

# Piramal Capital & Housing Finance Limited

Annual Report of Subsidiaries 2021-22

## Contents

Sr. No.	Name of Subsidiary Companies
1	DHFL Advisory & Investments Private Limited
2	DHFL Investments Limited
3	DHFL Holdings Limited

**Piramal Capital & Housing Finance Limited**  
(Formerly known as Dewan Housing Finance Corporation Limited)  
CIN: L65910MH1984PLC032639

Registered office: 601, 6th Floor, Amiti Building, Agastya Corporate Park, Kamani Junction, Opp. Fire Station, LBS Marg, Kurla (W), Mumbai 400070  
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**Independent Auditor's Report****To The Members of DHFL Advisory & Investments Private Limited****Report on Audit of Financial Statements****Opinion**

We have audited the accompanying Financial Statements of M/s DHFL Advisory & Investments Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Cash Flow Statement for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, of its loss and total comprehensive income (comprising loss and other comprehensive income), changes in equity and its cash flows for the year then ended on that date.

**Basis for opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director's report, but does not include the financial statements and our auditor's report thereon. The director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



When we read the director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

### **Responsibilities of management and those charged with governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's responsibilities for the audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

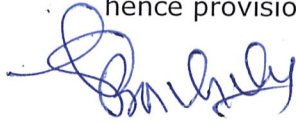
1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) rules, 2015 as amended.



- e. On the basis of the written representations received from the directors as on 31st March, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- g. The provision of section 197 read with schedule V of the Act are not applicable to the company for the year ended 31st March, 2022; and
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements- refer Note -15 to the Financial Statements;
  - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.



- (v) The Company has not declared/paid any dividend during the year and hence provision of Section 123 of the Act is not applicable.



**DINESH KUMAR BACHCHAS**

*Partner*

Membership No. 097820

For and on behalf of

**K.K.MANKESHWAR & CO.,**

*Chartered Accountants*

FRN:- 106009W



UIN: 22097820 AK CSA PB244

New Delhi, dated the

26/05/2022

**Annexure "A" to the Independent Auditors' Report**

**The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirement" section of our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2022, we report that:**

1. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - a. The Company does not have any property, plant and equipment as at 31st March, 2022 hence reporting under clause 3(i)(a) to 3(i)(d) of the Order is not applicable.
  - b. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. As the Company does not have any inventory at the year end, accordingly clauses (ii)(a) and (ii)(b) of paragraph 3 of the Order is not applicable to the Company.
3. The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnership or any other parties. Therefore, the provisions of the Clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e), and (iii)(f) of the said Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors including entities in which the Director is interested to which Section 185 of the Companies Act 2013 apply and hence not commented upon. Further as per information and explanation given to us by the management, provisions of Section 186 of the Companies Act 2013 in respect of loans and advances given have been complied with by the Company. Hence, provisions of Section 186 of the Companies Act 2013 in respect of investments made and, guarantees and securities given not applicable to the Company.
5. The Company has not accepted any deposits from the public within the meaning of Section 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
6. According to the information and explanation given to us, we are informed that the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013.
7. According to the information and explanation given to us, in respect of statutory dues:
  - a) According to information and explanations given to us and on the basis of our examination of the books of accounts, and records, the Company is regular in depositing undisputed statutory dues including income-tax, as applicable, with appropriate authorities though there has been slight delay in one case. The provisions relating to provident fund, employees' state insurance, goods and service tax, custom duty, cess and other statutory dues are not applicable to the Company during the year.



According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2022 for a period of more than six months from the date on when they become payable.

- b) According to the information and explanations given to us and the records of the Company, there is no due in respect of income tax, goods and service tax and duty of customs as on 31st March 2022 which have not been deposited on account of a dispute are as follows:

Name of Statute	Nature of dues	Amount (Rs in Lakh)	Period for which the amount related	Forum where dispute is pending
Income Tax	Disallowance u/s 14A	99.45	A.Y 2017-18	ITAT- U/s 156
Income Tax	Disallowance u/s 14A	105.10	A.Y 2018-19	ITAT- U/s 156

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).

9. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

10. (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.



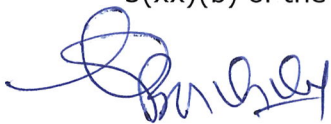
11. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
13. According to the information and explanation given to us and based on the examination of the records of the Company, all transaction with related parties are in compliance with section 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards. The Provision of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the company and hence not commented upon.
14. (a) According to the information and explanations given by the management, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the Order is not applicable.
16. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
17. The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.



19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

20. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.



**DINESH KUMAR BACHCHAS**

Partner

Membership No. 097820

For and on behalf of

**K.K.MANKESHWAR & CO.,**

Chartered Accountants

FRN:- 106009W

UDIN: 22097820AKCSA8244

New Delhi, dated the

26/05/2022



**"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of M/s DHFL Advisory & Investments Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.



**DINESH KUMAR BACHCHAS**

*Partner*

Membership No. 097820

For and on behalf of

**K.K.MANKESHWAR & CO.,**

*Chartered Accountants*

FRN:- 106009W

UIN: 22697820 AKCSA P8244

New Delhi, dated the

26/05/2022 L

# DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Balance Sheet as at 31st March, 2022

Amount in (₹ Lakh)

	Particulars	Note	As at 31.03.22	As at 31.03.21
I	<b>Assets</b>			
A	<b>Non Current Assets</b>			
(a)	<b>Financial Asset</b>			
	i) Others Financial Asset	3	1.55	1.55
B	<b>Current Assets</b>			
(a)	<b>Financial Asset</b>			
	i) Cash & Cash Equivalent	4	60.34	63.90
(b)	<b>Other current asset</b>	5	0.27	-
	<b>Total Assets</b>		<b>62.15</b>	<b>65.45</b>
I	<b>Equity and Liabilities</b>			
A	<b>Equity</b>			
(a)	Equity Share Capital	6	7,501.00	7,501.00
(b)	Other Equity	7	(7,442.78)	(7,440.50)
B	<b>Liabilities</b>			
(a)	<b>Current Liabilities</b>			
(i)	<b>Financial Liabilities</b>			
	i) Other Financial Liabilities	8	3.78	4.84
(ii)	<b>Other Current Liabilities</b>	9	0.16	0.11
	<b>Total Equity and Liabilities</b>		<b>62.15</b>	<b>65.45</b>
	<b>Significant Accounting Policies and Explanatory Information forming part of the Financial Statements</b>	1-23		

This is the Balance Sheet referred to in our report of even date



**DINESH KUMAR BACHCHAS**  
Partner  
Membership No. 097820




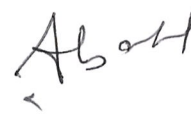
For and on behalf of  
**K.K.MANKESHWAR & CO.,**  
Chartered Accountants  
FRN:- 106009W

New Delhi, dated the 26th May, 2022



For and behalf of the Board of Directors

  
**Mr. Pradeep Sawant**  
Director  
DIN : 09857171

  
**Mr. Alok Bahl**  
Director  
DIN:08574045

# DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Statement of Profit & Loss for Year ended 31st March, 2022

Amount in (₹ Lakh)

	Particulars	Notes	Year ended 31.03.2022	Year ended 31.03.2021
I	<b>INCOME</b>			
	(a) Revenue from Operation		-	-
	(b) Other Income		1.27	0.01
	<b>TOTAL INCOME</b>	10	<b>1.27</b>	<b>0.01</b>
II	<b>EXPENSES</b>			
	(a) Other Expenses		3.56	1.15
	<b>TOTAL EXPENSES</b>	11	<b>3.56</b>	<b>1.15</b>
III	<b>Profit / (Loss) before tax</b>		<b>(2.29)</b>	<b>(4.44)</b>
IV	<b>Less: Provision for Taxation</b>			
	(a) Current Tax		-	-
	(b) Deferred Tax Charge		-	-
V	<b>Profit / (Loss) for the year (III - IV)</b>		<b>(2.29)</b>	<b>(4.44)</b>
VI	<b>Other comprehensive income</b>			-
VII	<b>Total Comprehensive Income/(Loss) for the Year (V + VI)</b>		<b>(2.29)</b>	<b>(4.44)</b>
	<b>Paid up Equity Share Capital ( Face value ₹10/- each)</b>		<b>7,501.00</b>	<b>7,501.00</b>
VIII	<b>Earnings per Equity share (face value ₹ 10 each)</b>			
	Basic (₹)	13	(0.00)	(0.01)
	Diluted (₹)		(0.00)	(0.01)
	<b>Significant Accounting Policies and Explanatory Information forming part of the Financial Statements</b>	1-23		

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

**DINESH KUMAR BACHCHAS**

Partner

Membership No. 097820

*(Signature)*

For and on behalf of  
**K.K.MANKESHWAR & CO.,**  
Chartered Accountants  
FRN:- 106009W



For and behalf of the Board of Directors

*(Signature)*

**Mr. Pradeep Sawant**  
Director  
DIN : 09857171

*(Signature)*

**Mr. Alok Bahl**  
Director  
DIN:08574045

New Delhi, dated the 26th May, 2022

# DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Statement of Profit & Loss for Year ended 31st March, 2022

			Amount in (₹ Lakh)			
	Particulars	Notes	Year ended 31.03.2022	For the half year ended 31.3.2022	For the half year ended 30.09.2021	Year ended 31.03.2021
I	<b>INCOME</b>					
	(a) Revenue from Operation		-	-	-	-
	(b) Other Income	10	1.27	0.37	0.90	0.01
	<b>TOTAL INCOME</b>		<b>1.27</b>	<b>0.37</b>	<b>0.90</b>	<b>0.01</b>
II	<b>EXPENSES</b>					
	(a) Other Expenses	11	3.56	1.51	2.05	4.45
	<b>TOTAL EXPENSES</b>		<b>3.56</b>	<b>1.51</b>	<b>2.05</b>	<b>4.45</b>
III	Profit / (Loss) before tax		(2.29)	(1.14)	(1.15)	(4.44)
IV	Less: Provision for Taxation					
	(a) Current Tax		-	-	-	-
	(b) Deferred Tax Charge		-	-	-	-
V	Profit / (Loss) for the year (III - IV)		(2.29)	(1.14)	(1.15)	(4.44)
VI	Other comprehensive income					-
VII	Total Comprehensive Income for the Year (V + VI)		(2.29)	(1.14)	(1.15)	(4.44)
	Paid up Equity Share Capital ( Face value ₹10/- each)		7,501.00	7,501.00	7,501.00	7,501.00
VIII	Earnings per Equity share (face value ₹ 10 each)	14				
	Basic (₹)		(0.00)	(0.00)	(0.00)	(0.01)
	Diluted (₹)		(0.00)	(0.00)	(0.00)	(0.01)
	Significant Accounting Policies and Explanatory Information forming part of the Financial Statements	1-24				

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



For and behalf of the Board of Directors

Mr. Pradeep Sawant  
Director  
DIN : 09857171

Mr. Alok Bahl  
Director  
DIN:08574045

# DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Cash Flow Statement for Year Ended 31st March, 2022

Amount in (₹ Lakh)

Particulars	Year Ended 31.03.2022		Year Ended 31.03.2021	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit/(Loss) Before Tax as per Statement of Profit and Loss		(2.29)		(4.44)
Adjustments for:				
Liability written Back		(1.26)		-
Interest on Loan		(0.02)		
<b>Operating Profit before Working capital changes</b>		(3.56)		(4.44)
<b>Changes in Working capital</b>				
Other current asset	(0.25)		-	
Other Liabilities	0.25		1.30	
Working Capital changes		(0.00)		1.30
Cash generated from operations during the year		(3.56)		(3.17)
Less: Income Tax (Paid) / Received (Net)		-		-
<b>Net Cash generated From / (Used In) Operating Activities</b>		(3.56)		(3.17)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Net Cash generated From / (Used In) Investing Activities		-		-
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Net Cash generated From / (Used In) Financing Activities		-		-
Net Increase/ (Decrease) in Cash Equivalents		(3.56)		(3.17)
Cash and Cash Equivalents at Beginning of the Year		63.90		67.07
<b>Cash and Cash Equivalents at the End of the year</b>		<b>60.34</b>		<b>63.90</b>
<b>Components of Cash &amp; Cash Equivalent</b>				
Balance with bank in current account		60.33		63.89
Cash on Hand		0.01		0.01
		<b>60.34</b>		<b>63.90</b>

This is the Cash Flow referred to in our Report of even date.

**DINESH KUMAR BACHCHAS**

Partner

Membership No. 097820



For and on behalf of

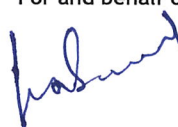
**K.K.MANKESHWAR & CO.,**

Chartered Accountants

FRN:- 106009W



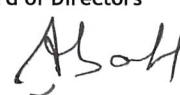
For and behalf of the Board of Directors



**Mr. Pradeep Sawant**

Director

DIN : 09857171



**Mr. Alok Bahl**

Director

DIN:08574045

New Delhi, dated the 26th May, 2022

DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED

Statement of Changes in Equity

(All amount in INR Lakh, except number of share and per share data, unless otherwise stated)

A Equity Share Capital

(1) Current reporting period

Balance at the beginning of the current reporting year as at 1.4.2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year as at 31.03.2022
7,501.00	-	7,501.00	-	7,501.00

(2) Previous reporting period

Balance at the beginning of the current reporting year as at 1.4.2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year as at 31.03.2021
7,501.00	-	7,501.00	-	7,501.00

B Other Equity

Particulars	Reserves & Surplus Retained Earnings
As at 1st April'20	(7,436.05)
Profit/(loss) for the year ended	(4.44)
As at 31st March' 21	(7,440.49)
As at 1st April '21	(7,440.49)
Profit/(loss) for the Year Ended	(2.29)
As at 31st March' 22	(7,442.77)

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

DINESH KUMAR BACHCHAS

Partner

Membership No. 097820

For and on behalf of

K.K.MANKESHWAR & CO.,

Chartered Accountants

FRN:- 106009W



For and behalf of the Board of Directors

Mr. Pradeep Sawant

Director

DIN : 09857171

Alok

Mr. Alok Bahl

Director

DIN:08574045



New Delhi, dated the 26th May, 2022

## **DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED**

### **Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the period ended 31st March, 2022**

#### **1. Corporate information**

DHFL Advisory & Investments Pvt. Ltd. (DAIPL), incorporated under the Companies Act, 2013, is a subsidiary company of Dewan Housing Finance Corporation Limited and carrying on the business of providing all kinds of advisory / consultancy services and fees based intermediation activities including but not limited to the treasury, banking, insurance and other financial services as well as marketing, advertising and business promotional activities; soliciting or procuring insurance business as a corporate agent in respect of all classes of insurance, consulting for soliciting of all types of loans, investment and portfolio research, market research. DAIPL has its registered office in Mumbai.

The Financial Statement were authorised for issue by the Company's Board of Directors on 26<sup>th</sup> May, 2022.

#### **2. Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements ('financial statements'). These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **2.1 Basis of Preparation and Presentation**

The financial statements have been prepared and presented under historical cost convention on a going concern and an accrual basis in accordance with the Indian Accounting Standards ("Ind AS") and the relevant provisions of the Companies Act, 2013 (the "Act") (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

##### **Historical cost convention**

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The measurement and/or disclosure in these financial statements has been accordingly determined except for share based payment transactions, leasing transactions and certain other transactions that are required to be valued in accordance with Ind AS 102, Ind AS 17 and Ind AS 36, respectively.



