

DHFL/CSD/2020/1871

Date: **28/09/2020**

To,

The Manager Listing Department BSE Limited. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai- 400 001.	The Manager Listing Department National Stock Exchange of India Limited, 'Exchange Plaza', C-1, Block G, Bandra- Kuria Complex, Bandra (East), Mumbai- 400 051
Stock Code: 511072	Stock Code: DHFL

**Sub:** Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI Listing Regulations"] (as amended) and applicable for listed companies undergoing Corporate Insolvency Resolution Process under Insolvency & Bankruptcy Code, 2016 ('the Code').

Dear Sir/Madam,

1. With reference to the above, this disclosure is being made pursuant to Clause 6 of Para A of Annexure I to the circular dated September 09, 2015 on "Continuous Disclosure Requirements for Listed Entities under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015" issued by the Securities and Exchange Board of India ("**Circular**").
2. We may inform you that, the Administrator of Dewan Housing Finance Corporation Limited ("**the Company**"), appointed under the Code, to carry out the duties under Code, obtained assistance from a reputed professional agency, Grant Thornton India LLP (GT or Transaction Auditor) to conduct investigation of the affairs of the Company.
3. Accordingly, the Administrator of the Company received an initial report from the professional agency appointed as the Transaction Auditor, indicating that there are certain transactions which are fraudulent in nature, as per Section 66 of the Code. Basis the investigation and observations of the Transaction Auditor, the Administrator has filed an application in respect of disbursements made towards development of two SRA projects , before the Mumbai bench of the National Company Law Tribunal ("**NCLT**") under Section 60(5) and Section 66 of the Code on September 27, 2020 against Kapil Wadhawan, Dheeraj Wadhawan, the developers and assignees of the SRA projects, and certain other entities ("**Application**"). It is to be noted that this is the second filing based on the report submitted by the Transaction Auditor and further filings may be undertaken, in due course.
4. In accordance with Clause 6.1 of the Circular, please find below the relevant information regarding the concerned transactions:
  - (a) **Nature of fraud:** The Application is in relation to certain irregularities in loan disbursements towards development of SRA projects, undertaken by the Company in the past.
  - (b) **Estimated impact on the listed entity:** As per the Transaction Auditor's report shared with the Administrator, the monetary impact of the above transactions covered under

the Application amount to INR 12,705.53 Crores (which includes principal of INR 10,979.50 crores and accrued interest of INR 1,726.03 crores), being the amount outstanding in the books of the Company as on November 30, 2019;

The entire amount mentioned above along with interest for the remaining period is claimed through the said application filed with the Hon'ble NCLT.

- (c) **Time of occurrence:** As per the report prepared by the Transaction Auditor, the concerned transactions occurred during Financial Years 2016-17 to 2018-19.
  - (d) **Person(s) involved:** Based on the Transaction Auditor's report, the application has been filed with the Hon'ble NCLT, Mumbai against 40 respondents, including Kapil Wadhawan, Dheeraj Wadhawan, Darshan Developers Private Limited, Sigtia Constructions Private Limited and certain other entities as reported by the transaction auditor.
  - (e) **Estimate amount involved:** The preliminary estimation included in the Application places the monetary impact of the concerned transactions at approximately INR 12,705.53 Crores (which includes principal of INR 10,979.50 Crores and accrued interest of INR 1,726.03 Crores), as being the amount outstanding in the books of the Company as on November 30, 2019.
  - (f) **Reporting to authorities:** The Application has been filed before the NCLT under Section 60(5) and Section 66 of the Code on September 27, 2020.
5. All relevant details regarding these proceedings have been included in the application filed before the Hon'ble National Company Law Tribunal, Mumbai and is presently pending consideration.

Kindly take the above on record and acknowledge receipt.

Thanking you,

Yours sincerely,  
for Dewan Housing Finance Corporation Ltd.

S. N. Baheti  
Company Secretary  
ACS 5535