



DMI FINANCE PRIVATE LIMITED

August 14, 2023

To
BSE Limited
Corporate Services Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

Subject: Outcome of the Board Meeting of DMI Finance Private Limited ("The Company") held on August 14, 2023.

Dear Sir/Madam,

Pursuant to applicable provisions of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) ("**Listing Regulations**"), this is to inform you that the Board of Directors of the Company at its Meeting held on Monday, August 14, 2023 has inter-alia, considered and approved the following:

- a) Unaudited Standalone Financial Results of the Company for the quarter ended June 30, 2023 along with the Limited Review Report by the Statutory Auditors of the Company thereon pursuant to Regulation 52 of Listing Regulations, enclosed as **Annexure-I**.
- b) The disclosure pursuant to Regulation 52(4) of Listing Regulations, enclosed as **Annexure-II**;
- c) The declaration pursuant to Regulation 52(7) and 52(7A) of Listing Regulations, enclosed as **Annexure-III**;
- d) The Security/Asset Cover certificate and certificate for compliance with the covenants (including financial covenants) pursuant to Regulation 54 of Listing Regulations read with SEBI circular SEBI/HO/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022, enclosed as **Annexure-IV**;
- e) Appointment of Mr. Vivek Wadhwa as a Chief Financial Officer of the Company w.e.f. August 14, 2023. The brief profile on Mr. Vivek is enclosed as **Annexure-V**.

Please note that the said Board Meeting commenced at 1530 Hours (IST) and concluded at 1740 Hours (IST).

You are requested to kindly take the same on your records.

Thanking You,

Yours sincerely,

For DMI Finance Private Limited

Sahib Pahwa
Head- Company Secretary & Compliance
A24789
Express Building, 3rd Floor, 9-10, Bahadur Shah Zafar Marg, New Delhi- 110002
Enclosed: As Above.

Registered Office:
Express Building, 3rd Floor,
9-10, Bahadur Shah Zafar
Marg, New Delhi-110002
T: +91 11 41204444
F: +91 11 41204000
email: dmi@dmifinance.in
U65929DL2008PTC182749

S.N. Dhawan & CO LLP

Chartered Accountants

2nd floor, 51-52, Sector 18,
Phase IV, Udyog Vihar, Gurugram,
Haryana 122016, India
Tel: +91 124 481 4444

Independent Auditor's Limited review report on unaudited quarterly financial results of DMI Finance Private Limited under Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of DMI Finance Private Limited

1. We have reviewed the accompanying statement of unaudited financial results of DMI Finance Private Limited ("the Company") for the quarter ended 30 June, 2023 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the Securities and Exchange Board of India ("the SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. 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 ("the Act") read with relevant Rules issued thereunder, Reserve Bank of India guidelines; and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. Our responsibility is to issue a conclusion on the Statement based on our review.
3. 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 is limited primarily to inquiries of the Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS 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, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, assets classification, provisioning and other related matters.

For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Manish

Manish Surana
Partner
Membership No.: 503812
UDIN: 23503812BGYOUX1514



Place: Gurugram
Date: 14 August, 2023



DMI Finance Private Limited
Express Building, 3rd Floor, Bahadur Shah Zafar Marg, New Delhi-110002
CIN - U65929DL2008PTC182749

Statement of unaudited standalone financial results for the quarter ended June 30, 2023
(All Amounts in Rs. in million, except for share data unless stated otherwise)