## **DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED**

### **Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the period ended 31st March, 2022**

**2.1.A** The company has incurred a loss of Rs. 2.29 Lacs during the year ended 31 March 2022 and the accumulated losses as at 31 March, 2022 amounting to Rs. 7,442.79 Lacs. The considering present available cash and cash equivalent is sufficient to sustain the current level of operations and the management is in the process of exploring business opportunities, hence the financial statements are prepared on a going concern basis.

#### **2.2 Presentation of financial statements**

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

Amounts in the financial statements are presented in Indian Rupees in Lakhs. Per share data is presented in Indian Rupee.

#### **2.3 Operating Cycle**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle.
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



**Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the period ended 31st March, 2022**

**2.4 Revenue recognition**

Revenue from contract with customers is recognised in the Statement of Profit and Loss through following steps:

- i. Identification of the contract or contracts with the customers
- ii. Identification of the performance obligations in the contracts
- iii. Determination of the transaction price
- iv. Allocation of the transaction price to the performance obligations in the contract
- v. Recognition of revenue when company satisfy a performance obligation.

Revenue, mainly comprises of charges towards Advisory and Consultancy services. The same is recognized on performance of service.

**2.5 Taxes on income**

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss.

**Current Tax**

The tax currently payable is based on the estimated taxable profit for the year for the Company and is calculated using applicable tax rates and tax laws that have been enacted or substantively enacted. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.



**Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the period ended 31st March, 2022**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

**2.6 Provisions, contingent liabilities and contingent assets**

- Provisions are recognised only when: an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

**Contingent liability is disclosed in case of:**

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

**Contingent Assets:**

Contingent assets are not recognised but disclosed in the financial statements when economic inflow is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

**2.7 Cash and cash equivalents**

Cash and cash equivalents include cash on hand, balance in current account and Balances with banks in deposits accounts with original maturity of less than 3 months. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.



**Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the period ended 31st March, 2022**

**2.8 Earnings per share**

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

The number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

**2.9 Segments**

Based on "Management Approach" as defined by Ind AS 108, The Chief Operating Decision Maker (CODM) evaluates the "Operating Segments". Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / costs which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under Unallocated Income / Costs.

**2.10 Statement of Cash Flows**

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

**2.11 Exceptional items**

An item of income or expense which its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the notes to accounts.

**2.12 Commitments**

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- Estimated amount of contract remaining to be executed on capital account and not provided for;
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.



**Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the period ended 31st March, 2022**

**2.13 Financial instruments**

**Recognition of Financial Instruments**

Financial instruments comprise of financial assets and financial liabilities. Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets primarily comprise of investments, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and other payables.

**Initial Measurement of Financial Instruments**

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the Statement of Profit and Loss.

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

- if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in the Statement of Profit and Loss on initial recognition (i.e. day 1 profit or loss);
- in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

**Financial Assets - Classification**

- debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortised cost;
- all other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL.



**Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the period ended 31st March, 2022**

However, the Company may make the following irrevocable election / designation at initial recognition of a financial asset on an asset-by-asset basis:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies, in OCI; and
- the Company may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee

**Investment in equity instruments at FVOCI**

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI.

The Company has not elected to classify any equity investment at FVOCI.

**Debt instruments at amortised cost or at FVTOCI**

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset individually and the Company's business model for managing the asset.

For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are meeting SPPI test.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.



## **DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED**

### **Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the period ended 31st March, 2022**

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed individually and together to achieve a particular business objective.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

#### **Financial assets at fair value through profit or loss (FVTPL)**

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects or initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in statement of profit or loss.

#### **Subsequent Measurement of Financial assets**

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The Company business model objective is to hold financial assets in order to collect contractual cash flows. The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates. During the current year due to certain market conditions, the company has sold financial assets during the year by way of assignment transactions which does not impact the business model of the Company and hence the Company continues to carry the financial assets at amortised cost.



**Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the period ended 31st March, 2022**

**Reclassifications**

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. During the current financial year and previous financial year there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

**Impairment**

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

The Financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.



**Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the period ended 31st March, 2022**

**Derecognition of financial assets**

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial assets or
- retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial assets. In such cases, the financial assets are derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

The Company transfers loans through assignment transactions. In accordance with the Ind AS 109, on derecognition of a financial asset under assignment transactions, the difference between the carrying amount and the consideration received shall be recognised in Statement of Profit and Loss.

**Write-off**

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in gains.

**Equity Investments (in subsidiaries)**

Investments in subsidiaries, associates and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

**Financial liabilities and equity**

**Classification as debt or equity**

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.



**Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the period ended 31st March, 2022**

**Debt Instrument**

The fair value of the liability portion of an optionally convertible debenture is determined using a market interest rate for an equivalent non-convertible debenture. This amount is recorded as liability on an amortised cost basis until extinguished on conversion or redemption of the debenture. The remainder of the proceeds is attributable to the equity portion of compound instrument. This is recognised and included in shareholder's equity net of income tax effect, and not subsequently remeasured.

**Financial liabilities**

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies.

**Financial liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost.

**Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.



## **DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED**

### **Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the period ended 31st March, 2022**

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition

#### **Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

#### **2.14 Non-Current Assets held for sale**

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

#### **2.15 Critical accounting judgements and key sources of estimation uncertainties**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

#### **Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period and accordingly Impairment has been estimated.

#### **Income Taxes**

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.



## **DHFL ADVISORY & INVESTMENTS PRIVATE LIMITED**

### **Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the period ended 31st March, 2022**

#### **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

#### **Going Concern Assumption**

Going concern assumption has been applied on the basis that the company will be able to continue its operation in the foreseeable future, and without there being any intention or necessity for it to either liquidate or curtail materially its scale of business operations.



Significant Accounting Policies and Explanatory Information forming part of the Financial Statements  
(All amount in INR Lakh, except number of share and per share data, unless otherwise stated )

## 3 Others Financial Asset

Particulars	As at 31.03.22	As at 31.03.21
	Amount in Lacs	Amount in Lacs
Security Deposit	1.55	1.55
Total Other Financial Asset	1.55	1.55

## 4 Cash &amp; Cash Equivalent

Particulars	As at 31.03.22	As at 31.03.21
	Amount in Lacs	Amount in Lacs
Balances with Bank	60.33	63.09
Cash on Hand	0.01	0.01
Total Cash & Cash Equivalent	60.34	63.90

## 5 Other Current Assets

Particulars	As at 31.03.22	As at 31.03.21
	Amount	Amount
Advance to other	0.27	-
Total Other Current Assets	0.27	-

## 6 Equity Share Capital

Particulars	As at 31.03.22		As at 31.03.21	
	Number	Amount in Lacs	Number	Amount in Lacs
Authorised Equity Share of ₹ 10/- each	90,000,000	9,000.00	90,000,000	9,000.00
	90,000,000	9,000.00	90,000,000	9,000.00
Issued, Subscribed & Fully Paid Up Equity Share of ₹ 10/- each	75,010,000	7,501.00	75,010,000	7,501.00
Total Equity Share Capital	75,010,000	7,501.00	75,010,000	7,501.00

a The reconciliation of the number of shares outstanding and the amount of share capital as at the beginning and at the end of the reporting period:

Particulars	As at 31.03.22		As at 31.03.21	
	Number	Amount in Lacs	Number	Amount in Lacs
Equity shares at the beginning	75,010,000	7,501.00	75,010,000	7,501.00
Add: Shares issued during the year	-	-	-	-
Equity shares at the end	75,010,000	7,501.00	75,010,000	7,501.00

b The rights, preferences and restrictions attaching to equity shares including restrictions on the distribution of dividends and the repayment of capital;

The Company at present has one class of issued, subscribed and paid up share referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.



c Shares in respect of equity shares of company held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate;

Particulars	As at 31.03.22		As at 31.03.21	
	Number	% Holding	Number	% Holding
Piramal Capital & Housing Finance Limited ( Formerly Dewan Housing Finance Corporation Ltd)	75,009,985	99.99	75,009,985	99.99
(Holding Company)	75,009,985	99.99	75,009,985	99.99

d Shares in respect of Shareholding of Promoters

Shares held by promoters at the end of the year as on 31.3.2022			% Change during the year
Promoter name	No. of Shares	% of total shares	
Piramal Capital & Housing Finance Limited ( Formerly Dewan Housing Finance Corporation Ltd)	75,009,985	100%	-

Shares held by promoters at the end of the year as on 31.3.2021			% Change during the year
Promoter name	No. of Shares	% of total shares	
Piramal Capital & Housing Finance Limited ( Formerly Dewan Housing Finance Corporation Ltd)	75,009,985	100%	-

7 Other Equity

Particulars	As at 31.03.22		As at 31.03.21	
	Amount in Lacs		Amount in Lacs	
Reserves & Surplus				
Retained Earnings				
Opening Balance	(7,440.49)		(7,436.05)	
Add: Profit / (Loss) for the Year	(2.29)		(4.44)	
Closing Balance	(7,442.78)	(7,442.78)	(7,440.49)	(7,440.49)
Total Other Equity		(7,442.78)		(7,440.50)

8 Other Financial Liabilities

Particulars	As at 31.03.22	As at 31.03.21
	Amount in Lacs	Amount in Lacs
Other Payables	3.78	4.84
Total Other Financial Liabilities	3.78	4.84

9 Other Current Liabilities

Particulars	As at 31.03.22	As at 31.03.21
	Amount in Lacs	Amount in Lacs
Statutory Dues	0.16	0.11
Total Other Current Liabilities	0.16	0.11



#### 10 Other Income

Particulars	For the year ended 31.3.22	For the year ended 31.3.21
	Amount in Lacs	Amount in Lacs
Liability written Back	1.26	-
Interest on Loan	0.02	-
Miscellaneous Income	-	0.01
<b>Total Other Income</b>	<b>1.27</b>	<b>0.01</b>

#### 11 Other Expenses

Particulars	For the year ended 31.3.22	For the year ended 31.3.21
	Amount in Lacs	Amount in Lacs
(a) Professional Charges	0.33	2.45
(b) Auditor's Fee*	1.75	1.77
(c) Bank charges	0.02	0.00
(d) Filing fees	0.01	0.20
(e) Duties and Taxes	0.34	0.01
(f) Prior period Expenses	1.11	-
(g) Miscellaneous Expenses	-	0.02
<b>Total Other Expenses</b>	<b>3.56</b>	<b>4.45</b>

#### \*PAYMENT TO AUDITORS

Particulars	For the year ended 31.3.22	For the year ended 31.3.21
	Amount in Lacs	Amount in Lacs
(a) Audit Fee	1.50	1.50
<b>Total</b>	<b>1.50</b>	<b>1.50</b>

Ratios	For the year ended 31.3.22	For the year ended 31.3.21
(a) Current Ratio	15.31%	12.91%
(b) Debt-Equity Ratio	NA	NA
(c) Debt Service Coverage Ratio	NA	NA
(d) Return on Equity Ratio	-3.93%	-7.34%
(e) Inventory turnover ratio	NA	NA
(f) Trade Receivables turnover ratio	NA	NA
(g) Trade payables turnover ratio	NA	NA
(h) Net capital turnover ratio	NA	NA
(i) Net profit ratio	-64%	-100%
(j) Return on Capital employed	NA	NA
(k) Return on investment	NA	NA

#### 13 Other Statutory information

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iii) The Company does not have any transactions with struck-off companies
- iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the year.
- v) During the year the Company have not advanced or loaned or invested funds to any other person (s) or entity (ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
  - b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi) During the year the Company have not received any fund from any person (s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
  - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
  - b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii) The Company have not had any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- viii) The Company does not have any owned or Leased immovable property.



(All amount in INR Lakh, except number of share and per share data, unless otherwise stated )

## 14 Earning Per Share

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Net Profit Attributable to Equity Shareholders		
Profit/(loss) after tax	(2.29)	(4.44)
Net Profit attributable to equity shareholders	(2.29)	(4.44)
No. of Equity shares (Number)	75,009,985	75,009,985
Weighted Average No. of Equity Shares	75,009,985	75,009,985
Nominal value of Equity Shares (₹)	10	10
Earning Per Share (₹) :		
Basic	(0.00)	(0.01)
Diluted	(0.00)	(0.01)

## 15 Contingent Liability &amp; Commitment

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Contingent Liability		
Income tax dues		
AY 2017-18 Income tax demand 99.46		
AY 2018-19 Income tax demand 105.11		
Capital Commitment	204.57 Nil	204.57 Nil

(Amount in Lacs)

## 16 Related Party Disclosures

## a. Name of the Related Parties and Nature

## i Holding Company

## ii Key Managerial Personnel, Director &amp; Relative

Piramal Capital &amp; Housing Finance Limited (Formerly Dewan Housing Finance Corporation Limited)

(a) Mr. Satya Narayan Baheti, Director (upto 11.11.2021)

(b) Mr. Pradeep Atmaram Sawant, Director (wef, 11.11.2020)

(c) Mr. Alok Bahl, Director (wef, 11.05.2021)

(d) Mr. Aditya Mulgund - Chief Executive Officer

(e) Mr. Vinodh Nekhiladi Chief Financial Officer (Submitted his resignation on 01.06.2019)

## iii Joint Venture Partner

## iv Associate Company

## v Enterprises over which KMP are able to exercise significant influence

NIL

NIL

(a) DHFL Holdings Limited

## b. Details of transactions with Related Party

(Amount in Lacs)

Details of Transactions	Associate Company
Advance Given	0.25(-)
Interest Income	0.02(-)
Balance as at Year End	
Loan Given	0.25(-)
Interest Accure	0.02(-)

Bracket indicated of previous year

## Notes

a. Related Party relationship is identified by the Company

b. The transaction with the related parties are disclosed only till the relationship exists.

c. Figures in bracket represents previous year figures.

## 17 Details of dues to micro, small and medium enterprises

Based on the information available with the Company there are no dues outstanding to Micro, Small, and Medium Enterprises as at year end under the Micro, Small Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Further, no interest during the year has been paid or payable under the terms of the MSMED Act, 2006

## 18 Fair Value Measurement

## Financial Instruments by category

(Amount in Lacs)

Particulars	31st March '22			31st March '21		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial Asset						
Cash & Cash Equivalent	-	-	60.34	-	-	63.90
Other Financial Assets	-	-	1.55	-	-	1.55
Total Financial Asset	-	-	61.89	-	-	65.45
Financial Liabilities						
Other Financial Liabilities	-	-	3.78	-	-	4.84
Total Financial Liabilities	-	-	3.78	-	-	4.84

The carrying amounts of cash and cash equivalent and other liabilities and assets etc. are considered to be the same as their fair values, due to current and short term nature of such balances. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

## Fair Value Hierarchy

## Recognised fair value measurements

Level 1: Hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



## 19 Capital management

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

## 20 Financial Risk Management

The Company's principal financial liabilities, comprise borrowings and other payables. The main purpose of these financial liabilities is to support its operations. The Company's principal financial assets include investment, other assets and cash and cash equivalents that derive directly from its operations.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

### Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

### Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company's Management is responsible for liquidity, funding as well as settlement management. The management monitors the Company's net liquidity position through forecasts on the basis of expected cash flows. The company is also taking steps to improve liquidity going forward by focusing on new initiatives.

