

DHFL/CSD/2020/1862

Date: 02/09/2020

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- Kurla 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 (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. I wish to inform you that, the Administrator of Dewan Housing Finance Corporation Limited ("**Company**"), appointed under the( IBC) Code, to carry out the duties under Code, obtained assistance from a reputed professional agency, Grant Thornton (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 to certain entities, referred to as the Bandra Books Entities, before the Mumbai bench of the National Company Law Tribunal ("**NCLT**") under Section 60(5) and Section 66 of the Code on August 30, 2020 against Kapil Wadhawan, Dheeraj Wadhawan, Township Developers India Ltd, Wadhawan Holdings Private Limited, Dheeraj Township Developers Private Limited, Wadhawan Consolidated Holdings Pvt. Ltd., Wadhawan Global Hotels & Resorts Pvt. Ltd, Wadhawan Lifestyle Retail Pvt. Ltd. and certain other entities ("**Application**"). It is to be noted that this is an initial 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 fraudulent transactions undertaken by the Company in the past.
  - (b) **Estimated impact on the listed entity:** As per the transaction auditor report shared with the Administrator, the monetary impact of the above transactions covered under the Application amount to:

- (i) INR 14,046 Crores, being the amount outstanding in the books of the Company as on June 30, 2019;
- (ii) INR 3,348 Crores being amount considered as due and outstanding towards notional loss to the Company on account of fraudulently charging lower rate of interest to certain entities referred to in the Application as the Bandra Book Entities.

Thus, the total impact of such transactions as detailed in the Transaction Auditor's Report has been sought from the relevant entities involved, along with the interest for the relevant period, 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 Year 2006-2007 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 87 respondents, including Kapil Wadhawan, Dheeraj Wadhawan, Township Developers India Ltd, Wadhawan Holdings Private Limited, Dheeraj Township Developers Private Limited, Wadhawan Consolidated Holdings Pvt. Ltd., Wadhawan Global Hotels & Resorts Pvt. Ltd, Wadhawan Lifestyle Retail Pvt. Ltd. and certain others 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 14,046 Crores, as being the amount outstanding in the books of the Company as on June 30, 2019 and additionally INR 3,348 Crores being the amount considered as due and outstanding towards notional loss to the Company on account of charging lower rate of interest to certain entities referred to in the Application as the Bandra Book Entities.
  - (f) **Reporting to authorities:** The Application has been filed before the NCLT under Section 60(5) and Section 66 of the Code on August 30, 2020.
5. All relevant details regarding these proceedings have been included in the application filed before the 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