

Shelf Disclosure Document prepared as per Schedule I of SEBI(Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4(Pursuant to Section 42 of Companies Act, 2013 and rules framed therein.

**CONFIDENTIAL OFFER LETTER**

**June 06, 2018**

**Name of Offeree- UTI-Credit Risk Fund**

**Serial No. 02/NCD/18-19**



**DMI FINANCE PRIVATE LIMITED**

CIN: U65929DL2008PTC182749

Date of Incorporation: September 02, 2008

A Private Limited Company Incorporated under the Companies Act, 1956

Registered and Corporate Office: Express Building, 3rd Floor,

9-10, Bahadur Shah Zafar Marg ,New Delhi-110002

Tel.: +91 11 4120 4444 Fax. +91 11 4120 4400

Website: [www.dmifinance.in](http://www.dmifinance.in)

Email ID: [dmi@dmifinance.in](mailto:dmi@dmifinance.in)

**Offering of 2,500 senior, secured, listed, rated, redeemable, rated, non-convertible debentures (“NCD’s” or “Debentures”) with a face value of Rs. 10.00 Lacs per debenture aggregating up to Rs. 250.00 crores (“The Issue”) on Private Placement Basis in two series.**

*This Offer Letter (“Information Memorandum/Disclosure Document”) is submitted to you on a confidential basis solely in connection with your consideration of an investment in compulsorily convertible debentures having such coupon from time to time as may be as decided by the Board of Directors of the Company on its face value subject to applicable laws (“NCD” or “Debentures”) to be issued by DMI Finance Pvt. Limited, a company incorporated under the laws of India having CIN U65929DL2008PTC182749 (“Company”). Due to the confidential nature of this Information Memorandum, its use for any other purpose might involve serious legal consequences. Accordingly, this Information Memorandum may not be reproduced in whole or in part, and may not be delivered to any person (other than your investment representative) without the prior written consent of the Company.*

Shelf Disclosure Document prepared as per Schedule I of SEBI(Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4(Pursuant to Section 42 of Companies Act, 2013 and rules framed therein).

**MEANT FOR USE OF THE ADDRESSEE ONLY**

**INFORMATION MEMORANDUM/DISCLOSURE DOCUMENT**



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Website: [www.dmifinance.in](http://www.dmifinance.in)

Email ID: [dmi@dmifinance.in](mailto:dmi@dmifinance.in)

**Shelf Disclosure Document issued in conformity with SEBI(Issue and Listing of Debt Securities) regulations 2008 issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 06, 2008, as amended vide circular no. LAD-NRO/GN/2012-13/19/5392 dated October 12, 2012 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4(Pursuant to Section 42 of Companies Act, 2013 and rules framed therein.**

***Issue by DMI Finance Private Limited (the “Issuer” or “Company” or “DFPL”) of senior, secured, redeemable, listed, rated, non-convertible debentures (“NCD’s” or “Debentures”) with a face value of Rs. 10.00 Lacs per debenture aggregating up to Rs. 250.00 crores(“The Issue”) on Private Placement Basis in two series.***

**BACKGROUND**

This Disclosure Document is related to the Debentures to be issued by DMI Finance Private Limited on a private placement basis and contains relevant information and disclosures required for the purpose of issuing the Debentures. The issue of Debentures described under this Disclosure Document issued has been authorised by the Issuer through a resolution passed by the board of directors of the Issuer on **March 16, 2018** and shareholders resolution dated **March 19, 2018**, resolution passed by the loan/investment & borrowing committee of the Issuer on **June 06, 2018** and in accordance with the provisions of the Companies Act, 2013 (“Companies Act”).

**GENERAL RISKS:**

For taking an investment decision, investors must rely on their own examination in relation to the Issue and the Disclosure Document including the risks involved. The Issue has not been recommended or approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Disclosure Document issued. There has been no formal market for the securities of the Company. No assurance can be given regarding an active or sustained trading in the securities of the Company or regarding the price at which the securities will be traded after listing.



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## **CREDIT RATING:**

The Debentures have a rating of **CARE AA-** by CARE Ratings Limited . The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The rating agencies have a right to suspend, withdraw the rating at any time on the basis of factors such as new information or unavailability of information or any other circumstances which it believes may have an impact.

The Issuer reserves the right to change the above Issue schedule including the Allotment Date at its sole discretion, without giving any reasons or prior notice. The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue schedule.

The terms and conditions contained in this Disclosure Document shall be read in conjunction with the provisions (as may be mutually agreed between the Company and Debenture Trustee, from time to time) contained in the Debenture Trust Deed and in case of any repugnancy, inconsistency or where there is a conflict between the terms and conditions as are stipulated in the Debenture Trust Deed on one hand and the terms and conditions in this Disclosure Document on the other, the provisions contained in the Debenture Trust Deed shall prevail and override the provisions of this Disclosure Document for all intents and purposes.

<b>REGISTRAR TO THE ISSUE</b>	<b>TRUSTEE TO THE DEBENTURE HOLDERS</b>
 <p>TOWARDS EXCELLENCE</p> <p>Skyline Financial Services Private Limited            Okhla Phase II            New Delhi – 110020            Tel: 011- 011- 26812682            Fax: 011-30857562            Website: <a href="http://www.skylinerta.com">www.skylinerta.com</a>            Email: <a href="mailto:admin@skylinerta.com">admin@skylinerta.com</a></p>	 <p>Axis Trustee Services Limited            Axis House,            Bombay Dyeing Mills Compound,            Pandhurang Budhkar Marg,            Worli, Mumbai, Maharashtra 400025            Tel: 022-24255215;            Fax: 022-24254200;            Website: <a href="http://www.axistrustee.com">www.axistrustee.com</a>            E-mail: <a href="mailto:debenturetrustee@axistrustee.com">debenturetrustee@axistrustee.com</a></p>
<p><b><i>NOTE: This Disclosure Document shall be serially numbered and circulated privately to persons not exceeding 49 (forty nine) and is solely for the purpose of issuance and listing of Debentures on private placement basis and therefore should not be construed to be a prospectus and/or an invitation to the public for subscription to Debentures under any law for the time being in force.</i></b></p>	

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## DEFINITIONS AND ABBREVIATIONS

Company / Issuer / We/ Us/DFPL	<b>DMI Finance Private Limited</b> having its registered office : Express Building, 3rd Floor, 9-10, Bahadur Shah Zafar Marg ,New Delhi-110002
Applicant(s) / Investor(s)	Any Person who is eligible to participate in this Issue and makes an application pursuant to the Disclosure Document and the Application Form subject to a maximum number of persons as specified in the Companies Act.
Application Amount	An amount equal to the aggregate face value of NCDs applied for to be paid by an Applicant at the time of making an Application.
Application Form	The form in which an Investor can apply for subscription to the Debentures
Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to the Issue.
Allotment Date	Shall mean the date as mentioned in this Disclosure Document. The actual allotment of Debentures shall take place on the Allotment Date and all benefits relating to the Debentures issued will, unless provided otherwise in the Transaction Documents, be available to the Debenture Holders from the Allotment Date.
Articles/AoA	Articles of Association of the Company
Board	Board of Directors of the Company or a Committee thereof
Book Closure/ Record date	Shall be 15 (fifteen) days before each relevant payment (interest, principal repayments, early redemption etc.)
BSE	Bombay Stock Exchange
Business Day	Business Day shall mean a day (other than a holiday or a Saturday or Sunday) on which money market is working in Mumbai
CCD	Compulsorily Convertible Debentures
CCPS	Compulsorily Convertible Preference Shares
CDSL	Central Depository Services (India) Limited
Companies Act	Companies Act, 2013 (to the extent notified) and the rules made thereunder and/or provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification
Credit Rating Agency/ Credit Rating Agencies	CARE Ratings Limited or any other SEBI Registered Rating Agency/s appointed by the Company from time to time.
Credit Rating Letter	Credit Rating Letter means the letter dated June 05, 2018 issued by CARE Ratings Limited to the Company in respect of the Debentures.
Debentures/NCDs/Debt Securities	Senior, rated, secured, listed, redeemable non-convertible debenture(s) of face value of Rs.10.00 Lakhs each aggregating upto Rs.250.00 crores to be issued by DMI Finance Private Limited.
Debenture Holders/Beneficial Owners	The debenture holder whose name appears in the register of debenture holders maintained by the Company in accordance with applicable laws or in the record of beneficial ownership furnished by the Depository(ies) for this purpose.
Debenture Trust Deed	Mortgage cum debenture trust deed deed executed between the Issuer and the Debenture Trustee.

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Debenture Trustee	Trustee for the Debenture holders, in this case being Axis Trustee Services Limited.
Depository/ies	National Securities Depository Ltd. (NSDL) and/or Central Depository Services (India) Ltd. (CDSL)
DP	Depository Participant.
e-payment	Real Time Gross Settlement (RTGS)/National Electronic Fund Transfer (NEFT) /Online banking or Internet banking or E-banking (e-bank).
FEMA Regulations	The Regulations framed by the RBI under the provisions of the Foreign Exchange Management Act, 1999, as amended from time to time.
Interest Payment Date	Semi-annual basis i.e. June 30, 2018 and December 31, 2018
IFSC	Indian Financial System Code (IFSC) is an alphanumeric code that uniquely identifies a bank-branch participating in the two main electronic funds settlement systems in India - RTGS and NEFT systems.
INR/ Rs./ Rupees	Currency of Republic of India.
I.T. Act	The Income-tax Act, 1961 as amended from time to time
Issue/ Offer	Issue of senior, rated, listed, secured, redeemable, taxable and non-convertible debentures on a Private Placement basis in two series at the Issuer's sole discretion.
ISIN	International Securities Identification Number.
Memorandum / MoA	Memorandum of Association of the Company
NBFC	Non Banking Financial Company.
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the FEMA Regulations.
NSDL	National Securities Depository Limited.
Repayment Date	Series I: At the end of 24 months from the Deemed Date of Allotment Series II: At the end of 36 months from the Deemed Date of Allotment
Registrar to the Issue (RTA)	Registrar to the Issue, in this case being Skyline Financial Services Pvt Ltd.
ROC	The Registrar of Companies, Delhi.
RBI	The Reserve Bank of India.
RBI Directions	Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016 (as amended from time to time)
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI Regulations/ Guidelines	The Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008 dated June 6, 2008, SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 dated October 12, 2012 and SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2014 dated January 31, 2014 & SEBI (Issue & Listing of Debt Securities) (Amendment) Regulations, 2015 dated March 24, 2015 and any future amendments thereto.
Security Documents	Any security document entered into from time to time for creation of any security for the benefit of the Debenture Holders.
Disclosure Document	This Disclosure Document for Private Placement of senior, rated, secured,

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	listed, redeemable non-convertible debentures of face value of Rs.10.00 Lakh each for cash aggregating upto Rs. 250.00 Crores to be issued by DMI Finance Private Limited in two series.
Transaction Documents	Shall mean collectively the Debenture Trust Deed and such other documents as may be executed or required to be executed between the Debenture Trustee and the Company, security providers, or any other person, in order to protect the rights of the Debenture Holders.

Any other term, word or expression not defined above, shall have the same meaning as assigned thereto in the Debenture Trust Deed.



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## A. DISCLAIMER

This Disclosure Document is neither the Prospectus nor the Statement in Lieu of Prospectus and is prepared in accordance with Companies Act, SEBI Regulations and RBI Directions. This document does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by **DMI Finance Private Limited** (the “**Issuer**”/ the “**Company**”/ “**DFPL**”). The issue of Debentures shall not be listed on any stock exchange and has been made strictly on a private placement basis. The document is for the exclusive use of the Investors to whom it is addressed and delivered and it should not be circulated or distributed to third party(ies). The Company certifies that the disclosures made in this document are in conformity with SEBI Regulations. The Company shall comply with applicable provisions of circular no. RBI/FMRD/2016-17/32 FMRD. Master Direction No. 2/2016-17 dated July 07, 2016 (as amended from time to time) issued by the Reserve Bank of India in issue of Debentures under this Disclosure Document.

Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. All offers shall be made only to such persons whose names are recorded by the Company prior to the invitation to subscribe, and that such persons shall receive the offer by name, and that a complete record of such offers shall be kept by the Company in such manner as prescribed by the Companies Act. As per applicable provisions, it is not necessary for a copy of this Disclosure Document to be filed or submitted to the SEBI or RBI for its review and/or approval. No offer or an invitation to an offer is being made to any persons, other than to those to whom an Application Form along with this Disclosure Document has been sent. The person to whom a copy of the Disclosure Document is addressed is alone entitled to apply for the Debentures. Any application by a person to whom the Disclosure Document, and the Application Form have not been sent by the Company shall be rejected without assigning any reason. The person who is in receipt of this Disclosure Document shall maintain utmost confidentiality regarding the contents of this Disclosure Document and shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents without the consent of the Issuer. Notwithstanding the foregoing, a Debenture Holder may provide this Disclosure Document to a potential purchaser for the sole purpose of transferring the Debentures.

Apart from the Disclosure Document, no offer document or prospectus has been prepared in connection with this Issue and no prospectus in relation to the Issuer or the Debentures relating to this offer has been delivered for registration nor is such a document required to be registered under the applicable laws.