The table below provides details regarding the contractual maturities of significant financial liabilities and assets as at March 31, 2022 and March 31, 2021.

(Amount in lacs)

Particulars	Carrying Amount	Less than 12 Months	More than 12 Months	Total
<b>As at March 31, 2022</b>				
<b>Liabilities</b>				
Other Financial Liabilities	3.78	3.78	-	3.78
<b>Assets</b>				
Cash & Cash Equivalent	60.34	60.34	-	60.34
Other Financial Asset	1.55	-	1.55	1.55
<b>As at March 31, 2021</b>				
<b>Liabilities</b>				
Other Financial Liabilities	4.84	4.84	-	4.84
<b>Assets</b>				
Investments	-	-	-	-
Cash & Cash Equivalent	63.90	63.90	-	63.90
Other financial assets	1.55	-	1.55	1.55

## 21 Taxes

### a. Income Tax Expense

The major components of income tax expenses for the year ended March 31, 2022

#### Profit & Loss section

(Amount in Lacs)

Particulars	31st March '22	31st March '21
Current Tax Expense	-	-
Deferred Tax	-	-
<b>Total Income Tax Expense Recognised in profit and loss</b>	-	-

#### Other comprehensive income section

Particulars	31st March '22	31st March '21
Tax on Other Comprehensive income	-	-
<b>Total income tax expense recognised in Other comprehensive income</b>	-	-

### b. Reconciliation of Effective Tax Rate

Particulars	31st March '22	31st March '21
i Income before income tax	(2.29)	(4.44)
ii Enacted Tax rate in India	25.63%	26.00%
iii Expected Tax Expense (i*ii)	(0.59)	-
iv Other than temporary differences	0.59	-
<b>Total</b>	-	-
v Temporary Difference	30.45	25.75
Temporary difference on which deferred tax assets not recognised	(30.45)	(25.75)
<b>Total</b>	-	-
vi Net Adjustment (iv + v)	-	-
vii Tax expense recognised in Statement of Profit & Loss (iii+vi)	-	-

Note:- In the view of losses, provision for tax has not been recognised. Further the deferred tax asset arising out of timing difference and carryforward of unused tax losses and unused tax credits has not been recognised. Since it is not probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

- 22 Vide Order dated June 7, 2021, the Mumbai bench of the Hon'ble National Company Law Tribunal ("NCLT") approved the Resolution Plan submitted by Piramal Capital & Housing Finance Limited ("PCHFL") for the Corporate Insolvency Resolution process of Dewan Housing Finance Limited ("DHFL") under section 31 of the Insolvency and Bankruptcy Code, 2016. Pursuant to the Resolution Plan, PCHFL has obtained control over DHFL and its subsidiaries by virtue of holding 100% shareholding and subsequently, PCHFL merged into DHFL to conclude acquisition on September 30, 2021 (Implementation Date). The Resolution Plan was filed with the respective Registrar of Companies on September 30, 2021 giving effect to the said merger.



23 In the opinion of the management the provision for all known liabilities are adequate and are not in excess of amount considered reasonably necessary.

As per our report attached of even date

DINESH KUMAR BACHCHAS  
Partner  
Membership No. 097820

For and on behalf of  
K. K. MANKESHWAR & CO.,  
Chartered Accountants  
FRN:- 106009W



For and behalf of the Board of Directors

Mr. Pradeep Sawant  
Director  
DIN : 09857171

Mr. Alok Bahl  
Director  
DIN:08574045

New Delhi, dated the 26th May, 2022



**Vatsaraj & Co. (Regd.)**

**CHARTERED ACCOUNTANTS**  
**First Floor, Fort Chambers,**  
**C Block, 65 Tamarind Lane,**  
**Fort, Mumbai - 400 023.**  
**Tel No.: +91-22 2265 3931**  
**+91-22 2263 5488**

## **INDEPENDENT AUDITOR'S REPORT**

**To the Board of Directors of DHFL Investments Limited**  
**Report on the Audit of the Special purpose Standalone Ind AS Financial Statements**

We have audited the accompanying special purpose Standalone Ind AS financial statements of DHFL Investments Limited ("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of profit and loss (including Other comprehensive income) for the period April 01 2021 to September 30 2021 and October 01 2021 to March 31 2022, the Statement of Changes in Equity for the period April 01 2021 to March 31 2022, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements"). The financial statements have been prepared by management in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

### **Responsibility of Management and those charged with Governance for the Financial Statements:**

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application



appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

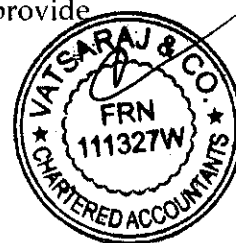
The Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and Profit including other comprehensive income for the period April 01 2021 to September 30 2021 and October 01 2021 to March 31 2022, changes in equity for the period April 01 2021 to March 31 2022.

## Emphasis of Matter

*During the year, the Company has written back the Compulsory Convertible Debentures and interest thereon issued to Wadhawan Global Capital Private Limited (WGC), based on the resolution duly approved by the National Company Law Tribunal (NCLT) with respect to the takeover of the Dewan Housing Corporation Limited by Piramal Capital and Housing Finance Limited (PCHFL). WGC has contested the NCLT order, however based on the legal advice there is strong merit of the case in favour of PCHFL. Our opinion is not modified in respect of this matter.*

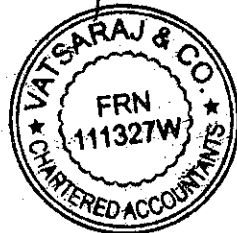
## Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note No. 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Company for consolidation with the holding company. As a result, the financial statements may not be suitable for another purpose.

For Vatsaraj & Co.  
Chartered Accountants  
FRN: 111327W

Dr. CA B.K. Vatsaraj  
Partner  
M. No. 039894  
UDIN:

Place: Mumbai  
Date: 25<sup>th</sup> May 2022





**Vatsaraj & Co.** (Regd.)

CHARTERED ACCOUNTANTS  
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## INDEPENDENT AUDITOR'S REPORT

To the Members of DHFL Investments Limited

Report on the Audit of the Standalone Ind AS Financial Statements

### Opinion

1. We have audited the accompanying Standalone Ind AS financial statements of DHFL Investments Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements to give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015 (Ind AS) as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

2. We have conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Act.

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Phone: +91 22 4069 3900/39 Fax: +91 22 4069 3910 Email: admin@vatsaraj.co.in



the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for opinion.

### **Emphasis of Matter**

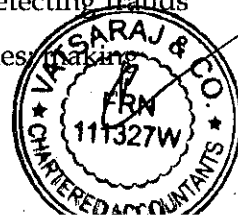
3. *During the year, the Company has written back the Compulsory Convertible Debentures and interest thereon issued to Wadhawan Global Capital Private Limited (WGC), based on the resolution duly approved by the National Company Law Tribunal (NCLT) with respect to the takeover of the Dewan Housing Corporation Limited by Piramal Capital and Housing Finance Limited (PCHFL). WGC has contested the NCLT order, however based on the legal advice there is strong merit of the case in favour of PCHFL. Our opinion is not modified in respect of this matter.*

### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

4. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the, Board's Report including Annexure to Board's Report and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

### **Responsibility of Management for the Financial Statements**

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies;



judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

6. Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



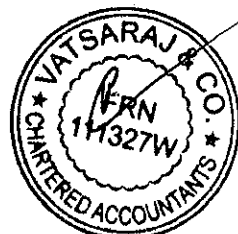
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

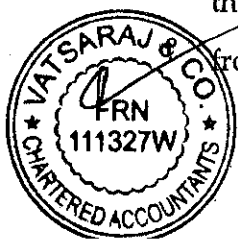
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on Other Legal and Regulatory Requirements**

7. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of sub-section 11 of Section 143 of the Act, we give in the "Annexure A" of this report a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. As the Company does not have any subsidiary, joint venture or associate enterprise, consolidated financial statements is not prepared. Hence Paragraph 3(xxi) of Companies (Auditor's Report) Order (CARO) is not applicable.
8. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;



- (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
9. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
  - (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the



understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and

(c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

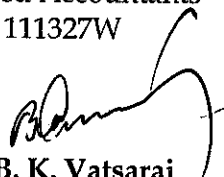
v. The dividend is neither declared nor paid during the year by the Company.

10. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, no remuneration is paid by the Company to its directors during the current year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Place: Mumbai  
Date: 25<sup>th</sup> May 2022  
UDIN:22039894AKRUWB2688

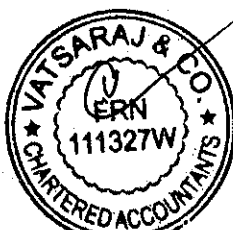
For Vatsaraj & Co.  
Chartered Accountants  
FRN: 111327W

  
Dr. CA B. K. Vatsaraj  
Partner  
M. No. 039894



**Annexure 'A' to the Independent Auditors' Report on Standalone Ind AS financial statements of DHFL Investments Limited as on 31<sup>st</sup> March 2022, referred to in paragraph 1 under "Report on Other Legal and Regulatory requirement" section of our report of even date, we report the following:**

- (i) The Company does not have any fixed asset. Therefore, Para 3 (i) of the Order is not applicable to the Company
- (ii) The Company does not have and inventories Therefore, Para 3 (ii) of the Order is not applicable to the Company.
- (iii) (a) According to the information and explanation given to us and according to the records of the Company as examined by us, the company has not provided loans or advances in nature of loan or stood guarantee or provided security to any other entity. Therefore, Para 3(iii)(a), (c ), (d), (e) and (f) are not applicable to the Company.  
(b) According to the information and explanation given to us and according to the records of the Company as examined by us, the company has not provided guarantee or given security. Therefore, Para 3(iii)(b) is not applicable to the Company.
- (iv) In our opinion and according to the explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit. Therefore, Para 3(v) of the Order is not applicable to the Company
- (vi) Company being in service industry, maintenance of Cost records is not applicable. Therefore, Para 3 (vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
  - (a) According to the information and explanation given to us and according to the records of the Company as examined by us, undisputed statutory dues including provident fund, employees' state insurance, income tax, custom duty, cess, goods and services tax and other material statutory dues have been regularly deposited during the year with the appropriate authorities. No undisputed amounts payable were outstanding as at March 31, 2022 for a period of more than six months from the date on which they become payable.
  - (b) According to the information and explanation given to us and based on the records of the Company examined by us, there are no disputed dues which have not been deposited as on March 31, 2022.
- (viii) According to the information and explanation given to us and based on the records of the Company examined by us, there are no transactions to be recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the information and explanation given to us and based on the records of the Company examined by us, the Company has not defaulted on repayment of any Loan or Interest during the year.



- (b) According to the information and explanation given to us and based on the records of the Company examined by us, Company has not been declared willful defaulter by any bank or financial institution or other lenders.
- (c) According to the information and explanation given to us and based on the records of the Company examined by us, Company has not taken any term loan.
- (d) According to the information and explanation given to us and based on the records of the Company examined by us, funds raised on short term basis are utilized for short term purpose only.
- (e) According to the information and explanation given to us and based on the records of the Company examined by us, during the year the Company has not raised any money from any person or entity for the account of or to pay the obligations of its associates, subsidiaries or joint ventures, therefore Para 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanation given to us and based on the records of the Company examined by us, No loans were raised during the year by way of pledge of securities, therefore Para 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) According to the information and explanation given to us and based on the records of the Company examined by us, during the year Company has not raised any money by way of initial public offering or other public offering. Therefore, Para 3 (x)(a) of the Order is not applicable to the Company
- (b) According to the information and explanation given to us and based on the records of the Company examined by us, during the year Company has not raised any money by way of preferential allotment or private placement of shares or convertible debentures. Therefore, Para 3 (x)(b) of the Order is not applicable to the Company
- (xi) To the best of our knowledge and belief and according to the information and explanation given to us, no fraud by the Company or any fraud on the Company by its officers/ employees has been noticed or reported, during the year. Therefore, Para 3 (xi) of the Order is not applicable to the Company
- (xii) In our opinion and according to information and explanations given to us, Company is not a Nidhi Company. Therefore, Para 3 (xii) of the Order is not applicable to the Company
- (xiii) According to the information and explanation given to us and based on our verification of the records of the Company and on the basis of review and approval by the Board and Audit Committee, the transactions with related parties are in compliance with Section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and according to information and explanations given to us, the Company does not have an internal audit system and is not required to have an internal audit system as per the provision of the companies act 2013
- (b) The Company did not have an internal audit system for the period under audit.
- (xv) According to the information and explanation given to us and based on our verification of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him.



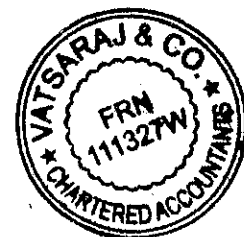
- (xvi) (a) According to the information and explanation given to us and based on the legal opinion, the company is not required to registered under section 45-IA of Reserve Bank of India Act, 1934.
- (b) According to the information and explanation given to us and based on our verification of the records of the Company, During the year no Non-Banking Financial or Housing Finance activities are conducted.
- (c) According to the information and explanation given to us the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanation given to us, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) According to the information and explanation given to us and based on our verification of the records of the Company, the Company has incurred cash losses during the Financial year INR 3.72 Lakhs and preceding financial year INR 6.26 Lakhs.
- (xviii) According to the information and explanation given to us and based on our verification of the records of the Company, there are no resignation of the statutory auditor during the year
- (xix) In our opinion and According to the information and explanation given to us and based on the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, material uncertainty exists as on the date of the audit report that company might not be capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- (xx) According to the information and explanation given to us and based on our verification of the records of the Company, Section 135 of the Companies Act, 2013 is not applicable to the company. Therefore, para 3(xx) of the order is not applicable to the Company.
- (xxi) According to the information and explanation given to us and based on our verification of the records of the Company, Management Certified Accounts are received for the Joint Venture which is consolidated and No accounts are received for the Associated enterprise, hence we would not be able to give any comments if any adverse comments in the CARO 2020 of the Joint venture and Associated Enterprise.

