

TRACK RECORD OF THE PUBLIC ISSUES MANAGED BY THE MERCHANT BANKER IN THE LAST 3 FINANCIAL YEARS

B. For Debt Issues

Name of the issue:

1 Type of issue

Public Issue by Dewan Housing Finance Limited ("DHFL" or the "Issuer") of Secured, Redeemable, Non - Convertible Debentures ("NCDs") of face value Rs.1,000/ each for an amount of Rs. 3,000 crores ("BASE ISSUE SIZE") with an option to retain oversubscription upto Rs. 9,000 crores aggregating to Rs. 12,000 crores ("Tranche - I Issue Limit")("Tranche - I Issue")

2 Issue size (Rs crore)

The Tranche - I Issue by the Issuer is of NCDs for an amount of Rs. 3,000 crores with an option to retain oversubscription upto Rs. 9,000 crores aggregating upto Rs. 12,000 crores. The Issuer has issued and allotted NCDs aggregating to Rs. 10,944.79 crores in the Tranche - I Issue.
(Source: Minutes of the Meeting between DHFL; the Lead Managers; and the Registrar dated June 02, 2018)

3 Rating of instrument alongwith name of the rating agency

(i) as disclosed in the offer document

As disclosed in the offer document: 'CARE AAA' by Credit Analysis and Research Ltd. (CARE) & 'BWR AAA': Outlook Stable by Brickwork Ratings India Private Limited (Brickwork Ratings)

(ii) at the end of 1st FY (FY2019)

'CARE A' (credit watch with developing implications) by CARE Ratings Limited & 'BWR AA' (credit watch with negative implications) by Brickwork Ratings

(iii) at the end of 2nd FY (FY2020)

CARE 'D' by CARE Ratings Limited and 'BWR D' by Brickwork Ratings

(iv) at the end of 3rd FY (FY2021)

CARE 'D' by CARE Ratings Limited and 'BWR D' by Brickwork Ratings*

*CARE Ratings dated February 15, 2021 and Brickwork Ratings dated June 5, 2020

4 Whether the security created is adequate to ensure 100% asset cover for the debt securities (See Regulation 26 (6) of SEBI (Issue and Listing of Debt Securities) Regulations, 2008)Yes. (As per reg. 54(1)

of LODR regulations, in respect of listed NCDs, the Company is required to maintain hundred per cent asset cover sufficient to discharge the principal amount at all times for the non-convertible debt securities issued.

As reported by the auditors in the financial results filed with the stock exchange, for the quarter/half-year ended 30.09.2019, the asset cover may fall short of the required asset cover to be maintained for the said debentures. Given the fact that the company is in insolvency proceedings and pendency of the audit of the financials of the FY, it is not possible to comment on the compliance of the said regulations.)

* Source – Annual report for the financial year ended March 31, 2020

5 Subscription level (number of times). If the issue was undersubscribed, please clarify how the funds were arranged.

The Issue was subscribed 3.6483 times of the Base Issue Size and 0.9121 times of the Tranche 1 Issue after considering the Cheque Returns and Technical Rejections

* Source – Minutes of the Meeting between the Company, Registrar to the Issue and Lead Managers to the Issue dated June 02, 2018

6 Financials of the issuer (as per the annual financial results submitted to stock exchanges under Clause 29 of the listing agreement for debt securities)

(Rs. in crores)

| Parameters | FY2019 | FY2020 | FY2021 |
|---|-----------|-------------|-------------|
| Income from operations | 12,882.14 | 9,322.23 | 8,770.65 |
| Net Profit for the period | (965.91) | (13,612.32) | (15,051.12) |
| Paid-up equity share capital | 313.82 | 313.82 | 313.82 |
| Reserves excluding revaluation reserves | 7,623.55 | (5,851.76) | (20,959.13) |

7 Status of the debt securities (whether traded, delisted, suspended by any stock exchange, etc.)

(i) at the end of 1st FY (FY2019)

Listed

(ii) at the end of 2nd FY (FY2020)

Listed

(iii) at the end of 3rd FY (FY2021)

Listed

* NCDs are listed on the National Stock Exchange of India Limited and BSE Limited w.e.f June 6, 2018.

8 Change, if any, in directors of issuer from the disclosures in the offer document

(i) at the end of 1st FY (FY2018)

August 30, 2017: Mr. harshil Mehta was appointed as f Whole Time Director (designated as Joint Managing Director & CEO)

(ii) at the end of 2nd FY (FY2019)

March 29, 2019: Following directors resigned: Mr. G.P. Kohli [DIN: 00230388] and Mr. Mannil Venugopalan [DIN:00255575]Independent Directors of the Company.