This Disclosure Document is issued by the Company and has been prepared by the Company to provide general information on the Company to potential investors to whom it is addressed and who are eligible and willing to subscribe to the Debentures and does not purport to contain all the information a potential investor may require. Where this Disclosure Document summarizes the provisions of any other document, that summary should not be solely relied upon and the relevant document should be referred to for the full effect of the provisions. Neither this Disclosure Document, nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation. Any recipient of this Disclosure Document should not consider such receipt a recommendation to purchase the Debentures. Each potential investor contemplating the purchase of any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own legal, regulatory, tax, financial, accounting, and/or other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such potential investor's particular circumstances. Further, the Issuer does not undertake to update the Disclosure Document issued to reflect subsequent events after the date of the Disclosure

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Document issued and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

This Disclosure Document issued shall not be considered as a recommendation to purchase the Debentures and recipients are urged to determine, investigate and evaluate for themselves, the authenticity, origin, validity, accuracy, completeness, adequacy or otherwise the relevance of information contained in the said documents. The recipients are required to make their own independent valuation and judgment of the Company and the Debentures. It is the responsibility of potential investors to ensure that if they sell/ transfer these Debentures, they shall do so in strict accordance with this Disclosure Document issued and other applicable laws, so that the sale does not constitute an offer to the public, within the meaning of the Companies Act. The potential investors should also consult their own tax advisors on the tax implications relating to acquisition, ownership, sale or redemption of the Debentures and in respect of income arising thereon. Investors are also required to make their own assessment regarding their eligibility for making investment(s) in the Debentures. The Company or any of its directors, employees, advisors, affiliates, subsidiaries or representatives do not accept any responsibility and/ or liability for any loss or damage however arising and of whatever nature and extent in connection with the said information.

This Disclosure Document do/will not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. The distribution of this Disclosure Document and the offering and sale of the Debentures may be restricted by law in certain jurisdictions. Persons into whose possession this Disclosure Document come are required to inform themselves about and to observe any such restrictions. The Disclosure Document issued is/are made available to investors in the Issue on the strict understanding that the contents hereof are strictly confidential.

#### **DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA**

The Debentures have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. It is to be distinctly understood that this document should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this document. SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this Disclosure Document.

#### **DISCLAIMER OF THE RESERVE BANK OF INDIA**

The Debentures have not been recommended or approved by the Reserve Bank of India nor does RBI guarantee the accuracy or adequacy of this document. It is to be distinctly understood that this document should not, in any way, be deemed or construed that the securities have been recommended for investment by the RBI. It does not take any responsibility either for the financial soundness of the Issuer or the securities being issued by the Issuer or for the correctness of the statements made or opinions expressed in this document. Potential investors may make investment decision in the securities offered in terms of this Disclosure Document solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/ repayment of such investment.

#### **DISCLAIMER OF THE STOCK EXCHANGE**

It is to be distinctly understood that filing of this Disclosure Document issued with the Stock Exchange should not, in any way, be deemed or construed that the same has been cleared or approved by the Stock Exchange. The Stock Exchange does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements

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made or opinions expressed in this Disclosure Document.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is made in India to investors as specified under the clause titled “**Eligible Investors**” of this Disclosure Document, who shall be specifically approached by the Issuer. This Disclosure Document does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. This Disclosure Document of Debentures is made in India to persons resident in India and non-residents as permissible. Nothing in this Disclosure Document issued shall constitute and/or deem to constitute an offer or an invitation to an offer, to be made to the Indian public or any section thereof, at large, through this Disclosure Document, and this Disclosure Document and its contents should not be construed to be a prospectus under the Companies Act. This Disclosure Document does not/will not constitute an offer to sell or an invitation to subscribe to the Debentures, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

#### **DISCLAIMER OF RATING AGENCIES**

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Credit Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Credit Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Credit Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

#### **DISCLAIMER OF THE ISSUER**

The Issuer confirms that to the best of its knowledge and belief (and it has taken all reasonable care to ensure that such is the case) the information contained in this Disclosure Document is true and correct in material respects and is not misleading in any material respect. The Issuer accepts no responsibility for statements made otherwise than in this Disclosure Document or any other material issued by or at the instance of the Issuer and anyone placing reliance on any other source of information would be doing so at his/her/their own risk.

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## **B. LIST OF DOCUMENTS TO BE FILED WITH THE STOCK EXCHANGE**

List of disclosures to be filed along with the listing application to the stock exchange:

- (a) Memorandum and Articles of Association and necessary resolution(s) for the allotment of the debt securities;
- (b) Copy of last three years audited annual reports of the Company;
- (c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (d) Copy of the board / committee resolution authorizing the borrowing and list of authorized signatories.
- (e) An undertaking from the Company stating that the necessary documents for the creation of the charge, where applicable, including the Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/act/rules etc and the same would be uploaded on the website of the designated stock exchange, where the debt securities have been listed, within five working days of execution of the same.
- (f) Any other particulars or documents that the recognized stock exchange may call for as it deems fit.
- (g) An undertaking that permission / consent from the prior creditor for a second or pari passu charge being created, where applicable, in favor of the trustees to the proposed issue has been obtained.

## **C. LIST OF DOCUMENTS TO BE DISCLOSED TO THE DEBENTURE TRUSTEE**

List of disclosures to be submitted to the Debenture Trustee in electronic form (soft copy) at the time of allotment of the debt securities:

- (a) Memorandum and Articles of Association and necessary resolution(s) for the allotment of the debt securities;
- (b) Copy of last three years' audited annual reports of the Company;
- (c) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (d) Latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any;
- (e) An undertaking to the effect that the Company would, till the redemption of the debt securities, submit the details mentioned in point (d) above to the Debenture Trustee within the timelines as mentioned in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Company shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing debenture-holders within two working days of their specific request.

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**D. ISSUER INFORMATION**

Name and address of the following:

<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Registered Office of the Issuer	DMI Finance Private Limited Express Building, 3rd Floor, 9-10, Bahadur Shah Zafar Marg ,New Delhi-110002 Tel.: +91 11 4120 4444 Fax. +91 11 4120 4400
2.	Corporate Office of the Issuer	Express Building, 3rd Floor, 9-10, Bahadur Shah Zafar Marg ,New Delhi-110002 Tel.: +91 11 4120 4444 Fax. +91 11 4120 4400
3.	Compliance Officer of the Issuer	Mr. Sahib Pahwa Company Secretary & Compliance Officer Express Building, 3rd Floor, 9-10, Bahadur Shah Zafar Marg ,New Delhi-110002 Tel.: +91 11 4120 4444 Fax. +91 11 4120 4400 Email id: sahib.pahwa@dmifinance.in
4.	Compliance Officer for the Private Placement offer process	Mr. Sahib Pahwa Company Secretary & Compliance Officer Express Building, 3rd Floor, 9-10, Bahadur Shah Zafar Marg ,New Delhi-110002 Tel.: +91 11 4120 4444 Fax. +91 11 4120 4400 Email id: sahib.pahwa@dmifinance.in
5.	Chief Finance Officer (CFO) of the Issuer	Mr. Jatinder Bhasin Chief Financial Officer Express Building, 3rd Floor, 9-10, Bahadur Shah Zafar Marg ,New Delhi-110002 Tel.: +91 11 4120 4444 Fax. +91 11 4120 4400 Email id: jatinder.bhasin@dmifinance.in
6.	Arranger, if any, of the instrument	No
7.	Trustee of the Issue	Axis Trustee Services imited, Axis House, Bombay Dyeing Mills Compound, Pandhurang Budhkar Marg, Worli Mumbai Maharashtra 400025 Tel: 022-24255215;

*Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein.*

		Fax: 022-24254200; Website: <a href="http://www.axitrustee.com">www.axitrustee.com</a> E-mail: <a href="mailto:debenturetrustee@axitrustee.com">debenturetrustee@axitrustee.com</a>
8.	Registrar of the Issue	Skyline Financial Services Private Limited Okhla Phase II-New Delhi Tel: 011- 011- 26812682; Fax: 011-30857562; Website: <a href="http://www.skylinerta.com">www.skylinerta.com</a> Email: <a href="mailto:admin@skylinerta.com">admin@skylinerta.com</a>
9.	Credit Rating Agency (ies) of the Issue	<b>CARE Ratings Ltd.</b>  The Issuer reserves the right to obtain an additional credit rating from any SEBI registered Credit Rating Agency for full or part of the issue size, as it may deem fit.
10.	Auditor(s) of the Issuer	<b>S.R. Batliboi &amp; Associates LLP</b> Golf View, Corporate Tower-B Sector 42, Sector Road, Gurgaon – 122002, Haryana Tel: +91 124 464 4000

As per the Resolution passed by the Board of Director of DMI Finance Private Limited at their meeting dated **March 16, 2018** and the resolution passed by the loan/investment & borrowing committee of DMI Finance Private Limited dated **June 06, 2018** the following officials are authorized to issue the Disclosure Document:

S. No.	Name	Designation
1.	Mr. Shivashish Chatterjee	Jt. Managing Director
2.	Mr. Yuvraja C. Singh	Jt. Managing Director
3.	Mr. Sahib Pahwa	Company Secretary & Compliance Officer

Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein).

## **E. BRIEF SUMMARY OF THE BUSINESS / ACTIVITIES OF THE ISSUER AND ITS LINE OF BUSINESS**

### **i. Overview**

The Company was incorporated on September 02, 2008 with certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi. The Company is registered as a non-deposit taking loan non-banking finance company with the Reserve Bank of India having NBFC registration no. N-14.03176 pursuant to letter no. DNBS.ND.No.4624/Regn.New/ 04.04.004/2008-09 dated January 07, 2009 issued by the RBI attaching the certificate of registration as a non-banking financial company.

The Company is primarily engaged in secured lending business to small and medium-sized companies across all sectors. In recent times, the Company has also diversified into granting unsecured retail loans to individuals. The Company offers corporate loans having tenor in the range of one to four years and consumer loans from 3 months to 18 months.

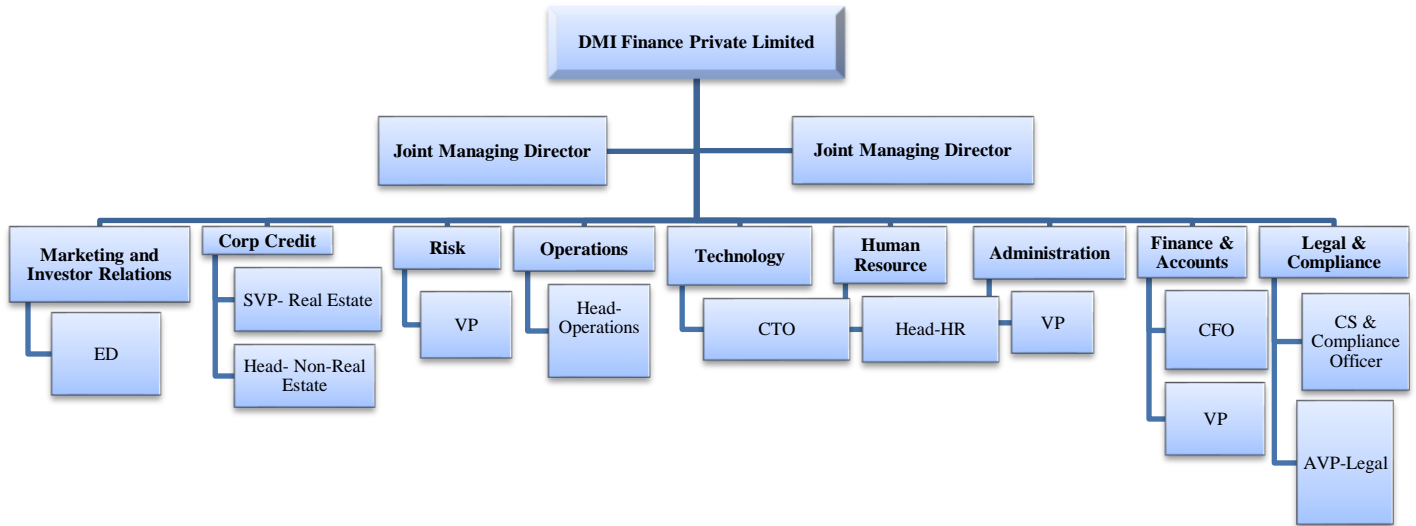
The main objects of the Company, as provided in its Memorandum of Association, are as below:

- a) *To carry on the business of NBFC's (Non-Banking Financial Company) in the form of loan company, hire purchase Company, finance company and to undertake all types of lending, leasing, hire purchase, assets finance or any other form of lending business.*
- b) *To carry on the business of financing or lending relating to all types, kinds of business, machinery, plant, equipment. Ships, vehicles, aircraft, rolling stock, factories, movable and immovable property, to arrange or syndicate leasing or hire purchase. to undertake bills discounting, purchasing, financing, re-discount bills of exchange, to act as a discount and acceptance house, to arrange acceptance or co-acceptance of bills and to borrow, to lend, to negotiate loans, to transact business as financiers or monetary agents. To act as financiers with the objects of financing Industrial Enterprise, to lend or deal with the money either with or without interest or security as the company may deem expedient.*
- c) *To acquire and hold by way of investment, shares, stocks, debentures, debenture-stock, bonds, obligations or securities by original subscription, participation in syndicates, tender, purchase, exchange or otherwise and to subscribe for the same or to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to ownership thereof.*
- d) *To carry on and to do all kinds of business of lending or depositing money secured or otherwise on such security or otherwise as the company may deem expedient and transacting contracts regarding the borrowing and lending of money including the negotiation for loans and syndication of loans.*
- e) *To carry on and to do all kinds of business relating to Investment Advisory Services. Financial Consultancy, Factoring. Credit Rating Agency, Leasing and Finance, Micro Credit, Rural Credit, Forex Broking and related services.*



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ii. Corporate Structure





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**iii. The Company has following subsidiaries/associates:**

<b>S.no.</b>	<b>Name of Company</b>	<b>Brief about the business</b>
1	DMI Housing Finance Private Limited	The Company is registered as a housing finance company having company registration no. U65923DL2011PTC216373 (“ <b>DMI HFC</b> ”). DMI HFC is registered with the National Housing Bank with registration No. 09.0102.12 dated September 20, 2012, which is engaged principally in the business of providing finance for purchase, construction, development of residential properties (including the retail / individual customers) or as finance against security of residential properties. The Company, holds 71.03% of the equity share capital of DMI HFC and 100% of CCPS as of March 31, 2018.
2	DMI Capital Private Limited	The Company is registered with Company registration No. U67120DL2013PTC252176. The said company has been incorporated for purpose of undertaking business of merchant banking in accordance with applicable laws. It is registered with SEBI as Category I Merchant Banker with registration no. INM000012193 dated January 22, 2015. The Company as on March 31, 2018 holds 100% of the said subsidiary’s share capital.
3	DMI Management Services Private Limited	The Company is registered with registration No. U74140DL2012PTC246830 . The said company has been incorporated to act principally as management advisory services. The Company as of March 31, 2018 owns 100% of the said subsidiary’s share capital.
4	DMI Alternatives Private Limited	The Company is registered with Company registration no. U74999DL2016PTC305804. The said entity has been incorporated to act as Investment Manager for DMI Alternative Investment Fund which is registered with SEBI as Category II Alternative Investment Fund vide registration no. IN/AIF2/16-17/0306 dated March 10, 2017 to manage the assets of investors. DMI Finance Pvt. Ltd holds 49% of the total paid up capital of the company as on March 31, 2018.