Particulars	For the quarter ended June 30, 2023	For the quarter ended June 30, 2022	For the quarter ended March 31, 2023	For the year ended March 31, 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations				
Interest Income	4939.37	3208.92	4,339.98	15,569.48
Fees and commission Income	116.59	25.79	93.49	211.74
Net gain on fair value changes	191.72	62.32	78.32	157.60
Total revenue from operations	5,247.68	3,297.03	4,511.79	16,568.82
Other income	20.75	41.77	67.78	156.24
Total Income	5,268.43	3,338.80	4,579.57	16,565.06
Expenses				
Finance costs	845.08	632.19	833.03	3,018.66
Fees and commission expense	377.83	194.30	317.91	1,329.74
Impairment on financial instruments	1517.54	821.86	675.89	4,012.20
Employee benefits expense	417.01	275.44	319.37	1,235.22
Depreciation, amortization and impairment	25.80	23.26	29.02	108.20
Other expenses	735.69	477.50	754.32	2,482.46
Total expenses	3,918.95	2,424.55	2,929.54	12,386.48
Profit before tax	1,349.48	914.25	1,650.03	4,378.58
Tax expense:				
(1) Current tax	366.14	377.98	388.23	1,520.76
(2) Deferred tax	(24.20)	(137.90)	36.10	(582.34)
Income Tax Expense	341.94	240.08	424.33	1,138.42
Net profit after tax	1,007.54	674.17	1,225.70	3,240.16
Other comprehensive income				
a) Items that will not be reclassified to profit or loss				
(i) Re-measurement gains on gratuity	-	-	5.53	5.53
(ii) Net gain/loss on fair value of equity instruments through other comprehensive income	4.65	41.21	188.25	227.72
Income tax relating to above	(1.17)	(10.37)	(48.78)	(58.71)
Subtotal (a)	3.48	30.84	145.00	174.54
b) Items that will be reclassified to profit or loss				
(i) Gain/(loss) on Fair Value changes	-	-	-	-
Income tax relating to above	-	-	-	-
Subtotal (b)	-	-	-	-
Total other comprehensive income (a+b)	3.48	30.84	145.00	174.54
Total comprehensive income	1,011.02	705.01	1,370.69	3,414.70
Paid-up equity share capital (face value of Rs. 10 per equity share)				6,557.75
Other equity				35,433.42
Earnings per share (EPS)*				
- Basic (amount in Rs.)	1.38	0.95	1.87	4.93
- Diluted (amount in Rs.)	1.36	0.94	1.84	4.86

*EPS for the quarter ended June 30, 2023, June 30, 2022, and March 31, 2023 are not annualized.





DMI Finance Private Limited

Express Building, 3rd Floor, Bahadur Shah Zafar Marg, New Delhi-110002
CIN - U65929DL2008PTC182749

Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2023

[Regulation 52 read with Regulation 54(2) of the SEBI (LODR) Regulations, 2015]

Notes to the unaudited financial results:

1. The above standalone financial results have been reviewed by the Audit Committee of DMI Finance Private Limited ("the Company") at their meeting held on August 11, 2023 and approved by the Board of Directors of the Company at their meeting held on August 14, 2023. These results have been prepared in accordance with the requirement of Regulation 52 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirement Regulations, 2015 (as amended)).
2. In accordance with Regulation 52 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, limited review of standalone financial results for the quarter has been carried out by the statutory auditors. The figures for the quarter ended March 31, 2023 are the balancing figures between the audited figures in respect of full financial year and the published unaudited figures for nine months ended December 31, 2022. These figures are reviewed by the auditors in accordance with the provisions outlined in SEBI regulations.
3. The standalone financial results have been prepared in accordance with applicable Indian Accounting Standards, as notified under the Companies (Indian Accounting Standards) Rules, 2015, and as specified under section 133 of the Companies Act 2013.
4. The Joint Managing Directors (Chief Operating Decision Makers) review the operations at the Company level. The operations of the Company fall under "financing activities" only, which is considered to be the only reportable segment in accordance with the provisions of Ind AS 108 – Operating Segments. The Company operates in a single geographical segment, i.e., domestic.
5. During the quarter ended June 30, 2023, the Company issued a total of 4,95,490 options to its employees. Further, during the current quarter, the Company has allotted 27,83,477 and 6,57,539 against exercise of options and warrants respectively.
6. During the quarter ended June 30, 2023, the Company has issued 8,22,68,594 equity shares at an issue price of INR 259.18 per fully paid up equity share of face value of INR 10 each including a premium of INR 249.18 per equity share.
7. Disclosures in compliance with Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended June 30, 2023 is given in Annexure 1.



8. Disclosures pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021: INR (In millions) –

S.No.	Particulars	During the quarter ended June 30, 2023
1	Details of loans not in default that are transferred or acquired	Nil
2	Details of stressed loans transferred or acquired	Nil

9. All the Secured non-convertible debenture (NCD) including those issued during the quarter ended June 30, 2023 are fully secure by first exclusive charge by hypothecation of book debts/loan to the extent stated in the information memorandum. Further, the Company has maintained Security Cover as stated in the information memorandum which is sufficient to discharge the principal amount at the time of repayment of the non-convertible debt securities issued.
10. The above unaudited results are available on the stock exchange website (www.bseindia.com) and the website of the Company (www.dmifinance.in).
11. The Reserve Bank of India has issued the Scale Based Regulation (SBR), which is a revised regulatory framework for Non-Banking Financial Companies (NBFCs). This framework is outlined in Circular No. RBI/2021-22/112 DOR.CRE.REC. No.60/03.10.001/2021-22, dated October 22, 2021. The Framework classifies NBFCs into four categories: Base Layer (NBFC-BL), Middle Layer (NBFC-ML), Upper Layer (NBFC-UL), and Top Layer (NBFC-TL). The Company is classified as a "Middle Layer" entity in accordance with the Framework.
12. The date on which the Code on Social Security, 2020 (the "Code") relating to employee benefits will come into effect is yet to be notified and the related rules are yet to be finalized. The Company will evaluate the code and its rules, assess the impact, if any, and account for the same when they become effective.
13. The comparative figures as disclosed in these results have been regrouped/reclassified, wherever necessary.