For Vatsaraj & Co.  
Chartered Accountants  
FRN: 111327W

Dr. CA B. K. Vatsaraj

Partner

M. No. 039894



Place: Mumbai  
Date: 25<sup>th</sup> May 2022

**ANNEXURE 'B' to Independent Auditors' Report on the Standalone Ind AS Financial Statement of DHFL Investments Limited, Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act, referred to in paragraph 2(f) under "Report on Other Legal and Regulatory requirement" section of our report of even date.**

We have audited the internal financial controls over financial reporting of DHFL Investments Limited ("the Company") as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our



audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

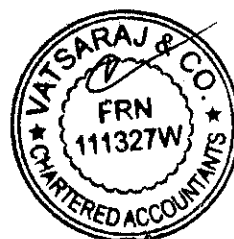
### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

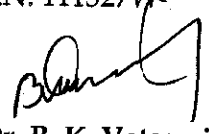


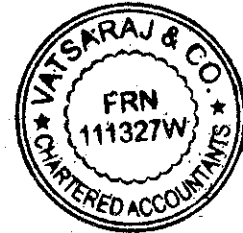
## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Mumbai  
Date: 25<sup>th</sup> May 2022

For Vatsaraj & Co.  
Chartered Accountants  
FRN: 111327W

  
CA Dr. B. K. Vatsaraj  
Partner  
M. No. 039894



**DHFL INVESTMENTS LIMITED**  
Balance Sheet as at 31st March, 2022

Amount in (₹ Lakh)

Particulars	Notes	As at 31.03.22	As at 31.03.21
<b>I Assets</b>			
<b>1 Financial Assets</b>			
(a) Cash and Cash Equivalent	3	4.51	5.54
(b) Bank Balance other than (a) above		-	-
(c) Derivative Financial Instrument		-	-
(d) Receivables			
(I) Trade Receivable		-	-
(II) Other Receivable		-	-
(e) Loans		-	-
(f) Investments	4	102,002.25	149,167.88
(g) Other Financial Assets			
Security Deposit		1.50	1.50
<b>2 Non-Financial Assets</b>			
(a) Inventories		-	-
(b) Current Tax Assets (Net)		-	-
(c) Deferred Tax Assets (Net)		-	-
(d) Investment Property		-	-
(e) Biological Assets other than Bearer Plants		-	-
(f) Property Plant and Equipment		-	-
(g) Capital WIP		-	-
(h) Intangible Assets under development		-	-
(i) Goodwill		-	-
(j) Other Intangible Assets		-	-
(k) Other Non Financial Assets (to be specified)		-	-
<b>Total Assets</b>		<b>102,008.26</b>	<b>149,174.92</b>
<b>II Liabilities and Equity</b>			
<b>1 Financial Liabilities</b>			
(a) Derivative Financial Instrument		-	-
(b) Payables			
(I) Trade Payables		-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	5	6.59	4.02
(c) Debt Securities	6	-	11.21
(d) Borrowings (Other than Debt Securities)	7	-	-
(e) Deposits		-	-
(f) Subordinated Liabilities		-	-
(g) Other financial liabilities	8	0.25	0.12
<b>2 Non-Financial Liabilities</b>			
(a) Current tax liabilities (Net)		-	-
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-financial liabilities (to be specified)		-	-
<b>3 EQUITY</b>			
(a) Equity Share capital	9	10,125.00	10,125.00
(b) Other Equity	10	91,876.42	139,034.57
<b>Total Liabilities and Equity</b>		<b>102,008.26</b>	<b>149,174.92</b>
<b>Significant accounting policies</b>	2		

As per our report of even date  
For Vatsaraj & Co.  
Chartered Accountants  
ICAI FRN: 111327W

Dr. CA B. K. Vatsaraj  
Partner  
M No.: 039894

Place: Mumbai  
Date: 25/5/2022



For and behalf of the Board of Directors

Mr. Jairam Sridharan  
Director  
DIN : 05165390

Mr. Pradeep Bhadauria  
Director  
DIN : 08696317

Mr. Bipin Singh  
Director  
DIN : 00058068



**DHFL INVESTMENTS LIMITED**  
Statement of Profit and Loss for the year ended 31st March, 2022

		Amount in (₹ Lakh)	
Particulars	Notes	Year ended 31.03.2022	Year ended 31.03.2021
<b>Revenue from operations</b>			
(i) Interest Income		-	-
(ii) Dividend Income		-	-
(iii) Rental Income		-	-
(iv) Fees and Commission Income		-	-
(v) Net gain on fair value changes		-	-
(vi) Net gain on derecognition of financial instruments under amortised cost category		-	-
(vii) Sale of products(including Excise Duty)		-	-
(viii) Sale of services		-	-
(ix) Others (Write back of interest)		3.61	-
(I) <b>Total Revenue from operations</b>		3.61	-
(II) Other income (to be specified)		-	-
(III) <b>Total Income (I+II)</b>		3.61	-
<b>Expenses</b>			
(i) Finance Costs	11	-	0.78
(ii) Fees and commission expense		-	-
(iii) Net loss on fair value changes		-	-
(iv) Net loss on derecognition of financial instruments under amortised cost category		-	-
(v) Impairment on financial instruments		-	-
(vi) Cost of materials consumed		-	-
(vii) Purchases of Stock -in -trade		-	-
(viii) Changes in Inventories of finished goods, stock -in - trade and work -in - progress		-	-
(ix) Employee Benefits Expenses		-	-
(ix) Depreciation , amortization and impairmen		-	-
(x) Others expenses (to be specified)	12	3.72	5.47
(IV) <b>Total Expenses (IV)</b>		3.72	6.26
(V) Profit / (loss) before exceptional items and tax (III - IV)		(0.11)	(6.26)
(VI) Exceptional items - Impairment/(Reversal of Impairment) of investment in Joint Venture	4	47,165.63	*(24,416.00)
(VII) Profit/(loss) before tax (V -VI )		(47,165.74)	24,409.74
(VIII) Tax Expenses		-	-
(a) Current Tax		-	-
(b) Deferred Tax		-	-
(IX) Profit / (loss) for the period from continuing operations(VII -VIII )		(47,165.74)	24,409.74
(X) Profit/(loss) from discontinued operations		-	-
(XI) Tax Expense of discontinued operations		-	-
(XII) Profit/(loss) from discontinued operations(After tax) (X -XI)		-	-
(XIII) Profit/(loss) for the period (IX+XII)		(47,165.74)	24,409.74
(XIV) <b>Other Comprehensive Income</b>			
(A)			
(i) Items that will not be reclassified to profit or loss (specify items and amounts)		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Subtotal (A)</b>		-	-
(B)			
(i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Subtotal (B)</b>		-	-
<b>Other Comprehensive Income (A + B)</b>		-	-
<b>Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)</b>		(47,165.74)	24,409.74
(XVI) Paid up Equity Share Capital ( Face value ₹10/- each)		10,125.00	10,125.00
(XVII) <b>Earnings per equity share (for continuing operations)</b>			
Basic (₹)		(46.58)	24.11
Diluted (₹)		(46.58)	1.22
(XVIII) <b>Earnings per equity share (for discontinued operations)</b>			
Basic (₹)		-	-
Diluted (₹)		-	-
(XIX) <b>Earnings per equity share (for continuing and discontinued operations)</b>	13		
Basic (₹)		(46.58)	24.11
Diluted (₹)		(46.58)	1.22

See accompanying notes to the financial statements

As per our report of even date

For Vatsaraj & Co.

Chartered Accountants

ICAI FRN: 111327W

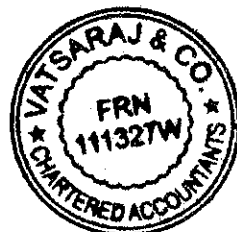
Dr. CA B. K. Vatsaraj

Partner

M No.: 039894

Place: Mumbai

Date: 25/5/2022



For and behalf of the Board of Directors

Mr. Jairam Sridharan

Director

DIN : 05165390

Mr. Pradeep Bhaduria

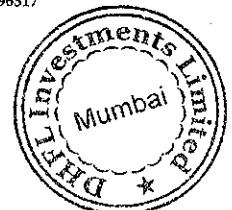
Director

DIN : 08696317

Mr. Bipin Singh

Director

DIN : 0058068



# DHFL INVESTMENTS LIMITED

## Cash Flow Statement for the Year Ended 31st March 2022

Amount in (₹ Lakh)

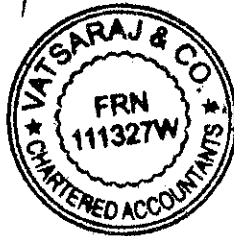
	Year Ended 31.03.2022		Year Ended 31.03.2021	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit/(Loss) Before Tax		(47,165.74)		24,409.74
Adjustments for:				
Depreciation and Impairment of asset				
Impairment of Investment		47,165.63		(24,416.00)
Write back of interest on CCDS		(3.61)		-
Operating Profit before Working capital changes		(3.72)		(6.26)
<b>Changes in Working capital</b>				
Other Non-Current Liabilities			0.78	
Other Current Liabilities	2.69		0.83	
Other Current Assets				
Working Capital changes		2.69		1.61
Cash generated from operations during the year		(1.03)		(4.64)
Net Cash From Operating Activities		(1.03)		(4.64)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Current Investments not considered as Cash or cash equivalents				
Investments in Equity Shares				
Net Cash used in Investing Activities				
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from issue of Equity Shares				
Loan received/(paid) from Holding Company				
Proceeds from issue of CCD's				
Net Cash generated From / (Used In) Financing Activities				
Net Increase/ (Decrease) in Cash Equivalents		(1.03)		(4.64)
Cash and Cash Equivalents at the beginning of the year		5.54		10.18
Cash and Cash Equivalents at the close of the year		4.51		5.54

This is the Cash Flow referred to in our Report of even date.  
Negative Figure (-) represents Cash Outflow.

For Vatsaraj & Co.  
Chartered Accountants  
ICAI FRN: 111327W

Dr. CA B. K. Vatsaraj  
Partner  
M No.: 039894

Place: Mumbai  
Date: 25/5/2022



For and behalf of the Board of Directors

Mr. Jairam Sridharan  
Director  
DIN : 05165390

Mr. Pradeep Bhadauria  
Director  
DIN : 08696317

Mr. Bipin Singh  
Director  
DIN : 00058068



**DHFL INVESTMENTS LIMITED**

**Statement of Changes in Equity for the Year ended 31st March '22**

**A Equity Share Capital**

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of reporting period
<b>Authorised</b>					
12,00,00,000 (PY 20-21 12,00,00,000 Equity Shares of ₹) 10/- each	12,000.00	-	-	-	12,000.00
	12,000.00	-	-	-	12,000.00
<b>Issued, Subscribed and Paid up</b>					
10,12,50,000 (PY 20-21 10,12,50,000) Equity Shares of ₹) 10/- each fully paid up	10,125.00	-	-	-	10,125.00
	10,125.00	-	-	-	10,125.00

**B Other Equity**

Particulars	Reserves & Surplus			Total
	Retained Earnings	Capital Reserve	Equity Portion of Compound Financial Instrument	
As at 1st April '20	(75,463.64)		190,088.46	114,624.82
Profit/(Loss) for the Year Ended	24,409.74			24,409.74
As at 31st March '21	(51,053.89)		190,088.46	139,034.57
As at 1st April '21	(51,053.89)		190,088.46	139,034.57
Transfer to capital reserve		190,088.46	(190,088.46)	0.00
Rightback of Debt component CCD		7.60		7.60
Profit/(Loss) for the Period	(47,165.74)		-	(47,165.74)
As at 31st March '22	(98,219.63)	190,096.06	-	91,876.42

Amount in (₹ Lakh)

Piramal Capital and Housing Finance Limited (PCHFL) has acquired Dewan Housing Finance Corporation Limited (DHFL) as part of an Insolvency and Bankruptcy process. PCHFL submitted the Resolution Plan on 22 December 2020, and it contained prayers inter alia seeking nullification of the Compulsory Convertible Debentures ("CCDs") issued to Wadhawan Global Capital Private Limited ("WGC") and extinguishment of rights pursuant to these CCDs. Vide the order approving the Resolution Plan dated 7 June 2021, the Hon'ble National Company Law Tribunal (NCLT) also allowed the prayers contained therein. Based on the approval of the Resolution Plan by Hon'ble NCLT, the Company has written back the carrying value of CCDs through capital reserve.

WGC and a limited liability partnership by the name of TDH Realty LLP have pursued the litigation against the Resolution Plan purportedly as the ultimate beneficiary of the CCDs. However the PCHFL has sort legal advice and based on the same legal expert have advised that the PCHFL have strong case on merits

As per our report of even date  
For Vatsaraj & Co.  
Chartered Accountants  
ICAI FRN: 111327W

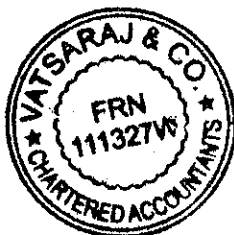
Dr. CA B K. Vatsaraj  
Partner  
M No.: 039894

For and behalf of the Board of Directors

Mr. Jairam Sridharan  
Director  
DIN : 05165390

Mr. Pradeep Bhaduria  
Director  
DIN : 08696317

Place: Mumbai  
Date: 25/5/2022



Mr. Bipin Singh  
Director  
DIN : 00058068



**1 CORPORATE INFORMATION**

DHFL Investments Ltd.(DIL) is wholly owned subsidiary company of Piramal Capital & Housing Finance Limited ( Formerly Dewan Housing Finance Corporation Limited) and has been incorporated under the provisions of Companies Act, 2013. DIL has been incorporated with the intent of becoming a "core investment company" under the Master Directions issued by Reserve Bank of India on August 25, 2016. DIL's business objective is to acquire any shares, stock, debentures stocks or securities in accordance with the Reserve Bank of India Act, 1934 and other applicable statutory and legal provisions. DIL has registered office in Mumbai.

**2 SIGNIFICANT ACCOUNTING POLICIES:**

**2.1 Basis of preparation of financial statements :**

- a) The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 by Ministry of Corporate Affairs ('MCA') as amended by the Companies (Indian Accounting Standards) Rules, 2016.
- b) For all periods up to and including the year ended March 31, 2018 the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) as amended from time to time.
- c) The financial statements for the year ended March 31, 2018 are the Company's first Ind AS financial statements. The Company has adopted Ind AS standards effective from April 01, 2017 with comparatives for year ending March 31, 2018 and April 01, 2017 being restated and the adoptions were carried out in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. All applicable Ind AS have been applied consistently and retrospectively wherever required.
- d) The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.
- e) The preparation of financial statements requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.
- f) Amounts in the financial statements are presented in INR in Lakhs unless otherwise stated.

**2.2 Revenue Recognition :**

**Dividend Income**

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

**Other Income**

Revenue is recognised when there is reasonable certainty as to measurement and ultimate realization of the same.



## 2.3 Financial Instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

### (I) Financial Asset:

#### Initial recognition and measurement :

All financial instruments are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through the statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

**Subsequent measurement :** For the purpose of subsequent measurement financial assets are classified as measured at: • Amortised cost • Fair value through profit and loss (FVTPL) • Fair value through other comprehensive income (FVTOCI).

**Financial assets at fair value through profit or loss (FVTPL) :** Financial asset are measured at fair value through profit and loss if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the statement of profit and loss.

**Equity Instruments :** All investments in equity instruments classified under financial assets are initially measured at fair value, the group may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL.

## 2.4 Financial Liability

### Initial recognition and measurement :

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

### Subsequent measurement :

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

**Financial liabilities at amortized cost:** Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount. The company is classifying the following under amortized cost. (1) Borrowings from banks (2) Borrowings from others (3) Trade payables (4) Other financial liabilities.

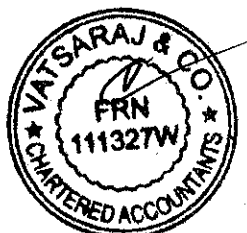
**Derecognition:** A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

## 2.5 Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks and on hand, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## 2.6 Impairment of Assets :

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less cost of disposals and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value is the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Impairment losses are recognised in the Statement of Profit and Loss in expense categories.



## 2.7 Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

## 2.8 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the balance sheet dates. The effect on the deferred tax assets and liabilities of a change in tax rate is recognized in the period that includes the enactment date. Deferred tax assets are recognized only to the extent there is virtual certainty of realization in future.

## 2.9 Provisions, Contingent Liability and Contingent Assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are disclosed where an inflow of economic benefits is probable.



