

**Date: November 11, 2022**

**BSE Limited**

1<sup>st</sup> 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 and half year ended September 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, (SEBI LODR) as amended, we enclose the Unaudited Financial Results of the Company along with additional financial information required under SEBI LODR, for the quarter and half year ended September 30, 2022, approved by the Board of Directors of the Company at its meeting held today i.e. November 11, 2022, which commenced at 3:10 P.M. and concluded at 4:15 P.M.

We also submit herewith Limited Review Report dated November 11, 2022, issued by the Statutory Auditors of the Company, on the unaudited financial results of the Company, for the quarter and half year ended September 30, 2022, which was duly placed before the Board at the aforesaid meeting along with Certificate of Security Cover pursuant to Regulation 54 of the SEBI LODR read with SEBI circular dated May 19, 2022.

Further to inform that the Board in its aforesaid meeting has approved the shifting of one of the Corporate Offices of the Company from Plot No. 448-451, Udyog Vihar, Phase –V, Gurugram, Haryana-122016 to 'Plot No. 108, 5th Floor, IT Park, Udyog Vihar, Phase - I, Gurugram, Haryana – 122016 w.e.f. November 15, 2022.

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*

**Dhani Loans and Services Limited**

CIN: U74899DL1994PLC062407

Reg. Office: 1/1 E, First Floor, East Patel Nagar, New Delhi-110008, T. 011- 41052775 F. 011- 42137986

Corp. Office: One International Centre, Tower 1, 4th Floor, S. B. Marg, Elphinstone (W), Mumbai - 400013 T. +91 22 6189 9016 F. +91 22 6189 9001

Website: [www.dhaniloansandservices.com](http://www.dhaniloansandservices.com) | Email: [support@dhani.com](mailto:support@dhani.com)

**Hem Sandeep & Co.**  
**Chartered Accountants**

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**Independent Auditor's Review Report on unaudited standalone financial results of Dhani Loans and Services Limited (formerly Indiabulls Consumer Finance Limited) for the quarter and half year ended September 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 and half year ended September 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.*



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



### **Basis for Qualified Opinion**

4. As more fully explained in Note 8 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 half year ended September 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**

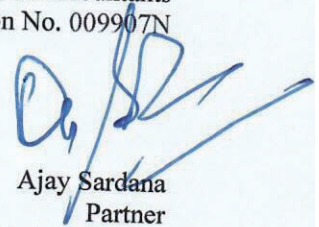
5. We draw attention to Note 6 to the Statement, which describes the effects of uncertainties relating to the COVID – 19 pandemic outbreak on the Company's operations, that are dependent upon future developments, and the impact thereof on the Company's estimates of impairment of loans to customers outstanding as at September 30, 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. As described in Note 7 of the accompanying Statement, the figures for the quarter ended September 30, 2022 are the balancing figures between reviewed figures in respect of the half year ended September 30, 2022 and the reviewed figures for the quarter ended June 30, 2022. The figures for the quarter ended September 30, 2021 are the balancing figures between reviewed figures in respect of the reviewed figures for the half year ended September 30, 2021 and for the quarter ended June 30, 2021.

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



  
Ajay Sardana  
Partner

Membership No. 089011  
New Delhi, November 11, 2022  
UDIN: 22089011BCUBRU2098

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# dhani

**Dhani Loans and Services Limited**  
(CIN: U74899DL1994PLC062407)

**Statement of Unaudited Standalone Financial Results for the quarter and half year ended 30 September 2022**

(Amount in ₹ Lakhs)