For and on behalf of the Board of Directors of
DMI Finance Private Limited



Shivashish Chatterjee
Joint Managing Director
DIN: 02623460
Date: Aug 14, 2023
Place: New York



 **DMI Finance Private Limited**
Express Building, 3rd Floor, Bahadur Shah Zafar Marg, New Delhi-110002
CIN - U65929DL2008PTC182749

Annexure 1

Disclosure in compliance with Regulation 52(4) of the SEBI(Listing Obligation and Disclosure Requirements) Regulation, 2015

Particulars	Description	Quarter ended June 30, 2023 (Unaudited)	Quarter ended June 30, 2022 (Unaudited)	Quarter ended March 31, 2023 (Unaudited)	Year ended March 31, 2023 (Audited)
Debt Equity Ratio (Nos. of times):	[(Debt securities+ Borrowings (other than Debt Securities))/Total equity]	0.54	0.82	0.97	0.97
Debenture Redemption Reserve		NA	NA	NA	NA
Capital Redemption Reserve (INR in millions)		81.21	81.21	81.21	81.21
Debt service coverage ratio		NA	NA	NA	NA
Interest service coverage ratio		NA	NA	NA	NA
Outstanding redeemable preference shares (Nos.)		NA	NA	NA	NA
Inventory turnover		NA	NA	NA	NA
Debtor turnover		NA	NA	NA	NA
Operating margin		NA	NA	NA	NA
Net profit after tax		1007.54	674.17	1225.70	3240.16
Net profit margin	Net profit after tax / total revenue from operations	19.20%	20.45%	27.17%	19.79%
Basic earnings per share(for the period)**		1.38	0.95	1.87	4.93
Diluted earnings per share(for the period)**		1.36	0.94	1.84	4.86
Outstanding redeemable preference shares (Amount)		NA	NA	NA	NA
Net Worth (Total Equity) (In millions)	Total equity	64,767.55	39,226.71	42,061.17	42,061.17
Current Ratio (Nos. of times)	(Current assets / Current liabilities)	NA	NA	NA	NA
Long term debt to working capital		NA	NA	NA	NA
Bad debts to Account receivable ratio		NA	NA	NA	NA
Current liability ratio	(Current liabilities / Total outside liabilities)	NA	NA	NA	NA
Total debts to total assets	[(Debt securities+ Borrowings (other than Debt Securities))/Total assets]	34.09%	43.81%	47.74%	47.74%
Gross Non-Performing Assets	Gross Stage III loans Exposure at default (EAD) / Gross total loans EAD	3.70%	1.82%	3.60%	3.60%
Net Non-Performing Assets	(Gross Stage III loans EAD - Impairment loss allowance for Stage III) / (Gross total loans EAD-Impairment loss allowance for Stage III)	1.88%	0.21%	1.50%	1.50%
Capital to risk weighted Assets Ratio (Tier I + Tier II)		69.12%	55.39%	50.87%	50.87%
Security cover ratio (no. of times) *	Amount of secured assets / Secured debt	1.13	1.91	1.28	1.28
Provision coverage ratio (%)	(Impairment loss allowance for Stage III/ Gross Stage III loans EAD)	50.29%	88.77%	59.31%	59.31%

*Asset cover ratio is given for listed non-convertible debt securities only.

