



Corporate Office : TCG Financial Center,
10th Floor, BKC Road, Bandra Kurla Complex,
Bandra (East), Mumbai - 400098.
T: (022) 66006999
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DHFL/CSD/2019-20/1594

Date: 22nd July, 2019

The Manager Listing Department BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai- 400 001 Fax no. 2272 2082 / 3132/ 3121	The Manager Listing Department National Stock Exchange of India Limited, 'Exchange Plaza', C-1, Block G, Bandra- Kurla Complex, Bandra (East), Mumbai- 400 051. Fax No. 26598237 / 38
Scrip Code : 511072	DHFL

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on Monday, 22nd July, 2019 and disclosures under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We wish to inform that the Board of Directors of the Company at its meeting held today i.e. on Monday, 22nd July, 2019, which commenced at 3:30 p.m. IST and concluded at 10.05 p.m. IST, inter-alia:

- (a) The Board approved the Ind-AS Audited Financial Results (Standalone & Consolidated) of the Company for the fourth quarter / financial year ended 31st March, 2019 as per Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Please find enclosed herewith the copy of the Audited Financial Results of the Company (Standalone and Consolidated) along with the Joint Statutory Auditors' Report thereon and the Statement on Impact of Audit Qualifications (in respect of modified opinion on Audited Results) for the Financial Year ended on 31st March, 2019. We also enclose herewith the disclosure in accordance with the Regulation 52(4) of the SEBI Listing Regulations.

Apart from a few re-groupings, the aforesaid Audited Financial Results are in alignment with the Unaudited Standalone Financial Results for the fourth quarter / financial year ended on 31st March, 2019 as placed before the Audit Committee and Board of Directors at their meeting(s) held on 13th July, 2019 and submitted by the Company to the Exchanges vide its letter No. DHFL/CSD/2018-19/1583 dated 13th July, 2019.

- (b) The Board constituted a Committee of the Board of Directors and delegated such committee all the authority and the powers as are required & permissible under the Companies Act, 2013 and applicable laws to (i) formulate, consider, finalise and approve the resolution plan inter alia involving restructuring of the debt availed by the Company; (ii) call and convene meeting of the shareholders of the Company and to recommend convening such other meetings to approve and undertake actions required for implementation of the resolution plan (iii) present such resolution plan for consideration of the lenders in accordance with the requirement set out in the circular issued by the Reserve Bank of India on Reserve Bank of



India (Prudential Framework for Resolution of Stressed Assets), 2019 dated 7 June 2019 bearing Circular No. RBI/2018-19/203, DBR.No.BP.BC.45/21.04.048/2018-19, (iv) authorize signing and execution of all agreements, deeds and documents required to be entered into by the Company for formulation and implementation of the resolution plan; and (v) to do all such acts, deeds and things, including for modification of the resolution plan as per the approval of the lenders pursuant to the applicable laws and take such other actions as may be required to formulate and implement the resolution plan in accordance with the aforesaid circular and applicable law;

- (c) The Board took on record that the Company has received non-binding indicative term sheets as part of the proposed corporate restructuring of the Company and any proposals approved will constitute a part of the resolution plan referred in (b) above;
- (d) The Board authorised Mr. Kapil Wadhawan – Chairman & Managing Director (DIN: 00028528) of the Company to decide the date, time and venue of the 35th Annual General Meeting of the Company and also to decide the dates of closure of the Share Transfer Books and the Register of Members of the Company for the purpose of 35th Annual General Meeting of the Company. The Notice of the 35th Annual General Meeting was approved by the Board of Directors, including therein, inter-alia, the following Special Business Items viz., (a) Appointment of Mr. Alok Kumar Misra (DIN- 00163959) as an Independent Director of the Company; (b) Appointment of Mr. Sunjoy Joshi (DIN- 00449318) as an Independent Director of the Company; (c) Appointment of Mr. Srinath Sridharan (DIN- 03359570) as a Non-Executive Director of the Company; (d) Appointment of Dr. Deepali Pant Joshi (DIN- 07139051) as an Independent Director of the Company.

The Board of Directors appointed Mrs. Jayshree S. Joshi, Proprietress of M/s. Jayshree Dagli & Associates, Practising Company Secretaries, Mumbai to act as the Scrutinizer to scrutinize the voting process (both Remote e-voting and voting process at the AGM) in a fair and transparent manner.

Kindly take the same on your record.

Thanking you

Yours sincerely,
for **Dewan Housing Finance Corporation Limited**


Kapil Wadhawan
Chairman & Managing Director
DIN: 00028528



Encl.: as above

DEWAN HOUSING FINANCE CORPORATION LIMITED

Corporate Identity Number (CIN) - L65910MH1984PLC032639

Regd. Office : Warden House, 2nd Floor, Sir P.M. Road, Fort, Mumbai - 400 001

Toll Free No. 1800 22 3435, Visit us at : www.dhfl.com., e-mail - response@dhfl.com

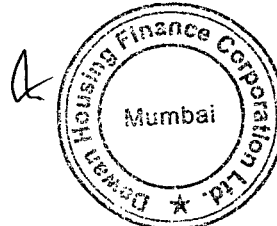
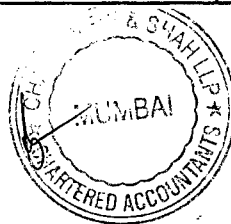
Corporate Office : TCG Financial Centre, 10th Floor, Bandra Kurla Complex, Bandra (East), Mumbai - 400098,

Tel. : (022) 6600 6999, Fax: (022) 6600 6998


STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31st MARCH, 2019

Rs. in lakh

PARTICULARS	Quarter ended			Year ended	
	31.03.2019	31.12.18	31.03.18	31.03.2019	31.03.18
	Audited (Refer note 2 and note 3)	(Unaudited)	Audited (Refer note 3)	Audited (Refer note 2)	Audited
1 INCOME:					
Revenue from operations:					
- Interest Income	3,10,378	3,09,612	2,46,608	12,30,784	9,33,634
- Dividend Income	-	517	6,964	1,235	13,731
- Fees and Commission Income	22	77	2,715	27,547	37,209
- Net gain on fair value changes and Profit on Sale of Investments	-	1,576	9,264	-	42,018
- Net gain on derecognition of financial instruments under amortised cost category	-	10,997	13,808	20,583	47,719
- Other operating revenue	363	2,315	4,618	8,239	10,702
Total Revenue from operations	3,10,763	3,25,094	2,83,977	12,88,388	10,85,013
Other Income	371	495	624	1,864	1,429
Total Income	3,11,134	3,25,589	2,84,601	12,90,252	10,86,442
2 EXPENSES:					
Finance costs	2,34,925	2,41,028	2,01,124	9,39,285	7,72,195
Net loss on fair value changes	2,55,017	-	-	2,45,837	-
Net loss on derecognition of financial instruments under amortised cost category	5,277	-	1,019	-	-
Impairment on financial instruments	72,947	13,222	37,313	1,08,498	62,968
Employee benefits expenses	15,559	10,078	9,674	47,000	34,584
Employee Stock Options/Employee Stock Appreciation Rights Expenses	(5,181)	2,200	630	1,533	2,441
Depreciation and amortisation expense	1,760	1,310	769	5,115	2,763
Others expenses	21,586	10,601	15,662	59,482	41,389
Total Expenses	6,01,890	2,78,439	2,66,191	14,06,750	9,16,340
3 (Loss)/ Profit before tax (1-2)	(2,90,756)	47,150	18,410	(1,16,498)	1,70,102
4 Tax Expense					
Current tax	9,091	9,362	8,839	53,832	48,362
Deferred tax	(77,506)	6,428	(3,864)	(66,725)	(2,259)
Total tax expense	(68,415)	15,790	4,975	(12,893)	46,103
5 (Loss)/ Profit for the period/ year (3-4)	(2,22,341)	31,360	13,435	(1,03,605)	1,23,999
6 Other comprehensive income					
- Items that will not be reclassified to profit or loss					
Remeasurements of the defined benefit plans	355	(75)	(75)	129	(301)
Tax on above	(99)	21	21	(36)	84
- Items that will be classified to profit or loss					
Cash flow hedge reserves	(3,138)	(3,630)	(563)	2,506	115
Tax on above	877	1,015	158	(701)	(32)
Total Other comprehensive income	(2,005)	(2,669)	(459)	1,898	(134)
7 Total comprehensive income for the period/ year (5+6)	(2,24,346)	28,691	12,976	(1,01,707)	1,23,865
8 Earnings per share (Face value of Rs. 10 each) (not annualised for the quarters)					
Basic (in Rs.)	(70.86)	10.00	4.29	(33.02)	39.55
Diluted (in Rs.)	(70.86)	9.98	4.27	(33.02)	39.37
9 Paid-up Equity Share Capital (Face value ₹ 10/-)	31,382	31,382	31,366	31,382	31,366

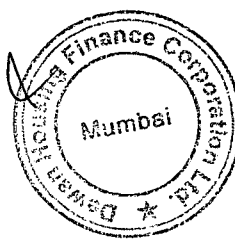
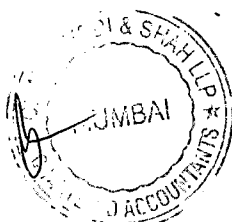


Notes:

Note 1: Audited Standalone Statement of Assets and Liabilities as at March 31, 2019

Rs. in lakh

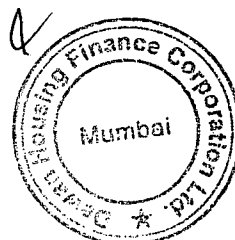
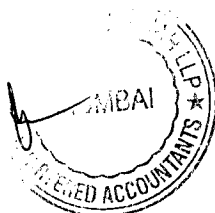
Particulars	As at March 31, 2019 (Refer note 2)	As at March 31, 2018
ASSETS		
Financial Assets:		
Cash and cash equivalents	1,25,963	1,92,305
Other bank balances	1,74,101	1,03,041
Derivative financial instruments	17,113	8,723
Receivables	476	4,274
Housing and other loans:-		
At Amortised Cost	66,34,882	92,45,792
At Fair Value	31,62,815	65,670
	97,97,697	93,11,462
Investments	2,35,022	8,08,628
Others financial assets	1,09,123	76,648
Total Financial Assets	1,04,59,495	1,05,05,081
Non-Financial Assets		
Current Tax Assets (Net)	37,020	14,729
Deferred tax assets (Net)	44,281	9,563
Property, Plant and Equipment	78,293	84,228
Intangible assets under development	10,401	12,905
Other intangible assets	8,175	751
Other Non-financial Assets	9,860	3,908
Total Non-financial Assets	1,88,030	1,26,084
Total Assets	1,06,47,525	1,06,31,165
LIABILITIES AND EQUITY		
LIABILITIES		
Financial Liabilities:		
Derivative financial instruments	30,251	13,581
Trade Payables:-		
- micro enterprises and small enterprises	-	-
- Others	10,205	10,412
Debts Securitized	45,37,912	35,81,360
Borrowings (Other than debts securitized)	40,60,421	45,11,414
Deposits	6,58,840	9,65,244
Subordinated Liabilities	1,13,581	1,13,184
Other financial liabilities	4,08,769	4,95,596
Total Liabilities	98,19,979	96,90,791
Non-Financial Liabilities:		
Provisions	1,015	629
Other non-financial liabilities	16,325	16,492
	17,340	17,121
Total Liabilities	98,37,319	97,07,912
EQUITY		
Equity Share capital	31,382	31,366
Other Equity	7,78,824	8,91,887
Total Equity	8,10,206	9,23,253
Total Liabilities and Equity	1,06,47,525	1,06,31,165



2. The above audited standalone financial results have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on 22nd July, 2019. The auditors have issued a disclaimer of opinion in respect of results for the year ended March 31, 2019.
3. The figures of the quarter ended March 31, 2019 and March 31, 2018 mentioned in the above financial results are the balancing figures between the figures for the whole financial year(s) and the year to date unaudited figures published up to the third quarter of the said financial years.
4. The Company has adopted Indian Accounting Standards ("Ind AS") with effect from 1st April, 2018, the date of transition being 1st April, 2017, with comparative figures being restated to make them comparable. The above financial results have been prepared in accordance with Ind AS that are applicable to the Company based on MCA Notification G.S.R. 111 (E) and G.S.R. 365(E) dated February 16, 2015 and March 30, 2016 respectively.
5. The net profit reconciliation between the figures reported, net of tax, under previous GAAP and Ind AS is given below:

Rupees in lakh

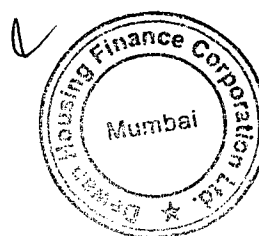
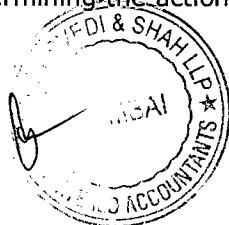
Particulars	Quarter Ended	Year ended
	31-Mar-18	31-Mar-18
Net Profit after tax as per previous GAAP	31,240	1,17,214
Adjustments on account of:		
Effective interest rate for financial assets and liabilities recognised at amortised cost / net interest on credit impaired loans	(14,439)	(21,495)
Income on derecognised (assigned) loans	9,678	33,494
Application of expected credit loss	(17,516)	(15,121)
Fair valuation of investments	1,613	1,367
Fair valuation of Employee Stock Options / Employee Stock Appreciation Rights	(445)	(1,462)
Reclassification of actuarial gains and losses on employee benefit plans to Other Comprehensive Income	54	217
Reversal of deferred tax liability on Special Reserve [Sec 36(1)(viii)]	3,250	9,785
Net Profit after tax as per Ind AS	13,435	1,23,999
Other Comprehensive Income (net of tax)	(459)	(134)
Total Comprehensive Income (net of tax) as per Ind AS	12,976	1,23,865



6. Reconciliation of total equity between the figures reported under previous GAAP and Ind AS is given below :

Particulars	As at March 31, 2018
Total equity as per previous GAAP	8,79,565
Adjustment on account of :	
Effective interest rate for financial assets and liabilities recognised at amortised cost / net interest on credit impaired loan	15,557
Net gain on derecognition of financial instruments under amortised cost category	64,018
Expected credit loss (Impairment on financial instruments)	(41,796)
Fair value of investment	977
Deferred tax adjustments	10,570
Other Comprehensive income	(5,638)
Total equity as per Ind AS	9,23,253

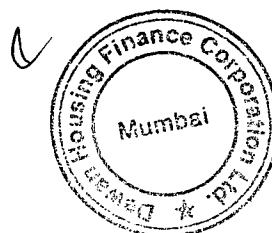
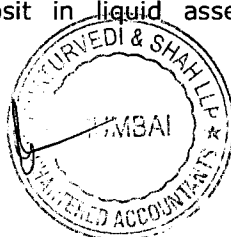
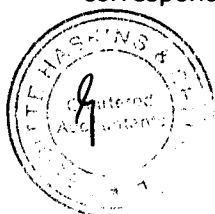
7. As per requirements of Ind AS 108 on 'Operating Segments', based on evaluation of financial information by the Chief Operating Decision Maker (CODM) for allocating resources and assessing performance, the Company has identified a single segment i.e. providing loans for purchase or constructions of residential houses including all related activities. Accordingly, there are no separate reportable segments as per Ind AS 108.
8. As a part of the Company's effort to sell down its non-core investments in associates to generate liquidity, the Company has entered into Binding Share Purchase Agreements for –
- a) sale of 23,01,090 (9.15%) equity shares held in Aadhar Housing Finance Limited(AHFL) to private equity funds managed by Blackstone on 2nd February 2019 for a total consideration of Rs 20,895 lakh. After obtaining applicable regulatory and other approval, Rs 16,363 lakh has been received by the Company on 10th June 2019 and balance of Rs 4,532 lakh is expected over the period of next 6 months.
 - b) sale of 1,92,50,719 (30.63%) equity shares held by the Company in Avanse Financial Services Limited (Avanse) to Olive Vine Investments Limited an affiliate of Warburg Pincus Group on 16th March 2019 for a consideration of Rs 30,352 lakh
 - c) sale of its entire shareholding in DHFL Pramerica Asset Managers Private Limited, to M/s PGLH of Delaware Inc. vide agreement dated 21st February '19, subject to related regulatory approvals. As per the same purchase consideration shall be based on the Asset under Management (AUM).
9. In the last week of January, 2019, News portal Cobrapost.com made allegations against the Company's management and its promoters. The Company received a series of questions from the portal shortly before the allegations were made public. The Audit Committee appointed an independent firm of Chartered Accountants (Independent Chartered Accountants) to review the allegations and report to the Committee. The report by Independent Chartered Accountants restricted its scope to the allegations which in their opinion pertained to the Company, highlighted certain procedural lapses and documentation deficiencies inter alia the fact that the end use monitoring of the funds loaned had not been performed despite a specific mandate by the finance Committee as part of the loan sanction conditions. The Statutory Auditors post their review of the Independent Chartered Accountants report, provided their observations and suggestions on the scope, coverage and findings by the Independent Chartered Accountants in the report as well as additional areas that needed to be covered. The management is in the process of determining the action to address the comments of the Statutory Auditors. As



stated in the Action taken report tabled before the Audit Committee on 29th March, 2019, the Company has sought written explanations from the loanees for loans where end use monitoring was not effected. The Company is yet to receive responses from the loanees after which a decision on remedial measures including recalling the monies advanced will be made. The Company is undertaking fresh valuation in respect of the loans including underlying securities that were a subject matter of the allegations, from reputed valuation specialists and have been advised by the lawyers that agreements entered into with the loanees are legally enforceable. Necessary adjustments to the carrying values of the loans advanced will be made upon conclusion of the above actions.