Particulars	For the quarter ended			For the half year ended		For the year ended
	30 September 2022	30 June 2022	30 September 2021	30 September 2022	30 September 2021	31 March 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>I Income from operations</b>						
(i) Interest Income	4,169.16	4,401.39	9,852.21	8,570.55	17,022.19	41,386.63
(ii) Fees and commission income	3,546.70	11,615.88	5,628.59	15,162.58	8,227.94	37,914.35
(iii) Net gain on fair value changes	588.31	654.68	564.81	1,242.99	1,485.67	1,804.22
(iv) Net gain on derecognition of financial assets	-	-	-	-	-	124.18
<b>Total income from operations</b>	<b>8,304.17</b>	<b>16,671.95</b>	<b>16,045.61</b>	<b>24,976.12</b>	<b>26,735.80</b>	<b>81,229.38</b>
<b>II Other income</b>	<b>1,384.42</b>	<b>2,466.03</b>	<b>703.88</b>	<b>3,850.45</b>	<b>933.54</b>	<b>3,181.50</b>
<b>III Total income (I+II)</b>	<b>9,688.59</b>	<b>19,137.98</b>	<b>16,749.49</b>	<b>28,826.57</b>	<b>27,669.34</b>	<b>84,410.88</b>
<b>IV Expenses</b>						
(i) Finance costs	2,828.88	4,462.26	5,894.74	7,291.14	13,150.91	22,606.32
(ii) Fee and Commission	-	-	-	-	-	486.01
(iii) Impairment on financial Instruments	(2,848.77)	(1,432.85)	5,204.11	(4,281.62)	18,600.16	26,512.62
(iv) Employee Benefits expense	8,587.46	3,239.23	6,047.69	11,826.69	17,303.13	28,082.14
(v) Depreciation, Amortization and Impairment	1,705.21	1,783.00	1,386.73	3,483.21	2,663.93	6,004.97
(vi) Other expenses	5,039.15	5,357.78	6,211.52	10,396.93	12,550.52	25,576.61
<b>Total expenses (IV)</b>	<b>15,311.93</b>	<b>13,409.42</b>	<b>24,744.79</b>	<b>28,721.35</b>	<b>64,268.65</b>	<b>1,09,268.67</b>
<b>V Profit/(Loss) before Exceptional items and tax (III-IV)</b>	<b>(5,623.34)</b>	<b>5,728.56</b>	<b>(7,995.30)</b>	<b>105.22</b>	<b>(36,599.31)</b>	<b>(24,857.79)</b>
<b>VI Exceptional Items</b>	-	-	-	-	-	-
<b>VII Profit/(Loss) before Tax (V-VI)</b>	<b>(5,623.34)</b>	<b>5,728.56</b>	<b>(7,995.30)</b>	<b>105.22</b>	<b>(36,599.31)</b>	<b>(24,857.79)</b>
<b>VIII Tax expense:</b>						
a) Current tax	-	-	-	-	-	-
b) Deferred tax (credit)/charge	(1,747.04)	1,099.11	(2,121.35)	(647.93)	(9,516.24)	(6,430.14)
<b>Net tax expense (VIII)</b>	<b>(1,747.04)</b>	<b>1,099.11</b>	<b>(2,121.35)</b>	<b>(647.93)</b>	<b>(9,516.24)</b>	<b>(6,430.14)</b>
<b>IX Profit/(Loss) for the period/year after tax (VII-VIII)</b>	<b>(3,876.30)</b>	<b>4,629.45</b>	<b>(5,873.95)</b>	<b>753.15</b>	<b>(27,083.07)</b>	<b>(18,427.65)</b>