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**iv. Risk Factors and Management's Perception of the risk factors**

The following are the risks relating to the Company, the Debentures and the market in general envisaged by the management of the Company. Potential investors should carefully consider all the risk factors in this Disclosure Document issued for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures, but does not represent that the statements below regarding risks of holding the Debentures are exhaustive. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Investors should also read the detailed information set out elsewhere in this Disclosure Document and reach their own views prior to making any investment decision.

**Note: Unless specified or quantified in the relevant risk factors, the Company is not in a position to quantify the financial or other implications of any risk mentioned herein below:**

**Risks Related to the Business of the Issuer**

**a. Credit risk**

Any lending and investment activity by the Company and its subsidiaries is exposed to credit risk arising from repayment default by borrowers and other counterparties. A strong credit risk management process helps in containing the portfolio quality of the company. Key elements of the credit risk management include a structured and standardised credit approval process supported by a strong system, effective training programs, legal and technical due diligence, monitoring and robust credit risk management strategy at a senior management level. Despite these efforts, there can be no assurance that repayment default will not occur and in such circumstances may have an effect on its results of operations. The Company and its subsidiaries may not be able to realize the full value of its collateral or be delayed in realizing such value, due to, among other things, legal proceedings by defaulting borrowers and/ or security providers, and stagnation or reduction in market value of collateral. A failure to recover the expected value of collateral security could expose the Company and its subsidiaries to a potential loss. Any such losses could adversely affect the Company's and its subsidiaries' financial condition and results of operations.

**b. Size of Company Investments:**

The successful implementation of Company's growth plans depends on its ability to face the competition. The main competitors of the Company are NBFCs, financial institutions and banks. The Company, being a non deposit taking NBFC, does not have access to large quantities of low cost deposits because of which it may become less competitive. Further, in most of these transactions, it may constitute a relatively small player and will be competing with others who specialize in the various areas in which the Company will operate, and who bring to bear personnel and capabilities that may not be available to the Company. Many of its competitors have significantly greater financial, technical, marketing and other resources. Many of them also offer a wider range of services and financial products than the Company and have greater brand recognition and a larger client base. As the Company ventures into new segments, it is likely to face additional competition from those who may be better capitalised, have longer operating history and better management. If the Company is unable to manage its business

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and compete effectively with current or future competitors it might impede its competitive position and profitability.

**c. Smaller Company Risk.**

The Company may make loans to, or in the future invest in, the securities of small or medium-size companies that may be more susceptible to market downturns, and the prices of which may be more volatile than those of larger companies. Smaller companies generally have narrower markets and more limited managerial and financial resources than larger, established companies.

**d. Loans.**

The Company provides loans, which include fixed or floating rate loans arranged through private negotiations. Although loans are traded among certain financial institutions, the loans the Company makes typically are and will be illiquid.

**e. Interest Rate Risk**

Since the Company is engaged in lending and financing activities, its business and income will largely be dependent on interest income from its operations. Interest rates are highly sensitive to many factors, including the monetary policies of RBI, deregulation of the financial sector in India, domestic and International economic and political conditions, inflation and other factors beyond the control of Company. Due to these factors, interest rates in India have historically experienced a relatively high degree of volatility. There can be no assurance that significant interest rate movements will not have an effect on the results of its operations.

**f. Inaccuracy and incompleteness of information about customers and counterparties.**

In deciding whether to extend credit or enter into other transactions with customers and counterparties, the Company may rely on information furnished to it by or on behalf of customers and counterparties, including financial statements and other financial information. It may also rely on certain representations as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors. For example, in deciding whether to extend credit, Company may assume that a customer's audited financial statements conform to generally accepted accounting principles and present fairly, in all material respects, the financial condition, results of operations and cash flows of the customer. The Company's financial condition and results of operations may be adversely affected by relying on financial statements that do not comply with generally accepted accounting principles or other information that is materially misleading. Moreover, while the Company has implemented know your customer norms and other measures, to prevent money laundering, in the event of ineffectiveness of these norms and systems, the Company's reputation, business and results of operations may be adversely affected.

**g. Inaccurate appraisal of credit may adversely impact Company's business.**

The Company may be affected by failure of employees to comply with internal procedures and inaccurate appraisal of credit or financial worth of its clients. Inaccurate appraisal of credit may allow a loan sanction which may eventually result in a bad debt on the books of the Company. In the event Company is unable to check the risks arising out of such lapses, its business and results of operations may be adversely affected.

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#### **h. Regulatory Risk**

The Company is governed under the RBI regulations for NBFCs on requirements related to capital adequacy and provisioning and various other legal and regulatory requirements from concerned authorities. Any change in the regulatory framework could have an impact on the financial conditions and operations of the Company.

#### **External Risk**

##### **a. The Secondary market for debentures may be Illiquid.**

The Debentures may be illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the Debentures, it is not likely to provide significant liquidity. Potential investors may have to hold the Debentures until redemption to realize any value.

##### **b. A slowdown in economic growth in India**

A slowdown in the Indian economy / GDP may adversely affect Company's business, including its ability to enhance its asset portfolio and the quality of its assets, and its ability to implement certain measures could be adversely affected by a movement in interest rates, or various other factors affecting the growth of industrial, manufacturing and services sector or a general down trend in the economy. Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact the Company's ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available.

##### **c. Material changes in regulations to which the Company is subject**

A risk may arise if various concerned authorities amend the regulatory framework, which could impact the Company. The RBI requires the Company to make provisions in respect of NPAs. Any changes in the regulatory framework including the provisioning for NPAs or capital adequacy requirements could adversely affect the profitability of the Company or its future financial performance.

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**v. Project Cost and means of financing, in case of funding of new projects**

The Company being a registered NBFC with RBI would be utilizing the funds for onward lending purposes therefore no specific project cost and means of financing are required to be disclosed.

**vi. Key Operational and Financial Parameters**

- a) *Financial highlights for the last three audited financial years are as under (On a consolidated Basis)*

**Rs. in Cr.**

<b>Particulars</b>	<b>FY 17</b>	<b>FY 16</b>	<b>FY 15</b>
Networth*	1,168.18	925.63	808.55
Total Debt	343.01	408.71	131.94
of which – Non Current Maturities of Long Term Borrowing	147.04	245.09	87.86
- Current Maturities of Long Term Borrowing	195.68	87.05	17.14
- Short Term Borrowing	0.29	76.58	26.94
Net Fixed Assets	5.18	4.34	0.96
Non Current Assets	466.96	361.44	39.60
Cash and Cash Equivalents	24.76	21.17	18.47
Current Investments	96.48	26.62	23.47
Current Assets	18.09	15.23	7.19
Current Liabilities	265.31	150.21	61.34
Assets Under Management	976.17	979.62	901.03
Off Balance Sheet Assets	-	-	-
Interest Income	220.17	194.23	114.56
Interest Expense	89.51	70.52	43.98
Provisioning & Write-offs	6.26	2.90	3.86
PAT	67.69	64.58	36.55
Gross NPA (%)	0.10	1.04	1.30
Net NPA (%)	0.01	0.72	0.98
Tier I Capital Adequacy Ratio (%)	50.23	42.92	51.91
Tier II Capital Adequacy Ratio (%)	22.31	23.09	31.26

\* Note:

- *CCDs are part of equity shareholder fund*
- *The Company is in the process of finalizing the consolidated financial statements for the financial year 2017-18 and upon finalization the same will be provided to the Debenture Holders. The Company has provided the consolidated financial statements for the financial year 2016-17 hereinabove.*

**Gross Debt: Equity Ratio of the Company\*:-**

Before the Issue of debt securities as on date	0.50
After the Issue of debt securities	0.76

\* CCD considered part of equity



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**b) *Related Party Transactions***

**Related party transactions entered during the last three financial years immediately preceding the year of circulation of Disclosure Document including with regard to loans made or, guarantees given or securities provided**

Please refer ANNEXURE 5

**c) *Change in accounting policies:***

**Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Company**

There has been no significant change in accounting policies.

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## **F. BRIEF HISTORY OF THE COMPANY SINCE INCORPORATION**

### **i. Detail of share capital as on March 31, 2018:**

<b>Particulars</b>	<b>Rs. In Crores</b>
<b>Share Capital</b>	
<b>Authorised Share Capital</b>	
<b><u>Equity Share Capital</u></b>	
430,000,000 equity shares of Rs.10 each	430.00
<b><u>Preference Share Capital</u></b>	
35,000,000 compulsorily convertible preference shares of Rs.10 each	35.00
<b>Total</b>	<b>465.00</b>
<b>Issued, Subscribed and Paid Up Share Capital</b>	
<b><u>Equity Share Capital</u></b>	
32,44,18,138 equity shares of Rs.10 each	324.41
<b>Total(A)</b>	<b>324.41</b>
<b><u>Compulsorily Convertible Preference Shares</u></b>	
1,54,81,134 B Series of Rs. 10 each	15.48
67,49,135 C Series of Rs. 10 each	6.74
2,47,468 D Series of Rs. 10 each	0.24
2,24,971 E Series of Rs. 10 each	0.22
8,99,885 F Series of Rs. 10 each	0.89
41,80,602 G Series of Rs. 10 each	4.18
<b>Total (B)</b>	<b>27.78</b>
<b>Grand Total(A+B)</b>	<b>352.20</b>
<b>Share Premium account</b>	
Before the Offer	217.01
After the Offer	217.01

*Note: There will be no change in the capital structure, i.e. the Issued, subscribed and paid up capital and share premium account, of the Company after the private placement of senior, secured, listed, redeemable, rated non-convertible debentures.*

### **ii. Size of the present Offer**

The present offer is being made on private placement basis of senior, secured, redeemable, listed, rated non-convertible debentures (NCDs) having face value of Rs.10.00 Lakhs each, for cash at par aggregating up to **Rs. 250.00 crores** in two series to be issued by the Company.

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### **iii. Changes in Capital Structure as on March 31, 2018**

Various changes in the authorized share capital and paid up capital have taken place from incorporation till March 31, 2018. Details are mentioned below:

#### **Change in Authorised Capital:**

<b>Date of Change (AGM/EGM)</b>	<b>Changes in Capital (Rs. in Crores)</b>			<b>Particulars</b>
	<b>From</b>	<b>To</b>	<b>Addition</b>	
11.09.2008	-	2.10	2.10	Increase in authorized share capital
20.04.2009	2.10	11.10	9.00	Increase in authorized share capital
24.11.2009	11.10	11.60	0.50	Increase in authorized share capital
13.01.2010	11.60	12.20	0.60	Increase in authorized share capital
23.03.2010	12.20	18.00	5.80	Increase in authorized share capital
07.07.2010	18.00	25.00	7.00	Increase in authorized share capital
10.11.2010	25.00	106.00	81.00	Increase in authorized share capital
12.05.2011	106.00	118.00	12.00	Increase in authorized share capital
20.07.2011	118.00	126.00	8.00	Increase in authorized share capital
03.10.2011	126.00	176.00	50.00	Increase in authorized share capital
25.05.2012	176.00	179.00	3.00	Increase in authorized share capital
15.01.2013	179.00	203.00	24.00	Increase in authorized share capital
29.04.2013	203.00	255.00	52.00	Increase in authorized share capital
08.05.2013	255.00	275.00	20.00	Increase in authorized share capital
22.07.2013	275.00	340.00	65.00	Increase in authorized share capital
30.08.2013	340.00	340.00	-	Reclassification of Authorized Share Capital
26.03.2013	340.00	380.00	40.00	Increase in authorized share capital
23.09.2014	380.00	405.00	25.00	Increase in authorized share capital
28.03.2017	405.00	465.00	60.00	Increase in authorized share capital
			<b>465.00</b>	



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**Equity Share Capital History of the Company as on March 31, 2018:**

