures of face value of Rs.1,000 each (the "NCDs"), aggregating up to Rs.1,500 million ("Base Issue") with an option to retain oversubscription up to Rs.1,500 million, aggregating up to Rs.3,000 million ("Issue Size") ("Issue").

We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee is true and correct:

1.	Registration Number	IND000000569
2.	Date of Registration/Renewal of Registration	12th Feb 2021
3.	Date of expiry of registration	Permanent Certificate
4.	If applied for renewal, date of application	NA
5.	Any communication from SEBI prohibiting the entity from acting as an intermediary	NA
6.	Any enquiry/investigation being conducted by SEBI	NA
7.	Details of any penalty imposed by SEBI	NA

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We undertake to immediately inform the Company and Lead Managers to the Issue of any changes in respect of the matters covered in this letter till the date when the NCDs of the Company, offered, issued, and allotted pursuant to the Issue, are listed and traded on the Stock Exchanges. In absence of any such communication from us, the above information should be taken as updated information until the listing and trading of the NCDs on the Stock Exchanges, pursuant to the Issue.

This letter may be relied upon by the Company, the legal advisors in relation to the Issue and the Lead Managers in relation to the Issue.

Sincerely,
For Beacon Trusteeship Limited

A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "Beacon Trusteeship Limited" around the perimeter and a small star symbol at the bottom.

Authorised Signatory

BEACON TRUSTEESHIP LTD.

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