Particulars	(Amount in ₹ Lakhs)					
	For the quarter ended			For the half year ended		For the year ended
	30 September 2022	30 June 2022	30 September 2021	30 September 2022	30 September 2021	31 March 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>X Other comprehensive income</b>						
(A) (i) Items that will not be reclassified to Statement of Profit and Loss	690.75	-	78.69	690.75	78.69	169.67
(ii) Income tax relating to items that will not be reclassified to statement of Profit or Loss	(173.85)	-	(19.80)	(173.85)	(19.80)	(42.70)
(B) (i) Items that will be reclassified to statement of Profit and Loss	-	(28.29)	(147.00)	(28.29)	(720.00)	(673.71)
(ii) Income tax relating to items that will be reclassified to statement of Profit and Loss	-	7.12	37.00	7.12	181.21	169.56
<b>Total other comprehensive income (X)</b>	<b>516.90</b>	<b>(21.17)</b>	<b>(51.11)</b>	<b>495.73</b>	<b>(479.90)</b>	<b>(377.18)</b>
<b>XI Total comprehensive income for the period/year (IX+X)</b>	<b>(3,359.40)</b>	<b>4,608.28</b>	<b>(5,925.06)</b>	<b>1,248.88</b>	<b>(27,562.97)</b>	<b>(18,804.83)</b>
<b>XII Paid-up equity share capital (face value of ₹ 10 each per equity share)</b>	<b>6,118.80</b>	<b>6,118.80</b>	<b>6,118.80</b>	<b>6,118.80</b>	<b>6,118.80</b>	<b>6,118.80</b>
<b>XIII Other equity as per Audited Balance Sheet</b>						<b>3,95,147.15</b>
<b>XIV (Loss)/earning per share (EPS) (face value of ₹ 10 each per equity share)</b>						
* (EPS for the Quarters/six months not annualised)						
- Basic (amount in ₹)	(6.34)*	7.57*	(9.60)*	1.23*	(44.26)*	(30.12)
- Diluted (amount in ₹)	(6.34)*	7.57*	(9.60)*	1.23*	(44.26)*	(30.12)

**Notes to the Unaudited Standalone Financial Results:**

**Note 1 : Standalone Statement of Assets and Liabilities as at 30 September 2022**

Particulars	(Amount in ₹ Lakhs)	
	As at	As at
	30 September 2022 (Unaudited)	31 March 2022 (Audited)
<b>A. ASSETS</b>		
<b>1 Financial Assets</b>		
(a) Cash and cash equivalents	47,963.58	41,959.90
(b) Bank balances other than (a) above	14,095.51	14,975.06
(c) Loans	1,41,664.51	3,34,454.23
(d) Investments	1,37,345.39	1,56,351.43
(e) Other financial Assets	4,482.96	3,120.59
<b>Total financial assets</b>	<b>3,45,551.95</b>	<b>5,50,861.21</b>
<b>2 Non-financial assets</b>		
(a) Current tax assets (Net)	16,395.94	15,700.69
(b) Deferred tax assets (Net)	42,055.56	17,035.56
(c) Property, Plant and Equipment	6,930.75	8,370.23
(d) Right-of-use assets	11,543.77	17,032.76
(e) Intangible assets under development	168.20	462.18
(f) Other Intangible Assets	4,049.81	4,355.81
(g) Other Non-financial Assets	7,885.62	5,235.42
<b>Total Non-financial Assets</b>	<b>89,035.33</b>	<b>68,192.65</b>
<b>Total Assets</b>	<b>4,34,587.28</b>	<b>6,19,053.86</b>





Note 1 : Standalone Statement of Assets and Liabilities as at 31 September 2022 (continued)

Particulars	(Amount in ₹ Lakhs)	
	As at	As at
	30 September 2022 (Unaudited)	31st March 2022 (Audited)
<b>B LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>1 Financial liabilities</b>		
(a) Payables		
(i) Trade payables		
- Total Outstanding Dues of micro enterprises and small enterprises	-	-
- Total Outstanding Dues of Other than micro enterprises and small enterprises	1,303.82	1,097.24
(ii) Other payables		
- Total Outstanding Dues of micro enterprises and small enterprises	-	-
- Total Outstanding Dues of Other than micro enterprises and small enterprises	12,865.49	8,734.96
(b) Debt securities	44,940.04	54,506.33
(c) Borrowings (other than Debt Securities)	21,513.67	1,17,746.19
(d) Lease liabilities	12,823.41	18,389.53
(e) Other Financial liabilities	9,724.37	13,223.33
<b>Total financial liabilities</b>	<b>1,03,170.80</b>	<b>2,13,697.58</b>
<b>2 Non-financial liabilities</b>		
(a) Provisions	2,124.60	1,556.22
(b) Other Non-Financial liabilities	3,901.30	2,534.11
<b>Total Non-Financial liabilities</b>	<b>6,025.90</b>	<b>4,090.33</b>
<b>3 EQUITY</b>		
(a) Equity Share capital	6,118.80	6,118.80
(b) Other Equity	3,19,271.78	3,95,147.15
<b>Total Equity</b>	<b>3,25,390.58</b>	<b>4,01,265.95</b>
<b>Total Liabilities and Equity</b>	<b>4,34,587.28</b>	<b>6,19,053.86</b>