**EPS for the quarter ended June 30,2023 , Jun 30,2022, and March 31, 2023 are not annualized.



Signature



**I. DISCLOSURES IN TERMS OF REGULATION 52(4) OF THE LISTING REGULATIONS:**

S. No.	Particulars	Quarter ended June 30, 2023
1	Debt equity ratio	0.54
2	Debt service coverage ratio	Not Applicable
3	Interest service coverage ratio	Not Applicable
4	Outstanding redeemable preference shares (quantity and value)	NIL
5	Debenture Redemption Reserve	As per Section 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules, 2014 read with the 2013 Act, no DRR is required in case of privately placed debentures by NBFCs Registered with the RBI under Section 45 IA of the RBI (Amendment) Act, 1997.
6	Net Worth (in millions)	64,767.55
7	Net profit after tax (in millions)	1,007.54
8	Earnings per share: - Basic (amount in Rs.) - Diluted (amount in Rs.)	1.38 1.36
9	Current ratio	Not Applicable
10	Long term debt to working capital	Not Applicable
11	Bad debts to Account receivable ratio	Not Applicable
12	Current liability ratio	Not Applicable
13	Total Debts to Total Assets	34.09%
14	Debtors Turnover	Not Applicable
15	Inventory Turnover	Not Applicable
16	Operating Margin (%)	Not Applicable
17	Net Profit Margin (%)	19.20%
18	Sector Specific Equivalent Ratios:	
	Gross NPA	3.70%
	Net NPA	1.88%
	Provision Coverage Ratio	50.29%
	Capital Risk Adequacy Ratio (CRAR)	69.12%

Registered Office:
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August 14, 2023

**To
BSE Limited
Department of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001**

Subject: Compliance pursuant to Regulation 52(7) and 52(7A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 52(7) and 52(7A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) read with SEBI Circular No. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022, please find enclosed herewith statement indicating deviation or variation in the use of proceeds of listed non-convertible securities in the specified format for the quarter ended June 30, 2023.

You are requested to kindly take the same on records.

Thanking You,

Yours sincerely,

For DMI Finance Private Limited

**Sahib Pahwa
Head- Company Secretary & Compliance
A24789
Express Building, 3rd Floor, 9-10, Bahadur Shah Zafar Marg, New Delhi- 110002
Enclosed: As above**

**A. Statement of Utilization of issue Proceeds:**

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of Instrument	Date of raising proceed	Amount raised	Fund utilized	Any deviation	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
1	2	3	4	5	6	7	8	9	10
DMI Finance Private Limited	INE604O07167	Private Placement	Senior, secured, rated, listed, transferable, taxable, redeemable, principal protected market linked nonconvertible debentures	October 21, 2022	INR. 150 Crore	INR. 150 Crore	No	-	-

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B. Statement of Deviation / Variation in use of Issue Proceed:

Particulars	Remarks
Name of listed entity	DMI Finance Private Limited
Mode of fund raising	Public issue/ Private placement
Type of instrument	Non-convertible Securities
Date of raising funds	October 21, 2022
Amount raised	INR. 150 Crore
Report filed for quarter ended	June 30, 2023
Is there a deviation/ variation in use of funds raised?	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	Yes/ No
if yes, details of the approval so required?	NA
Date of approval	NA
Explanation for the deviation/ variation	NA
Comments of the audit committee after review	NA
Comments of the auditors, if any	NA

Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:						
Original Object	Modified Object, if any	Original allocation	Modified allocation, if any	Funds utilized	Amount of deviation/variation for the quarter according to applicable object (in Rs. crore and in %)	Remarks, if any
The funds were raised by the Company for the following purpose: (i) onward lending by the Issuer; and (ii) for utilization in the ordinary course of business of the Issuer (including for repayment or	NA	INR. 150 Crore	-	INR. 150 Crore	-	-



DMI FINANCE PRIVATE LIMITED

refinancing of existing Financial Indebtedness of the Issuer).						
Deviation could mean: a. Deviation in the objects or purposes for which the funds have been raised. b. Deviation in the amount of funds actually utilized as against what was originally disclosed.						
Name of Signatory: Mr. Sahib Pahwa Designation: Head- CS & Compliance Date: August 14, 2023						

Registered Office:
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email: dmi@dmifinance.in
U65929DL2008PTC182749

SND/MS/08-23/081**Independent Auditor's Report on 'Compliance with Covenants including financial covenants' as at 30 June, 2023 under Securities and Exchange Board of India (SEBI) Circular no. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated 19 May, 2022 for submission to Axis Trustee Services Limited (the "Debenture Trustee")**

To,
The Board of Directors
DMI Finance Private Limited
Express Building, 3rd Floor,
9-10, Bahadur Shah Zafar Marg,
New Delhi-110002