**DHFL INVESTMENTS LIMITED**
**3 Cash and Cash Equivalent**

Particulars	Amount in (₹ Lakh)	
	As at 31.03.2022	As at 31.03.2021
(a) Cash on hand	0.04	0.04
(b) Balances with Banks in Current Accounts	4.47	5.49
<b>Total Cash &amp; Cash Equivalents</b>	<b>4.51</b>	<b>5.54</b>

**4 Investments**

Particulars	March 31, 2022				March 31, 2021			
	Nos.	At Cost	Fair Value through profit/ loss or OCI	Amortised Cost	Nos.	At Cost	Fair Value through profit/ loss or OCI	Amortised Cost
<b>Non-current Investments</b>								
<b>Unquoted</b>								
<i>Investment in unquoted equity instruments in associate</i>								
DHFL Venture Trustee Company Pvt. Ltd	22,500	2.25	-	-	22,500	2.25	-	-
<i>Investment in unquoted equity instruments in Joint Venture</i>								
Pramerica Life Insurance Company Limited (erstwhile DHFL Pramerica Life Insurance Company Limited)	187,030,931	200,050.00	-	-	187,030,931	200,050	-	-
Less : Impairment in value								
<b>Total Non-current Investments - Gross (A)</b>		<b>200,052.25</b>	<b>-</b>	<b>-</b>		<b>200,052.25</b>	<b>-</b>	<b>-</b>
Investment outside India	-	-	-	-	-	-	-	-
Investment in India	-	200,052.25	-	-	-	200,052.25	-	-
<b>Total Non-current Investments - Gross (B)</b>		<b>200,052.25</b>	<b>-</b>	<b>-</b>		<b>200,052.25</b>	<b>-</b>	<b>-</b>
Less: Allowance for Impairment Loss (C)		98,050.00	-	-		50,884.37	-	-
<b>Total Non-current Investments - Net (D)</b>		<b>102,002.25</b>	<b>-</b>	<b>-</b>		<b>149,167.88</b>	<b>-</b>	<b>-</b>

Note : In respect of Pramerica Life Insurance Company Limited (PIPL) (erstwhile DHFL Pramerica Life Insurance Company Limited), there was reversal of impairment of Rs 13.05 per share totaling to Rs 2,44,16,00,000 based on the internal valuation as on 31st March 2021. During the 31st March 2022, Management has revisited the impairment based on the external valuation for the value of the share as on 31st March 2022, based on the valuation there is further impairment of Rs 27.33 per share totaling to Rs 4,71,65,63,098 thus decreasing the value per share from Rs 79.75 to Rs 52.42. Thus, the impairment is reflected in Profit and loss Account as Exceptional Item.

**5 Payables**

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Trade Payable</b>		
(i) total outstanding dues of micro enterprises and small enterprises		
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		
<b>Other Payables</b>		
(i) total outstanding dues of micro enterprises and small enterprises		
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6.59	4.02
<b>Total Payable</b>	<b>6.59</b>	<b>4.02</b>

**Ageing of Other Payable**

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

Less than 1 year	4.45	2.71
1 to 2 years	2.14	1.31
2 to 3 years		
More than 3 years		
<b>Total</b>	<b>6.59</b>	<b>4.02</b>

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. The Company has not received any memorandum (as required to be filed by the suppliers with notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) from vendor claiming the status as micro or small enterprises, hence no disclosures have been made.

Trade payables are recognised at their original invoice amounts which represents their fair values on initial recognition. Trade payables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.



## 6 Debt Securities

Particulars	March 31, 2022				March 31, 2021			
	At Amortised Cost	Fair Value through profit/ loss	Designated at Fair Value through profit/ loss	Total	At Amortised Cost	Fair Value through profit/ loss	Designated at Fair Value through profit/ loss	Total
Unsecured Liability portion of Compound financial instruments	-	-	-	-	7.60	-	-	7.60
Interest payable on CCD	-	-	-	-	3.61	-	-	3.61
<b>Total (A)</b>	-	-	-	-	11.21	-	-	11.21
Debts Securities in India	-	-	-	-	11.21	-	-	11.21
Debts Securities in Outside India	-	-	-	-	-	-	-	-
<b>Total (B)</b>	-	-	-	-	11.21	-	-	11.21

## Terms Of Debentures

One Non-redeemable, non-participating, fully, mandatorily and compulsory convertible debentures (CCD's) shall convert into one equity share of DIL ("Conversion Ratio") The CCD can be converted any time after expiry of 100 months from deemed date of allotment (i.e.30th Mar'17) of the CCD's further they shall compulsorily convert into equity shares of DIL as per the conversion ratio on the date falling at the expiry of 110 months from the deemed date of allotment of the CCD's. Rate of interest/CCD yield : 0.001%.

Piramal Capital and Housing Finance Limited (PCHFL) has acquired Dewan Housing Finance Corporation Limited (DHFL) as part of an Insolvency and Bankruptcy process. PCHFL submitted the Resolution Plan on 22 December 2020, and it contained prayers inter alia seeking nullification of the Compulsory Convertible Debentures ("CCDs") issued to Wadhawan Global Capital Private Limited ("WGC") and extinguishment of rights pursuant to these CCDs. Vide the order approving the Resolution Plan dated 7 June 2021, the Hon'ble National Company Law Tribunal (NCLT) also allowed the prayers contained therein. Based on the approval of the Resolution Plan by Hon'ble NCLT, the Company has written back the carrying value of CCDs through capital reserve.

WGC and a limited liability partnership by the name of TDH Realty LLP have pursued the litigation against the Resolution Plan purportedly as the ultimate beneficiary of the CCDs. However the PCHFL has sought legal advice and based on the same legal expert have advised that the PCHFL have strong case on merits

## 7 Borrowing (Other than Debt Security)

Particulars	March 31, 2022				March 31, 2021			
	At Amortised Cost	Fair Value through profit/ loss	Designated at Fair Value through profit/ loss	Total	At Amortised Cost	Fair Value through profit/ loss	Designated at Fair Value through profit/ loss	Total
Unsecured Short Term borrowings From Holding Company	-	-	-	-	-	-	-	-
<b>Total (A)</b>	-	-	-	-	-	-	-	-
Borrowings in India	-	-	-	-	-	-	-	-
Borrowings in Outside India	-	-	-	-	-	-	-	-
<b>Total (B)</b>	-	-	-	-	-	-	-	-

## 8 Other Financial Liabilities

Particulars	Amount in (₹ Lakh)	
	As at 31.03.2022	As at 31.03.2021
Statutory Liabilities	0.25	0.12
<b>Total Other Financial Liabilities</b>	0.25	0.12



9 Equity Share capital

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Amount in (₹ Lakh)
					Balance at the end of reporting period
Authorised					
12,00,00,000 (PY 20-21 12,00,00,000) Equity Shares of (₹) 10/- each	12,000.00				12,000.00
	12,000.00				12,000.00
Issued, Subscribed and Paid up					
10,12,50,000 (PY 20-21 10,12,50,000) Equity Shares of (₹) 10/- each fully paid up	10,125.00				10,125.00
	10,125.00				10,125.00

The Company at present has one class of issued, subscribed and paid up share referred to as equity shares having a par value of (₹) 10/- each. Each holder of equity share is entitled to one vote per share. The Company has not declared or paid any dividend.

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares at the beginning	101,250,000	10,125.00	101,250,000	10,125.00
Add: Shares issued during the year				
Equity shares at the end	101,250,000	10,125.00	101,250,000	10,125.00

Details of shareholders holding more than five percent equity shares and Promoter holding in the Company are as under:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	% holding	No. of shares	% holding
Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Ltd.) (Holding Company)	101,249,940	100.00	101,249,940	100
	101,249,940	100.00	101,249,940	100

10 Other Equity

Refer to the statement of changes in equity for movement in Other equity.

11 Finance Cost

Particulars	Amount in (₹ Lakh)			
	Year ended 31.03.2022		Year ended 31.03.2021	
	Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
Unwinding of Interest portion	-	-	-	0.78
Total Finance Cost	-	-	-	0.78

12 Other Expenses

Particulars	Amount in (₹ Lakh)	
	Year ended 31.03.2022	Year ended 31.03.2021
(a) Auditor's Remuneration	1.55	1.50
(b) Professional Fees	1.22	1.15
(c) ROC Filing Fees	0.02	1.29
(d) Bank Charges	0.39	0.18
(e) Duties and Taxes	0.53	0.60
(f) Miscellaneous Expenses	0.01	0.01
(g) Annual NSDL Fees	-	0.75
Total Other expenses	3.72	5.47

13 Earning Per Share

Particulars	Amount in (₹ Lakh)	
	Year ended 31.03.2022	Year ended 31.03.2021
Profit/(Loss) after tax as per statement of profit and loss	(47,165.74)	24,409.74
Net Profit attributable to equity shareholders	(47,165.74)	24,409.74
No. of Equity shares (Number)	101,250,000	101,250,000
Weighted Average No. of Equity Shares	101,250,000	101,250,000
Nominal value of Equity Shares (₹)	10	10
Earning Per Share (₹) :		
Basic	(46.58)	24.11
Diluted	(46.58)	1.22



#### 14 Related parties transactions

As per Indian Accounting Standard (Ind AS 24) on "Related Party Disclosures" details of transactions with

A) List of related parties with whom transactions have taken place during the year:

##### 1) COMPANIES

###### (i) Holding Company

- (a) Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Limited) (based on voting power)
- (b) Wadhawan Global Capital Private Limited (upto 30th September 2021)

###### (ii) Key Managerial Personnel, Director & Relative

- (a) Mr. Pradeep Bhaduria, Director (wef, 11.02.2020)
- (b) Mr. Bipin Singh, Director (wef, 08.11.2021)
- (c) Mr. Jairam Sridharan, Director (wef, 08.11.2021)
- (d) Mr. Sushant Pawar, Chief Financial Officer (Resigned on 01.06.2019 however the Board has not accepted the resignation)

###### (iii) Enterprises over which KMP are able to exercise significant influence

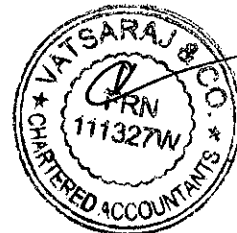
- (a) Piramal Consumer Products Private Limited
- (b) PEL Finhold Private Limited
- (c) Viridis Power Managers Private Limited
- (d) Piramal Systems & Technologies Private Limited
- (e) Piramal Investments Advisory Services Private Limited
- (f) Providian Technology Services Private Limited
- (g) Social Worth Technologies Private Limited
- (h) Pramerica Life Insurance Company Limited
- (i) DHFL Venture Trustee Company Private Limited

B) Details of transactions during the period ended 31st March, 2022

Details of Transactions	Pramerica Life Insurance Company Limited (erstwhile DHFL Pramerica Life Insurance Company Limited) (Joint Venture)		DHFL Venture Trustee Company Pvt. Ltd (Associate Company)		Holding Company		Wadhawan Global Capital Pvt. Ltd.(Holding Company)	
	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
	Amount in (₹ Lakh)							
1) Short Term Borrowings								
Opening								
Loans taken during the year								
Loans repaid during the year								
Loan outstanding at the end of the year								
2) Interest on CCD :								0.78
3) Amount written Back								
Interest payable on CCD								7.60
Liability portion of Compound financial instruments equity component of CCD								3.61
								190,088.46
4) Other Equity/ Debt Securities :								
Non-redeemable, non-participating, fully, mandatorily and compulsory convertible debentures (CCD's) to Wadhawan Global Capital Pvt. Ltd.								190,100.00
5) Interest accrued and due :								
Wadhawan Global Capital Pvt. Ltd.								3.61
6) Investment in Equity net of impairment	102,000.00	149,167.88	2.25	2.25				

#### 15 Audit Fees

Particulars	Amount in (₹ Lakh)	
	Year ended 31.03.2022	Year ended 31.03.2021
Audit Fees	1.50	1.50
Certification	0.05	
Total Audit Fees	1.55	1.50



#### 16 Segment Reporting

The income of the Company comprises of solely dividend and interest income and accordingly there are no reportable segments as specified in IND AS 108 ("Operating Segment") which needs to be reported.

17 Deferred Tax Assets not recognised as a matter of prudence due to carried forward losses would not be set off in near future.

18 Contingent Liability : NIL

19 Vide Order dated June 7, 2021, the Mumbai bench of the Hon'ble National Company Law Tribunal ("NCLT") approved the Resolution Plan submitted by Piramal Capital & Housing Finance Limited ("PCHFL") for the Corporate Insolvency resolution process of Dewan Housing Finance Corporation Limited ("DHFL") under Section 31 of the Insolvency and Bankruptcy Code, 2016. Pursuant to the Resolution Plan, PCHFL has obtained control over DHFL and its subsidiaries by virtue of holding 100% shareholding and subsequently, PCHFL merged into DHFL to conclude acquisition on September 30, 2021 (Implementation Date). The Resolution Plan was filed with the respective Registrar of Companies on September 30, 2021 giving effect to the said merger.

## Note: 20

**FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT****A. Accounting classification**

The carrying value of financial instruments by categories are as follows:

Particulars	Carrying Value					
	31-Mar-22			31-Mar-21		
	Fair Value through OCI	Fair Value through profit or loss	Amortised Cost	Fair Value through OCI	Fair Value through profit or loss	Amortised Cost
<b>Financial assets</b>						
Cash and cash equivalents	-	-	4.51	-	-	5.54
Others	-	-	1.50	-	-	1.50
<b>Investments:</b>						
Investment in associates / joint ventures	-	-	102,002.25	-	-	149,167.88
	-	-	102,008.26	-	-	149,174.92
<b>Financial liabilities</b>						
Borrowings	-	-	-	-	-	-
Other Payable	-	-	6.59	-	-	4.02
Other financial liability	-	-	0.25	-	-	0.12
	-	-	6.83	-	-	4.14

**B. Fair Values**

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

As at March 31, 2022

Financial asset measured at Fair Value	Fair value as at March 31, 2022	Fair Value hierarchy		
		Quoted prices in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)
FVTPL - Unquoted equity instrument	-	-	-	-

As at March 31, 2021

Financial asset measured at Fair Value	Fair value as at March 31, 2021	Fair Value hierarchy		
		Quoted prices in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)
FVTPL - Unquoted equity instrument	-	-	-	-

There have been no transfers between Level 1 and Level 2 during the year.

The management assessed that cash and cash equivalents, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



## Financial instruments – Fair values

### Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

Credit risk

Liquidity risk and

Market risk

### Risk management framework

The Company's principal financial liabilities comprise of other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations. The Company also holds FVTPL investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

Financial instruments affected by market risk include FVTPL investments.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

### Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. Company's investment in its group company - DHFL Pramarica Life Insurance Company Limited, which is non-listed, is significant. But being the strategic investment, company is not influenced by equity price risk.

### Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities from its other financial instruments.

### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's board of directors. Investments of surplus funds are made only with approval of Board of directors.

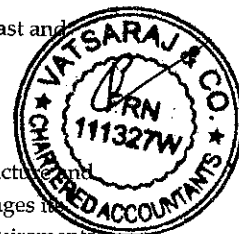
### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.

### Capital Management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2022 and March 31, 2021.



**21 Micro, small and medium enterprises disclosure**

The identification of Micro, Small and Medium enterprises is based on the management's knowledge of their status. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act).