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(ii) at the end of 3rd FY (FY2020)
The Reserve Bank of India (RBI) vide its Order No. DOR NBFC(PD) 986/03.10.136/2019-20 dated 20th November, 2019 issued the Order w.r.t. the Supersession of the Board of Directors of Dewan Housing Finance Corporation Ltd. Mr. R Subramaniakumar has been appointed as the Administrator and a three member Advisory Committee to assist the Administrator comprises of a. Dr Rajiv Lall, Non-Executive Chairman, IDFC First Bank Ltd, b. Mr. N S Kannan, Managing Director and CEO, ICICI Prudential Life Insurance Co. Ltd. and c. Mr. NS Venkatesh, Chief Executive, Association of Mutual Funds in India

(iv) at the end of 3rd FY (FY2021)*
The Reserve Bank of India (RBI) vide its Order No. DOR NBFC(PD) 986/03.10.136/2019-20 dated 20th November, 2019 issued the Order w.r.t. the Supersession of the Board of Directors of Dewan Housing Finance Corporation Ltd. Mr. R Subramaniakumar has been appointed as the Administrator and a three member Advisory Committee to assist the Administrator comprises of a. Dr Rajiv Lall, Non-Executive Chairman, IDFC First Bank Ltd, b. Mr. N S Kannan, Managing Director and CEO, ICICI Prudential Life Insurance Co. Ltd. and c. Mr. NS Venkatesh, Chief Executive, Association of Mutual Funds in India

Source: Stock exchange filings

9 Status of utilization of issue proceeds (as submitted to stock exchanges under Clause 19A of the listing agreement for debt securities)

(i) as disclosed in the offer document

The Net Proceeds raised through this Issue will be utilised for following activities in the ratio provided as below:-

1. For the purpose of onward lending, financing, and for repayment of interest and principal of existing borrowings of the Company- At least 75%
2. For General Corporate Purposes* – Maximum of upto 25

**The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount raised in the Tranche 1 Issue,*

(ii) Actual utilization*

The proceeds of the Issue were utilized for the purpose for which they were raised, largely towards business purposes, prepayment/repayment of borrowings

* Source – Annual report for financial year 2018-19

(iii) Reasons for deviation, if any

NA

10 Delay or default in payment of interest/ principal amount (See Regulation 23 (5) of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 and Clause 19 (I) of the listing agreement for debt securities) (Yes/ No) (If yes, further details of the same may be given)

(i) Disclosures in the offer document on terms of issue

The Debenture Trustee will protect the interest of the Debenture Holders in the event of default by the Company in regard to timely payment of interest and repayment of principal and they will take necessary action at Company's cost. (Source: Tranche 1 Prospectus dated May 14, 2018)

(ii) Delay in payment from the due date

Yes

(iii) Reasons for delay/ non-payment, if any

Corporate Insolvency Resolution Insolvency Process (CIRP) has been initiated against the company. Further details are mentioned in point no. 11

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- The Issuer has defaulted in the payment obligations of its outstanding debt securities, the details of which are being periodically disclosed on the website of stock exchanges. The rating of the instrument was downgraded to 'D' by CARE and Brickwork Ratings on June 5, 2019.
- RBI, as per circular dated November 20, 2019, stated that it had superseded the Board of Directors of DHFL and appointed Mr. R. Subramaniakumar, (Ex-MD and CEO of Indian Overseas Bank) as its 'Administrator'.
- RBI also initiated the process of resolution of the company under provisions of Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and application to Adjudicating Authority) Rules, 2019 and apply to NCLT for appointing the Administrator as the Insolvency Resolution Professional.
- Subsequently, committee of creditors (CoC) was formed comprising of all lenders.
- As per corporate announcement filed by the Issuer on BSE dated March 12, 2020, the CoC members were to vote on resolution process of the company. Updated status of claims was also presented to the CoC. Detailed minutes of the meeting and the Debenture Trustee is also providing status update about the Issuer on regular basis, which is available under the link - <https://www.catalysttrustee.com/sebicompliance-by-issuer-companies/dhfl-ibc/>
- The Company informed that as per the terms of the provision of the Request for Resolution Plan ("RFRP") dated September 16, 2020, the Administrator, acting on the authorization given by the CoC in this regard, has issued the Letter of Intent to Piramal Capital & Housing Finance Limited (being the successful resolution applicant).
- The Company informed that pursuant to the receipt of No objection from Reserve Bank of India as per Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, the Administrator of Dewan Housing Finance Corporation Limited (DHFL) has filed an application under Section 30(6) of the Code for submission of resolution plan of Piramal Capital & Housing Finance Limited (PCHFL) as approved by the Committee of Creditors with the Adjudicating Authority i.e. Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench on 24th February 2021
- The Company informed that they received approval of Hon'ble National Company Law Tribunal on resolution plan submitted by Piramal Capital & Housing Finance Limited. As part of the Resolution Plan, the equity shares of the Company are proposed to be delisted on June 08, 2021
- The Company informed stock exchanges on July 27, 2021 that the Company has fixed Record date as Friday, July 30, 2021

Any other material information

Note: (i) Merchant Banker can give its comments on any of the above sections

(ii) Merchant Banker may obtain information/ clarification from the issuer or stock exchange, wherever felt necessary