1. This Report is issued in accordance with the terms of our master engagement agreement dated 03 October, 2022 with DMI Finance Private Limited (the "Company").
2. We S.N. Dhawan & CO LLP, Chartered Accountants are the Statutory Auditors of the Company and have been requested by the Company to examine the accompanying Statement showing 'Compliance with covenants including financial covenants' for the listed non-convertible debt securities as at 30 June, 2023 ('the Statement') which has been prepared by the Company on the basis of reviewed financial results, other relevant records and documents maintained by the Company for the quarter ended 30 June, 2023 pursuant to the requirements of the SEBI Circular no. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated 19 May, 2022 ("the circular") and Para 2 of chapter VI of the Operational Circular for Debenture Trustees dated March 31, 2023 in respect of its listed non-convertible debt securities as at 30 June, 2023 ("Debentures") and has been initialled 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. Furthermore, the Management is also responsible for compliance with the requirements of SEBI regulations and the Circular. This responsibility includes designing, implementing, and maintaining internal controls that are relevant to the preparation and presentation of the Statement, as well as 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 SEBI circular and for providing all relevant information to the Debenture Trustee and for complying with the covenants including financial covenants as prescribed in the Information Memorandum and Debenture Trust Deed.

Auditor's responsibility

5. Pursuant to the requirements of the SEBI Circular, it is our responsibility to provide a limited assurance as to whether; the Company is in compliance with covenants including financial covenants as mentioned in the Information Memorandum and Debenture Trust Deed as indicated in the Statement.
6. We have audited the financial statements for the year ended 31 March, 2023 and issued an unmodified audit opinion vide our report dated 22 May, 2023. We have also conducted limited review of financial results for the quarter ended 30 June, 2023 pursuant to the requirements of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations 2015, as amended and issued Limited Review Report dated 14 August, 2023. Our audit of financial statements and review of financial results was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).

7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI and the standards on auditing specified under Section 143(10) of the Companies Act, 2013 in so far as applicable for the purpose of this Report, which includes the concept of test checks and materiality. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. 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.
9. The procedures performed in a limited assurance vary in nature and timing from, and are less in extent than for, a reasonable assurance; and the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 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) We have reviewed the unaudited financial results and compliance with covenants including financial covenants information for the quarter ended 30 June, 2023, which were provided to us by management and certified by them.
 - (b) Obtained and read the Debenture Trust Deed and the Information Memorandum and noted the compliance with covenants including financial covenants required to be maintained by the Company in respect of Debentures, as indicated in the Statement, traced and agreed the outstanding amount of the Debentures outstanding as at 30 June, 2023 to the unaudited financial results of the Company for the quarter ended 30 June, 2023 referred to in paragraph 10(a) above.
 - (c) Obtained and read the particulars of all covenants required to be provided in respect of Debentures as indicated in the Debenture Trust Deed and the Information Memorandum and compared it with the information furnished in Part A of the Statement.
 - (d) Traced the value of security as reported in Part A of the Statement to the certificate provided by management and certified by chartered accountant as of 30 June 2023, referred to in paragraph 10(a) above, as well as other relevant records maintained by the Company.
 - (e) Examined and verified the arithmetical accuracy of the financial covenants indicated in Part A of the Statement.
 - (f) With respect to compliance with Financial Covenants indicated in Part B of the Statement, we have performed the following procedures:
 - (i) Compared the Financial Covenants computed by the management as at 30 June, 2023 with the requirements stipulated in the Debenture Trust Deed to verify whether such Financial Covenants are in compliance with the requirements of the Debenture Trust Deed.
 - (ii) Performed necessary inquiries with the management regarding any instances of non-compliance with Financial Covenants or communications received from the Trustee indicating any breach of Financial Covenants as at 30 June, 2023.

- (g) The Management has represented and confirmed that the Company has complied with all covenants, as prescribed in the Information Memorandum and Debenture Trust Deed, as at 30 June, 2023 except for the covenants where due date of compliance has not been passed as on date of this certificate. We have solely relied on the same.
- (h) Obtained the quarterly compliance certificate submitted by the management with the Debenture Trustee.
- (i) Performed necessary inquiries with the Management and obtained necessary representations.

Conclusion

- 11. On the basis of our review of the financial statement and other relevant records and documents and according to the information and explanations provided to us by the management of the Company, nothing has come to the attention that causes us to believe that the Company is not in compliance with all the covenants including financial covenants as mentioned in the Information Memorandum and Debenture Trust Deed as at 30 June, 2023.

Restriction on use

- 12. The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 2 above and to be submitted with the accompanying Statement to the Debenture Trustee and is not to be used or referred to for any other person. 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.