10. The unsecured Inter Corporate Deposit (ICD) aggregating Rs 565,269 lakh were outstanding as at March 31, 2019 and includes ICDs (net) of Rs 482,014 lakh granted during the year. Of these, ICDs aggregating Rs. 40,870 lakh have since been repaid while ICDs aggregating Rs. 393,699 lakh are expected to be repaid shortly. Balance ICDs aggregating to Rs. 130,700 lakh are being converted into secured term loans. There are documentation deficiencies with respect to grant / rollover of ICDs which are being rectified. The ICDs have been advanced towards regular business activities and were either extended as a temporary loan pending full valuation of project funding or short term corporate requirements. Pending conclusion of these actions, the Management believes that no adjustments are required to the carrying value of the ICDs.
11. In respect of certain Project / Mortgage loans, the management is actively engaged with the loanees to remediate certain lacunae in loan documentation and expects to complete this exercise by September 2019. The management believes that deficiencies in documentation will not affect the enforceability of the underlying security. The Company is confident that the loans extended are secured and recoverable basis the cash flow arising from such project / mortgage loans. Pending completion of this exercise, no adjustments have been made to the carrying values of these loans aggregating Rs 2,407,772 lakh which has been largely dealt with in a manner stated in Note 14.
12. During the year, the housing finance sector has been under duress which has been compounded by the liquidity crunch in the real estate sector. Consequent to this, there have been instances where cheques received from the borrowers particularly from the project and mortgage loan customers were not banked at the instance of the borrowers. Entries for receipts were however accounted for in the customer accounts which were subsequently reversed. As at the year end, the collections recorded in this manner aggregated Rs. 187,526 lakh have been remediated at the year-end and the corresponding loans have been dealt with in a manner as stated in Note 14.
13. The Company is undergoing substantial financial stress since second half of the current financial year. The Company has suffered consistent downgrades in its credit ratings since February 2019. On 5th June 2019, the credit rating was reduced to 'default grade' despite there being no default till that date. The Company's ability to raise funds has been substantially impaired and the business has been brought to a standstill with there being minimal / virtually no disbursements. These developments may raise a significant doubt on the ability of the Company to continue as a going concern.

The Company is taking active steps to monetize its assets and is in discussions with multiple Indian banks and international financial institutions to sell off its retail as well as wholesale portfolio. It is in discussions with the consortium of bankers / lenders to restructure its borrowings and will take all the necessary steps to ensure that it meets its financial commitments. There have been discussions for stake sale by the promoters to a strategic partner with further equity infusion. The Company on July 1, 2019 had a meeting with the consortium of bankers wherein the bankers agreed to enter into an Inter-creditor Agreement (ICA) for a potential restructuring of Company's liabilities. In view thereof, the requirements in respect of creation of debenture redemption reserve and the corresponding deposit in liquid assets shall be assessed upon conclusion of the



restructuring plan. The Company is in the process of submitting a resolution plan to the lenders and the lenders are expected to give an in-principle approval to the plan by end of July 2019. The ability of the Company to continue as a going concern is predicated upon its ability to monetize its assets, secure funding from the bankers / investors, restructure its liabilities and recommence its operations. In view of all the actions that are currently underway, these results have been prepared on the basis that the Company is a going concern.

14. Due to the current business environment, the Company no longer holds the project loans, SRA loans and wholesale mortgage loan portfolio for the purposes of solely collecting the principal and interest. The Management envisages to monetise the wholesale loan portfolio. Consequently, the said loans aggregating Rs. 3,488,160 lakh (including Rs. 1,648,717 lakh related to note 12) have been reclassified as Fair Value Through Profit or Loss (FVTPL) as at March 31, 2019 due to the change in business model. As required under Ind AS 109, these assets have been fair valued as at March 31, 2019 based on internal valuations which involve management's judgment and assumptions at Rs. 3,162,815 lakh and the resultant fair value loss aggregating Rs. 325,345 lakh (gross of reversal of provision) has been charged to the Statement of Profit and Loss.

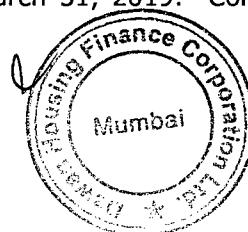
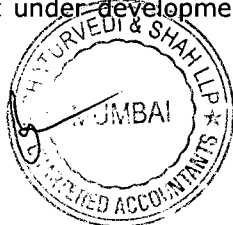
15. The Company had commenced implementation of Expected Credit Loss (ECL) model as part of its Ind AS transition. During the course of the audit, deficiencies have been identified in the historical data used for the purpose of determination of the ECL provision. The Company is in the process of remediating the same, though does not consider the resultant impact to be material.

Additionally, the Company has also taken external bureau supportive information (i.e. CIBIL score range band – Probability of default (PD) analysis) of our portfolio in comparison to Industry standards, which indicates that the PD of the Company's Portfolio is better than the Industry standard. Further, based on the Company's borrower profile and CIBIL score the Company is convinced of its assumptions supporting ECL calculation.

16. The Company has received a letter dated July 3, 2019, from the National Housing Bank containing observations emanating from the inspection carried out by NHB for the year ended March 31, 2018 as per the provisions of the National Housing Bank Act, 1987. There are observations in the letter inter-alia being impact on the capital adequacy ratio of the company at at March 31, 2018 reduced to 10.24%. NHB has directed the Company to provide a specific response to all the observations within a period of 21 days. The management does not concur with the observation of the NHB and will provide an appropriate response within the stipulated time. As mentioned in the note 14 above, classification of project loans, SRA loans and wholesale mortgage loans as Fair Value Through Profit or Loss (FVTPL) as at March 31, 2019 has resulted in a charge of fair value loss aggregating Rs 325,345 lakh (gross of reversal of provision) to the Statement of Profit and Loss. In view of these results being prepared using Indian Accounting Standards (Ind AS) while the NHB observations relate to numbers compiled on the basis of regulatory guidelines, the Management believes that the aforesaid observations may not have any implications on the same.

17. The Company has recognized net deferred tax asset of Rs. 44,281 lakh as at March 31, 2019. Ind AS 12 – 'Income Taxes' requires the Company to determine the probability of sufficient future taxable income to utilize the deferred tax asset. Considering the factors described in Note 13, the Company is of the view that no adjustment is required to the carrying value of the deferred tax asset.

18. The Company has incurred expenditure aggregating Rs. 10,401 lakh for development of customised software for its operations and recording of transactions which has been carried as intangible asset under development as at March 31, 2019. Considering the factors



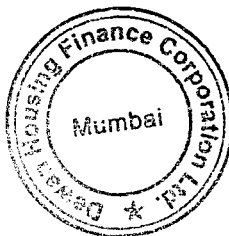
described in Note 13, the Company is of the view that no adjustment is required to be made to the carrying value of the intangible asset under development pursuant to the requirements of Ind AS 36 on Impairment of Assets.

19. Pursuant to the provision of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share based Employee Benefits) Regulation - 2014 (hereinafter referred to as Employee Stock Appreciation Rights 2015 (DHFL ESAR Plan 2015) and pursuant to the intention of all the grantees for cancellation and discontinuation of the said ESAR Scheme and also the recommendation of the Member of Nomination and Remuneration committee and based on the approval of the board of directors of the Company, 1,19,75,600 ESAR granted under Grant VII and Grant VIII issued under the DHFL ESAR Plan 2015 to the eligible employee of the Company are cancelled w.e.f. 20th March, 2019.

20. Additional information required to be disclosed in terms of Regulation 52(4) of Chapter V (Obligations of Listed Entity which has listed its Non- Convertible Debt Securities) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as Annexure I to these results.

For **DEWAN HOUSING FINANCE CORPORATION LIMITED**

Place: Mumbai
Date: 22nd July, 2019




KAPIL WADHAWAN
CHAIRMAN & MANAGING DIRECTOR
DIN 00028528

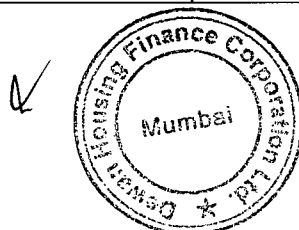
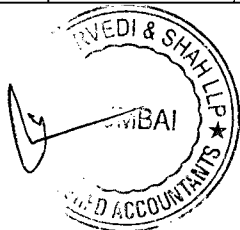


Annexure I

Additional Information in Compliance with Regulation 52(4) of Chapter V (Obligations of Listed Entity which has listed its Non- Convertible Debt Securities) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Credit rating and change in credit rating (if any): **Details of the Credit Rating**

Rating Particulars	Rating Agency	Rating as on 31st March 2019	Rating as on 30th Sept 2018
Short-term debt / commercial paper	ICRA	ICRA A2+; Under Watch with Negative Implications	ICRA A1+
	CRISIL	CRISIL A2+ (Under Rating Watch with Negative Implications)	CRISIL A1+
IPDIs	CARE	CARE BBB+ (Under Credit watch with developing implications)	CARE AA (Stable)
	BRICKWORKS	BWR A+ (Under Credit Watch with Negative Implications)	BWR AA+ (Stable)
Subordinated debt	CARE	CARE A- (Under Credit watch with developing implications)	CARE AA+ (Stable)
	BRICKWORKS	BWR AA- (Under Credit Watch with Negative Implications)	BWR AAA (Stable)
NCDs	CARE	CARE A (Under Credit watch with developing implications)	CARE AAA (Stable)
	BRICKWORKS	BWR AA- (Under Credit Watch with Negative Implications)	BWR AAA (Stable)
NCDs (Public Issue)	CARE	CARE A (Under Credit watch with developing implications)	CARE AAA (Stable)
	BRICKWORKS	BWR AA- (Under Credit Watch with Negative Implications)	BWR AAA (Stable)
Long-term Bank Loans	CARE	CARE A (Under Credit watch with developing implications)	CARE AAA (Stable)
Public (Fixed) Deposits	CARE	CARE A (FD) (Under Credit watch with developing implications)	CARE AAA (FD) (Stable)
	BRICKWORKS	BWR FAA- (Under Credit Watch with Negative Implications)	BWR FAAA (Stable)
Structured Obligations	CARE	CARE AAA (SO) (Under Credit watch with developing implications)	NA



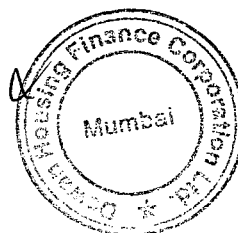
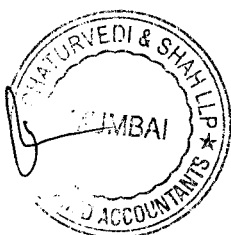
	ICRA	ICRA AAA(SO); Under Watch with Developing Implications	NA
	CRISIL	CRISIL AAA (SO)	NA

b) Asset cover available

The Company has maintained required full assets cover as first pari-passu charge on the business assets including receivables, investments and other assets, excluding charge on investment in SLR securities of the Company on its Secured Non-Convertible Debt securities as on 31st March 2019

Particulars		As on 31 st March, 2019
c)	Debt – equity ratio	11.57
d)	Previous due date for the payment of interest/ dividend for non-convertible redeemable preference shares/ repayment of principal of non-convertible preference shares /non-convertible debt securities and whether the same has been paid or not;	Details as per Annexure A
e)	Next due date for the payment of interest/ dividend of non-convertible preference shares /principal along with the amount of interest/ dividend of non-convertible preference shares payable and the redemption amount;	Details as per Annexure B
f)	Debt service coverage ratio; (Profit before tax + Finance Costs + Loan repayments received during the period) / (Finance Costs + Borrowings repaid during the period)	0.60
g)	Interest service coverage ratio:	0.88
h)	Outstanding redeemable preference shares (quantity and value)	N.A
i)	Capital redemption reserve (Rs. In lakh)	-
j)	Debenture redemption reserve for Privately Placed Debenture (*)	-
k)	Debenture redemption reserve for Public Issue of NCDs (Rs. In lakh)	117,000

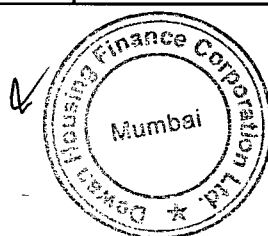
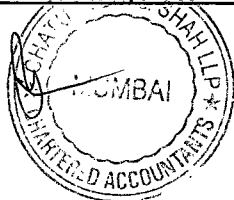
*The MCA has vide its notification dated 18th June, 2014 amended the Companies (Share Capital and Debentures) Rules, 2014 and has exempted Housing Finance Companies registered with the National Housing Bank from creating a Debenture Redemption Reserve in respect of privately placed debentures.



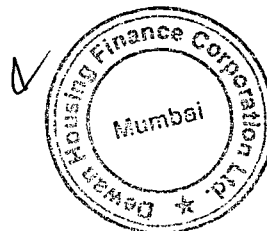
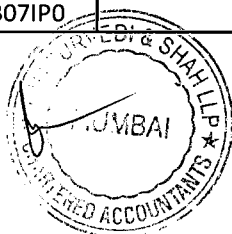
Annexure A

Details of payment of Interest / principal of the Redeemable Non- Convertible Debentures in accordance with Regulation 52(4)(d) and Regulation 52(4)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

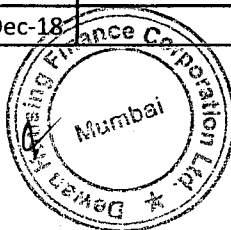
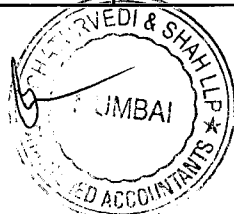
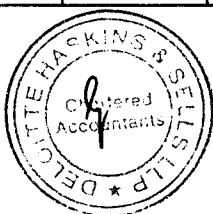
Sr No	TYPE	ISIN	INTREST DATE OF PAYMENT	PRINCIPAL DATE OF PAYMENT
1	Secured	INE202B07506	01-Oct-18	
2	Secured	INE202B07654	01-Oct-18	01-Oct-18
3	Secured	INE202B07HN7	01-Oct-18	
4	Secured	INE202B07GD0	03-Oct-18	03-Oct-18
5	Secured	INE202B07JF9	04-Oct-18	
6	Secured	INE202B07JG7	04-Oct-18	
7	Secured	INE202B07JH5	04-Oct-18	
8	Secured	INE202B07HL1	05-Oct-18	
9	Secured	INE202B07JM5	06-Oct-18	
10	Secured	INE202B07HK3	16-Oct-18	
11	Secured	INE202B07HM9	16-Oct-18	
12	Secured	INE202B07HO5	16-Oct-18	
13	Secured	INE202B07HP2	16-Oct-18	
14	Secured	INE202B07HQ0	16-Oct-18	
15	Secured	INE202B07HN7	16-Oct-18	
16	Secured	INE202B07HL1	16-Oct-18	
17	Secured	INE202B07IU0	24-Oct-18	
18	Secured	INE202B07GE8	30-Oct-18	
19	Secured	INE202B07GF5	30-Oct-18	
20	Secured	INE202B07GG3	30-Oct-18	
21	Secured	INE202B07GH1	30-Oct-18	
22	Secured	INE202B07CS7	19-Nov-18	19-Nov-18
23	Secured	INE202B07JF9	05-Nov-18	
24	Secured	INE202B07JG7	05-Nov-18	
25	Secured	INE202B07JH5	05-Nov-18	
26	Secured	INE202B07JM5	06-Nov-18	
27	Secured	INE564G07334	13-Nov-18	
28	Secured	INE202B07HK3	16-Nov-18	
29	Secured	INE202B07HL1	16-Nov-18	
30	Secured	INE202B07HM9	16-Nov-18	
31	Secured	INE202B07HN7	16-Nov-18	
32	Secured	INE202B07HO5	16-Nov-18	
33	Secured	INE202B07HP2	16-Nov-18	
34	Secured	INE202B07CL2	19-Nov-18	
35	Secured	INE202B07CM0	19-Nov-18	
36	Secured	INE202B07GI9	30-Nov-18	



Sr No	TYPE	ISIN	INTREST DATE OF PAYMENT	PRINCIPAL DATE OF PAYMENT
37	Secured	INE202B07CQ1	19-Nov-18	19-Nov-18
38	Secured	INE202B07JF9	04-Dec-18	
39	Secured	INE202B07JG7	04-Dec-18	
40	Secured	INE202B07JH5	04-Dec-18	
41	Secured	INE202B07JM5	06-Dec-18	
42	Secured	INE202B07HK3	17-Dec-18	
43	Secured	INE202B07HL1	17-Dec-18	
44	Secured	INE202B07HM9	17-Dec-18	
45	Secured	INE202B07HN7	17-Dec-18	
46	Secured	INE202B07HO5	17-Dec-18	
47	Secured	INE202B07HP2	17-Dec-18	
48	Secured	INE202B07EY1	24-Dec-18	24-Dec-18
49	Secured	INE202B07IW6	27-Dec-18	
50	Secured	INE202B07FB6	28-Dec-18	28-Dec-18
51	Secured	INE202B07FN1	14-Jan-19	14-Jan-19
52	Secured	INE202B07JF9	04-Jan-19	
53	Secured	INE202B07JG7	04-Jan-19	
54	Secured	INE202B07JH5	04-Jan-19	
55	Secured	INE202B07JM5	07-Jan-19	
56	Secured	INE202B07HK3	16-Jan-19	
57	Secured	INE202B07HL1	16-Jan-19	
58	Secured	INE202B07HM9	16-Jan-19	
59	Secured	INE202B07HN7	16-Jan-19	
60	Secured	INE202B07HO5	16-Jan-19	
61	Secured	INE202B07HP2	16-Jan-19	
62	Secured	INE202B07JM5	02-Feb-19	
63	Secured	INE202B07JN3	02-Feb-19	
64	Secured	INE202B07JF9	04-Feb-19	
65	Secured	INE202B07JG7	04-Feb-19	
66	Secured	INE202B07JH5	04-Feb-19	
67	Secured	INE202B07936	05-Feb-19	
68	Secured	INE202B07944	05-Feb-19	
69	Secured	INE202B07951	05-Feb-19	
70	Secured	INE202B07969	05-Feb-19	05-Feb-19
71	Secured	INE564G07532	14-Feb-19	
72	Secured	INE202B07HK3	16-Feb-19	
73	Secured	INE202B07HL1	16-Feb-19	
74	Secured	INE202B07HM9	16-Feb-19	
75	Secured	INE202B07HN7	16-Feb-19	
76	Secured	INE202B07HO5	16-Feb-19	
77	Secured	INE202B07HP2	16-Feb-19	
78	Secured	INE202B07JO1	16-Feb-19	
79	Secured	INE202B07GI9	28-Feb-19	
80	Secured	INE202B07JK9	28-Feb-19	
81	Secured	INE202B07IPO	01-Mar-19	