Note 2 : Standalone Statement of Cash Flows for the half year ended 30 September 2022

Particulars	(Amount in ₹ Lakhs)			
	For the half year ended		For the half year ended	
	30 September 2022		30 September 2021	
	(Unaudited)		(Unaudited)	
<b>A Cash flow from Operating activities:</b>				
Net profit/(loss) before tax		105.22		(36,599.31)
Adjustments for:				
(i) Depreciation/amortisation	3,488.21		2,663.93	
(ii) (Profit)/loss on sale of fixed asset	422.30		74.80	
(iii) Impairment on financial instruments	(4,281.62)		18,600.16	
(iv) Provision for gratuity and compensated absences	172.62		655.22	
(v) Interest income	(8,570.55)		(17,022.19)	
(vi) Interest expenses	6,351.61		12,400.94	
(vii) Interest on lease liabilities	917.25		707.61	
(viii) (Profit)/loss on fair value changes	(1,242.99)		(1,485.67)	
(ix) Excess provision for expenses and liabilities written back	(3,339.89)		(15.68)	
(x) Gain on sale of loan portfolio through assignment	911.29		3,962.99	
(xi) (Gain)/loss on modification/derecognition of financial assets	(473.18)		(88.07)	
(xii) Effective interest rate adjustment for financial instruments	46.16		(20.21)	
(xiii) Share based payments to employees	(4,163.05)		2,580.65	
		(9,761.84)		23,014.48
<b>Operating profit before working capital changes</b>		<b>(9,656.62)</b>		<b>(13,584.83)</b>
Adjustments for:				
(i) Trade receivables	-		(1,723.64)	
(ii) Loans	95,306.83		22,613.84	
(iii) Other financial assets	(711.80)		3,869.95	
(iv) Other non financial assets	(2,572.42)		(19,386.70)	
(v) Trade payables	206.58		3,430.19	
(vi) Other payables	7,470.42		258.78	
(vii) Other financial liabilities	(3,498.96)		(15,583.68)	
(viii) Provisions	1,086.51		(38.44)	
(ix) Other non financial liabilities	1,367.18		775.67	
		98,654.34		(5,784.03)
<b>Cash generated from/(used in) operating activities</b>		<b>88,997.72</b>		<b>(19,368.86)</b>
(i) Interest received		11,648.51		13,606.16
(ii) Interest paid		(6,249.67)		(12,363.69)
(iii) Income taxes paid (including tax deducted at source)		(695.25)		(1,793.83)
<b>Net cash generated from/(used in) operating activities</b>		<b>93,701.31</b>		<b>(19,920.22)</b>