For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

MANISH Digitally signed by
MANISH SURANA
SURANA Date: 2023.08.14
17:32:18 +05'30'

Manish Surana
Partner
Membership No.: 503812
UDIN: 23503812BGYOUZ3628

Place: Gurugram
Date: 14 August, 2023

COMPLIANCE OF COVENANTS INCLUDING FINANCIAL COVENANTS

Part A: Asset coverage in respect of listed debt securities as at 30 June, 2023

ISIN wise details in respect of listed secured debt securities

All amounts in Rs. / millions

S.No.	ISIN	Facility	Type of charge	Sanctioned amount	Principal outstanding as at 30 June, 2023	Interest outstanding as at 30 June, 2023	Total Outstanding as at 30 June, 2023	Cover Required*	Asset Required	Asset - Receivables hypothecated
1	INE604O07159* (see note a)	NCD	Hypothecation over loan receivables	500.00	-	-	-	125%	-	-
2	INE604O07167*	MLD NCD	Hypothecation over loan receivables	1,500.00	1,500.00	90.62	1,590.62	110%	1,749.68	1,802.04
		Total		2,000.00	1,500.00	90.62	1,590.62		1,749.68	1,802.04

*As per respective debenture trust deeds, Asset cover is required to be maintained on outstanding principal plus accrued interest.

Part B: Compliance with respect to the listed debt securities outstanding as at 30 June, 2023

S.No.	ISIN	Facility	Date of Trust deed	Financial Covenant Description	Compliance
1	INE604O07159 (see note a)	NCD	28-Sep-20	Financial Covenants as referred in clause 5.2.1, the second schedule and the sixth schedule of the debenture trust deed dated 28 September, 2020	Complied
2	INE604O07167	MLD NCD	20-Oct-22	Financial Covenants as referred in clause 10.3, clause 10.4, clause 10.5, clause 10.6 of the debenture trust deed dated 20 October, 2022	Complied

Notes:

- a. The Company has fully redeemed its outstanding listed debentures (ISIN - INE604O07159) having face value of Rs. 500 millions as on 30 June, 2023. Accordingly, the Company has only market linked non-convertible debentures outstanding as on 30 June, 2023 having face value of Rs. 1,500 millions (ISIN - INE604O07167).
- b. The Securities and Exchange Board of India Regulations require the Company to provide information on assets receivables hypothecated. To fulfill this requirement, management obtained a certificate from an independent chartered accountant, and the management has relied on the same information for the purposes of this certificate.
- c. The Company has a process in place to monitor its financial covenants on a regular basis. We confirm that the company has complied with all financial covenants pertaining to its listed debt securities.
- d. The Company has a process in place to monitor all covenants on a regular basis. We confirm that the company has complied with all covenants pertaining to its listed debt securities.
- e. The Securities and Exchange Board of India Regulations require the Company to obtain a certificate on security cover. To meet this requirement, the Company obtained a separate certificate.

For DMI Finance Private Limited

SAHIB PAHWA
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by SAHIB PAHWA
Date: 2023.08.14
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Authorised Signatory

Name: Sahib Pahwa
Designation: Head-CS & Compliance

Place: New Delhi
Date: 14 August, 2023

SND/MS/08-23/080**Independent Auditor's Report on Security Cover for the quarter ended 30 June, 2023 under Regulation 54 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) for submission to BSE Limited ("the Stock Exchange), and Axis Trustee Services Limited (the "Debenture Trustee")**

To,
The Board of Directors
DMI Finance Private Limited
Express Building, 3rd Floor,
9-10, Bahadur Shah Zafar Marg,
New Delhi-110002

1. This Report is issued in accordance with the terms of our master engagement agreement dated 3 October, 2022 with DMI Finance Private Limited (the "Company").
2. We S.N. Dhawan & CO LLP, Chartered Accountants are the Statutory Auditors of the Company and have been requested by the Company to examine the accompanying Statement showing Security Cover' for the listed non-convertible debt securities as at 30 June, 2023 (the "Statement") which has been prepared by the Company on the basis of reviewed financial results, other relevant records and documents maintained by the Company for the quarter ended 30 June, 2023 pursuant to the requirements of the Regulation 54 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the 'SEBI Regulations') and para 1 of chapter V and Para 2 of chapter VI of the Operational Circular for Debenture Trustees dated March 31, 2023, and has been initialled by us for identification purpose only.
3. This Report is required by the Company for the purpose of submission to the Stock Exchange ("the BSE Limited"), and the Debenture Trustee of the Company to ensure compliance with the SEBI Regulations and SEBI Circular SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated 19 May, 2022 ("the circular") in respect of its listed non-convertible debt securities as at 30 June, 2023 ("Debentures").