Sr No	TYPE	ISIN	INTREST DATE OF PAYMENT	PRINCIPAL DATE OF PAYMENT
82	Secured	INE202B07JF9	04-Mar-19	
83	Secured	INE202B07JG7	04-Mar-19	
84	Secured	INE202B07JH5	04-Mar-19	
85	Secured	INE202B07JM5	06-Mar-19	
86	Secured	INE202B07GK5	08-Mar-19	
87	Secured	INE202B07HK3	16-Mar-19	
88	Secured	INE202B07HL1	16-Mar-19	
89	Secured	INE202B07HM9	16-Mar-19	
90	Secured	INE202B07HN7	16-Mar-19	
91	Secured	INE202B07HO5	16-Mar-19	
92	Secured	INE202B07HP2	16-Mar-19	
93	Secured	INE202B07HD8	18-Mar-19	18-Mar-19
94	Secured	INE202B07993	21-Mar-19	
95	Secured	INE202B07GN9	25-Mar-19	
96	Secured	INE202B07GP4	25-Mar-19	
97	Secured	INE202B07IX4	25-Mar-19	25-Mar-19
98	Secured	INE202B07AB7	28-Mar-19	
99	Secured	INE202B07AD3	28-Mar-19	
100	Secured	INE202B07AC5	28-Mar-19	
101	Secured	INE202B07GO7	28-Mar-19	28-Mar-19
102	Secured	INE202B07HG1	28-Mar-19	28-Mar-19
103	Secured	Ine202b07ae1	19-Mar-19	19-Mar-19
104	Secured	INE202B07GJ7	14-Jan-19	14-Jan-19
105	Unsecured	INE202B08389	01-Oct-18	
106	Unsecured	INE202B08397	01-Oct-18	
107	Unsecured	INE202B08611	01-Oct-18	
108	Unsecured	INE202B08595	01-Oct-18	
109	Unsecured	INE202B08678	01-Oct-18	
110	Unsecured	INE202B08694	01-Oct-18	
111	Unsecured	INE202B08702	01-Oct-18	
112	Unsecured	INE202B08728	01-Oct-18	
113	Unsecured	INE202B08736	01-Oct-18	
114	Unsecured	INE202B08751	01-Oct-18	
115	Unsecured	INE202B08769	01-Oct-18	
116	Unsecured	INE202B08645	22-Oct-18	
117	Unsecured	INE564G08043	23-Oct-18	
118	Unsecured	INE202B08769	31-Oct-18	
119	Unsecured	INE202B08702	01-Nov-18	
120	Unsecured	INE202B08736	01-Nov-18	
121	Unsecured	INE202B08769	30-Nov-18	
122	Unsecured	INE202B08702	01-Dec-18	
123	Unsecured	INE202B08736	01-Dec-18	
124	Unsecured	INE202B08710	19-Dec-18	
125	Unsecured	INE202B08751	31-Dec-18	
126	Unsecured	INE202B08769	31-Dec-18	



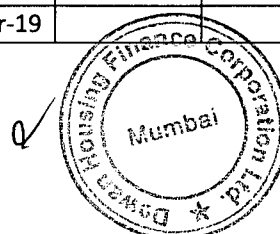
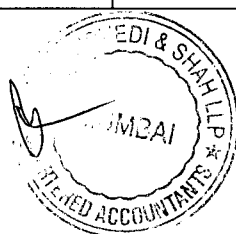
Sr No	TYPE	ISIN	INTREST DATE OF PAYMENT	PRINCIPAL DATE OF PAYMENT
127	Unsecured	INE202B08595	01-Jan-19	
128	Unsecured	INE202B08678	01-Jan-19	
129	Unsecured	INE202B08694	01-Jan-19	
130	Unsecured	INE202B08702	01-Jan-19	
131	Unsecured	INE202B08728	01-Jan-19	
132	Unsecured	INE202B08736	01-Jan-19	
133	Unsecured	INE202B08769	01-Jan-19	
134	Unsecured	INE564G08084	08-Jan-19	
135	Unsecured	INE564G08092	15-Jan-19	
136	Unsecured	INE202B08702	01-Feb-19	
137	Unsecured	INE202B08736	01-Feb-19	
138	Unsecured	INE564G08100	22-Feb-19	
139	Unsecured	INE202B08769	28-Feb-19	
140	Unsecured	INE202B08702	01-Mar-19	
141	Unsecured	INE202B08736	01-Mar-19	

****The Company has timely paid the interest and repaid the principal amount relating to non-convertible debt securities, falling due during the period 1st April, 2018– 31st March, 2019.***

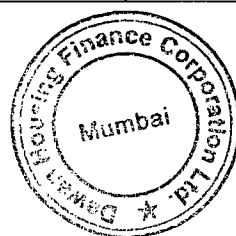
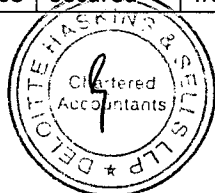
Annexure B

Details of the next due date with the amount of Payment of Interest and Principal for Non-Convertible Debentures.

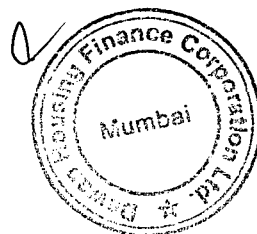
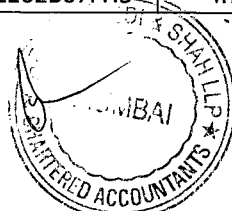
Sr No	Type	ISIN	Interest Amt (In Crs)	Next due date for payment of Interest	Principal Amt (In crs)	Next due date for payment of Principal
1	Secured	INE202B07928	2.67	01-Apr-19	-	-
2	Secured	INE202B07597	5.82	01-Apr-19	-	-
3	Secured	INE202B07878	1.28	01-Apr-19	-	-
4	Secured	INE202B07852	13.75	01-Apr-19	-	-
5	Secured	INE202B07845	0.40	01-Apr-19	-	-
6	Secured	INE202B07894	0.53	01-Apr-19	-	-
7	Secured	INE202B07886	0.54	01-Apr-19	-	-
8	Secured	INE202B07555	1.10	01-Apr-19	-	-
9	Secured	INE202B07647	2.79	01-Apr-19	-	-
10	Secured	INE202B07902	2.35	01-Apr-19	-	-
11	Secured	INE202B07654	30.93	01-Apr-19	-	-
12	Unsecured	INE202B08488	4.37	01-Apr-19	-	-
13	Unsecured	INE202B08421	1.68	01-Apr-19	-	-
14	Unsecured	INE202B08538	2.75	01-Apr-19	-	-
15	Unsecured	INE202B08447	2.02	01-Apr-19	-	-
16	Unsecured	INE202B08504	3.08	01-Apr-19	-	-
17	Unsecured	INE202B08496	2.80	01-Apr-19	-	-
18	Unsecured	INE202B08686	0.31	01-Apr-19	-	-
19	Unsecured	INE202B08694	0.12	01-Apr-19	-	-
20	Unsecured	INE202B08702	0.01	01-Apr-19	-	-
21	Unsecured	INE202B08728	0.02	01-Apr-19	-	-



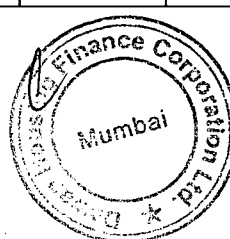
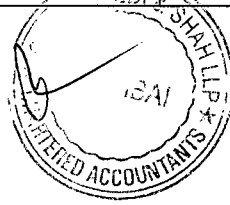
Sr No	Type	ISIN	Interest Amt (In Crs)	Next due date for payment of Interest	Principal Amt (In crs)	Next due date for payment of Principal
22	Unsecured	INE202B08736	0.03	01-Apr-19	-	-
23	Unsecured	INE202B08678	0.09	01-Apr-19	-	-
24	Unsecured	INE202B08595	0.10	01-Apr-19	-	-
25	Secured	INE202B07GM1	0.56	03-Apr-19	2.00	03-Apr-19
26	Secured	INE202B07JF9	0.42	04-Apr-19	-	-
27	Secured	INE202B07JG7	0.01	04-Apr-19	-	-
28	Secured	INE202B07JH5	0.54	04-Apr-19	-	-
29	Secured	INE202B07GS8	2.29	05-Apr-19	-	-
30	Secured	INE202B07JM5	3.43	06-Apr-19	-	-
31	Secured	INE202B07IU0	6.91	10-Apr-19	200.00	10-Apr-19
32	Unsecured	INE202B08801	88.24	12-Apr-19	-	-
33	Secured	INE202B07HK3	0.00	16-Apr-19	-	-
34	Secured	INE202B07HL1	0.12	16-Apr-19	-	-
35	Secured	INE202B07HM9	0.00	16-Apr-19	-	-
36	Secured	INE202B07HN7	0.08	16-Apr-19	-	-
37	Secured	INE202B07HO5	0.00	16-Apr-19	-	-
38	Secured	INE202B07HP2	0.34	16-Apr-19	-	-
39	Secured	Masala Bond	41.95	18-Apr-19	-	-
40	Secured	INE202B07GV2	3.49	22-Apr-19	13.00	22-Apr-19
41	Secured	INE202B07GT6	2.99	25-Apr-19	-	-
42	Secured	INE202B07GU4	1.03	25-Apr-19	-	-
43	Unsecured	INE564G08118	4.92	27-Apr-19	-	-
44	Secured	INE202B07EN4	0.46	29-Apr-19	-	-
45	Secured	INE202B07AJ0	0.54	30-Apr-19	-	-
46	Secured	INE202B07AI2	5.35	30-Apr-19	-	-
47	Unsecured	INE202B08769	0.03	30-Apr-19	-	-
48	Secured	INE202B07AK8	-	30-Apr-19	832.58	30-Apr-19
49	Unsecured	INE202B08702	0.01	01-May-19	-	-
50	Unsecured	INE202B08736	0.03	01-May-19	-	-
51	Secured	INE202B07JN3	32.42	02-May-19	-	-
52	Secured	INE202B07JF9	0.40	04-May-19	-	-
53	Secured	INE202B07JG7	0.01	04-May-19	-	-
54	Secured	INE202B07JH5	0.52	04-May-19	-	-
55	Secured	INE202B07JM5	14.70	06-May-19	-	-
56	Unsecured	INE202B08777	37.60	10-May-19	-	-
57	Secured	INE202B07HK3	0.00	16-May-19	-	-
58	Secured	INE202B07HL1	0.12	16-May-19	-	-
59	Secured	INE202B07HM9	0.00	16-May-19	-	-
60	Secured	INE202B07HN7	0.08	16-May-19	-	-
61	Secured	INE202B07HO5	0.00	16-May-19	-	-
62	Secured	INE202B07HP2	0.33	16-May-19	-	-
63	Secured	INE202B07JO1	36.30	16-May-19	-	-
64	Secured	INE202B07EQ7	71.51	20-May-19	-	-
65	Secured	INE202B07ER5	47.73	21-May-19	-	-
66	Secured	INE202B07GW0	1.75	28-May-19	6.50	28-May-19
67	Secured	INE202B07ES3	95.00	29-May-19	-	-
68	Secured	INE202B07GI9	10.57	30-May-19	-	-



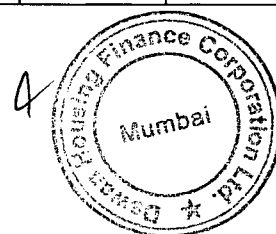
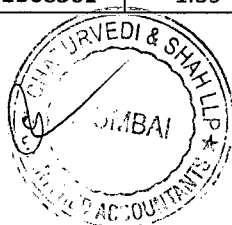
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69	Unsecured	INE202B08769	0.03	30-May-19	-	-
70	Unsecured	INE202B08702	0.01	01-Jun-19	-	-
71	Unsecured	INE202B08736	0.03	01-Jun-19	-	-
72	Secured	INE202B07GX8	2.69	03-Jun-19	30.00	03-Jun-19
73	Secured	INE202B07GY6	1.80	03-Jun-19	-	-
74	Secured	INE202B07JF9	0.42	04-Jun-19	-	-
75	Secured	INE202B07JG7	0.01	04-Jun-19	-	-
76	Secured	INE202B07JH5	0.54	04-Jun-19	-	-
77	Secured	INE202B07IY2	521.19	04-Jun-19	-	-
78	Secured	INE202B07IZ9	34.99	04-Jun-19	-	-
79	Secured	INE202B07JA0	93.85	04-Jun-19	-	-
80	Secured	INE202B07JB8	15.48	04-Jun-19	-	-
81	Secured	INE202B07JC6	40.96	04-Jun-19	-	-
82	Secured	INE202B07JD4	9.65	04-Jun-19	-	-
83	Secured	INE202B07JE2	14.65	04-Jun-19	-	-
84	Secured	INE202B07JI3	215.97	04-Jun-19	-	-
85	Secured	INE202B07JJ1	10.95	04-Jun-19	-	-
86	Secured	INE202B07AU7	-	04-Jun-19	108.33	04-Jun-19
87	Secured	INE202B07AV5	-	04-Jun-19	91.67	04-Jun-19
88	Secured	INE202B07JM5	16.54	05-Jun-19	-	-
89	Secured	INE202B07AY9	1.60	10-Jun-19	-	-
90	Secured	INE202B07GZ3	3.13	10-Jun-19	35.00	10-Jun-19
91	Secured	INE202B07HA4	3.14	10-Jun-19	-	-
92	Secured	INE202B07AX1	2.14	10-Jun-19	-	-
93	Secured	INE202B07AZ6	5.89	12-Jun-19	-	-
94	Secured	INE202B07HK3	0.00	16-Jun-19	-	-
95	Secured	INE202B07HL1	0.12	16-Jun-19	-	-
96	Secured	INE202B07HM9	0.00	16-Jun-19	-	-
97	Secured	INE202B07HN7	0.08	16-Jun-19	-	-
98	Secured	INE202B07HO5	0.00	16-Jun-19	-	-
99	Secured	INE202B07HP2	0.34	16-Jun-19	-	-
100	Secured	INE202B07HF3	4.58	17-Jun-19	-	-
101	Secured	INE202B07HH9	0.10	17-Jun-19	-	-
102	Secured	INE202B07HG1	0.37	17-Jun-19	-	-
103	Secured	INE202B07BC3	0.96	18-Jun-19	-	-
104	Secured	INE202B07HE6	1.37	18-Jun-19	5.00	18-Jun-19
105	Secured	INE202B07BH2	2.67	24-Jun-19	-	-
106	Unsecured	INE202B08769	0.03	30-Jun-19	-	-
107	Unsecured	INE202B08751	0.03	30-Jun-19	-	-
108	Unsecured	INE202B08694	0.12	01-Jul-19	-	-
109	Unsecured	INE202B08702	0.01	01-Jul-19	-	-
110	Unsecured	INE202B08728	0.02	01-Jul-19	-	-
111	Unsecured	INE202B08736	0.03	01-Jul-19	-	-
112	Unsecured	INE202B08678	0.09	01-Jul-19	-	-
113	Unsecured	INE202B08595	0.10	01-Jul-19	-	-
114	Secured	INE202B07IF1	0.71	02-Jul-19	2.80	02-Jul-19
115	Secured	INE202B07FH3	4.75	03-Jul-19	-	-



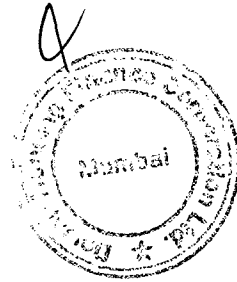
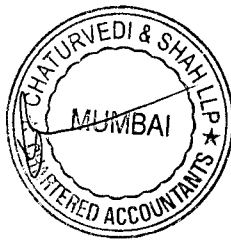
Sr No	Type	ISIN	Interest Amt (In Crs)	Next due date for payment of Interest	Principal Amt (In crs)	Next due date for payment of Principal
116	Secured	INE202B07JF9	0.40	04-Jul-19	-	-
117	Secured	INE202B07JG7	0.01	04-Jul-19	-	-
118	Secured	INE202B07JH5	0.52	04-Jul-19	-	-
119	Secured	INE202B07JM5	19.59	06-Jul-19	-	-
120	Secured	INE202B07FI1	8.98	08-Jul-19	-	-
121	Secured	INE202B07FJ9	19.38	08-Jul-19	-	-
122	Secured	INE202B07FP6	10.45	16-Jul-19	-	-
123	Secured	INE202B07FO9	4.75	16-Jul-19	-	-
124	Secured	INE202B07FQ4	8.55	16-Jul-19	-	-
125	Secured	INE202B07HK3	0.00	16-Jul-19	-	-
126	Secured	INE202B07HL1	0.12	16-Jul-19	-	-
127	Secured	INE202B07HM9	0.00	16-Jul-19	-	-
128	Secured	INE202B07HN7	0.08	16-Jul-19	-	-
129	Secured	INE202B07HO5	0.00	16-Jul-19	-	-
130	Secured	INE202B07HP2	0.33	16-Jul-19	-	-
131	Secured	INE202B07IG9	1.62	23-Jul-19	6.30	23-Jul-19
132	Secured	INE202B07HJ5	24.79	29-Jul-19	-	-
133	Unsecured	INE202B08769	0.03	30-Jul-19	-	-
134	Unsecured	INE202B08702	0.01	01-Aug-19	-	-
135	Unsecured	INE202B08736	0.03	01-Aug-19	-	-
136	Secured	INE202B07JN3	42.84	02-Aug-19	-	-
137	Unsecured	INE202B08793	49.25	03-Aug-19	-	-
138	Secured	INE202B07JF9	0.42	04-Aug-19	-	-
139	Secured	INE202B07JG7	0.01	04-Aug-19	-	-
140	Secured	INE202B07JH5	0.54	04-Aug-19	-	-
141	Secured	INE202B07IH7	0.65	05-Aug-19	2.50	05-Aug-19
142	Secured	INE202B07FR2	4.75	06-Aug-19	-	-
143	Secured	INE202B07JM5	20.24	06-Aug-19	-	-
144	Secured	INE202B07II5	2.88	06-Aug-19	11.00	06-Aug-19
145	Secured	INE202B07BI0	4.48	14-Aug-19	-	-
146	Secured	INE202B07HK3	0.00	16-Aug-19	0.67	16-Aug-19
147	Secured	INE202B07HL1	0.12	16-Aug-19	16.09	16-Aug-19
148	Secured	INE202B07HM9	0.00	16-Aug-19	-	-
149	Secured	INE202B07HN7	0.08	16-Aug-19	-	-
150	Secured	INE202B07HO5	0.00	16-Aug-19	-	-
151	Secured	INE202B07HP2	0.34	16-Aug-19	-	-
152	Secured	INE202B07HQ0	85.88	16-Aug-19	946.28	16-Aug-19
153	Secured	INE202B07HR8	5.58	16-Aug-19	60.84	16-Aug-19
154	Secured	INE202B07HS6	24.44	16-Aug-19	-	-
155	Secured	INE202B07HT4	17.26	16-Aug-19	-	-
156	Secured	INE202B07HU2	33.43	16-Aug-19	-	-
157	Secured	INE202B07HW8	0.03	16-Aug-19	0.10	16-Aug-19
158	Secured	INE202B07HX6	4.92	16-Aug-19	17.82	16-Aug-19
159	Secured	INE202B07IC8	1.47	16-Aug-19	16.17	16-Aug-19
160	Secured	INE202B07ID6	0.18	16-Aug-19	1.94	16-Aug-19
161	Secured	INE202B07HV0	189.35	16-Aug-19	-	-
162	Secured	INE564G07391	9.40	16-Aug-19	-	-