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties

**22 Details of Loans and Investments as required u/s 186(4) of Companies Act, 2013:-**

- Investments made are disclosed under note no. 4.
- Loans and advances in the nature of loans to related parties - Nil
- Guarantees given by the Company in respect of loans as on 31st March 2022 - Nil

**23 Maturity analysis of assets and liabilities**

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

	As on 31-Mar-2022			As on 31-Mar-2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>Financial assets</b>						
Cash and cash equivalents	0.04	-	0.04	0.04	-	0.04
Bank Balances other than cash and cash equivalent	4.47	-	4.47	5.49	-	5.49
<b>Receivables</b>						
(i) Trade receivables	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Investments	-	102,002.25	102,002.25	-	149,167.88	149,167.88
Other Financial assets	-	1.50	1.50	-	1.50	1.50
<b>Sub total</b>	<b>4.51</b>	<b>102,003.75</b>	<b>102,008.26</b>	<b>5.54</b>	<b>149,169.38</b>	<b>149,174.92</b>
<b>Non-financial assets</b>						
Non current Tax assets (Net)	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-
Property, Plant and Equipment	-	-	-	-	-	-
Other Intangible assets	-	-	-	-	-	-
Other Non-financial assets	-	-	-	-	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets</b>	<b>4.51</b>	<b>102,003.75</b>	<b>102,008.26</b>	<b>5.54</b>	<b>149,169.38</b>	<b>149,174.92</b>
<b>LIABILITIES AND EQUITY</b>						
<b>LIABILITIES</b>						
<b>Financial liabilities</b>						
Derivative financial instruments	-	-	-	-	-	-
<b>Payables</b>						
Trade payables	6.59	-	6.59	4.02	-	4.02
Borrowings	-	-	-	-	11.21	11.21
Deposits	-	-	-	-	-	-
Other Financial liabilities	0.25	-	0.25	0.12	-	0.12
<b>Sub total</b>	<b>6.83</b>	<b>-</b>	<b>6.83</b>	<b>4.14</b>	<b>11.21</b>	<b>15.35</b>
<b>Non-Financial liabilities</b>						
Current tax liabilities (Net)	-	-	-	-	-	-
Provisions	-	-	-	-	-	-
Deferred tax liabilities (Net)	-	-	-	-	-	-
Other non-financial liabilities	-	-	-	-	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EQUITY</b>						
Equity Share Capital	-	10,125.00	10,125.00	-	10,125.00	10,125.00
Other equity	-	91,876.42	91,876.42	-	139,034.57	139,034.57
<b>Sub total</b>	<b>-</b>	<b>102,001.42</b>	<b>102,001.42</b>	<b>-</b>	<b>149,159.57</b>	<b>149,159.57</b>
<b>Total Liabilities and equity</b>	<b>6.83</b>	<b>102,001.42</b>	<b>102,008.26</b>	<b>4.14</b>	<b>149,170.77</b>	<b>149,174.92</b>



**24 Ratio as per the Schedule III requirements**

i) Capital to risk-weighted assets ratio (CRAR)- Stock of High Quality Liquid Assets divided by Expected cash outflows for 30 days

Particulars	31-Mar-2022	31-Mar-2021
High Quality Liquid Assets	4.51	5.54
Total net Cashflow amounts	6.83	4.14
Ratio	65.98%	133.62%
% Change from previous period/ year	(102.52%)	

Increase is due to non payment of payables due to shortage of fund

ii) Tier I CRAR

Particulars	31-Mar-2022	31-Mar-2021
Net owned fund	102,001.42	149,159.57
Total risk weighted assets	102,002.25	149,167.88
Ratio	100.00%	99.99%
% Change from previous period/ year	0.00%	

iii) Tier II CRAR

Particulars	31-Mar-2022	31-Mar-2021
Aggregate Tier II Capital	-	-
Total risk weighted assets	-	-
Ratio	0.00%	0.00%
% Change from previous period/ year	0.00%	

iv) Liquidity Coverage Ratio

Particulars	31-Mar-2022	31-Mar-2021
High Quality Liquid Assets	4.51	5.54
Total net Cashflow amounts	6.83	4.14
Ratio	65.98%	133.62%
% Change from previous period/ year	(102.52%)	

Increase is due to non payment of payables due to shortage of fund

**25 Other Statutory information**

- i) The Company does not have any Benami property , where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iii) Details of transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956

Nature of transactions with struck-off Company	Name of Struck off company	Balance outstanding amounts in consideration as on 31 March 2022	Balance outstanding amounts in consideration as on 31 March 2021	Relationship with the Struck off company, if any, to be disclosed
Investment in Securities				Not Applicable
Receivable				Not Applicable
Payables				Not Applicable
Shares held by struck off company				Not Applicable
Other outstanding balance				Not Applicable

iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the period.

v) During the year the Company have not advanced or loaned or invested funds to any other person (s) or entity (ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

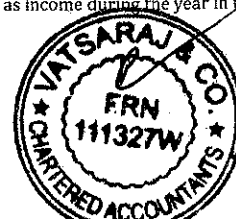
- a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company
- b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vi) During the year the Company have not received any fund from any person (s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding
- b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vii) The Company have not had any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

viii) The Company does not have any owned or Leased immovable property



26 Foreseeable losses

The company does not have any long term contracts

27 Other matters

Information with regard to other matters specified in Schedule III to the Act is either Nil or not applicable to the Company for the year.

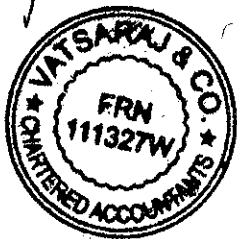
28 Previous year's figures

Figures for the previous year have been regrouped, rearranged and reclassified wherever necessary. Accordingly, amounts and other disclosure for the previous year are included as an integral part of the current year's financial statement and are to be read in relation to the amounts and other disclosures relating to the current year.

For Vatsaraj & Co.  
Chartered Accountants  
ICAI FRN: 111327W

Dr. CA B. K. Vatsaraj  
Partner  
M No.: 039894

Place : Mumbai  
Date: 25/5/2022



For and behalf of the Board of Directors

Mr. Jairam Sridharan  
Director  
DIN : 05165390

Mr. Bipin Singh  
Director  
DIN : 00058068

Mr. Pradeep Bhadauria  
Director  
DIN : 08696317





**Vatsaraj & Co. (Regd.)**

**CHARTERED ACCOUNTANTS**  
**First Floor, Fort Chambers,**  
**C Block, 65 Tamarind Lane,**  
**Fort, Mumbai - 400 023.**  
**Tel No.: +91-22 2265 3931**  
**+91-22 2263 5488**

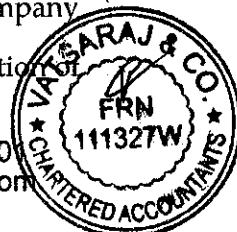
## **INDEPENDENT AUDITOR'S REPORT**

### **To the Board of Directors of DHFL Holdings Limited Report on the Audit of the Special purpose Standalone Ind AS Financial Statements**

We have audited the accompanying special purpose Standalone Ind AS financial statements of DHFL Holdings Limited("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of profit and loss (including Other comprehensive income) for the period April 01 2021 to September 30 2021 and October 01 2021 to March 31 2022, the Statement of Changes in Equity for the period April 01 2021 to March 31 2022, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information(hereinafter referred to as "financial statements"). The financial statements have been prepared by management in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Actread with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

### **Responsibility of Management and those charged with Governance for theFinancial Statements:**

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Actread with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application



appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the information referred to in the Basis for Qualified Opinion section of our report the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and Profit including other comprehensive income for the period April 01 2021 to September 30 2021 and October 01 2021 to March 31 2022, changes in equity for the period April 01 2021 to March 31 2022.

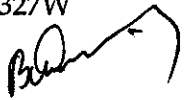
## Basis of Qualified Opinion

*We draw your attention to note no 14 of the Standalone Ind AS Financial Statement wherein the accounts of the company have been prepared on the basis that the company is a going concern. However, in view of having no operations since the inception of the company, the ability of the company to carry on business "as a going concern" is largely dependent upon the future operations, if any and the availability of substantial financial support*

## Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note No. 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Company for consolidation with the holding company. As a result, the financial statements may not be suitable for another purpose.

For Vatsaraj & Co.  
Chartered Accountants  
FRN: 111327W

  
Dr. CA B.K. Vatsaraj  
Partner  
M. No. 039894  
UDIN:



Date: 25<sup>th</sup> May 2022  
Place: Mumbai



**Vatsaraj & Co. (Regd.)**

**CHARTERED ACCOUNTANTS**

**First Floor, Fort Chambers,**

**C Block, 65 Tamarind Lane,**

**Fort, Mumbai - 400 023.**

**Tel No.: +91-22 2265 3931**

**+91-22 2263 5488**

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of DHFL Holdings Limited**

**Report on the Audit of the Standalone Ind AS Financial Statements**

### **Qualified Opinion**

1. We have audited the accompanying Standalone Ind AS financial statements of DHFL Holdings Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the information referred to in the Basis for Qualified Opinion section of our report, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015 (Ind AS) as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Qualified Opinion**

2. We draw your attention to note no 14 of the Standalone Ind AS Financial Statement wherein the accounts of the company have been prepared on the basis that the company is a going concern. However, in view of having no operations since the inception of the company, the ability of the company to carry on business "as a going concern" is largely dependent upon the future operations, if any and the availability of substantial financial support.



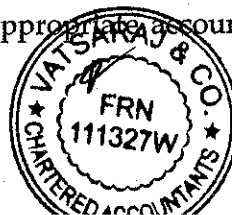
We have conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. However because of the matter described in the basis of disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these standalone financial statement.

### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

3. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the, Board's Report including Annexure to Board's Report and Shareholder's Information, but does not include the Standalone Ind AS Financial Statements and our auditor's report thereon. Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

### **Responsibility of Management for the Standalone Ind AS Financial Statements**

4. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making



judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone IND AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

5. Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



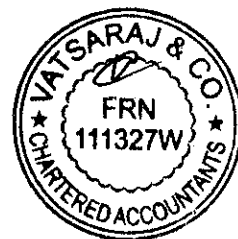
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on Other Legal and Regulatory Requirements**

6. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of sub-section 11 of Section 143 of the Act, we give in the "Annexure A" of this report a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. As Company does not have any subsidiary, joint venture or associate enterprise, consolidated financial statements is not prepared. Hence Paragraph 3(xxi) of Companies (Auditor's Report) Order (CARO) is not applicable.
7. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;



- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) in our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, except for the information referred to in the Basis for Qualified Opinion section of our report;
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
8. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
  - (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from



any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and

(c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend is neither declared nor paid during the year by the company.

9. With respect to the matter to be included in the Auditors' Report under section 197(16):

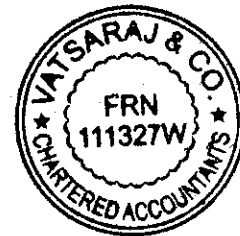
In our opinion and according to the information and explanations given to us, no remuneration is paid by the company to its directors during the current year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Vatsaraj & Co.  
Chartered Accountants  
FRN: 111327W



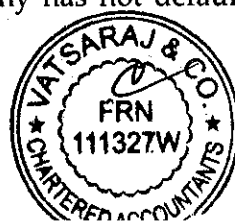
Dr. CA B. K. Vatsaraj  
Partner  
M. No. 039894

Place: Mumbai  
Date: 25<sup>th</sup> May 2022  
UDIN: 22039894AKRURA7607

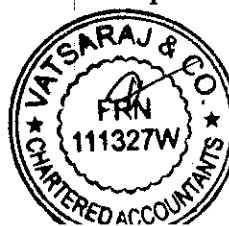


Annexure 'A' to the Independent Auditors' Report on Standalone Ind AS financial statements of DHFL Holdings Limited as on 31<sup>st</sup> March 2022, referred to in paragraph 1 under "Report on Other Legal and Regulatory requirement" section of our report of even date, we report the following:

- (i) The Company does not have any fixed asset. Therefore, Para 3 (i) of the Order is not applicable to the Company
- (ii) The Company does not have and inventories Therefore, Para 3 (ii) of the Order is not applicable to the Company.
- (iii) (a) According to the information and explanation given to us and according to the records of the Company as examined by us, the company has not provided loans or advances in nature of loan or stood guarantee or provided security to any other entity. Therefore, Para 3(iii)(a), (c ), (d), (e) and (f) are not applicable to the Company.  
(b) According to the information and explanation given to us and according to the records of the Company as examined by us, the company has not provided guarantee or given security Therefore, Para 3(iii)(b) is not applicable to the Company.
- (iv) In our opinion and according to the explanations given to us, the Company has not granted any loans, or made any investment or not provided any guarantee and securities; hence compliance of the provisions of Section 185 and 186 of the Act is not applicable.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit. Therefore, Para 3 (v) of the Order is not applicable to the Company
- (vi) Company being in service industry, maintenance of Cost records is not applicable. Therefore, Para 3 (vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
  - (a) According to the information and explanation given to us and according to the records of the Company as examined by us, undisputed statutory dues including provident fund, employees' state insurance, income tax, custom duty, cess, goods and services tax and other material statutory dues have been regularly deposited during the year with the appropriate authorities. No undisputed amounts payable were outstanding as at March 31, 2022 for a period of more than six months from the date on which they become payable.
  - (b) According to the information and explanation given to us and based on the records of the Company examined by us, there are no disputed dues which have not been deposited as on March 31, 2022.
- (viii) According to the information and explanation given to us and based on the records of the Company examined by us, there are no transactions to be recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the information and explanation given to us and based on the records of the Company examined by us, the Company has not defaulted on repayment of any Loan or Interest during the year.



- (b) According to the information and explanation given to us and based on the records of the Company examined by us, Company has not been declared willful defaulter by any bank or financial institution or other lenders.
  - (c) According to the information and explanation given to us and based on the records of the Company examined by us, Company has not taken any term loan.
  - (d) According to the information and explanation given to us and based on the records of the Company examined by us, funds raised on short term basis are utilized for short term purpose only.
  - (e) According to the information and explanation given to us and based on the records of the Company examined by us, Company does not have any Subsidiary, Associates or Joint Venture
  - (f) According to the information and explanation given to us and based on the records of the Company examined by us, No loans were raised during the year by way of pledge of securities, therefore Para 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) According to the information and explanation given to us and based on the records of the Company examined by us, during the year Company has not raised any money by way of initial public offering or other public offering. Therefore, Para 3 (x)(a) of the Order is not applicable to the Company
- (b) According to the information and explanation given to us and based on the records of the Company examined by us, during the year Company has not raised any money by way of preferential allotment or private placement of shares or convertible debentures. Therefore, Para 3 (x)(b) of the Order is not applicable to the Company
- (xi) To the best of our knowledge and belief and according to the information and explanation given to us, no fraud by the Company or any fraud on the Company by its officers/ employees has been noticed or reported, during the year. Therefore, Para 3 (xi) of the Order is not applicable to the Company
- (xii) In our opinion and according to information and explanations given to us, Company is not a Nidhi Company. Therefore, Para 3 (xii) of the Order is not applicable to the Company
- (xiii) According to the information and explanation given to us and based on our verification of the records of the Company and on the basis of review and approval by the Board and Audit Committee, the transactions with related parties are in compliance with Section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and according to information and explanations given to us, the Company does not have an internal audit system and is not required to have an internal audit system as per the provision of the companies act 2013
- (b) The company did not have an internal audit system for the period under audit.