Management's responsibility

4. 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. Furthermore, the Management is also responsible for compliance with the requirements of the circulars. This responsibility includes the designing, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement, as well as applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
5. The Management of the Company is also responsible for ensuring that the Company complies with all the relevant requirements of the SEBI Regulations, read with SEBI circulars, Companies Act, 2013 and other applicable laws and regulations, as applicable and for providing all relevant information to the Stock Exchange and the Debenture Trustee and for complying with the requirements of regulations.
6. The Management is also responsible to ensure that Security Cover Ratio as on 30 June, 2023 is in compliance with SEBI Regulations read with circular no. SEBI/ HO/ MIRSD/ MIRSD_CRADT/ CIR/P /2022/67 dated 19 May, 2022 with the minimum security cover requirement of hundred percent as per the SEBI Regulations as given in **the Statement** attached to this Report.

Auditor's responsibility

7. Pursuant to the requirements of the SEBI Regulations, it is our responsibility to provide a limited assurance as to whether the Company has maintained security cover ratio as per minimum requirements stated in SEBI Regulations and the terms of information memorandum and Debenture Trust deed.
8. We have audited the financial statements for the year ended 31 March, 2023 and issued an unmodified audit opinion vide our report dated 22 May, 2023. We have also done limited review of financial results for the quarter ended 30 June, 2023 pursuant to the requirements of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and issued Limited Review Report dated 14 August, 2023. Our audit of financial statements and review of financial results was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).
9. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI and the standards on auditing specified under Section 143(10) of the Companies Act, 2013 in so far as applicable for the purpose of this Report, which includes the concept of test checks and materiality. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
10. 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.
11. The procedures performed in a limited assurance vary in nature and timing from, and are less in extent than for, a reasonable assurance; and, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
12. 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) We have reviewed the unaudited financial results and statement of security cover of the Company for the quarter ended 30 June, 2023.
 - (b) Obtained and read the Debenture Trust Deed and the Information Memorandum and noted the security cover percentage required to be maintained by the Company in respect of Debentures, as indicated in Statement. We traced and agreed the outstanding amount of the Debentures outstanding as at 30 June, 2023 to the unaudited financial results of the Company for the quarter ended 30 June, 2023 referred to in paragraph 12(a) above.
 - (c) Obtained and read the particulars of security cover required to be provided in respect of Debentures as indicated in the Debenture Trust Deed and the Information Memorandum and compared it with the information furnished in the Statement.
 - (d) Traced the value of assets indicated in the Statement to the unaudited financial results as at and for the quarter ended 30 June, 2023, referred to in paragraph 12(a) above, and other relevant records maintained by the Company.
 - (e) Examined and verified the arithmetical accuracy of the computation of security cover indicated in the Statement.
 - (f) Performed necessary inquiries with the Management and obtained necessary representations.

13. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

Conclusion

14. Based on the procedures performed by us, as referred to in paragraph 12 above, and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that the Company has not maintained a minimum required security cover as per the terms of the Information Memorandum, Debenture Trust deed, and as per the SEBI Regulations.

Restriction on use

15. The report has been issued at the request of the Company' solely in connection with the purpose mentioned in the relevant paragraph 2 above and to be submitted with the accompanying Statement to BSE Limited and to the debenture trustee and is not to be used or referred to for any other purpose or by any other party. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or by any other party to whom this report is shown or into whose hands it may come.

For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

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MANISH SURANA
SURANA Date: 2023.08.14
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Manish Surana
Partner
Membership No.: 503812
UDIN: 23503812BGYOUY3589