Sr No	Type	ISIN	Interest Amt (In Crs)	Next due date for payment of Interest	Principal Amt (In crs)	Next due date for payment of Principal
163	Secured	INE202B07JO1	37.52	16-Aug-19	-	-
164	Secured	INE202B07BJ8	0.50	20-Aug-19	-	-
165	Secured	INE202B07IE4	11.32	22-Aug-19	-	-
166	Unsecured	INE202B08785	51.06	23-Aug-19	-	-
167	Secured	INE202B07FY8	4.71	26-Aug-19	-	-
168	Secured	INE202B07FX0	9.43	26-Aug-19	-	-
169	Secured	INE202B07JK9	22.91	28-Aug-19	-	-
170	Secured	INE202B07GI9	10.69	30-Aug-19	-	-
171	Unsecured	INE202B08769	0.03	30-Aug-19	-	-
172	Secured	INE202B07JL7	67.44	31-Aug-19	-	-
173	Unsecured	INE202B08702	0.01	01-Sep-19	-	-
174	Unsecured	INE202B08736	0.03	01-Sep-19	-	-
175	Secured	INE202B07JF9	0.42	04-Sep-19	-	-
176	Secured	INE202B07JG7	0.01	04-Sep-19	-	-
177	Secured	INE202B07JH5	0.54	04-Sep-19	-	-
178	Secured	INE202B07JM5	20.24	06-Sep-19	-	-
179	Secured	INE202B07FZ5	0.95	09-Sep-19	-	-
180	Secured	INE202B07IJ3	228.95	09-Sep-19	2,536.78	09-Sep-19
181	Secured	INE202B07IK1	97.27	09-Sep-19	1,071.88	09-Sep-19
182	Secured	INE202B07IL9	33.48	09-Sep-19	-	-
183	Secured	INE202B07IM7	26.73	09-Sep-19	-	-
184	Secured	INE202B07IN5	150.32	09-Sep-19	-	-
185	Secured	INE202B07IO3	376.32	09-Sep-19	-	-
186	Secured	INE202B07GA6	1.41	09-Sep-19	-	-
187	Secured	INE202B07654	9.65	12-Sep-19	187.00	12-Sep-19
188	Secured	INE202B07456	4.60	15-Sep-19	100.00	15-Sep-19
189	Secured	INE564G07417	9.40	15-Sep-19	-	-
190	Secured	INE202B07HM9	0.00	16-Sep-19	-	-
191	Secured	INE202B07HN7	0.08	16-Sep-19	-	-
192	Secured	INE202B07HO5	0.00	16-Sep-19	-	-
193	Secured	INE202B07HP2	0.34	16-Sep-19	-	-
194	Secured	INE202B07GS8	1.05	20-Sep-19	25.00	20-Sep-19
195	Secured	INE202B07GP4	2.77	20-Sep-19	60.00	20-Sep-19
196	Secured	INE202B07506	12.89	30-Sep-19	-	-
197	Unsecured	INE202B08611	0.02	30-Sep-19	-	-
198	Unsecured	INE202B08769	0.03	30-Sep-19	-	-
199	Unsecured	INE202B08751	0.03	30-Sep-19	-	-
200	Unsecured	INE202B08603	0.80	02-Apr-19	-	-
201	Unsecured	INE202B08629	1.80	02-Apr-19	-	-
202	Unsecured	INE202B08660	1.80	02-Apr-19	-	-
203	Unsecured	INE202B08686	0.31	02-Apr-19	-	-
204	Unsecured	INE202B08744	0.13	02-Apr-19	-	-
205	Unsecured	INE202B08405	8.23	02-Apr-19	-	-
206	Unsecured	INE202B08454	0.56	02-Apr-19	-	-
207	Unsecured	INE202B08520	1.77	02-Apr-19	-	-
208	Unsecured	INE202B08553	1.59	02-Apr-19	-	-
209	Unsecured	INE202B08561	1.39	02-Apr-19	-	-



Sr No	Type	ISIN	Interest Amt (In Crs)	Next due date for payment of Interest	Principal Amt (In crs)	Next due date for payment of Principal
210	Unsecured	INE202B08637	3.86	02-Apr-19	-	-
211	Unsecured	INE202B08652	4.61	02-Apr-19	-	-
212	Secured	INE202B07530	1.10	02-Apr-19	-	-
213	Secured	INE202B07563	51.26	02-Apr-19	-	-
214	Secured	INE202B07696	25.63	02-Apr-19	-	-
215	Secured	INE202B07456	10.08	02-Apr-19	-	-
216	Unsecured	INE202B08363	18.25	02-Apr-19	-	-
217	Unsecured	INE202B08371	16.55	02-Apr-19	-	-

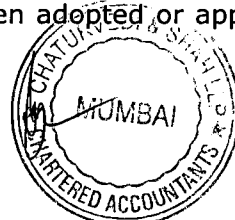


**INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
DEWAN HOUSING FINANCE CORPORATION LIMITED**

1. We were engaged to audit the accompanying Statement of Standalone Financial Results of **Dewan Housing Finance Corporation Limited** (the "Company"), for the year ended March 31, 2019 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit.
3. Our responsibility is to conduct an audit of the Statement in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in paragraphs 4 to 12 below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the Statement.

Basis for Disclaimer of Opinion

4. We refer to note 10 of the Statement with regards to the Unsecured Inter-corporate Deposits (ICD) outstanding as at March 31, 2019 aggregating Rs. 5,65,269 lakh. As stated in the note, there are significant deficiencies in the grant and rollover of ICD, inter-alia, non-availability of evaluation of credit worthiness of the borrowers, commercial rationale forming basis of granting of the ICD. The note also states that the Company is working towards remediating these deficiencies and that no adjustment is required to the carrying value thereof. We have not been provided sufficient appropriate audit evidence to support the management's assessment and hence are unable to evaluate on the recoverability of the ICD and the consequential effect on the Statement.
5. We refer to note 9 of the Statement that states the allegations of fraud made by the newsportal Cobrapost.com (the Allegations), inter alia alleging diversion of funds. As stated in the note, the Audit Committee appointed an independent firm of Chartered Accountants to investigate the Allegations and report to them. We provided to the Audit Committee our suggestions on the scope and coverage as well as additional areas that needed to be covered to ensure comprehensiveness of the coverage of the investigation and our observations on the findings by Independent firm of Chartered Accountants in the report. These have not been taken into consideration in the final report of the independent firm of Chartered Accountants. As stated in the note, the Management is in the process of determining the actions to address our comments and has stated that adjustments, if any, to the carrying values of the loans advanced will be made upon conclusion of these actions. The report of the independent firm of Chartered Accountants has not been adopted or approved by the Audit Committee.



Further, we understand that various regulatory authorities / lenders are currently carrying out their own investigation and they may make a determination on whether any fraud or any other non-compliance/ illegalities have occurred in relation to the Allegations.

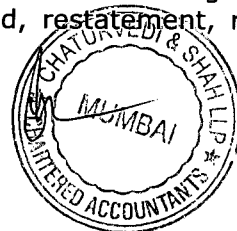
We are therefore unable to determine if these allegations would have an impact on the Statement including whether any adjustments to the carrying value of the loans granted, any restatement, related parties and other disclosures and compliances are required.

6. In respect of certain loans and Pass-through Certificates (PTC) aggregating Rs. 32,45,240 lakh and Rs. 25,700 lakh, respectively, granted or invested by the Company during the year and in earlier years and outstanding as at March 31, 2019:

- a) As stated in note 12 of the Statement, multiple accounting entries were initially recorded in certain customer accounts for receipts despite the cheques or negotiable instrument not been deposited in the bank(s) and these have been subsequently reversed. The gross value of such loans aggregate Rs. 16,48,717 lakh (includes certain loans aggregating Rs. 13,11,283 lakh which are also included in paragraph 6.b).
- b) We have not received sufficient information and explanations to our enquiries in relation to credit, legal and technical evaluation and evidence for end use monitoring as stated in the loan agreement and specified by the Finance Committee, wherever applicable, in respect of project loans and mortgage loans aggregating Rs. 24,07,772 lakh (Includes loans aggregating Rs. 13,11,283 lakh also included in paragraph 6.a).
- c) As stated in note 14, the management has elected to measure loans aggregating Rs. 31,62,815 lakh (includes certain loans aggregating Rs. 26,62,781 lakh which are also included in paragraph 6.a and 6.b) and Pass-through Certificates (PTC) aggregating Rs. 25,700 lakh at Fair Value Through Profit or Loss (FVTPL) based on internal valuations which involve management's judgement and assumptions. We have not been provided sufficient appropriate audit evidence and all of the necessary information and explanations in respect of the fair values changes of Rs. 3,25,345 lakh (gross of reversal of provision) and Rs. 6,800 lakh so recognized on these loans and PTC, respectively.

In view of the foregoing, we have been unable to obtain sufficient appropriate audit evidence to support the values of the loans and PTC and we are unable to determine if these matters would have an impact on the Statement including with regard to any adjustments to the carrying value of the loans and Pass-through Certificates, restatement, related parties and other disclosures and compliances as applicable.

7. We refer to note 16 of the Statement regarding the observations made by National Housing Bank (NHB) in its inspection for the year ended March 31, 2018 as per the provisions of the National Housing Bank Act, 1987. Pending management evaluation and response to the observations of the NHB, we are unable to determine if these observations would have an impact on the Statement including whether any adjustments to the carrying value of the loans granted, restatement, related parties and other disclosures and compliances are required.



8. We refer to note 15 of the Statement. As stated in the note, during the course of the audit, deficiencies have been identified in the historical data used for the purpose of calculating provisioning based on Expected credit loss (ECL) model in respect of loans carried at amortized cost. We are unable to comment on the assumptions made in the ECL model and consequently to determine if this matter would have an impact on the Statement, including the adequacy of the ECL provision.
9. As stated in note 17, the Company has recognized net deferred tax asset of Rs. 44,281 lakh as at March 31, 2019. The Company is required to perform an assessment as required by Ind AS 12 – 'Income Taxes' which requires the Company to determine the probability of future taxable income to utilize the deferred tax asset. However, we have not been provided sufficient appropriate evidence to validate the Company's assessment about the carrying value of the deferred tax asset and consequential adjustments required, if any, to the Statement.
10. As stated in note 18, the Company has incurred expenditure aggregating Rs. 10,401 lakh for development of customised software for its operations and recording of transactions which has been carried as intangible asset under development as at March 31, 2019. The Company has not performed an impairment assessment as required by Ind AS 36 – 'Impairment of Assets' which requires the Company to determine whether the economic benefit in respect of this intangible asset shall be available to the Company in subsequent periods taking into consideration the uncertainty in respect of its plan to monetize its assets, secure funding from the bankers / investors, restructure its liabilities and recommence its operations. In view of foregoing, we have not been provided sufficient appropriate evidence about the carrying value of the intangible asset under development and adjustments required, if any, to the Statement.
11. In view of the possible effects of the matters described in paragraphs 4 to 10 above, we are unable to comment on the Company's compliance of the covenants in respect of all borrowings and consequential implications including disclosures, if any, to the Statement.
12. Also refer our comments under 'Material uncertainty related to Going Concern' below.
13. We also refer to the reporting requirements under section 143(1) of the Companies Act, 2013, in respect of which, we have to state as under:
- (i) We are unable to comment whether the loans referred in paragraph 6.b above have been properly secured and hence these loans may have been granted in a manner that is prejudicial to the interest of the Company or its members, for the reasons stated therein. Further, in respect to loans referred to in paragraphs 4, 5 and 6.b above, we are unable comment whether the terms on which these have been made are prejudicial to the interest of the Company or its members, for the reasons stated therein.
 - (ii) We refer to the matter described in paragraph 6.a above, regarding multiple accounting entries which were initially recorded in certain customer accounts for receipts despite the cheques or negotiable instrument not been deposited in the bank(s) and subsequently reversed, which initial recording are represented merely by book entries and in our opinion may be prejudicial to the interest of the Company.



Disclaimer of Opinion

14. Because of the significance of the matters described in paragraphs 4 to 12 above, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion as to whether this Statement:
- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and Total comprehensive loss and other financial information of the Company for the year ended March 31, 2019.

Material uncertainty related to Going Concern

15. We refer to note 13 of the Statement, the Company has incurred loss aggregating Rs.1,03,605 lakh during the year and has net current liabilities of Rs. 75,475 lakh as at March 31, 2019. Further, the Company's credit rating has been reduced to 'default grade' subsequent to the year-end which may substantially impair its ability to raise or generate funds to repay its obligations. The matters described in paragraph 4 to 12 may also have an impact on the Company's ability to continue as a going concern. All these developments raise a significant doubt on the ability of the Company to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities including potential liabilities in the normal course of business. The Company is in the process of monetizing its assets and has submitted a draft resolution plan to the consortium of bankers for restructuring its borrowings and also there have been discussions for stake sale by the promoters to a strategic partner with further equity infusion. The ability of the Company to continue as a going concern inter alia is dependent upon its ability to monetize its assets, secure funding from the bankers or investors, restructure its liabilities and recommence its operations, which are not wholly within control of the Company.

The Management has prepared the Statement using going concern basis of accounting based on their assessment of the successful outcome of above referred actions and accordingly no adjustments have been made to the carrying value of the assets and liabilities and their presentation and classification in the Balance Sheet.

Reporting on comparatives in case of first Ind AS financial statements

16. The comparative financial information of the Company for the quarter and year ended March 31 2018 included in the Statement, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by one of the joint auditors whose report for the year ended March 31, 2018 dated April 30, 2018 express an unmodified opinion on those Standalone financial information and have been restated to comply with Ind AS. We were engaged to jointly audit the adjustments made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. In view of the matters reported in paragraphs 5, 6, 7 and 8 above, we are unable to comment whether any further Ind AS adjustments are required to the balances in respect of the year ended March 31, 2018.

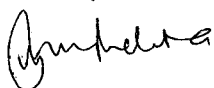


17. The Statement includes the results for the Quarter ended March 31, 2019 being the balancing figure between figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year as previously published.