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks (if any)
						No. of equity shares	Equity Share Capital (Rs.)	Equity Share premium (in Rs.)	
02-Sep-08	2,100,000	10	10	Cash	Equity	2,100,000	21,000,000	Nil	N.A
26-May-09	1,063,077	10	10	Cash	Equity	3,163,077	31,630,770	Nil	N.A
26-Aug-09	5,316,906	10	10	Cash	Equity	8,479,983	84,799,830	Nil	N.A
26-Nov-09	3,048,000	10	10.75	Cash	Equity	11,527,983	115,279,830	2,286,000	N.A
13-Jan-10	598,321	10	10.75	Cash	Equity	12,126,304	121,263,040	2,734,741	N.A
30-Mar-10	5,587,772	10	11.20	Cash	Equity	17,714,076	177,140,760	9,440,067	N.A
09-Jul-10	5,878,491	10	11.54	Cash	Equity	23,592,567	235,925,670	18,492,943	N.A
17-Jul-10	1,011,983	10	11.54	Cash	Equity	246,045,50	246,045,500	20,051,397	N.A
10-Nov-10	3,053,449	10	12.23	Cash	Equity	27,657,999	276,579,990	26,860,588	N.A
23-Nov-10	77,483,457	10	12.23	Cash	Equity	105,141,456	1,051,414,560	199,648,697	N.A
30-Nov-10	317,931	10	12.23	Cash	Equity	105,459,387	1,054,593,870	200,357,684	N.A
07-Jun-11	10,793,565	10	12.39	Cash	Equity	116,252,952	1,162,529,520	226,154,304	N.A
23-Jul-11	1,972,506	10	12.47	Cash	Equity	118,225,458	1,182,254,580	231,026,394	N.A
05-Aug-11	5,902,458	10	12.55	Cash	Equity	124,127,916	1,241,279,160	246,077,662	N.A
08-Oct-11	47,444,078	10	12.75	Cash	Equity	171,571,994	1,715,719,940	376,548,876	N.A
11-Jan-12	294,888	10	13.01	Cash	Equity	171,866,882	1,718,668,820	377,436,489	N.A
19-Jun-12	6,092,596	10	13.51	Cash	Equity	177,959,478	1,779,594,780	398,815,408	N.A
18-Dec-12	(8,121,459)	10	14.22	Cash	Equity	169,838,019	1,698,380,190	364,548,944	Buyback of shares
10-May-13	62,382,365	10	14.37	Other than cash (896,434,585)	Equity	232,220,384	2,322,203,840	637,159,879	Conversion of CCPS into equity
12-Sep-13	36,656,746	10	15.00	Cash	Equity	268,877,130	2,688,771,300	820,443,609	N.A
05-Mar-15	7,883,329	10	19.90	Cash	Equity	276,760,459	2,767,604,590	898,488,566	N.A
12-Jun-15	15,467,359	10	19.90	Cash	Equity	292,227,818	2,922,278,180	1,051,615,420	N.A
29-Mar-17	32,190,320	10	42.09	Cash	Equity	324,418,138	3,244,181,380	1,058,739,653	N.A

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**iv. Preference Share Capital of the Company as on latest quarter end: -**

Changes in Issued and Subscribed capital as on March 31, 2018, from Inception is as under:

Date of Allotment	No. of Preference Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Nature of Allotment	Cumulative			Remarks (if any)
				(Cash, other than cash etc.)		No. of Preference shares	Preference Share Capital (Rs.)	Preference Share premium (in Rs.)	
19-Jan-13	6,749,135	10	10	-	Preference	6,749,135	67,491,350	-	N.A.
19-Jan-13	247,468	10	10	-	Preference	6,996,603	69,966,030	-	N.A.
19-Jan-13	224,971	10	10	-	Preference	7,221,574	72,215,740	-	N.A.
19-Jan-13	899,885	10	10	-	Preference	8,121,459	81,214,590	-	N.A.
29-Jan-13	15,481,134	10	14.22	-	Preference	23,602,593	236,025,930	65,330,385	N.A.
6-May-13	62,382,365	10	14.37	-	Preference	85,984,958	859,849,580	337,941,321	N.A.
1-Aug-13	(62,382,365)	10	14.37	-	Preference	23,602,593	236,025,930	65,330,385	Conversion into equity
20-Mar-15	2,090,301	10	19.9	-	Preference	25,692,894	256,928,940	86,024,365	N.A.
14-Jul-15	2,090,301	10	19.9	-	Preference	27,783,195	277,831,950	106,718,345	N.A.

**i. Details of any acquisition or amalgamation in the last 1 year: NA**
**ii. Details of reorganization or reconstruction in last 1 Year: NA**

Type of Event	Date of Announcement	Date of Completion	Details
NA			

**iii. Details of Shareholding of the Company**
**a. Equity Shareholding pattern of the Company as on the last quarter that is March 31, 2018:**

Sr. No.	Particulars/Category	Total No of Equity Shares	Number of shares held in dematerialized Form	Total Shareholding as % of total number of equity shares
1	Promoters	37,195	-	0.01%
2	Banks	-	-	
3	Bodies Corporate (including Non-resident Corporates)	322,276,116	-	99.34%
4	Trusts & Charitable Institutions	-	-	-
5	Resident Individuals	1,049,950	-	0.32%
6.	Non resident Individuals	10,12,755	-	0.31%
7.	Others (Non-resident LP)	42,122	-	0.01%
<b>Total</b>		<b>324,418,138</b>		<b>100.00%</b>

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**b. Preference Shareholding pattern of the Company as on the last quarter is March 31, 2018:**

Sr. No.	Particulars/Category	Total No of Preference Shares	Number of shares held in dematerialized Form	Total Shareholding as % of total number of equity shares
1	Promoters	224,971	-	0.81%
2	Banks	-	-	-
3	Bodies Corporate	19,661,736	-	70.77%
4	Trusts & Charitable Institutions	-	-	-
5	Resident Individuals	7,896,488	-	28.42%
6.	Non resident Individuals	-	-	-
7.	Others	-	-	-
<b>Total</b>		<b>27,783,195</b>	<b>-</b>	<b>100.00%</b>

**c. List of top 10 holders of equity shares of the Company as on March 31, 2018:**

Sr. no.	Names of Shareholder (s)	Total No. of Equity Shares	No of Shares in demat form	Total shareholding as % of total no. of equity shares
1	DMI Limited	32,22,76,016	-	99.34%
2	Yuvraja C.Singh	1,049,950	-	0.32%
3	Shivashish Chatterjee	1,012,755	-	0.31%
4	DMI Capital Fund LP	42,122	-	0.01%
5	Jayati Chatterjee	37,195	-	0.01%
6	Windy Investments Private Limited	100	-	0.00%
<b>Total</b>		<b>32,44,18,138</b>		<b>100.00%</b>

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## G. DETAIL REGARDING THE DIRECTORS OF THE COMPANY

*i. Detail of the current directors of the Company is as under:*

S.no.	Name, Designation, DIN and occupation	Age	Address	Director of the Company since	Details of other Directorship
1	<b>Tammir Amr</b> Nominee Director DIN: 07030832 Occupation: Service	47 years	Untere Zeune 1/4, Zurich, 8001, Switzerland	05-Mar-15	<ul style="list-style-type: none"> <li>• DMI Housing Finance Private Limited</li> </ul>
2	<b>Mr. Gaurav Burman</b> Nominee Director DIN: 01870814 Occupation: Business	45 years	30, Wilton Place, London, SW1X8SH	29-Jan-13	<ul style="list-style-type: none"> <li>• Elephant India Advisors Private Limited</li> <li>• Windy Investments Private Limited</li> <li>• Elephant India Finance Private Limited</li> <li>• MG Burmans Capital Advisors Private Limited</li> <li>• Burman GSC Private Limited</li> <li>• Berkeley Health Edu Private Limited</li> <li>• Health Care at Home India Private Limited</li> <li>• Star Records Management Private Limited</li> <li>• StoreMore Storage Solutions Private Limited</li> <li>• Burman Hospitality Private Limited</li> <li>• Northern Herbal Farms Private Limited</li> <li>• Sunshine India Private Limited</li> <li>• Health Impetus Private Limited</li> <li>• Head Infotech India Private Limited</li> <li>• CVG HI India Private Limited</li> <li>• DMI Housing Finance Private Limited</li> </ul>
3	<b>Mrs. Jayati Chatterjee</b> Director DIN: 01401127 Occupation: Professional	67 Years	347, Pocket -E, Mayur Vihar, Phase-II, New Delhi	02-Sep-08	<ul style="list-style-type: none"> <li>• DMI Consumer Credit Private Limited</li> <li>• Pardus Consultants Private Limited</li> </ul>
4	<b>Mr. Shivashish Chatterjee</b> Jt. Managing Director DIN: 02623460 Occupation: Professional	44 Years	One 5th AVE, 14D, New York, 10003, United States of America	30-Dec-10	<ul style="list-style-type: none"> <li>• DMI Housing Finance Private Limited</li> <li>• DMI Consumer Credit Private Limited</li> <li>• DMI Capital Private Limited</li> <li>• DMI Management Services Private Limited</li> <li>• DMI Alternatives Private Limited</li> </ul>
5	<b>Mr. Gurcharan Das</b> Director DIN: 00032103 Occupation: Writer & Author	74 Years	124, Jor Bagh, New Delhi 110003	25-Aug-11	<ul style="list-style-type: none"> <li>• Gillette India Limited</li> <li>• Gurcharan Das Consultants Private Limited</li> <li>• Aditya Birla Sun Life Trustee Private Limited</li> </ul>
6	<b>Mr. Nipendar Kochhar</b> Director DIN: 02201954	68 Years	55, Sainik Farms, New Delhi, 110062	11-Sep-08	<ul style="list-style-type: none"> <li>• Pardus Consultants Private Limited</li> <li>• Parodi and Gasparini Holiday Homes Pvt Ltd</li> </ul>

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	Occupation: Professional				
7	<b>Ms. Bina Singh</b> Director DIN: 01146087 Occupation: Professional	71 Years	46, 2nd Floor, Jor Bagh, New Delhi, 110003	02-Sep-08	<ul style="list-style-type: none"> <li>• DMI Consumer Credit Private Limited</li> <li>• Compro Technologies Private Limited</li> <li>• DMI Alternatives Private Limited</li> </ul>
8	<b>Mr. Yuvraja Chanakya Singh</b> Jt. Managing Director DIN: 02601179	46 Years	46, Second Floor, Jor Bagh, New Delhi, 110003	26-Aug-09	<ul style="list-style-type: none"> <li>• DMI Housing Finance Private Limited</li> <li>• DMI Consumer Credit Private Limited</li> <li>• DMI Capital Private Limited</li> <li>• DMI Management Services Private Limited</li> <li>• Pardus Consultants Private Limited</li> <li>• DMI Alternatives Private Limited</li> </ul>

As per declaration submitted by the Company, none of its Directors are appearing on the RBI/ECGC defaulters list.

*ii. Details of change in directors since last three years:*

<b>Name, Designation and DIN</b>	<b>Date of Appointment / Resignation/Cessation</b>	<b>Director of the Company since ( in case of resignation)</b>	<b>Remarks</b>
Mr. Ravi Kathalia Director DIN: 00023576	17 <sup>th</sup> December, 2015	01-Dec-11	Cessed to be a director due to death
Mr. Tammir Amr was appointed as Nominee Director DIN: 07030832	05 <sup>th</sup> March ,2015	N.A	Appointed as Nominee Director of DMI Ltd.

*iii. Details of Management of the Company / Brief particulars of the management of the Company*

**a. Brief profile of Directors of the Company**

The Company is managed under the guidance of its Board of Directors. The Company has assembled an influential Board of Directors who have long and distinguished careers in India and spanning business, law, real estate and finance. The current directors and their biographies are set out below:

**Mr. Tammir Amr** has done his education from Amherst College , B.A. Magna Cum Laude; MBA from INSEAD). Mr Tammir was Managing Director of the Lehman Brothers / PSP Swiss Properties joint venture, WTF Properties in Zurich; acquired, renovated and resold CHF 1.5bn (140 assets, generating 7x cash return) Tamer began his real estate career managing USD 75mn portfolio of distressed Manhattan real estate for The Brodksy Organisation, his family's real estate residential development and management business. He is Director NIS ARB EDO Ltd, EUR 100mn Berlin real estate fund Director NIS Ganesha & Ganesha Fixed Income, USD 100mn Indian real estate lending platforms, Director Circuit of the Americas (USD 450mn US Formula 1 track facility)

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**Mr. Gaurav V. Burman** is a Director of Dabur International, and a 5th generation member of the family that founded Dabur over 130 years ago. Dabur has grown to become the largest Indian Fast Moving Consumer Goods company and is a listed company with current market capitalization of over US\$ 5 billion. In 1996 Mr. Burman and his family started to invest in new businesses as India started to liberalise and de-regulate many industries. Mr. Burman manages his family's investment program, which has an investment portfolio with a value of more than US\$1 billion. In addition to Dabur International and the Company, Mr. Burman is director of Espirito Santo India, Amar Chitra Katha, Future Ventures, Healthcare at Home India, and Berkely Health EDU. Mr. Burman graduated from Tufts University in 1993 with a dual BA in Economics and History. He also is on the International Board of Tufts University and is a member of the Young Presidents Organization (YPO).

**Ms. Jayati Chatterjee** is one of the promoter directors and a teacher by profession. She has keen interest in financial services and has more than 20 years of experience to her credit.

**Mr. Shivashish Chatterjee** is a 18-year veteran of the financial markets. Prior to his role with the Company, he was in charge of a proprietary trading operation at Citigroup Global Markets focusing on G7 interest-rate and US securitized products. Prior to 2007 he was co-head of US Securitized Products Trading at Citigroup. He joined Citigroup (formerly, Salomon Brothers/Salomon Smith Barney) in 1996. He became a Managing Director at Citigroup in 2004. Mr. Chatterjee has an A.B. in Applied Mathematics from Harvard College. Mr. Chatterjee is joint managing director of the Company.

**Mr. Gurcharan Das** is the former Chief Executive Officer of Proctor & Gamble, India Ltd. and Chairman of the advisory board for Citibank India. He is a member of the Management Committee of Fortis Healthcare Ltd. and a Director of SKS Microfinance (India's largest microfinance corporation). Prior to the sale of Ranbaxy Ltd. to Daiichi Sankyo he was a member of the Board of Ranbaxy Ltd., India's largest pharmaceuticals company. Mr. Das is also the author of India Unbound, a non-fiction work about the liberalization of India's economic environment which is both descriptive as well as prescriptive.

**Mr. Nipender Kochhar** is a Chartered Accountant and a senior level banking and financial services executive with more than 35 years of experience. His experience varies from various fields like: building, revitalizing and strengthening bottom-line business profitability and growth, back and front office operations, finance and technologies. He has a strength as managing director, CEO, CFO, COO and SVP for financial service organizations such as Societe Generale, Citibank Zurich / New York, ABN Amro Bank, Singapore / Zurich and National Commercial Bank, Saudi Arabia.

**Ms. Bina Singh** graduated in Mechanical Engineering from IIT Delhi in 1968. She was the first woman Mechanical Engineer out of IITs. After living in the United States for many years she moved back to India and started a non - profit organization with some friends for community development. She has been a member of the Delhi Commission for Women, Delhi Juvenile Board and Delhi Social Welfare Board.

