



Date: August 12, 2022

BSE Limited

1st Floor, New Trading Ring
P.J. Towers, Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited

Exchange Plaza, Plot no. C/1, G Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai - 400 051

Sub: Submission of Unaudited Financial Results of Dhani Loans and Services Limited (‘the Company’), for the quarter ended June 30, 2022 and outcome of Board Meeting

Dear Sirs,

Pursuant to applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**Listing Regulations**”), we enclose the Unaudited Financial Results of the Company along with additional financial information required under SEBI LODR, for the quarter ended June 30, 2022, approved by the Board of Directors of the Company at its meeting held today i.e. August 12, 2022, which commenced at 5:00 P.M. and concluded at 5:40 P.M.

We also submit herewith Limited Review Report dated August 12, 2022, issued by the Statutory Auditors of the Company, on the unaudited financial results of the Company, for the quarter ended June 30, 2022, which was duly placed before the Board at the aforesaid meeting.

Further, the Board has also approved issuance of unsecured and/or secured, listed and/or unlisted, redeemable non-convertible debentures, in one or more tranches for an aggregate amount up to INR 2,500 crores, on private placement or public issue basis or otherwise and to seek an enabling approval from its shareholders, for such issuance.

We request you to take the above information on record.

Thank you,

Yours truly,

For Dhani Loans and Services Limited

Manish Rustagi
Company Secretary

Enclosure: as above

Hem Sandeep & Co.

Chartered Accountants

Independent Auditor’s Review Report on unaudited standalone financial results of Dhani Loans and Services Limited (formerly Indiabulls Consumer Finance Limited) for the quarter ended June 30, 2022 pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**To The Board of Directors of
Dhani Loans and Services Limited
(formerly Indiabulls Consumer Finance Limited)
New Delhi**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Dhani Loans and Services Limited (formerly Indiabulls Consumer Finance Limited) (“the Company”) for the quarter ended June 30, 2022 (“the Statement”) attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“Listing Regulations”). This Statement, which is the responsibility of the Company’s Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder, the circulars, guidelines and directions issued by the Reserve Bank of India from time to time (“RBI Guidelines”) and other accounting principles generally accepted in India and in compliance with the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410-‘Review of Interim Financial Information Performed by the Independent Auditor of the Entity’, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit, conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We do not express an audit opinion.
3. *Based on our review conducted as stated above in paragraph 2 above, except for the effects of the matter described in the Basis for Qualified Opinion in paragraph 4 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in aforesaid Indian Accounting Standards, RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.*



Basis for Qualified Opinion

4. *As more fully explained in Note 6 to the accompanying Statement, the Company has utilised/ applied an amount of Rs. 72,961.20 lakhs (net of deferred tax) from the outstanding balance in the securities premium account for creating a provision for impairment losses on financial instruments instead of debiting the same to the Standalone Statement of Profit and Loss, which is not in strict accordance with the applicable Indian Accounting Standards and other applicable regulations. Consequently, the Company's the profit after tax and total comprehensive income for the quarter ended June 30, 2022 are overstated by the aforesaid amount. There is no resultant impact on the carrying value of the total equity, assets and liabilities of the Company.*

Emphasis of Matter

5. We draw attention to Note 4 to the Statement, which describes the effects of uncertainties relating to the COVID – 19 pandemic outbreak on the Company's operations, that are dependent upon future developments, and the impact thereof on the Company's estimates of impairment of loans to customers outstanding as at June 30, 2022 and that such estimates may be affected by the severity and duration of the pandemic and the actual credit loss could be different than that estimated as of the date of these Un-audited financial results. Our conclusion is not modified in respect of this matter.

Other Matters

6. The comparative financial information of the Company for the corresponding quarter ended June 30, 2021, included in the Statement have not been audited or reviewed by us and have been included in the Statement solely based on the information provided by the Management of the Company. Our conclusion is not modified in respect of this matter.
7. As described in Note 5 of the accompanying Statement, the figures for the quarter ended March 31, 2022 are the balancing figures between reviewed figures in respect of the nine months ended December 31, 2021 and the audited figures for the year ended March 31, 2022.