For CHATURVEDI & SHAH LLP

Chartered Accountants

(Firm's Registration No. 101720W/W-100355)



Jignesh Mehta

Partner

Membership No. 102749

UDIN - 19102749AAABPM6934

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



Abhijit A. Damle

Partner

Membership No. 102912

UDIN - 19102912AAAAABR3452

Mumbai, dated: July 22, 2019



DEWAN HOUSING FINANCE CORPORATION LIMITED

Annexure I

Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results - (Standalone)

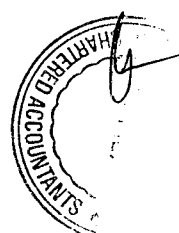
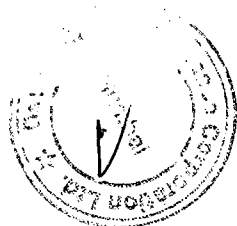
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]
(Standalone)

I. Sr. No.	Particulars	Audited Figures (Rs.in Lakhs)	
		(As reported before adjusting for qualifications)	(After adjusting for qualifications)
1	Turnover / Total income	12,90,252	Not Determinable
2	Total Expenditure	14,06,750	
3	Net Profit/(Loss)	(1,03,605)	
4	Earnings Per Share (Rs)	(33.02)	
5	Total Assets	1,06,47,525	
6	Total Liabilities	98,37,319	
7	Net Worth	8,10,206	
8	Any other financial item(s) (as felt appropriate by the management)	None	

II. Audit Qualification (each audit qualification separately):

a.	Details of Audit Qualification (note references are from the auditors report) :	<p>1. We refer to note 10 of the Statement with regards to the Unsecured Inter-corporate Deposits (ICD) outstanding as at March 31, 2019 aggregating Rs. 5,65,269 lakh. As stated in the note, there are significant deficiencies in the grant and rollover of ICD, inter-alia, non-availability of evaluation of credit worthiness of the borrowers, commercial rationale forming basis of granting of the ICD. The note also states that the Company is working towards remediating these deficiencies and that no adjustment is required to the carrying value thereof. We have not been provided sufficient appropriate audit evidence to support the management's assessment and hence are unable to evaluate on the recoverability of the ICD and the consequential effect on the Statement.</p> <p>2. We refer to note 9 of the Statement that states the allegations of fraud made by the newportal Cobrapost.com (the Allegations), inter alia alleging diversion of funds.</p>
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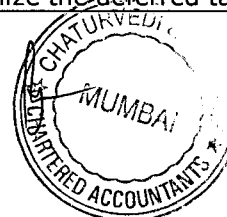
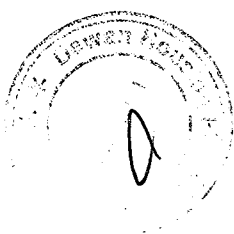
		<p>As stated in the note, the Audit Committee appointed an independent firm of Chartered Accountants to investigate the Allegations and report to them. We provided to the Audit Committee our suggestions on the scope and coverage as well as additional areas that needed to be covered to ensure comprehensiveness of the coverage of the investigation and our observations on the findings by Independent firm of Chartered Accountants in the report. These have not been taken into consideration in the final report of the independent firm of Chartered Accountants. As stated in the note, the Management is in the process of determining the actions to address our comments and has stated that adjustments, if any, to the carrying values of the loans advanced will be made upon conclusion of these actions. The report of the independent firm of Chartered Accountants has not been adopted or approved by the Audit Committee.</p> <p>Further, we understand that various regulatory authorities / lenders are currently carrying out their own investigation and they may make a determination on whether any fraud or any other non-compliance/ illegalities have occurred in relation to the Allegations.</p> <p>We are therefore unable to determine if these allegations would have an impact on the Statement including whether any adjustments to the carrying value of the loans granted, any restatement, related parties and other disclosures and compliances are required.</p> <p>3. In respect of certain loans and Pass-through Certificates (PTC) aggregating Rs. 32,45,240 lakh and Rs. 25,700 lakh, respectively, granted or invested by the Company during the year and in earlier years and outstanding as at March 31, 2019:</p> <p>a. As stated in note 12 of the Statement, multiple accounting entries were initially recorded in certain customer accounts for receipts despite the cheques or negotiable instrument not been deposited in the bank(s) and these have been subsequently reversed. The gross value of such loans aggregate Rs. 16,48,717 lakh (includes certain loans aggregating Rs. 13,11,283 lakh which are also included in paragraph 6.b).</p> <p>b. We have not received sufficient information and explanations to our enquiries in relation to credit, legal and technical evaluation and evidence for end use monitoring as stated in the loan agreement and specified by the Finance Committee, wherever applicable, in respect of project loans and mortgage loans aggregating Rs. 24,07,772 lakh (Includes loans aggregating Rs. 13,11,283 lakh also included in paragraph 6.a).</p>
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- c. As stated in note 14, the management has elected to measure loans aggregating Rs. 31,62,815 lakh (includes certain loans aggregating Rs. 26,62,781 lakh which are also included in paragraph 6.a and 6.b) and Pass-through Certificates (PTC) aggregating Rs. 25,700 lakh at Fair Value Through Profit or Loss (FVTPL) based on internal valuations which involve management's judgement and assumptions. We have not been provided sufficient appropriate audit evidence and all of the necessary information and explanations in respect of the fair values changes of Rs. 3,25,345 lakh (gross of reversal of provision) and Rs. 6,800 lakh so recognized on these loans and PTC, respectively.

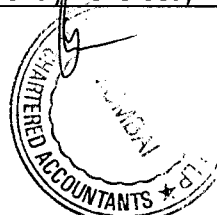
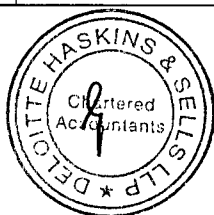
In view of the foregoing, we have been unable to obtain sufficient appropriate audit evidence to support the values of the loans and PTC and we are unable to determine if these matters would have an impact on the Statement including with regard to any adjustments to the carrying value of the loans and Pass-through Certificates, restatement, related parties and other disclosures and compliances as applicable.

4. We refer to note 16 of the Statement regarding the observations made by National Housing Bank (NHB) in its inspection for the year ended March 31, 2018 as per the provisions of the National Housing Bank Act, 1987. Pending management evaluation and response to the observations of the NHB, we are unable to determine if these observations would have an impact on the Statement including whether any adjustments to the carrying value of the loans granted, restatement, related parties and other disclosures and compliances are required.
5. We refer to note 15 of the Statement. As stated in the note, during the course of the audit, deficiencies have been identified in the historical data used for the purpose of calculating provisioning based on Expected credit loss (ECL) model in respect of loans carried at amortized cost. We are unable to comment on the assumptions made in the ECL model and consequently to determine if this matter would have an impact on the Statement, including the adequacy of the ECL provision.
6. As stated in note 17, the Company has recognized net deferred tax asset of Rs. 44,281 lakh as at March 31, 2019. The Company is required to perform an assessment as required by Ind AS 12 - 'Income Taxes' which requires the Company to determine the probability of future taxable income to utilize the deferred tax asset.

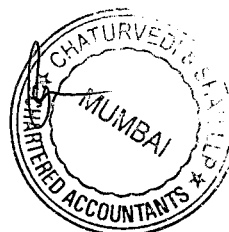


		<p>However, we have not been provided sufficient appropriate evidence to validate the Company's assessment about the carrying value of the deferred tax asset and consequential adjustments required, if any, to the Statement.</p> <p>7. As stated in note 18, the Company has incurred expenditure aggregating Rs. 10,401 lakh for development of customised software for its operations and recording of transactions which has been carried as intangible asset under development as at March 31, 2019. The Company has not performed an impairment assessment as required by Ind AS 36 - 'Impairment of Assets' which requires the Company to determine whether the economic benefit in respect of this intangible asset shall be available to the Company in subsequent periods taking into consideration the uncertainty in respect of its plan to monetize its assets, secure funding from the bankers / investors, restructure its liabilities and recommence its operations. In view of foregoing, we have not been provided sufficient appropriate evidence about the carrying value of the intangible asset under development and adjustments required, if any, to the Statement.</p> <p>8. In view of the possible effects of the matters described in paragraphs 4 to 10 above, we are unable to comment on the Company's compliance of the covenants in respect of all borrowings and consequential implications including disclosures, if any, to the Statement.</p> <p>9. We also refer to the reporting requirements under section 143(1) of the Companies Act, 2013, in respect of which, we have to state as under:</p> <p>(i) We are unable to comment whether the loans referred in paragraph 6.b above have been properly secured and hence these loans may have been granted in a manner that is prejudicial to the interest of the Company or its members, for the reasons stated therein. Further, in respect to loans referred to in paragraphs 4, 5 and 6.b above, we are unable comment whether the terms on which these have been made are prejudicial to the interest of the Company or its members, for the reasons stated therein.</p> <p>(ii) We refer to the matter described in paragraph 6.a above, regarding multiple accounting entries which were initially recorded in certain customer accounts for receipts despite the cheques or negotiable instrument not been deposited in the bank(s) and subsequently reversed, which initial</p>
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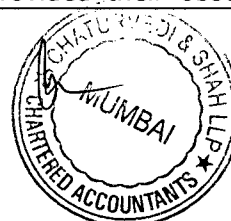
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		<p>recording are represented merely by book entries and in our opinion may be prejudicial to the interest of the Company.</p> <p>10. Also refer to our comments under 'Material uncertainty related to Going Concern' paragraph in the report.</p> <p>We refer to note 13 of the Statement, the Company has incurred loss aggregating Rs.1,03,605 lakh during the year and has net current liabilities of Rs. 75,475 lakh as at March 31, 2019. Further, the Company's credit rating has been reduced to 'default grade' subsequent to the year-end which may substantially impair its ability to raise or generate funds to repay its obligations. The matters described in paragraph 4 to 12 may also have an impact on the Company's ability to continue as a going concern. All these developments raise a significant doubt on the ability of the Company to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities including potential liabilities in the normal course of business. The Company is in the process of monetizing its assets and has submitted a draft resolution plan to the consortium of bankers for restructuring its borrowings and also there have been discussions for stake sale by the promoters to a strategic partner with further equity infusion. The ability of the Company to continue as a going concern inter alia is dependent upon its ability to monetize its assets, secure funding from the bankers or investors, restructure its liabilities and recommence its operations, which are not wholly within control of the Company.</p> <p>The Management has prepared the Statement using going concern basis of accounting based on their assessment of the successful outcome of above referred actions and accordingly no adjustments have been made to the carrying value of the assets and liabilities and their presentation and classification in the Balance Sheet.</p>
b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Disclaimer of Opinion
c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	First Time
d.	For Audit Qualification(s)	Not Applicable



	where the impact is quantified by the auditor, Management's Views:	
e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	(i) Management's estimation on the impact of audit qualification:	Not Determinable
	(ii) If management is unable to estimate the impact, reasons for the same (Note reference are from the results being submitted to the Exchanges) :	<p>1. With Respect to II(a)1 above Management view is set out in note no 10 of the standalone financial results, which is reproduced below:</p> <p>The unsecured Inter Corporate Deposit (ICD) aggregating Rs 5,65,269 lakhs were outstanding as at March 31, 2019 and includes ICDs(net) of Rs 4,82,014 lakh granted during the year. Of these, ICDs aggregating Rs. 40,870 lakh have since been repaid while ICDs aggregating Rs. 3,93,699 lakh are expected to be repaid shortly. Balance ICDs aggregating to Rs. 1,30,700 crore are being converted into secured term loans. There are documentation deficiencies with respect to grant / rollover of ICDs which are being rectified. The ICDs have been advanced towards regular business activities and were either extended as a temporary loan pending full valuation of project funding or short term corporate requirements. Pending conclusion of these actions, the Management believes that no adjustments are required to the carrying value of the ICDs. This also addresses the point no.II(a) 9 of the audit qualification above.</p> <p>2. With Respect to II(a)2 above Management view is set out in note no 9 of the standalone financial results, which is reproduced below:</p> <p>In the last week of January, 2019, News portal Cobrapost.com made allegations against the Company's management and its promoters. The Company had received a series of questions from the portal hours before the allegations were made public. The Audit Committee appointed an independent firm of Chartered Accountants (Independent Chartered Accountants) to review the allegations and report to the Committee. The report by Independent Chartered Accountants restricted its scope to the allegations which in their opinion pertained to the Company, highlighted certain procedural lapses and documentation deficiencies inter alia the fact that the end use monitoring of the funds loaned had not been performed despite a specific mandate by the finance Committee as part of the loan sanction conditions. The Statutory Auditors post their review of the Independent Chartered Accountants report, provided their observations</p>



and suggestions on the scope, coverage and findings by the Independent Chartered Accountants in the report as well as additional areas that needed to be covered. The management is in the process of determining the action to address the comments of the Statutory Auditors. As stated in the Action taken report tabled before the Audit Committee on 29th March, 2019, the Company has sought written explanations from the loanees for loans where end use monitoring was not effected. The Company is yet to receive responses from the loanees after which a decision on remedial measures including recalling the monies advanced will be made. The Company is undertaking fresh valuation in respect of the loans including underlying securities that were a subject matter of the allegations, from reputed valuation specialists and have been advised by the lawyers that agreements entered into with the loanees are legally enforceable. Necessary adjustments to the carrying values of the loans advanced will be made upon conclusion of the above actions. This also addresses the point no.II (a) 9 of the audit qualification above.

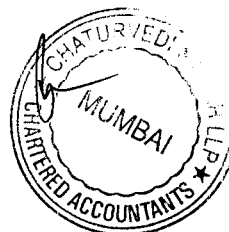
3. With Respect to II(a)3 above:

Due to the current business environment, the Company no longer holds the project loans, SRA loans and wholesale mortgage loan portfolio for the purposes of solely collecting the principal and interest. The Management envisages to monetise the wholesale loan portfolio. Consequently, the said loans aggregating Rs. 34,88,160 lakh (including Rs. 16,48,717 lakh related to note 12) have been reclassified as Fair Value Through Profit or Loss (FVTPL) as at March 31, 2019 due to the change in business model. As required under Ind AS 109, these assets have been fair valued as at March 31, 2019 based on internal valuations which involve management's judgment and assumptions at Rs. 31,62,815 lakh and the resultant fair value loss aggregating Rs. 3,25,345 lakh (gross of reversal of provision) has been charged to the Statement of Profit and Loss. Management does not envisage any further loss in the carrying value of these loans.

Further, in respect of deficiencies of documentation with respect to II(a)3(b) and II(a)9 above in respect of certain Project / Mortgage Loans, the Management is actively engaged with the loanees to remediate certain lacunae in loan documentation and expects to complete this exercise by September 2019. The management believes that deficiencies in documentation will not affect the enforceability of the underlying security. The Company is confident that the loans extended are secured and recoverable basis the cash flows arising from such project/mortgage loans and the carrying value of such loan is fully justified.

In relation II(a)3(a) and 9(ii), the management would further like to submit that, during the year, the housing finance sector has been under duress which has been compounded

2



by the liquidity crunch in the real estate sector. This resulted in certain developers facing unforeseen liquidity mismatch. Consequent to this, there have been instances where cheques received from the borrowers were accounted for as receipts, but were later not banked. The collections recorded in this manner aggregating Rs. 1,87,526 lakh have been remediated at the year-end and the corresponding loans have been dealt with in a manner as stated in note 14 of the financial results.

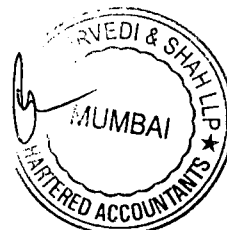
4. With Respect to II(a)4 above , management view is set out in note no 16 of the standalone financial results, which is reproduced below:

The Company has received a letter dated July 3, 2019, from the National Housing Bank containing observations emanating from the inspection carried out by NHB for the year ended March 31, 2018 as per the provisions of the National Housing Bank Act, 1987. There are observations in the letter inter-alia being impact on the Capital Adequacy Ratio of the Company as at March 31, 2018 reduced to 10.24%. NHB has directed the Company to provide a specific response to all the observations within a period of 21 days. The management does not concur with the observation of the NHB and will provide an appropriate response within the stipulated time. As mentioned in the note 14 above, on account of classification of project loans, SRA loans and wholesale mortgage loans as Fair Value through Profit or Loss (FVTPL) due to the change in business model as at March 31, 2019, has resulted in a charge of fair value loss aggregating to Rs 3,25,345 lakh to the statement of Profit and Loss. In view of these results being prepared using Indian Accounting Standards (Ind AS) while the NHB observations relate to numbers compiled on the basis of regulatory guidelines, the Management believes that the aforesaid observations may not have any implications on the same.

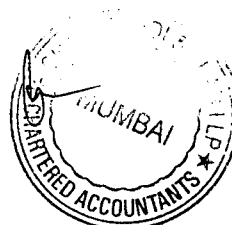
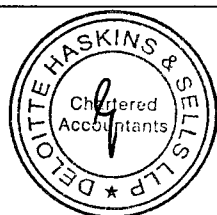
5. With Respect to II(a)5 above, management view is set out in note no 15 of the standalone financial results, which is reproduced below:

The Company had commenced implementation of Expected Credit Loss (ECL) model as part of its Ind AS transition. During the course of the audit, deficiencies have been identified in the historical data used for the purpose of determination of the ECL provision. The Company is in the process of remediating the same, though does not consider the resultant impact to be material.

Additionally, the Company has also taken external bureau supportive information (i.e. CIBIL score range band - Probability of default (PD) analysis) of our portfolio in comparison to Industry standards, which indicates that the PD of the Company's Portfolio is better than the Industry standard. Further, based on the Company's borrower profile







	<p>and CIBIL score the Company is convinced of its assumptions supporting ECL calculation.</p> <p>6. With Respect to II(a)6 above, management has recognized net deferred tax asset of Rs. 44,281 lakh as at March 31, 2019. Considering the factors described in Note 13, the Company is of the view that no adjustment is required to be made to the carrying value of the deferred tax asset.</p> <p>7. With Respect to II(a)7 above, the management has incurred expenditure aggregating to Rs 10,401 lakh for development of customised software for its operations and recording of transactions which has been carried as intangible asset under development as at March 31, 2019. Considering the factors described in Note 13, the Company is of the view that no adjustment is required to be made to the carrying value of the intangible asset under development pursuant to the requirement of Ind AS 36 on Impairment of Assets.</p> <p>8. With Respect to II (a) 8 above, management, as described in Note 13, is of the view that, since in the first fortnight of July 2019, the consortium of bankers have agreed to enter into an Inter-creditor Agreement (ICA) for a potential restructuring of the Company's liabilities, the Company is confident that other lenders who may or may not have restrictive or compliance related covenants shall also be part of the proposed restructuring, Hence, no adjustment is made on this account.</p> <p>9. With Respect to II(a)10 above, the management would like to state that the Company is undergoing substantial financial stress since second half of the current financial year. The Company has suffered consistent downgrades in its credit ratings since February 2019. On 5th June 2019, the credit rating was reduced to 'default grade' despite there being no default till that date. The Company's ability to raise funds has been substantially impaired and the business has been brought to a standstill with there being minimal / virtually no disbursements. These developments may raise a significant doubt on the ability of the Company to continue as a going concern.</p> <p>The Company is taking active steps to monetize its assets and is in discussions with multiple Indian banks and international financial institutions to sell off its retail as well as wholesale portfolio. It is in discussions with the consortium of bankers / lenders to restructure its borrowings and will take all the necessary steps to ensure that it meets its financial commitments. There have been discussions for stake sale by the promoters to a strategic partner with further equity infusion. The Company on July 1, 2019 had a meeting with the consortium of bankers wherein the bankers agreed to</p>
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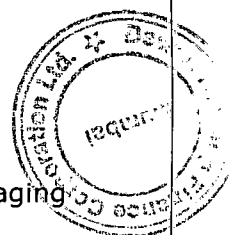
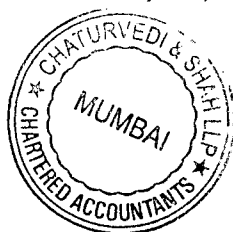
	enter into an Inter-creditor Agreement (ICA) for a potential restructuring of company's liabilities. In view thereof, the requirement in respect of creation of debenture redemption reserve and the corresponding deposit in liquid assets shall be assessed upon conclusion of the restructuring plan. The Company is in the process of submitting a resolution plan to the lenders and the lenders are expected to give an in-principle approval to the plan by end of July 2019. The ability of the Company to continue as a going concern is predicated upon its ability to monetize its assets, secure funding from the bankers / investors, restructure its liabilities and recommence its operations. In view of all the actions that are currently underway, these Results have been prepared on the basis that the Company is a going concern.
(iii) Auditors' Comments on (i) or (ii) above:	Our view remains unchanged considering the matters referred to in paragraphs 4 to 12 in our audit report.