**Mr. Yuvraja C. Singh** is a 19-year veteran of the financial markets. He joined Citigroup in 2003 and in his most recent role was a Managing Director in the Fixed Income department, responsible for trading, structuring and risk management of a variety of securitized debt products. Prior to joining Citigroup, Mr. Singh was at Bear Stearns and Lehman Brothers in the Fixed Income department. At both firms,

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Mr. Singh held senior trading and structuring positions. Between his positions at Bear Stearns and Lehman Brothers, Mr. Singh worked as a partner in a software development firm based in New Delhi, India. In this capacity he was responsible for building and expanding the firm's financial consulting business. Mr. Singh holds an A.B in Economics from Princeton University. Mr. Singh is joint managing director of the Company.

**b. Remuneration of directors (during the last three financial years)**

<b>Name</b>	<b>Remuneration for the period 01-04-2017 to 31-03-2018</b>	<b>Remuneration for the period 01-04-2016 to 31-03-2017</b>	<b>Remuneration for the period 01-04-2015 to 31-03-2016</b>	<b>Remuneration for the period 01-04-2014 to 31-03-2015</b>
Mr. Shivashish Chatterjee, Joint Managing Director	2,98,90,000	30,324,566	26,021,641	53,247,521
Mr. Yuvraja Chanakya Singh, Joint Managing Director	5,98,90,000	59,530,000	59,890,000	57,870,000

**c. Disclosures With Regard To Interest Of Directors**

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons. **NA**

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## H. DETAIL REGARDING THE AUDITORS OF THE COMPANY

### i. Detail of the Auditors of the Company is as under:

Name	Address	Auditor since
S.R.Batlboi & Associates LLP	Golf View, Corporate Tower-B Sector 42, Sector Road, Gurgaon – 122002, Haryana	FY 2013-14

### ii. Detail of change in Auditor since last three years:

No change

Name	Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)	Remarks
No change				

### iii. Auditors Qualifications:

Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of Disclosure Document and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark.

Auditors Qualification for the financial year ended 31st March 2017

No qualification

Auditors Qualification for the financial year ended 31st March 2016:

No qualification

Auditors Qualification for the financial year ended 31st March 2015:

No qualification

Auditors Qualification for the financial year ended 31st March 2014:

No qualification

Auditors Qualification for the financial year ended 31st March 2013:

The following has been states by the Auditors as a matter of emphasis in respect of financial statements for year ending 31<sup>st</sup> March 2013:





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*“We draw attention to Note 28 to the financial statements regarding the compliance with the concentration norms as prescribed at clause 18 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, wherein, the Company has exceeded the limits of granting loans to single borrower and limit of granting loans to single group of companies. The Company has initiated steps to obtain condonation for the non-compliance from Reserve Bank of India in respect to these cases. Pending outcome of the steps taken, no adjustments have been made to the accompanying financial statements. Our opinion is not qualified in respect of this matter”*

The Company had received approval from RBI providing condonation for complying with Concentration Norms as mentioned in Non- Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

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## I. DETAILS OF BORROWINGS OF THE COMPANY

Borrowing pattern of the Company as on March 31, 2018 is as under:

### *i. Details of Secured Loan Facilities (other than NCD's): -*

(Rs. In Crore)

<b>Lender's Name</b>	<b>Type of Facility</b>	<b>Amount Sanctioned</b>	<b>Principal Outstanding as on 31.03.2018</b>	<b>Repayment Date/ Schedule</b>	<b>Security Offered</b>
AU Small Finance Bank	Term Loan	45.00	45.00	05-Apr-21	Hypothecation and exclusive charge on book-debts to the extent of 110% of bank's loan outstanding of the respective member banks.
HDFC Bank	Term Loan	30.00	28.13	21-Nov-21	Hypothecation and exclusive charge on book-debts to the extent of 133.33% of bank's loan outstanding of the respective member banks.
IFCI Limited	Term Loan	100.00	100.00	30-Sep-21	Hypothecation and exclusive charge on book-debts to the extent of 133.33% of bank's loan outstanding of the respective member banks.
Kotak Mahindra Bank	Term Loan	15.00	15.00	26-Mar-21	Hypothecation and exclusive charge on book-debts to the extent of 133.33% of bank's loan outstanding of the respective member banks.
Karur Vysya Bank	Term Loan	30.00	15.00	31-Dec-19	Hypothecation and exclusive charge on book-debts to the extent of 133.33% of bank's loan outstanding of the respective member banks.
Small Industries Development Bank of India	Term Loan	65.00	45.74	09-Dec-20	Hypothecation and exclusive charge on book-debts to the extent of 133.33% of bank's loan outstanding of the respective member banks.
South Indian Bank	Term Loan	30.00	30.00	31-Mar-22	Hypothecation and exclusive charge on book-debts to the extent of 133.33% of bank's loan outstanding of the respective member banks.
State Bank of India	Term Loan	100.00	42.89	31-Mar-20	Hypothecation and exclusive charge on book-debts to the extent of 133.33% of bank's loan outstanding of the respective member banks.
Union Bank of India	Term Loan	50.00	50.00	30-Nov-21	Hypothecation and exclusive charge on book-debts to the extent of 133.33% of bank's loan outstanding of the respective member banks.
		<b>465.00</b>	<b>371.75</b>		

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Lender's Name	Type of Facility	Amount Sanctioned	Principal Outstanding as on 31.03.2018	Repayment Date/ Schedule	Security Offered
AU Small Finance Bank	Cash Credit	5.00	5.01	Repayable on demand	Hypothecation and exclusive charge on book-debts to the extent of 110% of bank's loan outstanding of the respective member banks.
Bank of Baroda	Cash Credit	20.00	19.46	Repayable on demand	Hypothecation and exclusive charge on book-debts to the extent of 133.33% of bank's loan outstanding of the respective member banks
HDFC Bank	Cash Credit	20.00	13.10	Repayable on demand	Hypothecation and exclusive charge on book-debts to the extent of 133.33% of bank's loan outstanding of the respective member banks
Lakshmi Vilas Bank	Cash Credit	10.00	-	Repayable on demand	Hypothecation and exclusive charge on book-debts to the extent of 133.33% of bank's loan outstanding of the respective member banks
Kotak Mahindra Bank	Cash Credit	5.00	-	Repayable on demand	Hypothecation and exclusive charge on book-debts to the extent of 133.33% of bank's loan outstanding of the respective member banks
State Bank of India	Cash Credit	30.00	-	Repayable on demand	Hypothecation and exclusive charge on book-debts to the extent of 133.33% of bank's loan outstanding of the respective member banks
Bank of India	Cash Credit	20.00	0.08	Repayable on demand	Hypothecation and exclusive charge on book-debts to the extent of 133.33% of bank's loan outstanding of the respective member banks
	<b>Total</b>	<b>110.00</b>	<b>37.57</b>		

**ii. Unsecured Loan Facilities**
*(Rs. In crores)*

Lender's Name	Type of Facility	Amount Sanctioned	Principal Outstanding as on 31.03.2018	Repayment Date/ Schedule
Nil				

**iii. Details Of NCDs as on March 31, 2018**

Debenture	Tenor / Series	Coupon	Amount (Rs. in Crores)	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured / Unsecured	Security
Non-Convertible Debentures	5 years	10.5%	198.00	May 06, 2017	May 04, 2022	AA- by BWR	Secured	1.0X Cover of book debts outstanding

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**iv. List of top 10 Debenture holders as on March 31, 2018**

Sr. No.	Name of the Debenture Holder	Amount (Rs. Crs)
1	DMI Income Fund Pte. Ltd.	198.00

**v. The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc) on behalf of whom it has been issued as on March 31, 2018.**

S.no.	Name of Subsidiary	Amount (Rs. in Crores)
1	DMI Housing Finance Private Limited	65.00

**vi. Details Of Commercial Paper**

*The total face value of commercial papers outstanding as on March 31, 2018*

Maturity Date	Amount Outstanding (Rs. In Crs)
Nil	

**vii. Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on March 31, 2018: Details Of Compulsorily Convertible Debentures (\*CCD) as on March 31, 2018**

Party name / Instrument Name	Type of Facility / Instrument	Amount Sanctioned / Issued	Principal Amount outstanding (Rs. in Crores)	Repayment Date / Schedule	Credit Rating	Secured / Unsecured	Security
NIS Ganesha S.A.	CCD	218.87	218.87	Please refer Note below	NA	Unsecured	NA
DMI Capital Fund LP		41.43	41.43				
Ganesha Direct Ltd.		36.72	36.72				
Windy Investments Partnership Firm		19.27	19.27				
DMI Income Fund Pte Ltd		15.66	15.66				
Anuj Malhotra		6.75	6.75				
Christian Co		4.30	4.30				
Rezayat Trading Company Ltd.		4.26	4.26				
Yuvraja Chanakya Singh		1.26	1.26				
Saurav Jindal		0.90	0.90				
Kim Kanishka Das		0.54	0.54				
Windy Investments Private Limited		0.39	0.39				
Pavninder Singh		0.25	0.25				
Bina Singh		0.22	0.22				
Mallika Singh		0.20	0.20				
<b>Total</b>		<b>351.02</b>	<b>351.02</b>				

*\*Note- For the purpose of calculating the debt-equity ratio, CCD's are considered as equity since the management can convert the same anytime before its mandatory conversion period i.e. September 30, 2021.*



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**viii. Details Of All Default/s And/Or Delay In Payments Of Interest And Principal Of Any Kind Of Term Loans, Debt Securities And Other Financial Indebtedness Including Corporate Guarantee Issued By The Company, In The Past 5 Years.**

There is no default as on date on payments/repayment of interest and principal of any kind of term loans, debt securities and other financial indebtedness;

**ix. Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of –**

As on date, there is no default in payments with regard to:

- a) statutory dues: NA
- b) debentures and interest thereon; NA
- c) deposits and interest thereon; NA
- d) loan from any bank or financial institution and interest thereon. NA

**x. Details Of Any Outstanding Borrowings Taken/ Debt Securities Issued Where Taken / Issued (i) For Consideration Other Than Cash, Whether In Whole Or Part, (ii) At A Premium Or Discount, Or (iii) In Pursuance Of An Option**

NIL

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**J. DETAILS OF PROMOTERS OF THE COMPANY:**

**Details of Promoter Holding in the Company as on the latest quarter end ie March 31, 2018:**

Sr. No.	Name of the shareholders	Total No of Equity Shares	No of shares in demat form	Total shareholding as % of total no of equity shares	No of Shares pledged	% of shares pledged with respect to shares owned.
1	Jayati Chatterjee	37,195	-	0.01%	-	-

**K. ABRIDGED VERSION OF AUDITED CONSOLIDATED (WHEREVER AVAILABLE) AND STANDALONE FINANCIAL INFORMATION (LIKE PROFIT & LOSS STATEMENT, BALANCE SHEET AND CASH FLOW STATEMENT) FOR AT LEAST LAST THREE YEARS AND AUDITOR QUALIFICATIONS, IF ANY**

Please refer ANNEXURE-3

**L. ABRIDGED VERSION OF LATEST AUDITED / LIMITED REVIEW HALF YEARLY CONSOLIDATED (WHEREVER AVAILABLE) AND STANDALONE FINANCIAL INFORMATION (LIKE PROFIT & LOSS STATEMENT, AND BALANCE SHEET) AND AUDITORS QUALIFICATIONS, IF ANY**

Please refer ANNEXURE-4

**M. ANY MATERIAL EVENT/ DEVELOPMENT OR CHANGE HAVING IMPLICATIONS ON THE FINANCIALS/CREDIT QUALITY (E.G. ANY MATERIAL REGULATORY PROCEEDINGS AGAINST THE ISSUER/PROMOTERS, TAX LITIGATIONS RESULTING IN MATERIAL LIABILITIES, CORPORATE RESTRUCTURING EVENT ETC) AT THE TIME OF ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST / CONTINUE TO INVEST IN THE DEBT SECURITIES**

N.A.

**N. NAME OF THE DEBENTURE TRUSTEE**

The Company has appointed **Axis Trustee Services Limited** ; a SEBI approved Trust Management Company as the agent and trustees for and on behalf of the Debenture Holders. The address and contact details of the Debenture Trustee is as under:

Consent letter from the Debenture Trustee:

**Axis Trustee Services Limited**; has given its consent to the Company under regulation 4 (4) of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 to be appointed as the Debenture Trustee to this Issue. The consent letter dated April 19<sup>th</sup> 2018 is enclosed as **ANNEXURE-1** of this Disclosure Document.

*Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein.*

### **Role and Responsibilities of Debenture Trustee**

The Company will enter into a trustee agreement/Debenture Trust Deed, inter-alia, specifying the powers, authorities and obligations of the Company and the Debenture Trustee in respect of the Debentures.

The Debenture Holders shall, without any further act or deed, be deemed to have irrevocably given their consent to and authorized the Debenture Trustee or any of its agents or authorized officials to do, inter alia, all such acts, deeds and things necessary in respect of or relating to the security to be created for securing the Debentures being offered in terms of this Disclosure Document. All rights and remedies under the Debenture Trust Deed and/or other Security Documents shall rest in and be exercised by the Debenture Trustee without having it referred to the Debenture Holders. Any payment made by the Company to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Company pro tanto to the Debenture Holder(s).

The Trustees are not borrower or Principal Debtor or Guarantors.

### **O. CREDIT RATING AND RATING RATIONALE ADOPTED BY RATING AGENCIES**

CARE Ratings Limited, has assigned AA- rating to the issuance of senior, secured, redeemable, rated, listed non-convertible debentures aggregating to Rs. 500.00 crores out of which the current issue shall be subscribed upto Rs. 250.00 Crores. Instruments with this rating are considered to have Stable Outlook regarding timely servicing of financial obligations. Such instruments carry low credit risk.

The detailed credit rating rationale is provided in Credit Rating Letter received from CARE Ratings Limited which is enclosed in ANNEXURE-2 of this Disclosure Document..

Ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in future. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc.