**Note 2 : Standalone Statement of Cash Flows for the half year ended 30 September 2022 (continued)**

Particulars	(Amount in ₹ Lakhs)			
	For the half year ended		For the half year ended	
	30 September 2022		30 September 2021	
	(Unaudited)		(Unaudited)	
<b>B Cash flow from investing activities:</b>				
(i) Purchase of property, plant and equipment, intangible assets under development and intangible assets		(112.28)		(2,057.80)
(ii) (Purchase)/sale of investments (net)		20,249.03		97,800.46
(iii) Interest Received		493.60		932.93
<b>Net cash generated from/(used in) investing activities</b>		<b>20,630.35</b>		<b>96,675.59</b>
<b>C Cash flow from financing activities:</b>				
(i) Proceeds from debt securities		9,576.48		-
(ii) Repayment of debt securities		(19,290.86)		(41,448.49)
(iii) Proceeds from borrowings other than debt securities		-		-
(iv) Repayment of borrowings other than debt securities		(96,231.52)		(98,620.14)
(v) Payment of lease liabilities		(2,381.08)		(1,536.39)
<b>Net cash generated from/(used in) financing activities</b>		<b>(1,08,327.98)</b>		<b>(1,41,605.02)</b>
<b>D Net Increase/(decrease) in cash and cash equivalents (A+B+C)</b>		<b>6,003.68</b>		<b>(64,849.65)</b>
<b>E Cash and cash equivalents at the beginning of the period</b>		<b>41,959.90</b>		<b>99,614.37</b>
<b>F Cash and cash equivalents at the end of the period (D+E)</b>		<b>47,963.58</b>		<b>34,764.72</b>

- 3 These unaudited standalone financial results of Dhani Loans and Services Limited (DLSL, 'the Company') for the quarter and half year ended 30 September 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 11 November 2022. The financial results have been subjected to a limited review by the statutory auditors of the Company.
- 4 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/CFR/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.
- 5 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".



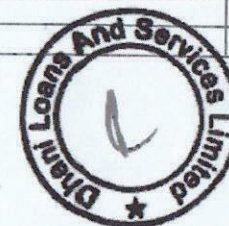


- 6 India is emerging from the COVID-19 virus, a global pandemic that affected the world economy over the last two years. The extent to which any new wave of COVID-19 will impact the Company's results will depend on ongoing as well as future developments, including, among other things, any new information 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 September 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.
- 7 The figures for the quarter ended 30 September 2022 and 30 September 2021 are the balancing figures between the un-audited figures for the six months ended 30 September 2022 and 30 September 2021 and un-audited figures for the quarter ended 30 June 2022 and 30 June 2021 respectively.
- 8 During the half year ended 30 September 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.
- 9 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.
- 10 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.
- 11 During the half year ended 30 September 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

- 12 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.
- 13 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 September 2022:

Entity	
Count of Loan accounts Assigned	NA
Amount (₹ 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





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

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

Particulars	To Asset Reconstruction Companies (ARC)		
	NPA	SMA	Total
Number of accounts	-	-	-
Aggregate principal outstanding of loans transferred (₹ in crore)	-	-	-
Weighted average residual tenor of the loans transferred (in years)	-	-	-
Net book value of loans transferred (at the time of transfer) (₹ in crore)	-	-	-
Aggregate consideration (₹ in crore)	-	-	-
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 September 2022.

14 Disclosures pursuant to RBI Notification RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020 and RBI/2021-22/31/DOR,STR,REC.11/21.04.048/2021-22 dated 5 May 2021:

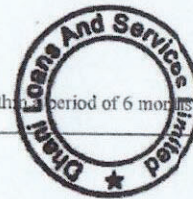
Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	(Amount in ₹ Lakhs)
					Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	20,178.72	-	477.94	1,417.34	18,283.44
Corporate persons*	27.25	-	4.80	19.34	3.11
<i>Of which, MSMEs</i>	-	-	-	-	-
Others	211.80	-	4.62	27.10	180.08
<b>Total</b>	<b>20,417.77</b>	<b>-</b>	<b>487.36</b>	<b>1,463.78</b>	<b>18,466.63</b>

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

15 Details on recovery ratings assigned for Security Receipts as on 30 September 2022:

Recovery Rating	Anticipated recovery as per recovery rating	Amount (₹ in Lakhs)
RR1	100% - 150%	29,000.00
Unrated *	NA	4,486.17
<b>Total</b>		<b>33,486.17</b>

\* 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.