III. Signatories:

For Chaturvedi & Shah LLP Chartered Accountants ICAI FRN:101720W/W-100355  Jignesh Mehta Partner ICAI MN: 102749	For Deloitte Haskins & Sells LLP Chartered Accountants ICAI FRN:117366W/W-100018  Abhijit A. Damle Partner ICAI MN: 102912	 Alok Misra Audit Committee Chairman
		 Kapil Wadhawan Chairman & Managing Director

Place : Mumbai

Date : July 22, 2019



DEWAN HOUSING FINANCE CORPORATION LIMITED

Corporate Identity Number (CIN) - L65910MH1984PLC032639

Regd. Office : Warden House, 2nd Floor, Sir P.M. Road, Fort, Mumbai - 400 001

Toll Free No. 1800 22 3435, Visit us at : www.dhfl.com., email - response@dhfl.com

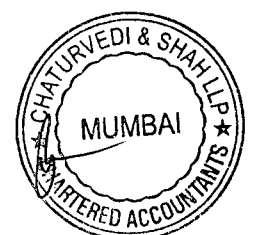
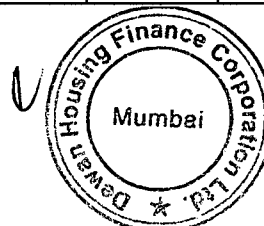
Corporate Office : TCG Financial Centre, 10th Floor, Bandra Kurla Complex, Bandra (East), Mumbai - 400098

Tel. : (022) 6600 6999, Fax: (022) 6600 6998


STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31st MARCH, 2019

(Rs in Lakh)

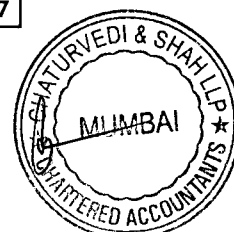
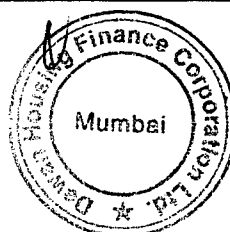
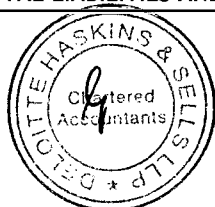
Particulars	Year Ended	Year Ended
	31-03-2019 (Refer note 2)	31-Mar-18
INCOME		
1. Revenue from Operations		
Interest Income	12,30,771	9,33,634
Dividend Income	1,074	13,658
Fees and commission Income	27,547	37,209
Net gain on fair value changes and Profit on Sale of Investments	-	42,018
Net gain on derecognition of financial instruments under amortised cost category	20,583	47,719
Other operating revenue	8,239	10,702
Total Revenue From Operations	12,88,214	10,84,940
2. Other Income	2,952	4,173
3. Total Income (1 + 2)	12,91,166	10,89,113
4. Expenses		
Finance costs	9,41,691	7,74,402
Net loss on fair value changes	2,45,837	-
Impairment on financial instruments	1,00,897	62,968
Employee benefit expense	47,000	34,584
Employee Stock Options/Employee Stock Appreciation Rights Expenses	1,533	2,441
Depreciation and amortisation expense	5,115	2,763
Other expenses	59,494	41,396
Total expenses	14,01,567	9,18,554
5. (Loss) / Profit before Tax (3 - 4)	(1,10,401)	1,70,559
6. Tax expense		
Current tax	53,832	48,362
Deferred tax	(65,840)	(2,259)
Total tax expense	(12,008)	46,103
7. Net (Loss) / Profit After Tax (5 - 6)	(98,393)	1,24,456
8. Share of net profits of associates and joint ventures	1,802	1,876
9. Net (Loss) / Profit After Tax and Share in profits of associates and joint ventures (7 + 8) (Fully attributable to owners of the Parent)	(96,591)	1,26,332
10. Other comprehensive income		
<u>Items that will not be reclassified to profit or loss:</u>		
Remeasurements of the defined benefit plans	129	(301)
Share of other comprehensive income of associates and joint ventures	(5)	(16)
Tax on above	(36)	84
<u>Items that will be classified to profit or loss:</u>		
Cash flow hedge reserves	2,506	115
Tax on above	(701)	(32)
Total Other comprehensive income	1,893	(150)
11. Total comprehensive income (9 + 10) (Fully attributable to owners of the Parent)	(94,698)	1,26,182
12. Earnings per equity share (of Rs. 10 each)		
Basic (₹)	(30.78)	40.29
Diluted (₹)	(30.78)	40.11
13. Equity Share Capital	31,382	31,366



Notes:**Note 1: STATEMENT OF AUDITED CONSOLIDATED ASSETS AND LIABILITIES AS AT 31st MARCH, 2019**

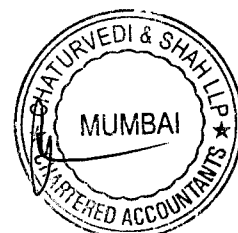
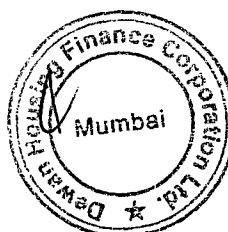
(Rs in Lakh)

Particulars	As at	As at
	31-03-2019 (Refer note 2)	31-Mar-18
ASSETS		
Financial assets		
Cash and cash equivalents	1,25,967	1,92,309
Other bank Balances	1,74,101	1,03,041
Derivative financial instruments	17,113	8,723
Receivables	476	4,274
Housing and other loans:		
At amortised cost	66,34,882	92,45,792
At Fair Value	31,62,815	65,670
	97,97,697	93,11,462
Investments	2,48,722	8,12,033
Other financial assets	1,09,125	76,648
Total Financial Assets	1,04,73,201	1,05,08,490
Non-Financial assets		
Current Tax Assets (Net)	37,020	14,730
Deferred tax assets	43,396	9,563
Property, plant and equipment	78,293	84,228
Inatangible assets under development	10,401	12,905
Other intangible assets	8,175	751
Other non-financial assets	9,714	3,780
Total Non-Financial Assets	1,86,999	1,25,957
TOTAL ASSETS	1,06,60,200	1,06,34,447
LIABILITIES AND EQUITY		
LIABILITIES		
Financial Liabilities		
Derivative financial instruments	30,251	13,581
Trade Payables	10,211	10,414
Debt Securities	45,67,050	36,08,092
Borrowings (Other than Debt Securities)	40,60,421	45,11,414
Deposits	6,58,840	9,65,244
Subordinated Liabilities	1,13,581	1,13,184
Other financial liabilities	4,08,769	4,95,596
Total Financial Liabilities	98,49,123	97,17,525
Non-Financial Liabilities		
Provisions	1,015	629
Other non-financial liabilities	16,325	16,492
Total Non-Financial Liabilities	17,340	17,121
Total liabilities	98,66,463	97,34,646
EQUITY		
Equity Share capital	31,382	31,366
Other equity	7,62,355	8,68,435
Total equity	7,93,737	8,99,801
TOTAL LIABILITIES AND EQUITY	1,06,60,200	1,06,34,447



2. The above audited consolidated financial results have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on 22nd July, 2019. The auditors have issued a disclaimer of opinion in respect of results for the year ended March 31, 2019
3. The Group (consists of Dewan Housing Finance Corporation Limited (the "Parent" or the "Company") and its subsidiaries constitute "the Group") has adopted Indian Accounting Standards ("Ind AS") with effect from 1st April, 2018, the date of transition being 1st April, 2017, with comparative figures being restated to make them comparable. The above financial results have been prepared in accordance with Ind AS that are applicable to the Company based on MCA Notification G.S.R. 111 (E) and G.S.R. 365(E) dated February 16, 2015 and March 30, 2016 respectively.
4. The net profit reconciliation between the figures reported, net of tax, under previous GAAP and Ind AS is given below:

Rupees in lakh	
Particulars	Year ended
	31-Mar-18
Net Profit after tax as per previous GAAP	1,16,565
Adjustments on account of:	
Effective interest rate for financial assets and liabilities recognised at amortised cost / net interest on credit impaired loans	(21,495)
Income on derecognised (assigned) loans	33,494
Application of expected credit loss	(15,121)
Fair valuation of investments	1,367
Fair valuation of Employee Stock Options / Employee Stock Appreciation Rights	(1,462)
Reclassification of actuarial gains and losses on employee benefit plans to Other Comprehensive Income	217
Reversal of deferred tax liability on Special Reserve [Sec 36(1)(viii)]	9,785
Ind AS Adjustment of share in profit of associate/joint venture	243
Other Adjustments	2739
Net Profit After Tax and Share in profits of associates and joint ventures as per Ind AS	1,26,332
Other Comprehensive Income (net of tax)	(150)
Total Comprehensive Income (net of tax) as per Ind AS	1,26,182



5. Reconciliation of total equity between the figures reported under previous GAAP and Ind AS is given below :

Rupees in lakh

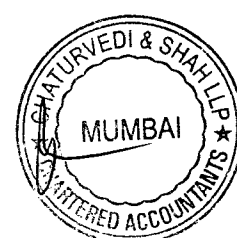
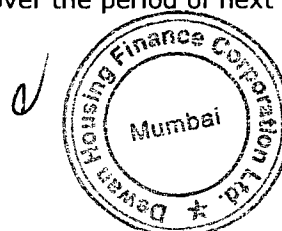
Particulars	As at March 31, 2018
Total equity as per previous GAAP	8,55,984
Adjustment on account of :	
Effective interest rate for financial assets and liabilities recognised at amortised cost / net interest on credit impaired loan	15,557
Net gain on derecognition of financial instruments under amortised cost category	64,018
Expected credit loss (Impairment on financial instruments)	(41,796)
Fair value of investment	977
Deferred tax adjustments	10,570
Ind AS Adjustment of share in profit of associate/joint venture and other adjustments	129
Other Comprehensive income	(5,638)
Total equity as per Ind AS	8,99,801

6. The Key data of standalone results of Dewan Housing Finance Corporation Limited is as under:

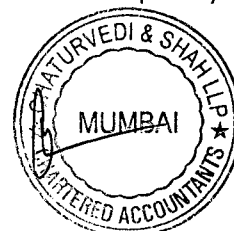
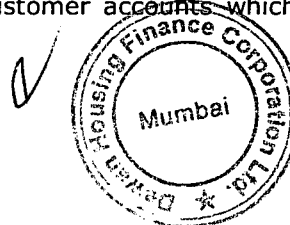
Rupees in Lakh

Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Year Ended	Year Ended
	31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18
	Audited	Reviewed	Audited	Audited	Audited
Total Income	3,11,134	3,25,589	2,84,601	12,90,252	10,86,442
(Loss) / Profit before tax	(2,90,756)	47,150	18,410	(1,16,498)	1,70,102
Tax Expense	(68,415)	15,790	4,975	(12,893)	46,103
Net (Loss) / Profit After Tax	(2,22,341)	31,360	13,435	(1,03,605)	1,23,999
Other Comprehensive Income	(2,005)	(2,669)	(459)	1,898	(134)
Total Comprehensive Income	(2,24,346)	28,691	12,976	(1,01,707)	1,23,865

7. As per requirements of Ind AS 108 on 'Operating Segments', based on evaluation of financial information by the Chief Operating Decision Maker (CODM) for allocating resources and assessing performance, the Group has identified a single segment i.e. providing loans for purchase or constructions of residential houses including all related activities. Accordingly, there are no separate reportable segments as per Ind AS 108.
8. As a part of the Company's effort to sell down its non-core investments in associates to generate liquidity, the Company has entered into Binding Share Purchase Agreements for –
- a) sale of 23,01,090 (9.15%) equity shares held in Aadhar Housing Finance Limited(AHFL) to private equity funds managed by Blackstone on 2nd February 2019 for a total consideration of Rs 20,895 lakh. After obtaining applicable regulatory and other approval Rs 16,363 lakh has been received by the Company on 10th June 2019 and balance of Rs 4,532 lakh is expected over the period of next 6 months.



- b) sale of 1,92,50,719 (30.63%) equity shares held by the Company in Avanse Financial Services Limited (Avanse) to Olive Vine Investments Limited an affiliate of Warburg Pincus Group on 16th March 2019 for a consideration of Rs 30,352 lakh
- c) sale of its entire shareholding in DHFL Pramerica Asset Managers Private Limited, , to M/s PGLH of Delaware Inc. vide agreement dated 21st February '19, subject to related regulatory approvals. As per the same purchase consideration shall be based on the Asset under Management (AUM).
9. In the last week of January, 2019, News portal Cobrapost.com made allegations against the Company's management and its promoters. The Company received a series of questions from the portal shortly before the allegations were made public. The Audit Committee appointed an independent firm of Chartered Accountants (Independent Chartered Accountants) to review the allegations and report to the Committee. The report by Independent Chartered Accountants restricted its scope to the allegations which in their opinion pertained to the Company, highlighted certain procedural lapses and documentation deficiencies inter alia the fact that the end use monitoring of the funds loaned had not been performed despite a specific mandate by the finance Committee as part of the loan sanction conditions. The Statutory Auditors post their review of the Independent Chartered Accountants report, provided their observations and suggestions on the scope, coverage and findings by the Independent Chartered Accountants in the report as well as additional areas that needed to be covered. The management is in the process of determining the action to address the comments of the Statutory Auditors. As stated in the Action taken report tabled before the Audit Committee on 29th March, 2019, the Company has sought written explanations from the loanees for loans where end use monitoring was not effected. The Company is yet to receive responses from the loanees after which a decision on remedial measures including recalling the monies advanced will be made. The Company is undertaking fresh valuation in respect of the loans including underlying securities that were a subject matter of the allegations, from reputed valuation specialists and have been advised by the lawyers that agreements entered into with the loanees are legally enforceable. Necessary adjustments to the carrying values of the loans advanced will be made upon conclusion of the above actions.
10. The unsecured Inter Corporate Deposit (ICD) aggregating Rs 565,269 lakh were outstanding as at March 31, 2019 and includes ICDs (net) of Rs 482,014 lakh granted during the year. Of these, ICDs aggregating Rs. 40,870 lakh have since been repaid while ICDs aggregating Rs.393,699 lakh are expected to be repaid shortly. Balance ICDs aggregating to Rs. 130,700 lakh are being converted into secured term loans. There are documentation deficiencies with respect to grant / rollover of ICDs which are being rectified. The ICDs have been advanced towards regular business activities and were either extended as a temporary loan pending full valuation of project funding or short term corporate requirements. Pending conclusion of these actions, the Management believes that no adjustments are required to the carrying value of the ICDs.
11. In respect of certain Project / Mortgage loans, the management is actively engaged with the loanees to remediate certain lacunae in loan documentation and expects to complete this exercise by September 2019. The management believes that deficiencies in documentation will not affect the enforceability of the underlying security. The Company is confident that the loans extended are secured and recoverable basis the cash flow arising from such project / mortgage loans. Pending completion of this exercise, no adjustments have been made to the carrying values of these loans aggregating Rs 2,407,772 lakh which has been largely dealt with in a manner stated in Note 14.
12. During the year, the housing finance sector has been under duress which has been compounded by the liquidity crunch in the real estate sector. Consequent to this, there have been instances where cheques received from the borrowers particularly from the project and mortgage loan customers were not banked at the instance of the borrowers. Entries for receipts were however accounted for in the customer accounts which were subsequently



reversed. As at the year end, the collections recorded in this manner aggregated Rs. 187,526 lakh have been remediated at the year-end and the corresponding loans have been dealt with in a manner as stated in Note 14.

13. The Company is undergoing substantial financial stress since second half of the current financial year. The Company has suffered consistent downgrades in its credit ratings since February 2019. On 5th June 2019, the credit rating was reduced to 'default grade' despite there being no default till that date. The Company's ability to raise funds has been substantially impaired and the business has been brought to a standstill with there being minimal / virtually no disbursements. These developments may raise a significant doubt on the ability of the Company to continue as a going concern.

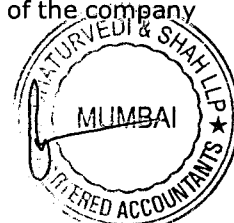
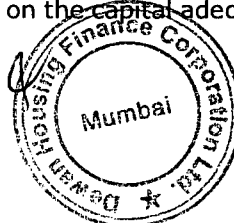
The Company is taking active steps to monetize its assets and is in discussions with multiple Indian banks and international financial institutions to sell off its retail as well as wholesale portfolio. It is in discussions with the consortium of bankers / lenders to restructure its borrowings and will take all the necessary steps to ensure that it meets its financial commitments. There have been discussions for stake sale by the promoters to a strategic partner with further equity infusion. The Company on July 1, 2019 had a meeting with the consortium of bankers wherein the bankers agreed to enter into an Inter-creditor Agreement (ICA) for a potential restructuring of company's liabilities. In view thereof, the requirements in respect of creation of debenture redemption reserve and the corresponding deposit in liquid assets shall be assessed upon conclusion of the restructuring plan. The Company is in the process of submitting a resolution plan to the lenders and the lenders are expected to give an in-principle approval to the plan by end of July 2019. The ability of the Company to continue as a going concern is predicated upon its ability to monetize its assets, secure funding from the bankers / investors, restructure its liabilities and recommence its operations. In view of all the actions that are currently underway, these financial results have been prepared on the basis that the Company is a going concern.

14. Due to the current business environment, the Company no longer holds the project loans, SRA loans and wholesale mortgage loan portfolio for the purposes of solely collecting the principal and interest. The Management envisages to monetise the wholesale loan portfolio. Consequently, the said loans aggregating Rs. 3,488,160 lakh (including Rs. 1,648,717 lakh related to note 12) have been reclassified as Fair Value Through Profit or Loss (FVTPL) as at March 31, 2019 due to the change in business model. As required under Ind AS 109, these assets have been fair valued as at March 31, 2019 based on internal valuations which involve management's judgment and assumptions at Rs. 3,162,815 lakh and the resultant fair value loss aggregating Rs. 325,345 lakh (gross of reversal of provision) has been charged to the Statement of Profit and Loss.