The Issuer reserves the right to obtain an additional credit rating from any SEBI registered Credit Rating Agency for full or part of the issue size, as it may deem fit, which shall be at least equivalent to the prevailing credit rating to the issue

Also the Issuer reserves the right to substitute the prevailing Credit Rating to the Issue, with a credit Rating which shall be at least equivalent to the prevailing credit rating to the issue, by an alternative SEBI registered Credit Rating Agency, for full or part of the issue size. However before exercising any such right, the Issuer shall seek consent from the Debenture Trustee. The Debenture Trustee to issue a consent in this regard, shall seek written or electronic instructions from the Debenture Holder(s) and only upon receipt of relevant instructions from the three fourth of the prevailing debenture holders of the outstanding NCDs .

### **P. IF THE SECURITY IS BACKED BY A GUARANTEE OR LETTER OF COMFORT OR ANY OTHER DOCUMENT / LETTER WITH SIMILAR INTENT, A COPY OF THE SAME SHALL BE DISCLOSED. IN CASE SUCH DOCUMENT DOES NOT CONTAIN DETAILED PAYMENT STRUCTURE (PROCEDURE OF INVOCATION OF GUARANTEE AND RECEIPT OF PAYMENT BY THE INVESTOR ALONG WITH TIMELINES), THE SAME SHALL BE DISCLOSED IN THE OFFER DOCUMENT. N.A.**

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**Q. CONSENT LETTER FROM THE TRUSTEE**

The consent letter dated April 19, 2018 is enclosed as ANNEXURE-1 of this Disclosure Document.

**R. NAMES OF ALL THE RECOGNISED STOCK EXCHANGES WHERE THE DEBT SECURITIES ARE PROPOSED TO BE LISTED CLEARLY INDICATING THE DESIGNATED STOCK EXCHANGE**

The proposed NCD's are to be listed on the WDM segment of Bombay Stock Exchange (BSE)

**S. OTHER DETAILS**

***Debenture Redemption Reserve (DRR) – relevant regulations and applicability***

*RBI vide the circular no 6/3/2002-CL.V dated April 18, 2002 and circular of the Department of Company Affairs (No. 01/04/2013(Part-1) CL-V dated June 18, 2014 issued by Government of India with respect to creation of Debenture Redemption Reserves has clarified that Non Banking Finance Companies (NBFC) need not create Debenture Redemption Reserve as specified under section 71(4) of the Companies Act, 2013.*

*The Company also undertakes that, if there is any further guidelines are formulated (or modified or revised) by the Central Government or any other authority in respect of creation of Debenture Redemption Reserve the Company shall abide by such guidelines.*



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## **T. ISSUE/INSTRUMENT SPECIFIC REGULATIONS - RELEVANT DETAILS (COMPANIES ACT, RBI GUIDELINES, ETC):**

### ***Kind of Security Offered (i.e. whether share or debenture) and class of security***

This is a private placement of senior, secured, listed, redeemable, rated non-convertible debentures (NCDs) having face value of Rs.10.00 Lakhs each, for cash at par aggregating up to Rs.250.00 crores to be issued by the Company in two series.

### ***Price at which the security is being offered including premium if any, along with justification of the price***

The NCDs have face value of Rs.10.00 Lakhs each and are being issued at par.

### ***Name and address of the valuer who performed valuation of the security offered***

The security being in the nature of debentures and being issued at par, are not required to be valued by a valuer.

### ***Amount which the company intends to raise by way of securities***

This is a private placement of senior, secured, listed, redeemable, rated non-convertible debentures (NCDs) for cash at par aggregating up to Rs. 250.00 crores in two series.

### ***Authority for the Placement***

This private placement of Debentures is being made pursuant to the resolution of the board of directors at their meeting held on March 16, 2018 and the resolution of the loan/investment & borrowing committee held on June 06, 2018 which has approved the placement of Debentures aggregating upto Rs. 1000.00 crores. The present issue is also within the general borrowing limits in terms of the resolution passed under Section 180 of Companies Act, 2013.

Consent of shareholders is also obtained as required under Section 42 read with applicable rules of the Companies Act, 2013, through the Special resolution passed at Extra Ordinary General Meeting of the Company held on March 19, 2018 for Private placement issue of Non-Convertible debenture.

The Company can carry on its existing activities and future activities planned by it in view of the existing approvals, and no further approvals from any Government authority are required by the Company to carry on its said activities.

### ***Terms of raising of securities: Duration, if applicable, Rate of dividend or rate of interest, mode of payment and repayment***

For detailed Terms of raising of securities, please refer to section titled "Issue Detail".

### ***Underwriting***

The present Issue of Debentures is on private placement basis and has not been underwritten.

### ***Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects***

This being an Issue of NCDs, promoters or directors contribution is not required.

### ***Purposes and objects of the Issue***

The proceeds of the Issue will be utilized towards the purposes and objects of the Issue. For detail, please refer to the section titled "Purposes and objects of the Issue" in this Disclosure Document.

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No part of the proceeds of the NCDs would be utilized by the Issuer directly/indirectly towards capital markets. Hence, the subscription to the current NCD issue would not be considered /treated as capital market exposure. Further, the Company undertakes that Issue proceeds from NCDs allotted to banks would not be utilized for purchasing land and shall not be used for any other purposes which may be in contravention of any RBI /SEBI.

The proceeds from the Issue shall not be used in contravention of any RBI policy applicable to banks on investment in NBFCs and as per RBI directions shall be deployed on the Company's own balance sheet and not to facilitate resource requests of group entities/ parent company / associates.

The proceeds of this Issue after meeting all expenses of the Issue will be used by the Company for meeting Issue objects as specified in section titled "Purposes and objects of the Issue" in this Disclosure Document.

***Principal terms of assets charged as security***

Exclusive charge by way of hypothecation of book debts of the Company to the extent of 1.33x times of outstanding borrowing through the NCDs together with interest etc. The Company shall provide a security cover of 1.33x within 60 days of Deemed Date of Allotment and ensure that the same is maintained till such time the Debentures are outstanding. Security cover of the Issuer shall be determined on the basis of the standard assets of the Issuer as defined by the Reserve Bank of India's definitions provided for NBFCs, as amended from time to time. NPAs or assets (excluding Security Receipts) other than standard assets of the Issuer to not form part of the security created. During the currency of the NCDs, if any part of the hypothecated book debt turns NPA, such assets shall be excluded and shall be topped up with other standard assets so as to maintain the Security Cover.

For any reason thereafter during the life of the NCDs, if the security cover is below 1.10 times and the Company fails to identify and create the additional security within 60 days and top-up the security within the stipulated time period, then Debenture Holders can charge additional 2.0% p.a. over and above the Coupon Rate till the time security cover is restored back to required level.

No restrictions on further borrowings or security creation by the Issuer under any instrument, subject to financial covenants (as set out in the Debenture Trust Deed) including security cover as stipulated in the Debenture Trust Deed being maintained at all times during the tenor of the Debentures.

In addition to the book debts, the Debentures will be secured by way of a first ranking mortgage over certain immovable assets of the Company comprising the Mortgaged Property as described in the Debenture Trust Deed, in favour of the Debenture Trustee for the benefit of the Debenture Holders in accordance with the terms of the Transaction Documents set out therein

***Minimum Subscription***

As the current Issue of Debentures is being made on private placement basis, the requirement of minimum subscription as described in the SEBI Guidelines shall not be applicable and therefore the Company shall not be liable to refund the Issue subscription(s)/proceed(s) in the event of the total Issue collection falling short of Issue size or certain percentage of Issue size.

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### ***Deemed Date of Allotment***

Interest on Debentures shall accrue to the Debentureholder(s) from and including the Deemed Date of Allotment that will be notified in the term sheet. All benefits relating to the Debentures will be available to the investors from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. In case, the Issue closing date is changed (pre-poned/postponed), the Deemed Date of Allotment may also be changed (pre-poned/postponed) by the Company at its sole and absolute discretion.

### ***Status of NCDs***

The NCDs shall rank pari passu inter se and without any preference or priority among themselves. Subject to any obligations preferred by mandatory provisions of the law prevailing from time to time, the NCDs shall also, as regards the principal amount of the NCDs, interest and all other monies secured in respect of the NCDs, rank pari passu with all other present and future holders of debentures issued by the Company in the same category.

### ***Underwriting***

The present Issue of Debentures is on private placement basis and has not been underwritten.

### ***Record Date/ Book Closure Date***

The Record Date/ Book Closure Date for the Debentures shall be 15 days prior to each Interest Payment Date and or Redemption Date and/or Early Redemption Date, if any for the purposes of actual payment or as may be prescribed by the Securities and Exchange Board of India (“SEBI”) during the tenure of the Debentures. Registered Debenture Holders on the Record Date will be the recipients of actual payment of the Coupon Rate or occurrence of Early Redemption Event, if any.

Where the entire or part subscription amount has been refunded, the interest at the respective coupon rate/IRR on application money will be paid along with the Refund Orders. Where an Applicant is allotted lesser number of debentures than applied for, the excess amount paid on application will be refunded to the Applicant along with the interest at the respective coupon rate/IRR on refunded money.

The interest on application money (along with Refund Orders, in case of refund of application money, if any) shall be paid by e-payment (RTGS / funds transfer/NEFT or any other electronic mode as specified by RBI) by the Company within 7 days from the Deemed Date of Allotment to the sole/ first Applicant, at the sole risk of the Applicant.

In case electronic payment fails/bounce back the Company can make payment via Cheque(s)/ demand draft(s) and same shall be dispatched by the Company within 15 days from the Deemed Date of Allotment by registered post to the sole/ first applicant, at the sole risk of the applicant.

### ***Tax Deduction at Source***

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. Tax exemption certificate/ document, under Section 193 of the Income Tax Act, 1961, if any, must be lodged at the Registered Office of the Company or at such other place as may be notified by the Company in writing, at least 30 calendar days before the interest payment dates.

Tax exemption certificate / document in respect of non-deduction of tax at source on interest on application money, must be submitted along with the Application Form.

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### **Cash flow from Debentures**

As per SEBI circular no.CIR/IMD/DF/18/2013 dated October 29, 2013, **illustrative cash flow** for debentures is as under:

Name of Company	DMI Finance Private Limited
Face Value (per security)	Rs 10,00,000
Issue Date/Date of Allotment	13-Jun-18*
Redemption	12-Jun-21*
Coupon Rate	Kotak 1 year MCLR+1.05% p.a.
Frequency of the Interest Payment with specified dates	Semi-Annually
Day Count Convention	Actual/Actual

*\* The allotment and redemption date may vary depending on actual date of allotment*

### **Cash Flows\*\***

**Rs. in Cr.**

Period no.	Date	Principal	Interest	Total	O/S principal	No. of Coupon Days
0	13-Jun-18	(250.0)	0.0	(250.0)	250.0	201
1	31-Dec-18	0.0	13.7	13.7	250.0	181
2	30-Jun-19	0.0	12.3	12.3	250.0	184
3	31-Dec-19	0.0	12.5	12.5	250.0	182
4	30-Jun-20	150.0	12.4	162.4	100.0	184
5	31-Dec-20	0.0	5.0	5.0	100.0	163
6	12-Jun-21	100.0	4.4	104.4	0.0	0

*\*\* The abovementioned cashflow is only indicative in nature and is subject to change due to change in the Benchmark rate*

**Applicants are requested to note that the above cash flow is only illustrative in nature. The Date of Allotment, Coupon Rate, Redemption date and Frequency of the Interest Payment shall vary in actual.**

**For details regarding Date of Allotment, Coupon Rate, Redemption date, Frequency of the Interest Payment and the actual Cash flows, Term sheet/Addendum of this Disclosure Document.**

### **Registrars**

**Skyline Financial Services Private Limited** is acting as Registrar and Transfer agents for the Company for debt instruments. Requests for registration of transfer, along with Debenture Certificates/Letters of Allotment and appropriate transfer documents should be sent to the Registrars. The transferee shall also furnish name, address and specimen signatures and wherever necessary, authority for purchase of Debentures. The Registrars after examining the adequacy and correctness of the documentation shall register the transfer in its books. However, as the NCDs are compulsory issued in demat mode, this may not be applicable.

### **Debentures in Dematerialized Form**

The Company has finalized Depository Arrangements with National Securities Depository Ltd. (NSDL) / Central Depository Services (India) Ltd. (CDSL) for dematerialization of the Debentures. The investor has to necessarily hold the Debentures in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 (as amended from time to time). The normal procedures followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

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Applicants should mention their Depository Participant's name, DP-ID and Beneficiary Account Number/Client ID in the appropriate place in the Application Form. In case the depository arrangement is finalised before the completion of all legal formalities for issue of Debenture Certificates, Debentures to successful allottee(s) having Depository Account shall be credited to their Depository Account against surrender of letter of allotment.

Interest or other benefits with respect to the Debentures would be paid to those Debenture holders whose names appear on the list of beneficial owners given by the Depositories to the Issuer as on a record date/book closure date. The Issuer would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and informed to the Issuer where upon the interest/benefits will be paid to the beneficiaries within a period of 30 days.

### ***Transfer of Debentures***

Debentures shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL /CDSL Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Transfer of Debentures to and from NRIs/ OCBs, in case they seek to hold the Debentures and are eligible to do so, will be governed by the then prevailing guidelines of RBI including the FEMA Regulations. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Company.

### ***Trading of Debentures***

The trading of privately placed Debt Securities would be permitted in the anonymous, order driven system of the Stock Exchange in a separate trading segment. All classes of investors would be permitted to trade subject to the standard denomination/marketable lot. The trades executed on spot basis shall be required to be reported to the Stock Exchange.

### ***List of Beneficial Owners***

The Company shall request the Depositories to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

### ***Succession***

In the event of demise of the sole/first holder of the Debenture(s) or the last survivor, in case of joint holders for the time being, the Company will recognize the executor or administrator of the deceased Debenture holder, or the holder of succession certificate or other legal representative as having title to the Debenture(s). The Company shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, letter of administration wherever it is necessary, or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Company may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debenture(s) standing

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in the name of the deceased Debenture Holder on production of sufficient documentary proof or indemnity.