- 16 The Company has, in all material respects, utilised the proceeds of issue of non convertible debt securities as stated in the respective offer documents.
- 17 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 I**.
- 18 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 accounts classified as NPA, the Company had opted to follow the RBI Circular DOR.STR.REC.85/21.04.048/2021-22 dated February 15, 2022 and is in compliance with aforesaid RBI Circular.
- 19 Figures for previous year/period have been regrouped, wherever necessary to make them comparable to current period.

Registered Office: 1/1 E, East Patel Nagar, New Delhi – 110 008.  
(CIN: U74899DL199720062407)



Place : Mumbai  
Date : 11 November 2022

For and on behalf of Board of Directors

A handwritten signature in black ink, appearing to be "Pinank Shah".

Pinank Shah  
CEO & Whole Time Director





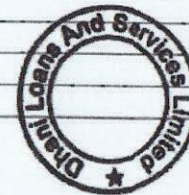
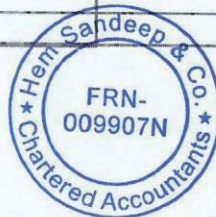
## Appendix -1

## Dhani Loans and Services 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 half year ended 30 September 2022
1	Debt Equity Ratio (Loan Funds / Own Funds)	0.20
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	
b.	Value (₹ in lakhs)	NIL
5	Capital Redemption Reserve (₹ in lakhs)	NIL
6	Debenture Redemption Reserve (₹ in lakhs)	900.82
7	Net worth (Equity + Other Equity - Deemed equity contribution by Holding Company) (₹ in lakhs)	3,23,929.36
8	Net Profit/(loss) after Tax (₹ in lakhs)	
a.	- For the quarter ended 30 September 2022	(3,876.30)
b.	- For the half year ended 30 September 2022	753.15
9	Earnings per Share (EPS)	
a.	- Basic (amount in ₹)	1.23
b.	- Diluted (amount in ₹)	1.23
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	0.15
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 September 2022	(40.01)%
b.	- For the half year ended 30 September 2022	2.61 %
19	Other ratios, as applicable	
(A)	% of Gross Non Performing Assets (Gross NPA / Loan Book)	9.18%
(B)	% of Net Non Performing Assets (Net NPA)/(Loan Book)	4.70%
(C)	Capital to Risk-weighted Assets Ratio (Calculated as per RBI Guidelines)	84.14%
(D)	Liquidity Coverage Ratio (%) (Regulatory Requirement- 60%)	283.98%





# Hem Sandeep & Co.

Chartered Accountants

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Independent Auditor's Report on Asset Cover as at September 30, 2022 under Regulation 54 read with Regulation 56(1)(d) of the Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) for submission to the National Stock Exchange of India Limited and BSE Limited (collectively referred to as "Stock Exchanges") and IDBI Trusteeship Services Limited and Beacon Trusteeship Limited (collectively referred to as the "Debenture Trustees")

The Board of Directors  
Dhani Loans and Services Limited  
1/1E, First Floor, East Patel Nagar,  
New Delhi – 110008

Dear Sirs,

1. This auditors' report is issued in terms of our engagement letter dated August 13, 2021 for the purpose of submission with IDBI Trusteeship Services Limited (the "Debenture Trustee") of the Company and to the BSE Limited to ensure compliance with the SEBI Regulations and SEBI Circular SEBI/HO/MIRSD/MIRSO\_CRADT/CIR/P/2022/67 dated May 19, 2022 ("the **Circular**") in respect of its listed non-convertible debt securities as at September 30, 2022 ("Debentures"). The Company has entered into separate agreements with the Debenture Trustees ("**Debenture Trust Deeds**") in respect of such Debentures, as indicated in the Statement.
2. We Hem Sandeep & Co., Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the Company to examine the accompanying Statement showing 'Asset Cover' for the listed non-convertible debt securities as at September 30, 2022 (the "**Statement**") which has been prepared by the Company from the reviewed financial statements and other relevant records and documents maintained by the Company as at and for the half-year ended September 30, 2022 pursuant to the requirements of the Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the "**SEBI Regulations**"), and has been initialed by us for identification purpose only.