15. The Company had commenced implementation of Expected Credit Loss (ECL) model as part of its Ind AS transition. During the course of the audit, deficiencies have been identified in the historical data used for the purpose of determination of the ECL provision. The Company is in the process of remediating the same, though does not consider the resultant impact to be material.

Additionally, the Company has also taken external bureau supportive information (i.e. CIBIL score range band – Probability of default (PD) analysis) of our portfolio in comparison to Industry standards, which indicates that the PD of the Company's Portfolio is better than the Industry standard. Further, based on the Company's borrower profile and CIBIL score the Company is convinced of its assumptions supporting ECL calculation.

16. The Company has received a letter dated July 3, 2019, from the National Housing Bank containing observations emanating from the inspection carried out by NHB for the year ended March 31, 2018 as per the provisions of the National Housing Bank Act, 1987. There are observations in the letter inter-alia being impact on the capital adequacy ratio of the company

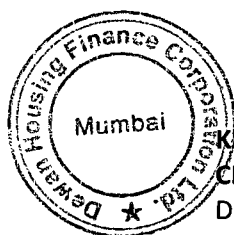


at at March 31, 2018 reduced to 10.24%. NHB has directed the Company to provide a specific response to all the observations within a period of 21 days. The management does not concur with the observation of the NHB and will provide an appropriate response within the stipulated time. As mentioned in the note 15 above, on account of classification of project loans, SRA loans and wholesale mortgage loans as Fair Value Through Profit or Loss (FVTPL) as at March 31, 2019 has resulted in a charge of fair value loss aggregating Rs 325,345 lakh (gross of reversal of provision) to the statement of Profit and Loss. In view of these results being prepared using Indian Accounting Standards (Ind AS) while the NHB observations relate to numbers compiled on the basis of regulatory guidelines, the Management believes that the aforesaid observations may not have any implications on the same.

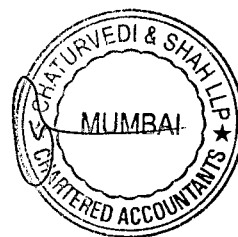
17. The Company has recognized net deferred tax asset of Rs. 44,281 lakh as at March 31, 2019. Ind AS 12 – 'Income Taxes' requires the Company to determine the probability of sufficient future taxable income to utilize the deferred tax asset. Considering the factors described in Note 14, the Company is of the view that no adjustment is required to the carrying value of the deferred tax asset.
18. The Company has incurred expenditure aggregating Rs. 10,401 lakh for development of customised software for its operations and recording of transactions which has been carried as intangible asset under development as at March 31, 2019. Considering the factors described in Note 14, the Company is of the view that no adjustment is required to be made to the carrying value of the intangible asset under development pursuant to the requirements of Ind AS 36 on Impairment of Assets.
19. Pursuant to the provision of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share based Employee Benefits) Regulation 2014 (hereinafter referred to as Employee Stock Appreciation Rights 2015 (DHFL ESAR Plan 2015) and pursuant to the intention of all the grantees for cancellation and discontinuation of the said ESAR Scheme and also the recommendation of the Member of Nomination and Remuneration committee and based on the approval of the board of directors of the Company, 1,19,75,600 ESAR granted under Grant VII and Grant VIII issued under the DHFL ESAR Plan 2015 to the eligible employee of the Company are cancelled w.e.f. 20th March, 2019.

For DEWAN HOUSING FINANCE CORPORATION LIMITED

Place: Mumbai
Date: 22nd July, 2019




KAPIL WADHAWAN
CHAIRMAN & MANAGING DIRECTOR
DIN 00028528

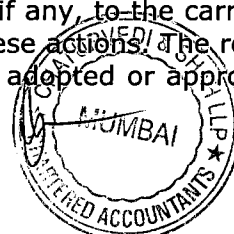


**INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
DEWAN HOUSING FINANCE CORPORATION LIMITED**

1. We were engaged to audit the accompanying Statement of Consolidated Financial Results of **Dewan Housing Finance Corporation Limited** (the "Parent" or the "Company") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the profit/(loss) of its joint ventures and associates for the year ended March 31, 2019 (the "Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been compiled from the related Consolidated Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit.
3. Our responsibility is to conduct an audit of the Statement in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in paragraphs 4 to 12 below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the Statement.

Basis for Disclaimer of Opinion

4. We refer to note 10 of the Statement with regards to the Unsecured Inter-corporate Deposits (ICD) outstanding as at March 31, 2019 aggregating Rs. 5,65,269 lakh. As stated in the note, there are significant deficiencies in the grant and rollover of ICD, inter-alia, non-availability of evaluation of credit worthiness of the borrowers, commercial rationale forming basis of granting of the ICD. The note also states that the Company is working towards remediating these deficiencies and that no adjustment is required to the carrying value thereof. We have not been provided sufficient appropriate audit evidence to support the management's assessment and hence are unable to evaluate on the recoverability of the ICD and the consequential effect on the Statement.
5. We refer to note 9 of the Statement that states the allegations of fraud made by the newsportal Cobrapost.com (the Allegations), inter alia alleging diversion of funds. As stated in the note, the Audit Committee appointed an independent firm of Chartered Accountants to investigate the Allegations and report to them. We provided to the Audit Committee our suggestions on the scope and coverage as well as additional areas that needed to be covered to ensure comprehensiveness of the coverage of the investigation and our observations on the findings by Independent firm of Chartered Accountants in the report. These have not been taken into consideration in the final report of the independent firm of Chartered Accountants. As stated in the note, the Management is in the process of determining the actions to address our comments and has stated that adjustments, if any, to the carrying values of the loans advanced will be made upon conclusion of these actions. The report of the independent firm of Chartered Accountants has not been adopted or approved by the Audit Committee.



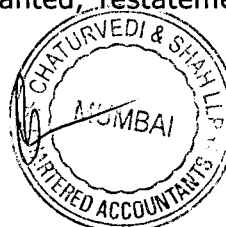
Further, we understand that various regulatory authorities / lenders are currently carrying out their own investigation and they may make a determination on whether any fraud or any other non-compliance/ illegalities have occurred in relation to the Allegations.

We are therefore unable to determine if these allegations would have an impact on the Statement including whether any adjustments to the carrying value of the loans granted, any restatement, related parties and other disclosures and compliances are required.

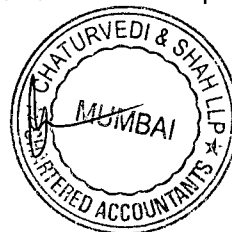
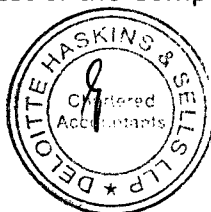
6. In respect of certain loans and Pass-through Certificates (PTC) aggregating Rs. 32,45,240 lakh and Rs. 25,700 lakh, respectively, granted or invested by the Company during the year and in earlier years and outstanding as at March 31, 2019:
 - a) As stated in note 12 of the Statement, multiple accounting entries were initially recorded in certain customer accounts for receipts despite the cheques or negotiable instrument not been deposited in the bank(s) and these have been subsequently reversed. The gross value of such loans aggregate Rs. 16,48,717 lakh (includes certain loans aggregating Rs. 13,11,283 lakh which are also included in paragraph 6.b).
 - b) We have not received sufficient information and explanations to our enquiries in relation to credit, legal and technical evaluation and evidence for end use monitoring as stated in the loan agreement and specified by the Finance Committee, wherever applicable, in respect of project loans and mortgage loans aggregating Rs. 24,07,772 lakh (Includes loans aggregating Rs. 13,11,283 lakh also included in paragraph 6.a).
 - c) As stated in note 14, the management has elected to measure loans aggregating Rs. 31,62,815 lakh (includes certain loans aggregating Rs. 26,62,781 lakh which are also included in paragraph 6.a and 6.b) and Pass-through Certificates (PTC) aggregating Rs. 25,700 lakh at Fair Value Through Profit or Loss (FVTPL) based on internal valuations which involve management's judgement and assumptions. We have not been provided sufficient appropriate audit evidence and all of the necessary information and explanations in respect of the fair values changes of Rs. 3,25,345 lakh (gross of reversal of provision) and Rs. 6,800 lakh so recognized on these loans and PTC, respectively.

In view of the foregoing, we have been unable to obtain sufficient appropriate audit evidence to support the values of the loans and PTC and we are unable to determine if these matters would have an impact on the Statement including with regard to any adjustments to the carrying value of the loans and Pass-through Certificates, restatement, related parties and other disclosures and compliances as applicable.

7. We refer to note 16 of the Statement regarding the observations made by National Housing Bank (NHB) in its inspection for the year ended March 31, 2018 as per the provisions of the National Housing Bank Act, 1987. Pending management evaluation and response to the observations of the NHB, we are unable to determine if these observations would have an impact on the Statement including whether any adjustments to the carrying value of the loans granted, restatement, related parties and other disclosures and compliances are required.



8. We refer to note 15 of the Statement. As stated in the note, during the course of the audit, deficiencies have been identified in the historical data used for the purpose of calculating provisioning based on Expected credit loss (ECL) model in respect of loans carried at amortized cost. We are unable to comment on the assumptions made in the ECL model and consequently to determine if this matter would have an impact on the Statement, including the adequacy of the ECL provision.
9. As stated in note 17, the Company has recognized net deferred tax asset of Rs. 44,281 lakh as at March 31, 2019. The Company is required to perform an assessment as required by Ind AS 12 – 'Income Taxes' which requires the Company to determine the probability of future taxable income to utilize the deferred tax asset. However, we have not been provided sufficient appropriate evidence to validate the Company's assessment about the carrying value of the deferred tax asset and consequential adjustments required, if any, to the Statement.
10. As stated in note 18, the Company has incurred expenditure aggregating Rs. 10,401 lakh for development of customised software for its operations and recording of transactions which has been carried as intangible asset under development as at March 31, 2019. The Company has not performed an impairment assessment as required by Ind AS 36 – 'Impairment of Assets' which requires the Company to determine whether the economic benefit in respect of this intangible asset shall be available to the Company in subsequent periods taking into consideration the uncertainty in respect of its plan to monetize its assets, secure funding from the bankers / investors, restructure its liabilities and recommence its operations. In view of foregoing, we have not been provided sufficient appropriate evidence about the carrying value of the intangible asset under development and adjustments required, if any, to the Statement.
11. In view of the possible effects of the matters described in paragraphs 4 to 10 above, we are unable to comment on the Company's compliance of the covenants in respect of all borrowings and consequential implications including disclosures, if any, to the Statement.
12. Also refer our comments under 'Material uncertainty related to Going Concern' below.
13. We also refer to the reporting requirements under section 143(1) of the Companies Act, 2013, in respect of which, we have to state as under:
- (i) We are unable to comment whether the loans referred in paragraph 6.b above have been properly secured and hence these loans may have been granted in a manner that is prejudicial to the interest of the Company or its members, for the reasons stated therein. Further, in respect to loans referred to in paragraphs 4, 5 and 6.b above, we are unable comment whether the terms on which these have been made are prejudicial to the interest of the Company or its members, for the reasons stated therein.
- (ii) We refer to the matter described in paragraph 6.a above, regarding multiple accounting entries which were initially recorded in certain customer accounts for receipts despite the cheques or negotiable instrument not been deposited in the bank(s) and subsequently reversed, which initial recording are represented merely by book entries and in our opinion may be prejudicial to the interest of the Company.



Entities included in the Statement

14. The Statement includes the results of the following entities:

Dewan Housing Finance Corporation Limited

Subsidiary companies:

DHFL Advisory & Investments Private Limited

DHFL Holding Limited

Associates:

Aadhar Housing Finance Limited

Avanse Financial Services Limited

Joint Ventures:

DHFL Pramerica Asset Managers Private Limited

DHFL Pramerica Trustee Private Limited

Disclaimer of Opinion

15. Because of the significance of the matters described in paragraphs 4 to 12 above, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion as to whether the Statement:

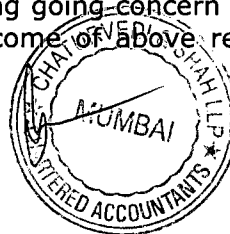
(i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and

(ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and Total comprehensive loss and other financial information of the Group for the year ended March 31, 2019.

Material uncertainty related to Going Concern

16. We refer to note 13 of the Statement, the Company has incurred loss aggregating Rs. 1,03,605 lakh during the year and has net current liabilities of Rs. 75,475 lakh as at March 31, 2019. Further, the Company's credit rating has been reduced to 'default grade' subsequent to the year-end which may substantially impair its ability to raise or generate funds to repay its obligations. The matters described in paragraph 4 to 12 may also have an impact on the Company's ability to continue as a going concern. All these developments raise a significant doubt on the ability of the Company to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities including potential liabilities in the normal course of business. The Company is in the process of monetizing its assets and has submitted a draft resolution plan to the consortium of bankers for restructuring its borrowings and also there have been discussions for stake sale by the promoters to a strategic partner with further equity infusion. The ability of the Company to continue as a going concern inter alia is dependent upon its ability to monetize its assets, secure funding from the bankers or investors, restructure its liabilities and recommence its operations, which are not wholly within control of the Company.

The Management has prepared the Statement using going concern basis of accounting based on their assessment of the successful outcome of above referred actions and



accordingly no adjustments have been made to the carrying value of the assets and liabilities and their presentation and classification in the Balance Sheet.

Other Matters

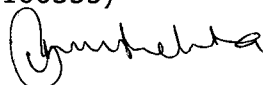
17. We did not audit the financial information of two subsidiaries included in the consolidated financial results, whose financial information reflect total assets of Rs. 7,129 lakh as at March 31, 2019, total revenues of Rs. 3 lakh, total net (loss) after tax of Rs. (25,305) Lakh and total comprehensive (loss) of Rs. (25,305) Lakh for the year ended on that date, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net (loss) of Rs. (520) lakh and total comprehensive (loss) of Rs. (520) lakh for the year ended March 31, 2019, as considered in the consolidated financial results, in respect of two joint ventures, whose financial information have not been audited by us. These 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 results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, is based solely on the reports of the other auditors.

Reporting on comparatives in case of first Ind AS financial statements

18. The comparative financial information of the Company for the quarter and year ended March 31 2018 included in this Statement, are based on the statutory financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by one of the joint auditors whose report for the year ended March 31, 2018 dated April 30, 2018 expressed an unmodified opinion on those consolidated financial information, and have been restated to comply with Ind AS. We were engaged to jointly audit the adjustments made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. In view of the matters reported in paragraphs 5, 6, 7 and 8 above, we are unable to comment whether any further Ind AS adjustments are required to the balances in respect of the years ended March 31, 2018.
19. The Statement includes the results for the Quarter ended March 31, 2019 being the balancing figure between figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year as previously published.

For CHATURVEDI & SHAH LLP

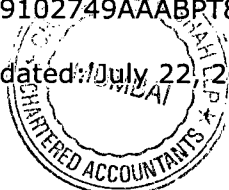
Chartered Accountants
(Firm's Registration No. 101720W/W-100355)



Jignesh Mehta

Partner
Membership No. 102749
UDIN - 19102749AAABPT8193

Mumbai, dated July 22, 2019



For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Abhijit A. Damle

Partner
Membership No. 102912
UDIN - 19102912AAAABT2185



DEWAN HOUSING FINANCE CORPORATION LIMITED

Annexure I

Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results - (Consolidated)

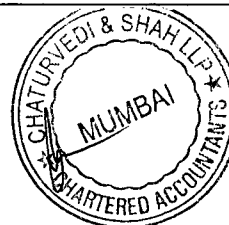
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]
(Consolidated)

I. Sr. No.	Particulars	Audited Figures (Rs.in Lakhs)	
		(As reported before adjusting for qualifications)	(After adjusting for qualifications)
1	Turnover / Total income	12,91,166	Not Determinable
2	Total Expenditure	14,01,567	
3	Net Profit/(Loss)	(96,591)	
4	Earnings Per Share (Rs)	(30.78)	
5	Total Assets	1,06,60,200	
6	Total Liabilities	98,66,463	
7	Net Worth	7,93,737	
8	Any other financial item(s) (as felt appropriate by the management)	None	

II. Audit Qualification (each audit qualification separately):

a.	Details of Audit Qualification (note references are from the auditors report) :	<p>1. We refer to note 10 of the Statement with regards to the Unsecured Inter-corporate Deposits (ICD) outstanding as at March 31, 2019 aggregating Rs. 5,65,269 lakh. As stated in the note, there are significant deficiencies in the grant and rollover of ICD, inter-alia, non-availability of evaluation of credit worthiness of the borrowers, commercial rationale forming basis of granting of the ICD. The note also states that the Company is working towards remediating these deficiencies and that no adjustment is required to the carrying value thereof. We have not been provided sufficient appropriate audit evidence to support the management's assessment and hence are unable to evaluate on the recoverability of the ICD and the consequential effect on the Statement.</p> <p>2. We refer to note 9 of the Statement that states the allegations of fraud made by the newsportal Cobrapost.com (the Allegations), inter alia alleging diversion of funds.</p>
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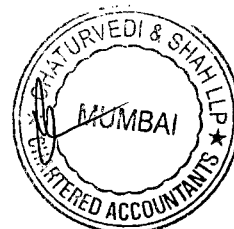
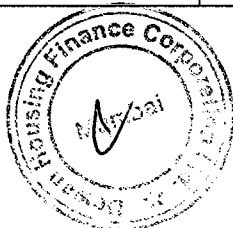
As stated in the note, the Audit Committee appointed an independent firm of Chartered Accountants to investigate the Allegations and report to them. We provided to the Audit Committee our suggestions on the scope and coverage as well as additional areas that needed to be covered to ensure comprehensiveness of the coverage of the investigation and our observations on the findings by Independent firm of Chartered Accountants in the report. These have not been taken into consideration in the final report of the independent firm of Chartered Accountants. As stated in the note, the Management is in the process of determining the actions to address our comments and has stated that adjustments, if any, to the carrying values of the loans advanced will be made upon conclusion of these actions. The report of the independent firm of Chartered Accountants has not been adopted or approved by the Audit Committee.