Where a Non-Resident Indian becomes entitled to the Debenture by way of succession, the following steps have to be complied:

1. Documentary evidence to be submitted to the legacy cell of the RBI to the effect that the Debenture was acquired by the NRI as part of the legacy left by the deceased holder.
2. Proof that the NRI is an Indian National or is of Indian origin. Such holding by the NRI will be governed by the then prevailing guidelines of RBI.

#### ***Prior Consent***

The Company would require a prior consent from Debenture Holder or Debenture Trustee for any scheme of arrangement involving merger/demerger/amalgamation/restructuring/reorganization.

If the consent is not obtained, the Debenture Holders can exercise the right to call for accelerated redemption of the outstanding amount due on the NCDs.

Similarly if the Investor(s) declines the consent, the Issuer shall have a right to prepay the outstanding amount due on the NCDs at par.

#### ***Future Borrowings***

The Company shall be entitled to make further issue(s) of debentures, raise further loans or advances and/or avail further deferred payment guarantees or other financial facilities from time to time from such persons/banks/financial institutions or body corporate/or any other agency on such terms and conditions as the Company may think appropriate, subject to the Issuer maintaining the adequate security cover as agreed.

#### ***Debenture holder not a Shareholder***

The Debenture Holders will not be entitled to any of the rights and privileges available to the shareholders. If, however, any resolution affecting the rights attached to the Debentures is placed before the members of the Issuer, such resolution will first be placed before the Debenture Holders for their consideration.

#### ***Modification of Rights***

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated with the consent, in writing, of those holders of the Debentures who hold at least three fourth of the outstanding amount of the Debentures or with the sanction accorded pursuant to a resolution passed at a meeting of the Debenture Holders, provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions of the Debentures, if the same are not acceptable to the Company.

#### ***Conflict***

In case of any repugnancy, inconsistency or where there is a conflict between the conditions/covenants as are stipulated in this document and any transaction document/s to be executed by the Company, the provisions mentioned in the Debenture Trust Deed shall prevail and override the provisions mentioned elsewhere.



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### ***Conjunction***

The terms and conditions mentioned in this Disclosure Document are to be read and understood in conjunction with the terms contained in the other transaction documents to be executed by the Company of this issue.

### ***Application Process***

#### ***Mode of Subscription/ How to Apply***

All Application Forms, duly completed, together with cheque/ demand draft for the Application Amount must be delivered before the closing date of the Issue to the Issuer. The Application Amount payment can alternatively be made through e-payment before the closing date of the Issue to the Issue Account. Please refer the Application Form for detail of the Issue Account.

As per provisions of the Companies Act, **the payment to be made for subscription to Debentures should be made from the bank account of the person subscribing to such Debentures. In case of joint applications, monies payable on subscription to Debentures to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application.**

Applications for the Debentures must be in the prescribed form (enclosed) and completed in BLOCK CAPITAL LETTERS in English and as per the instructions contained therein.

Applications complete in all respects (along with all necessary documents as detailed in this Disclosure Document) must be submitted before the last date indicated in the Issue schedule or such extended time as decided by the Issuer, to the Issuer accompanied by the Application Amount by way of cheque(s)/ demand draft(s) drawn on any bank including a co-operative bank which is situated at and is a member of the bankers' clearing house located at a place where the Application Form is submitted.

Outstation cheque(s)/ Bank draft(s) drawn on bank(s) not participating in the clearing process at the designated clearing centres will not be accepted. Money orders/ postal orders will also not be accepted. The Company assumes no responsibility for any applications/ cheques/ demand drafts lost in mail.

No separate receipt will be issued for the application money. However, the Company's designated collection branches receiving the duly completed Application Form will acknowledge receipt of the application by stamping and returning to the Applicant the Acknowledgment Slip at the bottom of the each Application Form.

As a matter of precaution against possible fraudulent encashment of interest warrants/ cheques due to loss/ misplacement, the Applicant should furnish the full particulars of his or her bank account (i.e. account number, IFSC code, name of the bank and branch) at the appropriate place in the Application Form. Interest warrants will then be made out in favour of the bank for credit to his/ her account so specified and dispatched to the investors, who may deposit the same in the said bank. Alternatively, the Company shall make interest payment via e-payment to the bank account of the investor.

### ***Who Can Apply***

The following categories of investors may apply for the Debentures, subject to fulfilling their respective investment norms/ rules by submitting all the relevant documents along with the Application Form.

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- Scheduled Commercial Banks;
- Financial Institutions;
- Foreign Portfolio Investors
- Insurance Companies;
- Primary/ State/ District/ Central Co-operative Banks (subject to permission from RBI);
- Regional Rural Banks;
- Mutual Funds;
- Companies, Bodies Corporate authorized to invest in Debentures;
- Provident Funds, Gratuity, Superannuation & Pension Funds, subject to their Investment guidelines;
- Trusts;
- Individuals;
- Or any other investor category eligible to invest subject to current applicable rules, act, laws etc

#### **Application not to be made by**

- Hindu Undivided Family (neither by the name of the Karta);
- Partnership Firms or their nominees
- Ltd. liability partnerships formed and registered under the provisions of the Ltd. Liability Partnership Act, 2008 (No. 6 of 2009);
- Overseas Corporate Bodies (OCBs);
- Non Resident Indians (NRIs)

Although above investors are eligible to apply, only those investors, who are individually addressed through direct communication by the Company are eligible to apply for the Debentures. No other person may apply. Hosting of Disclosure Document on the website of the Stock Exchange(s) should not be construed as an offer to Issue and the same has been hosted only as it is stipulated by SEBI. Investors should check about their eligibility before making any investment.

#### **Submission of Documents**

Investors should submit the following documents, wherever applicable:

- Memorandum and Articles of Association/Documents governing constitution
- Government notification/certificate of incorporation
- SEBI registration certificate, if applicable
- Resolution authorizing investment along with operating instructions
- Power of Attorney (original & certified true copy)
- Form 15AA granting exemption from TDS on interest
- Form 15H for claiming exemption from TDS on interest on application money, if any
- Order u/s 197 of IT Act
- Order u/s 10 of IT Act
- Specimen signatures of authorised persons
- Certified true copy of PAN card
- Registered / communication address

The list of documents required to be provided by an investor as mentioned above is only indicative and an investor will be required to provide all additional documents / authorizations / information, which may be required by the Company. The Company may, but is not bound to revert to any investor for any additional documents / information and can accept or reject an application as it deems fit, without assigning any reasons.



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### Application Form

Application No: \_\_\_\_\_

Date: \_\_\_\_\_

Dear Sirs,

I/We have read and understood the terms and conditions of issue by DMI Finance private Limited of \_\_\_\_\_ secured, senior, listed, rated, redeemable non-convertible debentures of Rs. 10,00,000/- (Rupees Ten Lacs Only) each (“**Debenture**”) contained in the Disclosure Document.

I/We bind ourselves to the terms and conditions as contained in the Disclosure Document and wish to apply for allotment of these Debentures. The amount payable on application as shown below is remitted herewith. On allotment, please place my/our name(s) on the Register of Debenture Holder(s).

**(Please read carefully the instructions on the next page before filling this form)**

No. of Debentures applied for	No. in figures	No. in words
Amount (Rs.)		

#### Details of payment

Cheques/Demand Draft/RTGS Details	Date	Drawn on Bank

#### Applicant’s Name & Address in full (please use capital letters)

		Pin Code:
Telephone	Fax	Email

**Status:** Banking Company ( ) Insurance Company ( ) other ( ) (specify in case of others)

Name of Authorized Signatory	Signatory Designation	Signatures

#### Details of Bank Account

Bank Name & Branch	
Nature of Account	
Account No.:	
IFSC/NEFT/RTGS Code	

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### Depository Details

**I/We the undersigned want to hold the Debentures of the Company in the dematerialised form. Details of my/our Beneficiary Account are given below:**

Depository Participant Name	
DP ID	
Beneficiary Account Number	
Name of the Applicant	

(\* I/ We understand that in case of allotment of Debentures to my /our Beneficiary Account as mentioned above would be credited to the extent of Debentures allotted.

Taxpayers PAN / GIR No.	IT Circle/Ward/District	<input type="checkbox"/> Not Allotted

Tax Deduction Status	<input type="checkbox"/> Fully Exempt	<input type="checkbox"/> Tax to be deducted at Source	<input type="checkbox"/> Yes/No

I/We hereby understand that the Company has not provided, and will not provide, any material or other information regarding the Debentures, except as included in the Disclosure Document.

### Signature of the Applicant

\_\_\_\_\_ (Tear here) \_\_\_\_\_

### ACKNOWLEDGEMENT SLIP

Application No: \_\_\_\_\_ Date: \_\_\_\_\_

Received

From

Rs. \_\_\_\_\_/- By Cheque/Demand Draft/RTGS No \_\_\_\_\_ drawn on \_\_\_\_\_ towards application for \_\_\_\_\_ Debentures. (Cheques/ Demand Drafts are subject to realisation.)

**For DMI Finance Private Limited**

For all further correspondence please contact:

Sahib Pahwa

Company Secretary & Compliance Officer

01141204444

sahib.pahwa@dmifinance.in

*Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein).*

## INSTRUCTIONS

- You must complete application in full in BLOCK LETTERS IN ENGLISH.
- Your Signatures should be made in English or in any of the Indian languages.
- Application forms duly completed in all respects, together with high value Cheques/ Pay Order/ Demand Drafts must be lodged at DMI Finance Private Limited, **registered office** (as provided above).
- Payments through RTGS shall be made as follows:
  - Name : DMI FINANCE PVT LTD DAMA
  - A/c No. : 0499360000001803
  - IFSC Code : LAVB0000499
  - Branch Name : JANPATH NEW DELHI
  - Bank Name : THE LAKSHMI VILAS BANK LTD
  - Swift Code : LAVBINBB499
- The Cheque(s)/Demand Draft(s) of high value clearing zone should be drawn in favour of "DMI Finance Private Limited" and crossed "A/c payee" only. Cheque(s)/Demand draft(s) may be drawn on any scheduled bank and payable at Delhi.
- Sahib Pahwa, an authorised representative of the Company will issue the "Acknowledgement Slip" (appearing below the Application Form) as acknowledgement of receipt of applications. No separate receipt will be issued.
- You should mention your Permanent Account Number or the GIR number allotted under Income-Tax Act, 1961 and the Income-Tax Circle/Ward/District. In case where neither the PAN nor GIR number has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided.

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## **Instructions for completing the Application Form**

### **a) Submission of Application Form**

- Applications to be made in prescribed form issued specifically to the Applicant only;
- The forms to be completed in block letters in English;
- Applications should be in single or joint names and should be applied by Karta in case of HUF;
- Thumb impressions and signatures other than in English / Hindi or any other languages specified in the 8th Schedule of the Constitution needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal;
- All Application Forms duly completed together with cheque / bank draft for the amount payable on application must be delivered before the closing date of the subscription;
- No separate receipt will be issued for the application money;
- Every applicant should hold valid Permanent Account Number (PAN) and mention the same in the application form failing which his application is liable to be rejected;
- All applicants are required to tick the relevant column “Category of Investor” in the Application Form.

### **b) Applicant’s Bank Account Details**

- It is mandatory for all the applicants to have their NCDs allotted in dematerialised form. The Registrars to the Issue will obtain the applicant’s bank account details from the Depository. The Applicant should note that on the basis of the name of the Applicant, Depository Participant’s (DP) name, DP identification (DP-Id) number and beneficiary account (Client Id) number provided by them in the Application Form, the Registrar to the Issue will obtain from the Applicant’s DP A/c, the Applicant’s bank account details. The investors are advised to ensure that bank account details are updated in their respective DP A/cs as these bank account details would be printed on the refund order(s), if any. Please note that failure to do so could result in delays in credit of refunds to Applicants at the Applicants sole risk and neither the Company, nor the Registrar shall have any responsibility and undertake any liability for the same.

### **c) Applicant’s Depository Account Details**

- It is mandatory for all the applicants to have their NCDs in dematerialised form. All applicants should mention their depository participant’s name, depository participant identification number and beneficiary account number in the application form. Investors must ensure that the name given in the application form is exactly the same as the name in which the depository account is held. In case the application form is submitted in joint names, it should be ensured that the depository account is also held in the same joint names and are in the same sequence in which they appear in the application form.
- Applicant should note that on the basis of name of the Applicant, Depository Participant’s name, Depository Participant-Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository, demographic details of the investor such as address, bank account details for printing on refund orders and occupation (‘Demographic Details’). Hence, Applicants should carefully fill in their Depository Account details in the Application Form.

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- These Demographic Details would be used for all correspondence with the applicants including mailing of the refund orders/ Allotment Advice and printing of bank particulars on the refund order and the Demographic Details given by applicant in the Application Form would not be used for these purposes by the Registrar.
- Hence, Applicants are advised to update their Demographic Details as provided to their Depository Participants and ensure that they are true and correct.
- By signing the Application Form, Applicant would have deemed to have authorised the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. Refund Orders/Allotment Advice would be mailed at the address of the applicant as per the Demographic Details received from the Depositories. Applicant may note that delivery of refund orders/allotment advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Applicant in the Application Form would be used only to ensure dispatch of refund orders. Please note that, any such delay shall be at the Applicant's sole risk and neither the Company, nor the Registrar shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.
- However in case of applications made under power of attorney, the Company in its absolute discretion, reserves the right to permit the holder of Power of Attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of Refund Orders/ECS refunds for credits/Allotment Advice, the demographic details given on the Application Form should be used (and not those obtained from the Depository of the Applicant). In such cases where a specific written request has been received in writing from the Power of Attorney-holder, the Registrar shall use Demographic details as given in the Application Form instead of those obtained from the Depositories.
- In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity, then such applications are liable to be rejected.