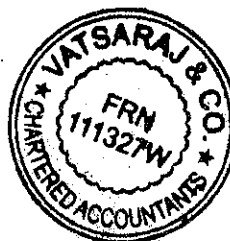
- (xv) According to the information and explanation given to us and based on our verification of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) (a) According to the information and explanation given to us the company is in process of getting itself registered under section 45-IA of Reserve Bank of India Act, 1934.
- (b) According to the information and explanation given to us and based on our verification of the records of the Company, During the year no Non Banking Financial or Housing Finance activities are conducted.
- (c) According to the information and explanation given to us the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanation given to us, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) According to the information and explanation given to us and based on our verification of the records of the Company, Company has incurred cash losses during the Financial year INR 376.71 Hundred and preceding financial year INR 764.72 Hundred
- (xviii) According to the information and explanation given to us and based on our verification of the records of the Company, there are no resignation of the statutory auditor during the year.
- (xix) In our opinion and According to the information and explanation given to us and based on the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Ind AS Financial Statements, the auditor's knowledge of the Board of Directors and management plans, material uncertainty exists as on the date of the audit report that company might not be capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- (xx) According to the information and explanation given to us and based on our verification of the records of the Company, Section 135 of The Companies Act 2013 is not applicable to the Company. Therefore, para 3(xx) of the order is not applicable to the Company.
- (xxi) According to the information and explanation given to us and based on our verification of the records of the Company, Consolidated financial statement is not prepared as there is no subsidiary, joint venture or associate enterprise. Therefore para 3(xxi) of the order is not applicable.

For Vatsaraj & Co.  
Chartered Accountants  
FRN: 111327W



Dr. CA B. K. Vatsaraj  
Partner  
M. No. 039894

Place: Mumbai  
Date: 25<sup>th</sup> May 2022



**ANNEXURE 'B' to Independent Auditors' Report on the Standalone Ind AS Financial Statement of DHFL Holdings Limited, Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act, referred to in paragraph 2(f) under "Report on Other Legal and Regulatory requirement" section of our report of even date.**

We have audited the internal financial controls over financial reporting of DHFL Holdings Limited ("the Company") as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial reporting system with reference to standalone Ind AS financial statement of the Company.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

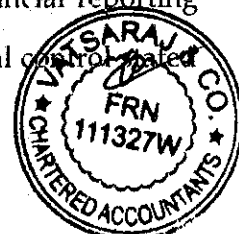
- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Ind AS Financial Statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control over



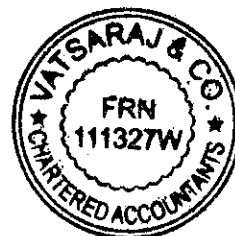
in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Vatsaraj & Co.  
Chartered Accountants  
FRN: 111327W



Dr. CA B. K. Vatsaraj  
Partner  
M. No. 039894

Place: Mumbai  
Date: 25<sup>th</sup> May 2022



**DHFL HOLDINGS LIMITED**  
Balance Sheet as at 31st March, 2022

(₹ Hundred)

Particulars	Note	As at 31.03.22	As at 31.03.21
<b>I Assets</b>			
<b>1 Financial Assets</b>			
(a) Cash and Cash Equivalent	3	111.63	133.16
(b) Bank Balance other than (a) above		-	-
(c) Derivative Financial Instrument		-	-
(d) Receivables		-	-
(I) Trade Receivable		-	-
(II) Other Receivable		-	-
(e) Loans		-	-
(f) Investments		-	-
(g) Other Financial Assets		-	-
<b>2 Non-Financial Assets</b>			
(a) Inventories		-	-
(b) Current Tax Assets (Net)		-	-
(c) Deferred Tax Assets (Net)		-	-
(d) Investment Property		-	-
(e) Biological Assets other than Bearer Plants		-	-
(f) Property Plant and Equipment		-	-
(g) Capital WIP		-	-
(h) Intangible Assets under development		-	-
(i) Goodwill		-	-
(j) Other Intangible Assets		-	-
(k) Other Non Financial Assets (to be specified)		-	-
<b>Total Assets</b>		<b>111.63</b>	<b>133.16</b>
<b>II Liabilities and Equity</b>			
<b>1 Financial Liabilities</b>			
(a) Derivative Financial Instrument		-	-
(b) Payables	4	-	-
(I) Trade Payables		-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(II) Other Payables		-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		761.35	672.39
(c) Debt Securities		-	-
(d) Borrowings (Other than Debt Securities)	5	266.21	-
(e) Deposits		-	-
(f) Subordinated Liabilities		-	-
(g) Other financial liabilities		-	-
<b>2 Non-Financial Liabilities</b>			
(a) Current tax liabilities (Net)		-	-
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-financial liabilities (to be specified)		-	-
<b>3 EQUITY</b>			
(a) Equity Share capital	6	1,000.00	1,000.00
(b) Other Equity	7	(1,915.94)	(1,539.23)
<b>Total Liabilities and Equity</b>		<b>111.63</b>	<b>133.16</b>
<b>Significant accounting policies</b>	2		

As per our report of even date

For Vatsaraj & Co.

Chartered Accountants

ICAI FRN: 111327W

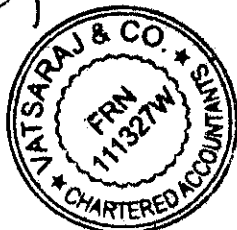
Dr. CA B. K. Vatsaraj

Partner

M No.: 39894

Place: Mumbai

Date: 25th May, 2022



For and behalf of the Board of Directors

Mr. Pradeep Sawant  
Director  
DIN : 08957171

Mr. Bipin Singh  
Director  
DIN : 00058068

**DHFL HOLDINGS LIMITED**  
**Profit & loss account for the year ended 31st March, 2022**

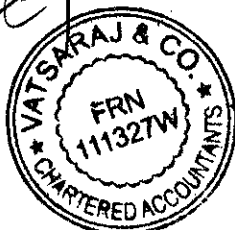
(₹ Hundred)

	Particulars	Notes	For the year ended 31.03.2022	For the year ended 31.03.2021
	<b>Revenue from operations</b>			
(i)	Interest Income		-	-
(ii)	Dividend Income		-	-
(iii)	Rental Income		-	-
(iv)	Fees and Commission Income		-	-
(v)	Net gain on fair value changes		-	-
(vi)	Net gain on derecognition of financial instruments under amortised cost category		-	-
(vii)	Sale of products(including Excise Duty)		-	-
(viii)	Sale of services		-	-
(ix)	Others (to be specified)		-	-
(I)	<b>Total Revenue from operations</b>		-	-
(II)	Other Income (to be specified)		-	-
(III)	<b>Total Income (I+II)</b>		-	-
	<b>Expenses</b>			
(i)	Finance Costs		16.21	-
(ii)	Fees and commission expense		-	-
(iii)	Net loss on fair value changes		-	-
(iv)	Net loss on derecognition of financial instruments under amortised cost category		-	-
(v)	Impairment on financial instruments		-	-
(vi)	Cost of materials consumed		-	-
(vii)	Purchases of Stock-in-trade		-	-
(viii)	Changes in Inventories of finished goods, stock-in-trade and work-in-progress		-	-
(ix)	Employee Benefits Expenses		-	-
(ix)	Depreciation, amortization and impairment		-	-
(x)	Others expenses (to be specified)	8	360.50	764.72
(IV)	<b>Total Expenses (IV)</b>		376.71	764.72
(V)	Profit / (loss) before exceptional items and tax (III - IV)		(376.71)	(764.72)
(VI)	Exceptional items		-	-
(VII)	Profit/(loss) before tax (V - VI)		(376.71)	(764.72)
(VIII)	Tax Expenses		-	-
	(a) Current Tax		-	-
	(b) Deferred Tax		-	-
(IX)	Profit / (loss) for the period from continuing operations(VII - VIII)		(376.71)	(764.72)
(X)	Profit/(loss) from discontinued operations		-	-
(XI)	Tax Expense of discontinued operations		-	-
(XII)	Profit/(loss) from discontinued operations(After tax) (X - XI)		-	-
(XIII)	Profit/(loss) for the period (IX+XII)		(376.71)	(764.72)
(XIV)	<b>Other Comprehensive Income</b>			
	(A)			
	(i) Items that will not be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	<b>Subtotal (A)</b>		-	-
	(B)			
	(i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	<b>Subtotal (B)</b>		-	-
	<b>Other Comprehensive Income (A + B)</b>		-	-
(XV)	<b>Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)</b>		(376.71)	(764.72)
	Paid-up Equity Share Capital (Face value ₹ 10)		1,000.00	1,000.00
(XVI)	<b>Earnings per equity share (for continuing operations)</b>			
	Basic (₹)		(3.77)	(7.65)
	Diluted (₹)		(3.77)	(7.65)
(XVII)	<b>Earnings per equity share (for discontinued operations)</b>			
	Basic (₹)		-	-
	Diluted (₹)		-	-
(XVIII)	<b>Earnings per equity share (for continuing and discontinued operations)</b>	9		
	Basic (₹)		(3.77)	(7.65)
	Diluted (₹)		(3.77)	(7.65)

See accompanying notes to the financial statements

For Vatsaraj & Co.  
Chartered Accountants  
ICAI FRN: 111327W

Dr. CA B. K. Vatsaraj  
Partner  
M No.: 39894  
Place: Mumbai  
Date: 25th May, 2022



For and behalf of the Board of Directors

Mr. Pradeep Sawant  
Director  
DIN : 08957171

Mr. Bipin Singh  
Director  
DIN : 00058068

**DHFL HOLDINGS LIMITED**  
**Cash Flow Statement for the Year Ended 31st March 2022**

(₹ Hundred)

	For the year ended 31.03.2022		For the year ended 31.03.2021	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit/(Loss) Before Tax		(376.71)		(764.72)
Adjustments for:				
Interest Paid		16.21		
Operating Profit before Working capital changes		(360.50)		(764.72)
<b>Changes in Working capital</b>				
Other Financial Liabilities	88.96		572.39	
Other Financial Assets			-	
Working Capital changes		88.96		572.39
Cash generated from operations during the year		(271.54)		(192.33)
<b>Net Cash From Operating Activities</b>		<b>(271.54)</b>		<b>(192.33)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Current Investments not considered as Cash or cash equivalents				
Investments in Equity Shares		-		-
<b>Net Cash used in Investing Activities</b>		<b>-</b>		<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest Paid				
Loan received/(paid) from Holding Company	250.00	250.00	-	-
<b>Net Cash generated From / (Used In) Financing Activities</b>		<b>250.00</b>		<b>-</b>
Net Increase/ (Decrease) in Cash Equivalents		(21.54)		(192.33)
Cash and Cash Equivalents at the beginning of the year		133.16		325.49
Cash and Cash Equivalents at the close of the year		<b>111.63</b>		<b>133.16</b>

This is the Cash Flow referred to in our Report of even date.  
Negative Figure (-) represents Cash Outflow.

For Vatsaraj & Co.

Chartered Accountants

ICAI FRN: 111327W

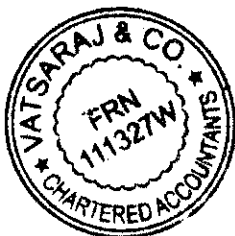
Dr. CA B. K. Vatsaraj

Partner

M No.: 39894

Place: Mumbai

Date: 25th May, 2022



For and behalf of the Board of Directors

Mr. Pradeep Sawant

Director

DIN : 08957171

Mr. Bipin Singh

Director

DIN : 08058068

# DHFL HOLDINGS LIMITED

## Statement of Changes in Equity for the Period ended 31st March '22

### A Equity Share Capital Current Period

(₹ Hundred)

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of reporting period
10,000 Equity Shares of ₹ 10/- each fully paid up					
AS at 31st March 2021	1,000.00	-	-	-	1,000.00
AS at 31st March 2022	1,000.00	-	-	-	1,000.00

### B Other Equity

(₹ Hundred)

Reserves & Surplus			
Particulars	Retained Earnings	Other Comprehensive Income	Total
As at 1st April'20	(774.51)	-	(774.51)
Profit/(Loss) for the Year Ended	(764.72)	-	(764.72)
As at 31st March'21	(1,539.23)	-	(1,539.23)
As at 1st April'21	(1,539.23)	-	(1,539.23)
Profit/(Loss) for the Year Ended	(376.71)	-	(376.71)
As at 31st March'22	(1,915.94)	-	(1,915.94)

As per our report of even date

For Vatsaraj & Co.

Chartered Accountants

ICAI FRN: 111327W

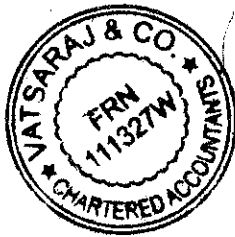
Dr. CA B. K. Vatsaraj

Partner

M No.: 39894

Place: Mumbai

Date: 25th May, 2022



For and behalf of the Board of Directors

Mr. Pradeep Sawant

Director

DIN : 08957171

Mr. Bipin Singh

Director

DIN : 00058068



## DHFL HOLDINGS LIMITED

Significant Accounting Policies and Explanatory Information forming part of the Financial Statements for the Period ended 31st March, 2022

### 1 CORPORATE INFORMATION

DHFL Holdings Ltd.(DHL) is wholly owned subsidiary company of Dewan Housing finance Corporation Limited and has been incorporated on 28th September 2018 under the provisions of Companies Act, 2013. DHL has been incorporated to carry on the business/businesses of holding and Investment Company, to buy, underwrite, invest in, acquire, hold, deal in and trade in shares, stocks, debentures, debenture-stock, bonds, obligations and securities of any kind of companies or partnership firms or body corporate, whether in India or elsewhere in accordance with the Reserve Bank of India Act, 1934 and other applicable statutory and legal provisions. DHL has registered office in Mumbai.

### 2 SIGNIFICANT ACCOUNTING POLICIES:

#### 2.1 Basis of preparation of financial statements :

- a) The Company has adopted Ind AS standards effective from date of incorporation. All applicable Ind AS have been applied consistently wherever required.
- b) The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.
- c) These financial statements have been prepared on a going concern basis. The Company is in the process of raising funds by way of equity and borrowings from holding Company
- d) The preparation of financial statements requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.
- e) Amounts in the financial statements are presented in ₹, unless otherwise stated.
- f) Based on the nature of its activities, the company has determined its operating cycle as 12 months for the purpose of classification of its Assets and Liabilities as current and non-current.

#### 2.2 Revenue Recognition :

##### Dividend Income

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

##### Other Income

Revenue is recognised when there is reasonable certainty as to measurement and ultimate realization of the same.

#### 2.3 Financial Instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

##### (i) Financial Asset:

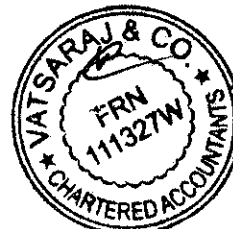
###### Initial recognition and measurement :

All financial instruments are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through the statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

**Subsequent measurement :** For the purpose of subsequent measurement financial assets are classified as measured at: • Amortised cost • Fair value through profit and loss (FVTPL) • Fair value through other comprehensive income (FVTOCI).

**Financial assets at fair value through profit or loss (FVTPL) :** Financial asset are measured at fair value through profit and loss if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the statement of profit and loss.