Further, we understand that various regulatory authorities / lenders are currently carrying out their own investigation and they may make a determination on whether any fraud or any other non-compliance/ illegalities have occurred in relation to the Allegations.

We are therefore unable to determine if these allegations would have an impact on the Statement including whether any adjustments to the carrying value of the loans granted, any restatement, related parties and other disclosures and compliances are required.

3. In respect of certain loans and Pass-through Certificates (PTC) aggregating Rs. 32,45,240 lakh and Rs. 25,700 lakh, respectively, granted or invested by the Company during the year and in earlier years and outstanding as at March 31, 2019:

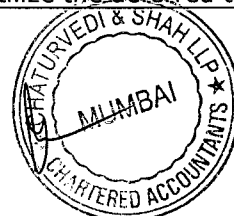
- a. As stated in note 12 of the Statement, multiple accounting entries were initially recorded in certain customer accounts for receipts despite the cheques or negotiable instrument not been deposited in the bank(s) and these have been subsequently reversed. The gross value of such loans aggregate Rs. 16,48,717 lakh (includes certain loans aggregating Rs. 13,11,283 lakh which are also included in paragraph 6.b).
- b. We have not received sufficient information and explanations to our enquiries in relation to credit, legal and technical evaluation and evidence for end use monitoring as stated in the loan agreement and specified by the Finance Committee, wherever applicable, in respect of project loans and mortgage loans aggregating Rs. 24,07,772 lakh (Includes loans aggregating Rs. 13,11,283 lakh also included in paragraph 6.a).



- c. As stated in note 14, the management has elected to measure loans aggregating Rs. 31,62,815 lakh (includes certain loans aggregating Rs. 26,62,781 lakh which are also included in paragraph 6.a and 6.b) and Pass-through Certificates (PTC) aggregating Rs. 25,700 lakh at Fair Value Through Profit or Loss (FVTPL) based on internal valuations which involve management's judgement and assumptions. We have not been provided sufficient appropriate audit evidence and all of the necessary information and explanations in respect of the fair values changes of Rs. 3,25,345 lakh (gross of reversal of provision) and Rs. 6,800 lakh so recognized on these loans and PTC, respectively.

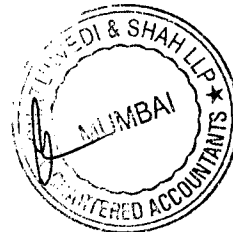
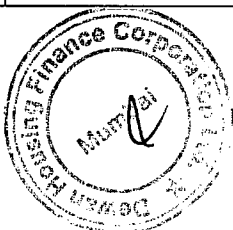
In view of the foregoing, we have been unable to obtain sufficient appropriate audit evidence to support the values of the loans and PTC and we are unable to determine if these matters would have an impact on the Statement including with regard to any adjustments to the carrying value of the loans and Pass-through Certificates, restatement, related parties and other disclosures and compliances as applicable.

4. We refer to note 16 of the Statement regarding the observations made by National Housing Bank (NHB) in its inspection for the year ended March 31, 2018 as per the provisions of the National Housing Bank Act, 1987. Pending management evaluation and response to the observations of the NHB, we are unable to determine if these observations would have an impact on the Statement including whether any adjustments to the carrying value of the loans granted, restatement, related parties and other disclosures and compliances are required.
5. We refer to note 15 of the Statement. As stated in the note, during the course of the audit, deficiencies have been identified in the historical data used for the purpose of calculating provisioning based on Expected credit loss (ECL) model in respect of loans carried at amortized cost. We are unable to comment on the assumptions made in the ECL model and consequently to determine if this matter would have an impact on the Statement, including the adequacy of the ECL provision.
6. As stated in note 17, the Company has recognized net deferred tax asset of Rs. 44,281 lakh as at March 31, 2019. The Company is required to perform an assessment as required by Ind AS 12 - 'Income Taxes' which requires the Company to determine the probability of future taxable income to utilize the deferred tax asset.

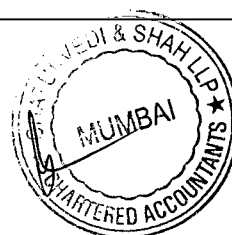
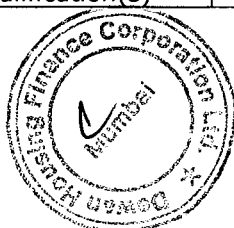


However, we have not been provided sufficient appropriate evidence to validate the Company's assessment about the carrying value of the deferred tax asset and consequential adjustments required, if any, to the Statement.

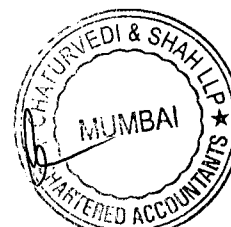
7. As stated in note 18, the Company has incurred expenditure aggregating Rs. 10,401 lakh for development of customised software for its operations and recording of transactions which has been carried as intangible asset under development as at March 31, 2019. The Company has not performed an impairment assessment as required by Ind AS 36 - 'Impairment of Assets' which requires the Company to determine whether the economic benefit in respect of this intangible asset shall be available to the Company in subsequent periods taking into consideration the uncertainty in respect of its plan to monetize its assets, secure funding from the bankers / investors, restructure its liabilities and recommence its operations. In view of foregoing, we have not been provided sufficient appropriate evidence about the carrying value of the intangible asset under development and adjustments required, if any, to the Statement.
8. In view of the possible effects of the matters described in paragraphs 4 to 10 above, we are unable to comment on the Company's compliance of the covenants in respect of all borrowings and consequential implications including disclosures, if any, to the Statement.
9. We also refer to the reporting requirements under section 143(1) of the Companies Act, 2013, in respect of which, we have to state as under:
 - (i) We are unable to comment whether the loans referred in paragraph 6.b above have been properly secured and hence these loans may have been granted in a manner that is prejudicial to the interest of the Company or its members, for the reasons stated therein. Further, in respect to loans referred to in paragraphs 4, 5 and 6.b above, we are unable comment whether the terms on which these have been made are prejudicial to the interest of the Company or its members, for the reasons stated therein.
 - (ii) We refer to the matter described in paragraph 6.a above, regarding multiple accounting entries which were initially recorded in certain customer accounts for receipts despite the cheques or negotiable instrument not been deposited in the bank(s) and subsequently reversed, which initial



		<p>recording are represented merely by book entries and in our opinion may be prejudicial to the interest of the Company.</p> <p>10. Also refer to our comments under 'Material uncertainty related to Going Concern' paragraph in the report.</p> <p>We refer to note 13 of the Statement, the Company has incurred loss aggregating Rs.1,03,605 lakh during the year and has net current liabilities of Rs. 75,475 lakh as at March 31, 2019. Further, the Company's credit rating has been reduced to 'default grade' subsequent to the year-end which may substantially impair its ability to raise or generate funds to repay its obligations. The matters described in paragraph 4 to 12 may also have an impact on the Company's ability to continue as a going concern. All these developments raise a significant doubt on the ability of the Company to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities including potential liabilities in the normal course of business. The Company is in the process of monetizing its assets and has submitted a draft resolution plan to the consortium of bankers for restructuring its borrowings and also there have been discussions for stake sale by the promoters to a strategic partner with further equity infusion. The ability of the Company to continue as a going concern inter alia is dependent upon its ability to monetize its assets, secure funding from the bankers or investors, restructure its liabilities and recommence its operations, which are not wholly within control of the Company.</p> <p>The Management has prepared the Statement using going concern basis of accounting based on their assessment of the successful outcome of above referred actions and accordingly no adjustments have been made to the carrying value of the assets and liabilities and their presentation and classification in the Balance Sheet.</p>
b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Disclaimer of Opinion
c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	First Time
d.	For Audit Qualification(s)	Not Applicable



	where the impact is quantified by the auditor, Management's Views:	
e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	(i) Management's estimation on the impact of audit qualification:	Not Determinable
	(ii) If management is unable to estimate the impact, reasons for the same (Note reference are from the results being submitted to the Exchanges) :	<p>1. With Respect to II(a)1 above Management view is set out in note no 10 of the Consolidated financial results, which is reproduced below:</p> <p>The unsecured Inter Corporate Deposit (ICD) aggregating Rs 5,65,269 lakhs were outstanding as at March 31, 2019 and includes ICDs(net) of Rs 4,82,014 lakh granted during the year. Of these, ICDs aggregating Rs. 40,870 lakh have since been repaid while ICDs aggregating Rs. 3,93,699 lakh are expected to be repaid shortly. Balance ICDs aggregating to Rs. 1,30,700 crore are being converted into secured term loans. There are documentation deficiencies with respect to grant / rollover of ICDs which are being rectified. The ICDs have been advanced towards regular business activities and were either extended as a temporary loan pending full valuation of project funding or short term corporate requirements. Pending conclusion of these actions, the Management believes that no adjustments are required to the carrying value of the ICDs. This also addresses the point no.II(a) 9 of the audit qualification above.</p> <p>2. With Respect to II(a)2 above Management view is set out in note no 9 of the Consolidated financial results, which is reproduced below:</p> <p>In the last week of January, 2019, News portal Cobrapost.com made allegations against the Company's management and its promoters. The Company had received a series of questions from the portal hours before the allegations were made public. The Audit Committee appointed an independent firm of Chartered Accountants (Independent Chartered Accountants) to review the allegations and report to the Committee. The report by Independent Chartered Accountants restricted its scope to the allegations which in their opinion pertained to the Company, highlighted certain procedural lapses and documentation deficiencies inter alia the fact that the end use monitoring of the funds loaned had not been performed despite a specific mandate by the finance Committee as part of the loan sanction conditions. The Statutory Auditors post their review of the Independent Chartered Accountants report, provided their observations</p>



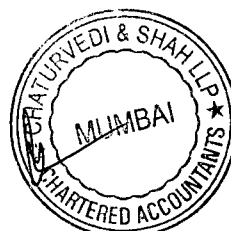
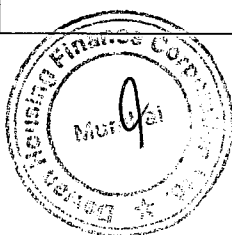
and suggestions on the scope, coverage and findings by the Independent Chartered Accountants in the report as well as additional areas that needed to be covered. The management is in the process of determining the action to address the comments of the Statutory Auditors. As stated in the Action taken report tabled before the Audit Committee on 29th March, 2019, the Company has sought written explanations from the loanees for loans where end use monitoring was not effected. The Company is yet to receive responses from the loanees after which a decision on remedial measures including recalling the monies advanced will be made. The Company is undertaking fresh valuation in respect of the loans including underlying securities that were a subject matter of the allegations, from reputed valuation specialists and have been advised by the lawyers that agreements entered into with the loanees are legally enforceable. Necessary adjustments to the carrying values of the loans advanced will be made upon conclusion of the above actions. This also addresses the point no.II (a) 9 of the audit qualification above.

3. With Respect to II(a)3 above:

Due to the current business environment, the Company no longer holds the project loans, SRA loans and wholesale mortgage loan portfolio for the purposes of solely collecting the principal and interest. The Management envisages to monetise the wholesale loan portfolio. Consequently, the said loans aggregating Rs. 34,88,160 lakh (including Rs. 16,48,717 lakh related to note 12) have been reclassified as Fair Value Through Profit or Loss (FVTPL) as at March 31, 2019 due to the change in business model. As required under Ind AS 109, these assets have been fair valued as at March 31, 2019 based on internal valuations which involve management's judgment and assumptions at Rs. 31,62,815 lakh and the resultant fair value loss aggregating Rs. 3,25,345 lakh (gross of reversal of provision) has been charged to the Statement of Profit and Loss. Management does not envisage any further loss in the carrying value of these loans.

Further, in respect of deficiencies of documentation with respect to II(a)3(b) and II(a)9 above in respect of certain Project / Mortgage Loans, the Management is actively engaged with the loanees to remediate certain lacunae in loan documentation and expects to complete this exercise by September 2019. The management believes that deficiencies in documentation will not affect the enforceability of the underlying security. The Company is confident that the loans extended are secured and recoverable basis the cash flows arising from such project/mortgage loans and the carrying value of such loan is fully justified.

In relation II(a)3(a) and 9(ii), the management would further like to submit that, during the year, the housing finance sector has been under duress which has been compounded



by the liquidity crunch in the real estate sector. This resulted in certain developers facing unforeseen liquidity mismatch. Consequent to this, there have been instances where cheques received from the borrowers were accounted for as receipts, but were later not banked. The collections recorded in this manner aggregating Rs. 1,87,526 lakh have been remediated at the year-end and the corresponding loans have been dealt with in a manner as stated in note 14 of the financial results.

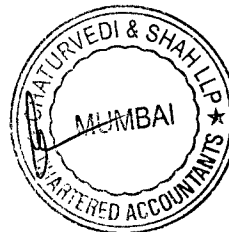
4. With Respect to II(a)4 above, management view is set out in note no 16 of the Consolidated financial results, which is reproduced below:

The Company has received a letter dated July 3, 2019, from the National Housing Bank containing observations emanating from the inspection carried out by NHB for the year ended March 31, 2018 as per the provisions of the National Housing Bank Act, 1987. There are observations in the letter inter-alia being impact on the Capital Adequacy Ratio of the Company as at March 31, 2018 reduced to 10.24%. NHB has directed the Company to provide a specific response to all the observations within a period of 21 days. The management does not concur with the observation of the NHB and will provide an appropriate response within the stipulated time. As mentioned in the note 14 above, on account of classification of project loans, SRA loans and wholesale mortgage loans as Fair Value through Profit or Loss (FVTPL) due to the change in business model as at March 31, 2019, has resulted in a charge of fair value loss aggregating to Rs 3,25,345 lakh to the statement of Profit and Loss. In view of these results being prepared using Indian Accounting Standards (Ind AS) while the NHB observations relate to numbers compiled on the basis of regulatory guidelines, the Management believes that the aforesaid observations may not have any implications on the same.

5. With Respect to II(a)5 above, management view is set out in note no 15 of the Consolidated financial results, which is reproduced below:

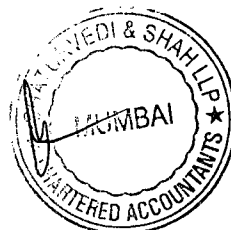
The Company had commenced implementation of Expected Credit Loss (ECL) model as part of its Ind AS transition. During the course of the audit, deficiencies have been identified in the historical data used for the purpose of determination of the ECL provision. The Company is in the process of remediating the same, though does not consider the resultant impact to be material.

Additionally, the Company has also taken external bureau supportive information (i.e. CIBIL score range band - Probability of default (PD) analysis) of our portfolio in comparison to Industry standards, which indicates that the PD of the Company's Portfolio is better than the Industry standard. Further, based on the Company's borrower profile



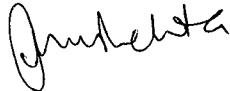

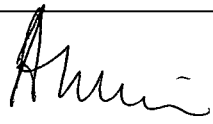

		<p>and CIBIL score the Company is convinced of its assumptions supporting ECL calculation.</p> <p>6. With Respect to II(a)6 above, management has recognized net deferred tax asset of Rs. 44,281 lakh as at March 31, 2019. Considering the factors described in Note 13, the Company is of the view that no adjustment is required to be made to the carrying value of the deferred tax asset.</p> <p>7. With Respect to II(a)7 above, the management has incurred expenditure aggregating to Rs 10,401 lakh for development of customised software for its operations and recording of transactions which has been carried as intangible asset under development as at March 31, 2019. Considering the factors described in Note 13, the Company is of the view that no adjustment is required to be made to the carrying value of the intangible asset under development pursuant to the requirement of Ind AS 36 on Impairment of Assets.</p> <p>8. With Respect to II (a) 8 above, management, as described in Note 13, is of the view that, since in the first fortnight of July 2019, the consortium of bankers have agreed to enter into an Inter-creditor Agreement (ICA) for a potential restructuring of the Company's liabilities, the Company is confident that other lenders who may or may not have restrictive or compliance related covenants shall also be part of the proposed restructuring, Hence, no adjustment is made on this account.</p> <p>9. With Respect to II(a)10 above, the management would like to state that the Company is undergoing substantial financial stress since second half of the current financial year. The Company has suffered consistent downgrades in its credit ratings since February 2019. On 5th June 2019, the credit rating was reduced to 'default grade' despite there being no default till that date. The Company's ability to raise funds has been substantially impaired and the business has been brought to a standstill with there being minimal / virtually no disbursements. These developments may raise a significant doubt on the ability of the Company to continue as a going concern.</p> <p>The Company is taking active steps to monetize its assets and is in discussions with multiple Indian banks and international financial institutions to sell off its retail as well as wholesale portfolio. It is in discussions with the consortium of bankers / lenders to restructure its borrowings and will take all the necessary steps to ensure that it meets its financial commitments. There have been discussions for stake sale by the promoters to a strategic partner with further equity infusion. The Company on July 1, 2019 had a meeting with the consortium of bankers wherein the bankers agreed to</p>
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		enter into an Inter-creditor Agreement (ICA) for a potential restructuring of company's liabilities. In view thereof, the requirement in respect of creation of debenture redemption reserve and the corresponding deposit in liquid assets shall be assessed upon conclusion of the restructuring plan. The Company is in the process of submitting a resolution plan to the lenders and the lenders are expected to give an in-principle approval to the plan by end of July 2019. The ability of the Company to continue as a going concern is predicated upon its ability to monetize its assets, secure funding from the bankers / investors, restructure its liabilities and recommence its operations. In view of all the actions that are currently underway, these Results have been prepared on the basis that the Company is a going concern.
	(iii) Auditors' Comments on (i) or (ii) above:	Our view remains unchanged considering the matters referred to in paragraphs 4 to 12 in our audit report.

III. Signatories:

For Chaturvedi & Shah LLP Chartered Accountants ICAI FRN:101720W/W-100355  Jignesh Mehta Partner ICAI MN: 102749	For Deloitte Haskins & Sells LLP Chartered Accountants ICAI FRN:117366W/W-100018  Abhijit A. Damle Partner ICAI MN: 102912	 Alok Misra Audit Committee Chairman
		 Kapil Wadhawan Chairman & Managing Director

Place : Mumbai

Date : July 22, 2019