## Management's responsibility

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the respective loan documents including the Debenture Trust Deeds and for providing all relevant information to its lenders and for complying with all the covenants as prescribed in the respective loan documents and the Debenture Trust Deeds in respect of the Debentures.

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Office: D 118, Saket, New Delhi – 110017  
Phone: +91 11 4052 4636 Email: info@hemsandeep.com





5. The Management is also responsible to ensure that Assets Cover Ratio as on September 30, 2022 is in compliance with SEBI circular no. SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022 with the minimum asset cover requirement as per the Debenture Trust Deeds as given in Annexure I attached to this certificate.

### **Independent Auditors' responsibility**

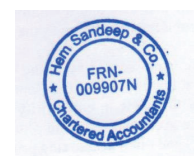
6. Pursuant to the requirements of the Circular the Company is required to submit the Statement with the Debenture Trustees along with our report thereon. In this regard, it is our responsibility to provide limited assurance as to whether anything has come to our attention that causes us to believe that the figures as set out in the accompanying Statement are not, in all material respects, in agreement with the reviewed standalone financial information of the Company for the quarter and half year ended September 30, 2022, and the underlying un-audited books of account and other relevant records maintained by the Company and whether the asset cover ratio maintained by the Company is as per the terms of the Trust Deeds.
7. We have reviewed the standalone financial information of the Company for the quarter and half year ended September 30, 2022 referred to in paragraph 6 above, prepared by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, on which we have issued a qualified opinion vide our review report dated November 11, 2022. Our review of these financial results for the quarter and half year ended September 30, 2022 was conducted 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 ("ICAI") respectively. Our review report dated November 11, 2022 contained the following:

a) Qualified Opinion:

*As more fully explained in Note 8 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 period from April 1, 2022 to September 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.*

b) Emphasis of Matter:

We draw attention to Note 6 to the Statement, which describes the effects of uncertainties relating to the COVID – 19 pandemic outbreak on the Company's operations, that are dependent upon future developments, and the impact thereof on the Company's estimates of impairment of loans to customers outstanding as at September 30, 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 this Statement. Our conclusion is not modified in respect of this matter.





Our opinion in paragraph 12 of this report should be read in conjunction with the qualified opinion paragraph and the emphasis of matter reported in our review report dated November 11, 2022. Such review was not planned and performed in connection with any transactions to identify matters that maybe of potential interest to third parties.

8. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
10. For the purposes of this report on the accompanying Statement, our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial results of the Company taken as a whole. We have not performed an audit of the accompanying Statement, the objective of which would be the expression of an opinion on the financial results, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion in respect of the accompanying Statement.
11. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 6 above. The procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement:
  - a) Obtained a copy of the reviewed standalone financial information of the Company as at and for the quarter and half year ended September 30, 2022, which have been approved by the Board of Directors of the Company at their meeting held on November 11, 2022.
  - b) Traced and agreed the balances of assets and principal and interest amount of the Debentures outstanding as referred to in the accompanying Statement, from the reviewed standalone financial information of the Company as at September 30, 2022.
  - c) Obtained and read the Debenture Trust Deeds entered in between the Company and Debenture Trustees in respect of the Debentures and noted the particulars of asset cover required to be provided by the Company in respect of the outstanding balance of principal and interest accrued thereon in respect of the Debentures.
  - d) Obtained representation from the management of the Company that the assets referred to in the Statement are free of any encumbrances other than being hypothecated by way of a pari passu charge towards its secured lenders as referred to in the Statement. Such representation has been relied upon by us and no further procedures have been performed in this regard.
  - e) We have verified the arithmetical and clerical accuracy of the Statement.
  - f) Performed necessary inquiries with the Management and obtained other necessary representations.