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

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AJAY SARDANA AJAY
Date: 2022.08.12
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Ajay Sardana
Partner
Membership No. 089011
New Delhi, August 12, 2022
UDIN: 22089011AOWKHU6007

dhaniLoans & Services

Dhani Loans and Services Limited
(Formerly known as Indiabulls Consumer Finance Limited)
(CIN: U74899DL1994PLC062407)

Statement of Unaudited Standalone Financial Results for the quarter ended 30 June 2022

(Amount in ₹ Lakhs)

Statement of Unaudited Standalone Financial Results for the quarter ended 30 June 2022

	Particulars	For the quarter ended			For the year ended
		30 June 2022	31 March 2022	30 June 2021	31 March 2022
		(Unaudited)	(Refer Note 5)	(Unaudited)	(Audited)
I	Income from operations				
(i)	Interest Income	4,401.39	13,975.09	7,169.98	41,386.63
(ii)	Fees and commission income	11,615.88	8,580.13	2,599.35	37,914.35
(iii)	Net gain on fair value changes	654.68	176.00	920.86	1,804.22
(iv)	Net gain on derecognition of financial assets	-	124.18	-	124.18
	Total income from operations	16,671.95	22,855.40	10,690.19	81,229.38
II	Other income	2,466.03	1,007.81	229.66	3,181.50
III	Total income (I+II)	19,137.98	23,863.21	10,919.85	84,410.88
IV	Expenses				
(i)	Finance costs	4,462.26	4,709.57	7,256.17	22,606.32
(ii)	Fee and Commission	-	486.01	-	486.01
(iii)	Impairment on financial Instruments	(1,432.85)	2,653.06	13,396.05	26,512.62
(iv)	Employee Benefits expense	3,239.23	3,931.70	11,255.44	28,082.14
(v)	Depreciation, Amortization and Impairment	1,783.00	1,741.78	1,277.20	6,004.97
(vi)	Other expenses	5,357.78	7,851.32	6,339.00	25,576.61
	Total expenses (IV)	13,409.42	21,373.44	39,523.86	1,09,268.67
V	Profit/(Loss) before Exceptional items and tax (III-IV)	5,728.56	2,489.77	(28,604.01)	(24,857.79)
VI	Exceptional Items	-	-	-	-
VII	Profit/(Loss) before Tax (V-VI)	5,728.56	2,489.77	(28,604.01)	(24,857.79)
VIII	Tax expense:				
a)	Current tax	-	-	-	-
b)	Deferred tax (credit)/charge	1,099.11	473.58	(7,394.89)	(6,430.14)
	Net tax expense (VIII)	1,099.11	473.58	(7,394.89)	(6,430.14)
IX	Profit/(Loss) for the period/year after tax (VII-VIII)	4,629.45	2,016.19	(21,209.12)	(18,427.65)



		(Amount in ₹ Lakhs)			
Particulars	For the quarter ended			For the year ended	
	30 June 2022	31 March 2022	30 June 2021	31 March 2022	
	(Unaudited)	(Refer Note 5)	(Unaudited)	(Audited)	
X Other comprehensive income					
(A) (i) Items that will not be reclassified to Statement of Profit and Loss	-	90.98	-	169.67	
(ii) Income tax relating to items that will not be reclassified to statement of Profit or Loss	-	(22.90)	-	(42.70)	
(B) (i) Items that will be reclassified to statement of Profit and Loss	(28.29)	40.29	(573.00)	(673.71)	
(ii) Income tax relating to items that will be reclassified to statement of Profit and Loss	7.12	(10.14)	144.21	169.56	
Total other comprehensive income (X)	(21.17)	98.23	(428.79)	(377.18)	
XI Total comprehensive income for the period/year (IX+X)	4,608.28	2,114.42	(21,637.91)	(18,804.83)	
XII Paid-up equity share capital (face value of ₹ 10 each per equity share)	6,118.80	6,118.80	6,118.80	6,118.80	
XIII Other equity as per Audited Balance Sheet				3,95,147.15	
XIV (Loss)/earning per share (EPS) (face value of ₹ 10 each per equity share)					
* (EPS for the Quarters not annualised)					
- Basic (amount in ₹)	7.57*	3.30*	(34.66)*	(30.12)	
- Diluted (amount in ₹)	7.57*	2.92*	(34.66)*	(30.12)	

Notes to the Unaudited Standalone Financial Results:

- These unaudited standalone financial results of Dhani Loans and Services Limited (DLSL, 'the Company') (formerly known as Indiabulls Consumer Finance Limited) for the quarter ended 30 June 2022 have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors of the company at their respective meetings held on 12 August 2022. The financial results have been subjected to a limited review by the statutory auditors of the Company. The comparative financial results of the Company of the quarter ended 30 June 2021 are presented by the management of the Company.
- The financial results of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended. Accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles prescribed under section 133 of the Companies Act 2013 ('the Act'), and other recognized accounting practices generally accepted in India, in compliance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to circular SEBI/HO/DDHS/CIR/2021/0000000637 dated 5th October 2021. These financial results have been prepared in the format prescribed under the notified schedule III of the Companies Act, 2013 for Non-Banking Financial Companies issued by Ministry of Corporate Affairs (MCA) on 11th October 2018, as amended, and on the basis of Ind-AS that are applicable to the Company based on the MCA Notification GSR 111(E) and GSR 365(E) dated 16th February 2015 and 31st March 2016 respectively.
- The Chief Operating Decision Maker ("CODM") reviews operations and makes allocation of resources at the Company level. Therefore, operations of the Company fall under "finance and allied activities" business only, which is considered to be the only reportable segment in accordance with the provision of Ind AS 108 - "Operating Segment".



4 India is emerging from the COVID-19 virus, a global pandemic that affected the world economy over the last two years. The extent to which any new wave of COVID-19 will impact the Company's results will depend on ongoing as well as future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic, and any action to contain its spread or mitigate its impact whether government-mandated or elected by us. The Company has recognized provisions as on 30 June 2022 towards its loan assets, based on the information available at this point of time, in accordance with the expected credit loss method. The Company believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of financial results. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor any material changes to future economic condition. The Company's capital and liquidity position remains sufficient and would continue to be the focus area for the Company; accordingly, the Company does not expect a stress on its liquidity situation in the immediate future.

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

5 The figures for the quarter ended 31 March 2022 are the balancing figures between the audited figures for the year ended 31 March 2022 and the un-audited figures for the nine-months ended 31 December 2021.

6 During the current quarter ended June 30, 2022, the Company has utilised/ applied an amount of Rs. 72,961.20 lakhs (net of deferred tax) from the outstanding balance in the securities premium account for creating a provision for impairment losses on financial instruments, instead of debiting the same to the Standalone Statement of Profit and Loss, which is not in strict accordance with the applicable provisions of Indian Accounting Standards and other applicable regulations. The Reserve Bank of India had issued a communication to the industry dated June 20, 2022 which impacts one of the Company's products/services offered to its customers. Consequently, the Company, on a conservative basis, has created the above mentioned provision in respect of any future, unanticipated losses which may arise on account of the impact of the above RBI communication.

7 The Indian Parliament has approved the Code on Social Security 2020 which would impact the contributions by the Company towards Provident Funds and Gratuity. The Ministry of Labour and Employment has released draft rules for the code on Social Security, 2020 on 13th November 2020 and has invited suggestions from stakeholders which are under active considerations by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial results in the period in which, the code becomes effective and the related rules to determine the financial impact are published.

8 Non-convertible debentures issued by the Company are secured by way of first ranking pari passu charge on the current assets (including investments) of the Company, both present and future; and on present and future loan assets of the Company, including all monies receivable for the principal amount and interest thereunder to the extent as stated in the respective information memorandum/offering documents/prospectus. Further, the Company has maintained security cover as stated in the respective information memorandum/offering documents/prospectus.

9 Pursuant to the RBI circular dated 12th November 2021 -"Prudential norms on Income Recognition, Assets Classification and Provisioning Pertaining to Advances- Classifications", the Company has complied with the norms with regard to classification/reclassification of loan assets.

10 During the quarter ended 30 June 2022, the Bond Issue Committee of the Board of Directors of the Company in its meeting held on 17th May 2022 approved and allotted 957,648 NCDs of face value of ₹1,000 each, aggregating to ₹ 9,576.48 Lakhs on public issue basis.

Particulars	Amount (₹ in Lakhs)	Date of Issue	Date of Listing	
			NSE	BSE
Non-convertible debentures ('NCDs')	9,576.48	17 May 2022	19 May 2022	19 May 2022

11 Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR,STR,REC 51/21.04.048/2021-22 dated 24th September 2021

(a) Details of transfer through assignment in respect of loans not in default during the quarter ended 30 June 2022:

Entity	NA
Count of Loan accounts Assigned	Nil
Amount (Rs. Crore) of Loan accounts Assigned	Nil
Retention of beneficial economic interest (MRR) (Rs. Crore)	Nil
Weighted Average Maturity (Residual Maturity) (Months)	NA
Weighted Average Holding Period (Months)	NA
Coverage of tangible security coverage	NA
Rating-wise distribution of rated loans	NA



(b) Details of stressed loans transferred during the quarter ended 30 June 2022:

Particulars	To Asset Reconstruction Companies (ARC)		
	NPA	SMA	Total
Number of accounts	21,26,557	-	21,26,557
Aggregate principal outstanding of loans transferred (Rs. in crore)	1,532	-	1,532
Weighted average residual tenor of the loans transferred (in years)	0.6	-	0.6
Net book value of loans transferred (at the time of transfer) (Rs. in crore)	1,104.15	-	1,104.15
Aggregate consideration (Rs. in crore)	478.60	-	478.60
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
Excess provisions reversed to the Profit and Loss Account on account of sale	-	-	-

(c) The Company has not acquired any stressed loan during the quarter ended 30 June 2022.