Place: Gurugram
Date: 14 August, 2023

STATEMENT OF SECURITY COVER FOR LISTED NON-CONVERTIBLE DEBT SECURITIES

All amount in INR millions

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	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 (see note 'II' below)	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not)	Market Value for Pari passu charge Assets	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)	Total Value =K+L+M+ N)	
		Book Value	Book Value	Yes/ No	Book Value	Book Value						Relating to Column F			
ASSETS															
Property, plant and equipment		-	-	No	-	-	138.23	-	138.23	-	-	-	-	-	
Capital work-in-progress		-	-	No	-	-	-	-	-	-	-	-	-	-	
Right of use assets		-	-	No	-	-	183.20	-	183.20	-	-	-	-	-	
Goodwill		-	-	No	-	-	-	-	-	-	-	-	-	-	
Other intangible assets		-	-	No	-	-	20.47	-	20.47	-	-	-	-	-	
Intangible assets under development		-	-	No	-	-	15.03	-	15.03	-	-	-	-	-	
Investments		-	-	No	-	-	8,461.32	-	8,461.32	-	-	-	-	-	
Loans	Book Debts receivables	1,802.04	33,694.95	No	-	-	44,443.62	-	79,940.61	-	1,802.04	-	-	1,802.04	
Inventories		-	-	No	-	-	-	-	-	-	-	-	-	-	
Trade receivables		-	-	No	-	-	51.02	-	51.02	-	-	-	-	-	
Cash and cash equivalents		-	-	No	-	-	10,309.63	-	10,309.63	-	-	-	-	-	
Bank Balances other than cash and cash equivalents	Lien marked fixed deposits	-	489.68	No	-	-	-	-	489.68	-	-	-	-	-	
Others		-	-	No	-	-	3,485.27	-	3,485.27	-	-	-	-	-	
Total		1,802.04	34,184.63				67,107.79		1,03,094.46		1,802.04			1,802.04	
LIABILITIES															
Debt securities to which this certificate pertains	Listed secured NCD	1,590.62	-	Yes	-	-	1,590.62	-	1,590.62	-	1,590.62	-	-	1,590.62	
Other debt sharing pari-passu charge with above debt		-	-	No	-	-	-	-	-	-	-	-	-	-	
Other Debt		-	-	No	-	-	-	-	-	-	-	-	-	-	
Subordinated debt		-	-	No	-	-	-	-	-	-	-	-	-	-	
Borrowings		-	-	No	-	-	-	-	-	-	-	-	-	-	
Bank (see note 'I' below)	Term loans and cash credits	-	20,454.42	No	-	-	20,454.42	-	20,454.42	-	-	-	-	-	
Debt Securities (see note 'I' below)		-	-	No	-	-	9,655.57	-	9,655.57	-	-	-	-	-	
Others	Securitisation - PTC Borrowing	-	3,626.84	No	-	-	3,626.84	-	3,626.84	-	-	-	-	-	
Trade payables	Excluding other payables	-	-	No	-	-	1,824.86	-	1,824.86	-	-	-	-	-	
Lease liabilities		-	-	No	-	-	229.35	-	229.35	-	-	-	-	-	
Provisions		-	-	No	-	-	102.60	-	102.60	-	-	-	-	-	
Others		-	-	No	-	-	842.65	-	842.65	-	-	-	-	-	
Total		1,590.62	24,081.26				38,326.91		38,326.91		1,590.62			1,590.62	
Cover on book value		1.13													
Cover on market value		1.13													

Exclusive Security Cover Ratio

Notes:

- The Statement of Security Cover as of 30 June, 2023 is prepared as per the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), and Securities and Exchange Board of India Regulations, 1993 for submission to BSE Limited (the stock exchange) and Axis Trustee Services Limited (the Debenture Trustee).
- Securities and Exchange Board of India Regulations require the company to provide information on assets hypothecated. To fulfill this requirement, management obtained a certificate from an independent chartered accountant, and the management has relied on the same information for the purpose of this certificate.
- The borrowings from banks, debt securities, and other borrowings are grossed up with the processing fees for the disclosure in Annexure.
- Listed debt securities represent outstanding contractual amount + interest outstanding as on 30 June, 2023. The borrowings from banks, other borrowings and other debt securities represent outstanding contractual amount.
- The Market Value for Assets charged on Exclusive basis is considered the same as the carrying value in the books accordingly not disclosed.
- The Company has fully redeemed its outstanding listed debentures (ISIN - INE604O07159) having face value of Rs. 500 millions as on 30 June, 2023. Accordingly, the Company has only market linked non-convertible debentures outstanding as on 30 June, 2023 having face value of Rs. 1,500 millions (ISIN - INE604O07167).
- The above information is disclosed for the debentures issued upto 30 June, 2023

For DMI Finance Private Limited

SAHIB
PAHWA

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by SAHIB PAHWA
Date: 2023.08.14
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Authorised Signatory

Name: Sahib Pahwa
Designation: Head-CS & Compliance

Place: New Delhi
Date: 14 August, 2023

Brief Profile of Mr. Vivek Wadhera

Mr. Vivek is a Chartered Accountant and has graduated from the University of Delhi. He has more than 22 years of experience spanning multiple industries – Banking and Financial services, Real Estate, Manufacturing and Telecommunication as he has worked with Lucent, CitiFinancial, Barclays and Orix India.

He will be responsible for ensuring the seamless integration of strategy, policies and technology for finance, treasury, accounts, and taxation in the different businesses thus enabling the Company to achieve robust financial governance, budgeting, reporting and financial risk measurement. As a part of the Senior Management team that helps to set the strategic vision for the firm, Mr. Vivek will serve on several firm-wide committees along with overseeing financial issues related to the Board of Directors.