## Conclusion

12. Based on the procedures performed, as stated in paragraph 11 above, and according to the information and explanations given to us and based on representations by the management of the Company provided to us, in our opinion, nothing has come to our attention that causes us to believe that the figures as set out in the accompanying Statement are not, in all material respects, in agreement with the Company's reviewed standalone financial information for the quarter and half year ended September 30, 2022, the unaudited books of account and other relevant records maintained by the Company and that the asset cover ratio maintained by the Company is not as per the terms of the Trust Deeds.

## Restriction on Use

13. This independent auditors' report is intended solely for the use of the Company for the purpose specified in paragraph 1 above and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. This report relates only to the items specified above and does not extend to any financial statement of the Company taken as a whole. Our obligations in respect of the report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have had as auditors of the Company or otherwise. Nothing in the report, nor anything said or done in the course of or in connection with the services that are the subject of the report, will extend any duty of care we may have in our capacity as auditors of the Company.
14. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

AJAY SARDANA  
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AJAY SARDANA  
Date: 2022.11.11  
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Ajay Sardana  
Partner  
Membership No. 089011  
New Delhi, November 11, 2022  
UDIN: 22089011BCVBSU3208



Column A	Column B	Column C (i)	Column D (ii)	Column E (iii)	Column F (iv)	Column G (v)	Column H (vi)	Column I (vii)	Column J	Column K	Column L	Column M	Column N	Column O	
Particulars		Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate					
	Description of asset for which this certificate relate	Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance,DSRA market value is not applicable)	Market Value for Pari passu charge Assets <sup>viii</sup>	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance,DSRA market value is not applicable)	Total Value (=K+L+M+ N)	
		Book Value	Book Value	Yes/ No	Book Value	Book Value									
ASSETS															
	Property, Plant and Equipment							6,936.43		6,936.43					
	Capital Work-in- Progress														
	Right of Use Assets							11,543.77		11,543.77					
	Goodwill														
	Intangible Assets							4,049.81		4,049.81					
	Intangible Assets under Development							168.20		168.20					
	Investments							1,37,345.39		1,37,345.39					
	Loans				50,692.19			90,972.32					50,692.19	50,692.19	
	Book Debt Receivables									1,41,664.51					
	Inventories														
	Trade Receivables														
	Cash and Cash Equivalents							47,963.58		47,963.58					
	Bank Balances other than Cash and Cash Equivalents							14,095.51		14,095.51					
	Others									70,820.08					
	<b>Total</b>				<b>50,692.19</b>			<b>3,13,075.01</b>		<b>4,34,587.28</b>				<b>50,692.19</b>	
	<b>LIABILITIES</b>														
	Debt securities to which this certificate pertains			Yes	43,451.01					43,451.01					
	Other debt sharing pari-passu charge with above debt			No	23,002.70					23,002.70					
	Other Debt														
	Subordinated debt														
	Borrowings														
	Bank														
	Debt Securities														
	Others									12,865.49					
	Trade payables									1,303.82					
	Lease Liabilities									12,823.41					
	Provisions									2,124.60					
	Others									13,625.67					
	<b>Total</b>				<b>66,453.71</b>					<b>1,09,196.70</b>					
	<b>Cover on Book Value</b>														
	<b>Cover on Market Value<sup>ix</sup></b>														
		Exclusive Security Cover Ratio	Nil		Pari-Passu Security Cover Ratio	117%									

## Notes:

- Assets considered for pari-passu charge is calculated based on asset cover requirement as per respective information memorandum for securities and as per sanction of loans.
- Asset cover is calculated only on debt for which this certificate is being issued.
- IND-AS adjustment for effective Interest rate on secured Non-Convertible Debentures (NCD) is excluded from assets cover computation being an accounting adjustment and accordingly the asset cover is computed on a gross basis.
- Asset cover requirement for secured NCD is 100% and 125% as per the respective debenture trustee deeds.



*M. K. Tagi*