12 Details on recovery ratings assigned for Security Receipts as on 30 June 2022:

Recovery Rating	Anticipated recovery as per recovery rating	Amount (₹ in Lakhs)
RR1	100% - 150%	29,000
Unrated *	NA	4,780
Total		33,780

* Rating in process, pursuant to regulatory norms, the ARC shall obtain initial rating of Security Receipts (SR) from an approved credit rating agency within a period of 6 months from the date of acquisition.

13 The Company has, in all material respects, utilised the proceeds of issue of non convertible debt securities as stated in the respective offer documents.

14 The Compliance related to disclosure of certain ratios and other financial information as required under Regulation 52 (4) of the Listing Regulations is made in **Appendix 1**.

15 With reference to RBI Circular No. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021, and subsequent RBI Circular DOR.STR.REC.85/21.04.048/2021-22 dated February 15, 2022, related to up-gradation of account classified as NPA, the Company has opted to follow the RBI Circular DOR.STR.REC.85/21.04.048/2021-22 dated February 15, 2022 to be in compliance with aforesaid RBI Circular.

16 Figures for previous year/period have been regrouped, wherever necessary to make them comparable to current period.

Registered Office: 1/1 E, First Floor, East Patel Nagar, New Delhi – 110 008.

(CIN: U74899DL1994PLC062407)

Place : Mumbai

Date : 12 August 2022



For and on behalf of Board of Directors

Pinank Shah
CEO & Whole Time Director

Appendix -1		
Dhani Loans and Services Limited		
(Formerly known as Indiabulls Consumer Finance Limited)		
(CIN: U74899DL1994PLC062407)		
Additional Information in Compliance with the Provisions of Regulation 52(4) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015		
	Particulars	As on/for the quarter ended 30 June 2022
1	Debt Equity Ratio (Loan Funds / Own Funds)	0.42
2	Debt Service Coverage Ratio	Not Applicable, being an NBFC
3	Interest Service Coverage Ratio	Not Applicable, being an NBFC
4	Outstanding Redeemable Preference Shares (quantity and value)	
a.	Quantity	NIL
b.	Value (Rs. In Lakhs)	NIL
5	Capital Redemtion Reserve (Rs. in Lakhs)	900.82
6	Debenture Redemption Reserve (Rs. in Lakhs)	NIL
7	Net worth (Equity + Other Equity - Deemed equity contribution by Holding Company) (Rs. in Lakhs)	3,27,149.35
8	Net Profit/(loss) after Tax (Rs. In lakhs)	4,629.45
9	Earnings per Share (EPS)	
a.	- Basic (amount in ₹)	7.57
b.	- Diluted (amount in ₹)	7.57
10	Current Ratio	Not Applicable, being an NBFC
11	Long term debt to working capital	Not Applicable, being an NBFC
12	Bad debts to Account receivable ratio	Not Applicable, being an NBFC
13	Current liability ratio	Not Applicable, being an NBFC
14	Total debts to total assets (Debt Securities + Borrowings (Other than Debt Securities) + Subordinated liabilities) / Total Assets	0.27
15	Debtors turnover	Not Applicable, being an NBFC
16	Inventory turnover	Not Applicable, being an NBFC
17	Operating Margin	Not Applicable, being an NBFC
18	Net Profit/(Loss) Margin (Profit/(loss) after Tax/Total Income)	
a.	For the Quarter ended 30 June 2022	24.19 %
19	Other ratios, as applicable	
(A)	% of Gross Non Performing Assets (Gross NPA / Loan Book)	4.54%
(B)	% of Net Non Performing Assets (Net NPA)/(Loan Book)	3.45%
(C)	Capital to Risk-weighted Assets Ratio (Calculated as per RBI Guidelines)	71.49%
(D)	Liquidity Coverage Ratio (%) (Regulatory Requirement- 60%)	108.76%