**Equity Instruments :** All investments in equity instruments classified under financial assets are initially measured at fair value, the group may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL.



## 2.4 Financial Liability

### Initial recognition and measurement :

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

### Subsequent measurement :

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

**Financial liabilities at amortized cost:** Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount. The company is classifying the following under amortized cost. (1) Borrowings from banks (2) Borrowings from others (3) Trade payables (4) Other financial liabilities.

**Derecognition:** A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

## 2.5 Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks and on hand, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## 2.6 Impairment of Assets :

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less cost of disposals and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Fair value is the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Impairment losses are recognised in the Statement of Profit and Loss in expense categories.

## 2.7 Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

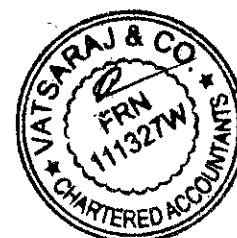
## 2.8 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the balance sheet dates. The effect on the deferred tax assets and liabilities of a change in tax rate is recognized in the period that includes the enactment date. Deferred tax assets are recognized only to the extent there is virtual certainty of realization in future.

## 2.9 Provisions, Contingent Liability and Contingent Assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are disclosed where an inflow of economic benefits is probable.



6 Equity Share capital

Particulars	(₹ Hundred)				
	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of reporting period
Authorised 1,00,000 Equity Shares of ₹ 10/- each	10,000.00	-	-	-	10,000.00
Issued, Subscribed and Paid up 10,000 Equity Shares of ₹ 10/- each fully paid up	10,000.00	-	-	-	10,000.00
	10,000.00	-	-	-	10,000.00

The Company at present has one class of issued, subscribed and paid up share referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share. The Company has not declared or paid any dividend.

Particulars	(₹ Hundred)			
	As at 31.03.2022		As at 31.03.2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares at the beginning	10,000.00	1,000.00	10,000.00	1,000.00
Add: Shares issued during the year	-	-	-	-
Equity shares at the end	10,000.00	1,000.00	10,000.00	1,000.00

Details of shareholders holding more than five percent equity shares in the Company and by the Promoters are as under:

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of shares	% holding	No. of shares	% holding
Piramal Capital & Housing Finance Limited (Formerly Dewan Housing Finance Corporation Ltd.) (Holding Company)	10,000	100.00	10,000	100.00
Total	10,000	100.00	10,000	100.00

7 Other Equity

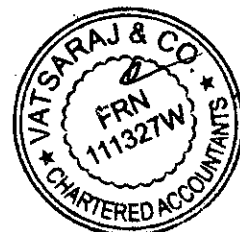
Refer to the statement of changes in equity for movement in Other equity.

8 Other Expenses

Particulars	(₹ Hundred)	
	For the year ended 31.03.22	For the year ended 31.03.21
(a) Auditor's Remuneration	100.00	100.00
(b) Bank Charges	21.54	54.22
(c) Filing Fees	32.00	252.00
(d) Professional fees	157.50	291.00
(e) GST Expenses	46.35	67.50
(f) Miscellaneous Expenses	3.11	-
Total Other expenses	360.50	764.72

9 Earning Per Share

Particulars	(₹ Hundred)	
	For the year ended 31.03.2022	For the year ended 31.03.2021
Profit/(Loss) after tax as per statement of profit and loss	(376.71)	(764.72)
Net Profit attributable to equity shareholders	(376.71)	(764.72)
No. of Equity shares (Number)	10,000.00	10,000.00
Weighted Average No. of Equity Shares	10,000.00	10,000.00
Nominal value of Equity Shares (₹)	10	10
Earning Per Share (₹) :		
Basic	(3.77)	(7.65)
Diluted	(3.77)	(7.65)



10 **Related parties transactions**

As per Indian Accounting Standard (Ind AS 24) on "Related Party Disclosures" details of transactions with related parties as defined therein are given below:

A) List of related parties with whom transactions have taken place during the year:

1) **COMPANIES**

(i) **Holding Company**

(a) Piramal Capital & Housing Finance Limited ( Formerly Dewan Housing Finance Corporation Limited)

(ii) **KEY MANAGEMENT PERSONNEL, DIRECTOR**

(a ) Mr. Pradeep Atmaram Sawant, Director (wef, 11.11.2020)

(b) Mr. Bipin Singh, Director (wef 08.11.2021)

(iii) **Enterprises over which KMP are able to exercise significant influence**

(a) DHFL Advisory & Investments Private Limited

(b) DHFL Changing Lives Foundation

(c) Piramal Consumer Products Private Limited

(d) PEL Finhold Private Limited

(e) Viridis Power Managers Private Limited

(f) Piramal Systems & Technologies Private Limited

(g) Piramal Investment Advisory Services Private Limited

(h) Providian Technology Services Private Limited (under liquidation)

B) Details of transactions during the Period ended 31st March, 2022

Details of Transactions	(₹ Hundred)	
	Associates	
	For the year ended 31.03.2022	For the year ended 31.03.2021
Interest on loan	16.21	-
Other Payable	250.00	-
Outstanding balance as on 31.3.2022	266.21	-

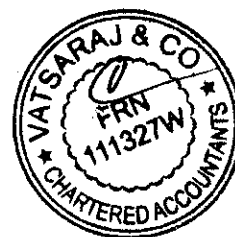
11 **Audit Fees**

Particulars	(₹ Hundred)	
	As at 31.03.2022	As at 31.03.2021
Audit Fees	100.00	100.00
<b>Total Audit Fees</b>	<b>100.00</b>	<b>100.00</b>

12 Deferred Tax Assets not recognised as a matter of prudence.

13 Contingent Liability : NIL

14 The Board of Directors is in the process of exploring business opportunities, evaluating proposals to revive business of the Company. The Company plans to raise funds by way of equity and borrowings from the holding Company. In the meantime, company intends to carry out the activity of investment in shares and securities in accordance with the Reserve Bank of India Act, 1934 and other applicable laws. Hence, the financial statements are prepared on a going concern basis



**Note: 15**

**FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT**

**A Accounting classification**

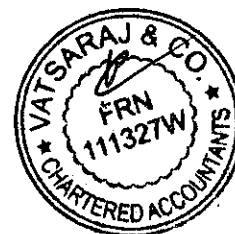
The carrying value of financial instruments by categories are as follows:

(₹ Hundred)

Particulars	March 31, 2022			March 31, 2021		
	At carrying Value	Fair Value through profit or loss	Amortised Cost	At carrying Value	Fair Value through profit or loss	Amortised Cost
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	-	-	-
Others	111.63	-	-	133.16	-	-
<b>Investments:</b>						
Investment in associates / joint ventures	-	-	-	-	-	-
	111.63	-	-	133.16	-	-
<b>Financial liabilities</b>						
Borrowings	266.21	-	-	-	-	-
Trade Payable	761.35	-	-	672.39	-	-
Other financial liability	-	-	-	-	-	-
	1,027.56	-	-	672.39	-	-

There have been no transfers between Level 1 and Level 2 during the year.

The management assessed that cash and cash equivalents, trade receivables, trade payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



## FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

### Note 15 Cont'd

#### B Measurement of fair values

##### Valuation techniques and significant unobservable inputs

The Company uses the following hierarchy for determining and disclosing the fair value of financial

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair

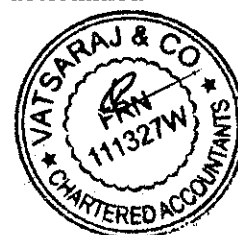
##### Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Unquoted equity shares	The Investments measured at fair value and falling under fair value hierarchy	Not applicable	Not applicable
Unquoted debentures	The Investment made in unquoted	Not applicable	Not applicable
Mutual Funds	The Fair values of investments in Mutual	Not applicable	Not applicable

##### The following methods and assumptions were used to estimate the fair value

Fair value of cash and cash equivalents, bank balances other than cash and cash equivalent, trade

The fair value of the financial instruments that are not traded in an active market is determined



**Note 15 Cont'd**

**Financial instruments – Fair values**

**C Financial Risk Management**

The Company has exposure to the following risks arising from financial instruments:

Credit risk

Liquidity risk and

Market risk

**Risk management framework**

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations. The Company also holds FVTPL investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**1 Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

Financial instruments affected by market risk include FVTPL investments.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

**2 Equity price risk**

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. Company's investment in its group company - DHFL Pramarica Life Insurance Company Limited, which is non-listed, is significant. But being the strategic investment, company is not influenced by equity price risk

**Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities from its other financial instruments

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's board of directors. Investments of surplus funds are made only with approval of Board of directors.

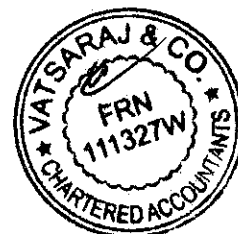
**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities

**Capital Management**

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2022 and March 31, 2021.



16 **Micro, small and medium enterprises disclosure**

The identification of Micro, Small and Medium enterprises is based on the management's knowledge of their status. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act).

Particulars	As on 31-Mar-2022	As on 31-Mar-2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi) The amount of further interest due and payable even	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

17 **Details of Loans and Investments as required u/s 186(4) of Companies Act, 2013:-**

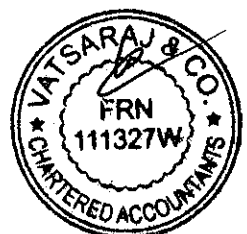
- Loans and advances in the nature of loans to related parties - Nil
- Guarantees given by the Company in respect of loans as on 31st Mar 2022 - Nil

18 Vide Order dated June 7, 2021, the Mumbai bench of the Hon'ble National Company Law Tribunal ("NCLT") approved the Resolution Plan submitted by Piramal Capital & Housing Finance Limited ("PCHFL") for the Corporate Insolvency resolution process of Dewan Housing Finance Corporation Limited ("DHFL") under Section 31 of the Insolvency and Bankruptcy Code, 2016. Pursuant to the Resolution Plan, PCHFL has obtained control over DHFL and its subsidiaries by virtue of holding 100% shareholding and subsequently, PCHFL merged into DHFL to conclude acquisition on September 30, 2021 (Implementation Date). The Resolution Plan was filed with the respective Registrar of Companies on September 30, 2021 giving effect to the said merger.

19 **Maturity analysis of assets and liabilities**

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

	As on 31-Mar-2022			As on 31-Mar-2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	-	-	-
Bank Balances other than cash and cash equivalent	111.63	-	111.63	133.16	-	133.16
<b>Receivables</b>						
(i) Trade receivables	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Other Financial assets	-	-	-	-	-	-
<b>Sub total</b>	<b>111.63</b>	<b>-</b>	<b>111.63</b>	<b>133.16</b>	<b>-</b>	<b>133.16</b>
<b>Non-financial assets</b>						
Non current Tax assets (Net)	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-
Property, Plant and Equipment	-	-	-	-	-	-
Other Intangible assets	-	-	-	-	-	-
Other Non-financial assets	-	-	-	-	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets</b>	<b>111.63</b>	<b>-</b>	<b>111.63</b>	<b>133.16</b>	<b>-</b>	<b>133.16</b>
<b>LIABILITIES AND EQUITY</b>						
<b>LIABILITIES</b>						
<b>Financial liabilities</b>						
Derivative financial instruments	-	-	-	-	-	-
<b>Payables</b>						
Trade payables	761.35	-	761.35	672.39	-	672.39
Borrowings	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-
Other Financial liabilities	266.21	-	266.21	-	-	-
<b>Sub total</b>	<b>1,027.56</b>	<b>-</b>	<b>1,027.56</b>	<b>672.39</b>	<b>-</b>	<b>672.39</b>
<b>Non-Financial liabilities</b>						
Current tax liabilities (Net)	-	-	-	-	-	-
Provisions	-	-	-	-	-	-
Deferred tax liabilities (Net)	-	-	-	-	-	-
Other non-financial liabilities	-	-	-	-	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EQUITY</b>						
Equity Share Capital	-	1,000.00	1,000.00	-	1,000.00	1,000.00
Other equity	-	(1,915.94)	(1,915.94)	-	(1,539.23)	(1,539.23)
<b>Sub total</b>	<b>-</b>	<b>(915.94)</b>	<b>(915.94)</b>	<b>-</b>	<b>(539.23)</b>	<b>(539.23)</b>
<b>Total Liabilities and equity</b>	<b>1,027.56</b>	<b>(915.94)</b>	<b>111.63</b>	<b>672.39</b>	<b>(539.23)</b>	<b>133.16</b>



## 20 Ratio as Per the Schedule III requirements

- i) Capital to risk-weighted assets ratio (CRAR)- Stock of High Quality Liquid Assets divided by Expected cash outflows for 30 days

Particulars	31-Mar-2022	31 March 2021
High Quality Liquid Assets	111.63	133.16
Total net Cashflow amounts	1,027.56	672.39
Ratio	11%	20%
% Change from previous period/ year	(82.30%)	

- ii) Tier I CRAR

Particulars	31-Mar-2022	31-Mar-2021
Net owned fund	(915.94)	(539.23)
Total risk weighted assets	-	-
Ratio	0.00%	0.00%
% Change from previous period/ year	0.00%	

- iii) Tier II CRAR

Particulars	31-Mar-2022	31-Mar-2021
Aggregate Tier II Capital	-	-
Total risk weighted assets	-	-
Ratio	0.00%	0.00%
% Change from previous period/ year	0.00%	

- iv) Liquidity Coverage Ratio

Particulars	31-Mar-2022	31-Mar-2021
High Quality Liquid Assets	111.63	133.16
Total net Cashflow amounts for next 30 days	909.56	554.39
Ratio	12.27%	24.02%
% Change from previous period/ year	(95.72%)	

## 21 Other Statutory information

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iii) Details of transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 are as follows:

Nature of transactions with struck-off Company	Name of Struck off company	Balance outstanding amounts in consideration as on 31 March 2022	Balance outstanding amounts in consideration as on 31 March 2021	Relationship with the Struck off company, if any, to be disclosed
Investment in Securities		-	-	Not Applicable
Receivable		-	-	Not Applicable
Payables		-	-	Not Applicable
Shares held by struck-off company		-	-	Not Applicable
Other outstanding balance		-	-	Not Applicable

- iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the period.
- v) The Company have not advanced or loaned or invested funds to any other person (s) or entity (ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
- b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi) The Company have not received any fund from any person (s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
- a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
- b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii) The Company have not had any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii) The Title deeds for all the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

## 22 Foreseeable losses

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year-end, the Company has reviewed all such contracts and confirmed that no provision is required to be created under any law / accounting standard towards any foreseeable loss.

## 23 Other matters

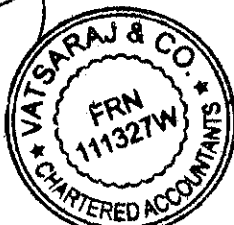
Information with regard to other matters specified in Schedule III to the Act is either Nil or not applicable to the Company for the year.

## 24 Previous year's figures

The previous year's figures have been regrouped and reclassified.

For Vatsaraj & Co.  
Chartered Accountants  
ICAI FRN: 111327W

Dr. CA B. K. Vatsaraj  
Partner  
M No.: 39894  
Place: Mumbai  
Date: 23th May, 2022



For and behalf of the Board of Directors

Mr. Pradeep Sawant  
Director  
DIN : 08957171

Mr. Bipin Singh  
Director  
DIN : 00058068