**d) Applications under Power of Attorney by Ltd. companies, corporate bodies, registered societies etc.**

- A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signatures of all the authorized signatories and the tax exemption certificate/document, if any, must be lodged along with the submission of the completed Application Form. Further, modifications/additions in the power of attorney or authority should be notified to the Company at its registered office.
- In case of applications made under a Power of Attorney or by a Ltd. company or a body corporate or registered society or mutual fund, scientific and/or industrial research organisations or trusts etc, the relevant power of attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or bye-laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form at the Company's branch where the application has been submitted, or at the office of the Registrars to the Issue after

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submission of the Application Form to the Issuer as mentioned on the reverse of the Application Form, failing which the applications are liable to be rejected. Such authority received by the Registrars to the Issue more than 10 days after closure of the subscription list may not be considered.

**e) Permanent Account Number**

- The applicant or in the case of applications made in joint names, each of the applicant, should mention his or her Permanent Account Number (PAN) allotted under the I.T. Act. In accordance with the SEBI Guidelines, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

Please note that submission of PAN number in the application form is compulsory condition for your application to be considered valid and NCDs allotted to you.

**f) Terms of Payment**

- The entire Face Value for the NCDs is payable on application only. In case of allotment of lesser number of NCDs than the number applied, the Company shall refund the excess amount paid on application to the applicant.

**g) Payment Instructions**

- As per the Application Form

**h) Submission of Completed Application Forms**

- All applications duly completed and accompanied by account payee cheques/ drafts/ transfers/ e-payment shall be submitted before the closure of the Issue.
- No separate receipts shall be issued for the application money.
- Applications shall be deemed to have been received by us only when submitted to us by the Applicant.

**i) Joint Applications**

- Applications may be made in single or joint names (not exceeding three). In the case of joint applications, all payments will be made out in favour of the first applicant. All communications will be addressed to the first named applicant whose name appears in the Application Form and at the address mentioned therein.

**j) Signatures**

- Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a bank or by a magistrate/notary public under his/her official seal.

**k) Nomination Facility**

- As per Section 72 of the Companies Act, 2013, only individuals applying as sole

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applicant/joint applicant can nominate, in the prescribed manner, a person to whom his Debentures shall vest in the event of his death. Non-individuals including holders of Power of Attorney cannot nominate.

**1) Right to Accept or Reject Applications**

- The Company reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The applicants will be intimated about such rejection along with the refund warrant, together with interest on application money, if applicable, from the date of realization of the cheque(s)/ demand drafts(s)/e-payment till one day prior to the date of refund. The Application Forms that are not complete in all respects are liable to be rejected and such applicant would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:
  - Number of debentures applied for is less than the minimum application size;
  - Applications exceeding the issue size;
  - Bank account details not given;
  - Details for issue of debentures in electronic/ dematerialized form not given; PAN not mentioned in appropriate place.
  - In case of applications under Power of Attorney by Ltd. companies, corporate bodies, trusts, etc. relevant documents not submitted;
- In the event, if any Debenture(s) applied for is/ are not allotted in full, the excess application money of such Debentures will be refunded, as may be permitted.

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## **U. DISCLOSURES WITH REGARD TO LITIGATION**

- A. Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last three years immediately preceding the year of the circulation of the Disclosure Document and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed

**NIL**

- B. Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of Disclosure Document in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the Disclosure Document and if so, section-wise details thereof for the company and all of its subsidiaries

**NIL**

- C. Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company

Around January 2015, Nitin Chawla, Komal Chawla, Harsh Chawla, Jitin Chawla, each resident of A-156, Second Floor, Meera Bagh and also owners of the other co-accused Chawla Iron Trades Pvt. Limited, which is having its office at X-18/8, 1<sup>st</sup> Floor, Loha Mandi, Naraina, New Delhi approached DMI Finance Pvt. Ltd. and its wholly subsidiary DMI Housing Finance Pvt. Ltd. for a loan of Rs. 1.65 Crores against mortgage of property being third floor, A-156, Meera Bagh Paschim Vihar, New Delhi. The aforesaid accused claimed that the said property was owned by one of the co-accused Mr. Harsh Chawla, who is also the mother of Nitin Chawla and Jitin Chawla.

Relying on the representations and assurances of the accused persons, DMI Finance and DMI Housing Finance entered into loan agreement dated 14<sup>th</sup> January, 2015 with the accused persons for a loan of Rs. 1.65 Crores and subsequently collectively disbursed the loan of 1.65 Crores in out of which DMI Finance disbursed an amount of Rs. 1.15 Crores and DMI Housing Finance disbursed an amount of Rs. 50 lacs.

To secure the above loan amount, the accused persons deposited title deeds for the property being third floor, A-156, Meera Bagh, Paschim Vihar, New Delhi with DMI Finance and DMI Housing Finance. Subsequently after disbursement of loan, the borrower started defaulting on the EMI's therefore DMI Finance and DMI Housing Finance starting investigating the matter and came to know from the market that the accused persons have been raising loans fraudulently from different lenders by depositing forged title documents for the same property as was mortgaged by deposit of original title deeds with us.

Thereafter, the title deeds deposited, which were claimed by the accused persons to be original and genuine were found to be forged and fabricated after verification done from the sub-registrar office at Nangloi, Delhi.





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That from the above facts it is crystal clear that all the accused persons mentioned have intentionally forged the documents with the intention to cheat and deceived us to gain illegally for their benefit.

The company then filed a case against the accused persons for committing the offence of for forgery, cheating, breach of trust, threat, Black mailing, Extortion and Criminal Intimidation, and such other persons involved with them in the commission of offences punishable inter alia under Section 386, 406, 408, 409, 417, 418, 419, 420, 465, 467, 468, 471, 474, 477, 477A, 506 read with 120B & 34 of Indian Penal Code with the police at Indraprastha Police Station, New Delhi.

## DISCLOSURES PERTAINING TO WILFUL DEFAULT

In case of listing of debt securities made on private placement, the following disclosures shall be made:

- (a) Name of the bank decalring the entity as a wilful defaulter  
N.A.
- (b) The year in which the entity is decalred as a wilful defaulter  
N.A.
- (c) Outstanding amounts when the entity is decaled as a wilful defaulter  
N.A.
- (d) Name of the entity declared as wilful defaulter  
N.A.
- (e) Steps taken, if any, for removal from the list of wilful defaulter  
N.A.
- (f) Other disclosures as deemed fit by the issuer in order to enable investors to take informed decision  
N.A.
- (g) Any other disclosure as specified by the Board.  
N.A.
- (h) The Company has not been decalred as a wilful defaulter  
N.A.

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## V. ISSUE DETAILS

Security Name	2500 senior, secured, rated, listed, redeemable non-convertible debentures (NCDs) of face value of Rs. 10,00,000/- each aggregating to Rs. 2,50,00,00,000/- to be issued by the Company in two series
Issuance strictly on private placement basis only	This Disclosure Document issued shall be serially numbered and circulated privately to persons not exceeding 49 and is solely for the purpose of issuance and listing of Debentures issued on private placement basis and therefore should not be construed to be a prospectus and/or an invitation to the public for subscription to Debentures issued under any law for the time being in force.
Issuer	DMI Finance Private Limited ('the Issuer'/'the Company')
Promoter Group	As per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Regulations
Type of Instrument	Secured, listed, senior, rated, redeemable non-convertible debentures (NCDs/Debentures)
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	Private placement to subscribers not exceeding limit as prescribed under Companies Act
Option to retain oversubscription (Amount)	Not Applicable.
Eligible Investors	<ul style="list-style-type: none"> <li>• Scheduled Commercial Banks;</li> <li>• Financial Institutions;</li> <li>• Foreign Portfolio Investors;</li> <li>• Insurance Companies;</li> <li>• Primary/ State/ District/ Central Co-operative Banks (subject to permission from RBI);</li> <li>• Regional Rural Banks;</li> <li>• Mutual Funds;</li> <li>• Provident, Gratuity, Superannuation and Pension Funds;</li> <li>• Companies, Bodies Corporate authorised to invest in Debentures;</li> <li>• Trusts</li> <li>• Any other eligible investors registered under the applicable laws in India and which are duly authorized to invest in debentures.</li> </ul>
Listing (including name of stock exchange(s) where it will be listed and timeline for listing)	The NCD's will be listed on the WDM Segment of Bombay Stock Exchange (BSE)
Rating of the Instrument	CARE AA- by CARE Ratings Limited  <i>The Issuer reserves the right to obtain an additional credit rating from any SEBI registered Credit Rating Agency for full or part of the issue size, as it may deem fit, which shall be at least equivalent to the prevailing credit rating to the issue.</i>
Issue Size	Rs 250.00 Crs.

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Issue Price	<p>Series I: 1,500, floating, non-convertible debentures (NCDs) face value of Rs.10,00,000/- (Rupees Ten lakhs only) each at par aggregating to Rs.150.00 Crore (Rupees One Hundred and Fifty Crores only)</p> <p>Series II: 1,000, floating, non-convertible debentures (NCDs) face value of Rs.10,00,000/- (Rupees Ten lakhs only) with initial paid up value of Rs.50,000/- (Rupees Fifty Thousand only) and balance Rs.9,50,000/- (Rupees Nine Lakhs Fifty Thousand only) to be drawn down between 30th and 90th day from the Deemed Date of Allotment mutually agreeable to the Issuer and Debenture Holders aggregating to Rs.100.00 Crore (Rupees One Hundred Crores only)</p>
Promoter contribution	NIL
Objects of the Issue	The object of the Issue for the enhancement of its loan portfolio of the Company.
Details of the utilization of the Proceeds	Please refer caption "Objects of the Issue" for details.
Interest on Application Money	At the Coupon rate/IRR (subject to deduction of tax at source, as applicable) from the date of realization of cheque (s)/ demand draft(s)/ RTGS upto one day prior to the Deemed Date of Allotment. Where pay-in Date and Deemed Date of Allotment are the same, no interest on Application money is to be paid.
Default Interest Rate	In the event of delay in the payment of interest amount and/ or principal amount on the due date(s), the Issuer shall pay additional interest of 2% per annum in addition to the Coupon Rate/IRR payable on the NCDs, on such amounts due, for the defaulting period i.e. the period commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid.
Tenor	Series I: 24 months from the Deemed Date of Allotment Series II: 36 months from the Deemed Date of Allotment
Coupon Rate	Kotak 1 year MCLR + 1.05% of Spread
Coupon Payment Frequency	Semi-Annual
Coupon Payment dates	June 30 and December 31 every year starting December 31, 2018
Coupon Type	Actual days
Step Up/Step Down Coupon Rate	The Coupon on Debentures will be increased by 0.25% (twenty five basis points) for every notch downgrade from the current Credit Rating of the Issuer i.e 'AA-' by any Credit Rating Agency during the Tenor of the Debentures. If there is rating upgrade by the rating agency which has downgraded the credit rating; subsequent to such Rating Downgrade, each notch upgrade of the credit rating by any such credit rating agency (till the time such credit rating is restored to "AA-") shall reduce the coupon on the Debentures by 0.25% per annum
Prepayment	The Issuer shall have the option to prepay the whole/part amount subject to mutual agreement on the terms of pre-payment between both the issuer and the investor with 30 days notice and prepayment penalty of up to a maximum of 2% on the outstanding borrowing

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Day Count Basis	Actual days lapsed on the basis of actual days in a calendar year. Interest rate will be computed on a 365 days-a-year basis on the principal outstanding on the Debentures. Where the coupon/ interest period (start date to end date) includes February 29, coupon/ interest rate will be computed on 366 days-a-year basis, on the principal outstanding on the Debentures.
Delay in execution of the Debenture Trust Deed and other Transaction Documents	In case of delay in execution of the Debenture Trust Deed and other Transaction Documents pertaining to creation of the security, the Company will refund the subscription with agreed rate of interest or will pay penal interest of atleast 2% over the Coupon Rate till these conditions are complied with at the option of the Debenture Trustee/Debenture Holders/proposed investors.
Redemption Amount	Rs.10,00,000/- (Rupees Ten Lacs only) per Debenture
Redemption Date	Scheduled Redemption Date: Series I: 24 months from the Deemed Date of Allotment Series II: 36 months from the Deemed Date of Allotment <i>Please refer Clause 4 (Redemption of the Debentures) of Schedule 1 (Terms and Conditions) of the Debenture Trust Deed.</i>
Redemption Premium / Discount	NIL
Issue Price	Rs.10,00,000/- (Rupees Ten Lacs only) per Debenture
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Coupon rate to be reset on every coupon payment date
Discount at which security is issued and the effective yield as a result of such discount	Debentures will be issued at par without any discount.
Put Option date	Not Applicable
Put Option price	
Put Option Premium	
Call Option date	Not Applicable
Call option price	
Call Option Premium	
Put Notification Time	Not Applicable
Call Notification Time	As detailed above
Face Value	Rs.10,00,000/- (Rupees Ten Lacs only) per Debenture
Minimum Application	Minimum of 50 debenture and in multiples of 50 thereafter
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	By cheque(s)/ demand draft(s)/ e-payment or any other mode which is permissible As per Stock Exchange settlement mechanism.
Depository	National Securities Depository Ltd.
Business Day	All days excluding a day when money market is not functioning in Mumbai;

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<p>Business Day Convention</p>	<p>Any day of the week excluding a day when money market is not functioning in Mumbai should any of the date(s), as defined above or elsewhere in this Disclosure Document, fall on a non Business Day, the next Business Day shall be considered as the effective date for the purpose of coupon/interest payment and the previous Business Day shall be considered as the effective date for the purpose of payment of redemption proceeds including the accrued interest.</p>
<p>Record Date</p>	<p>The Record Date/ Book Closure Date for the Debentures shall be 15 days prior to each Interest Payment Date and or Principal repayment Date and/or Early Redemption Date, if any for the purposes of actual payment or as may be prescribed by the Securities and Exchange Board of India (“SEBI”) during the tenure of the Debentures.</p>
<p>Security (where applicable) (including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)</p>	<ul style="list-style-type: none"> <li>• Exclusive charge by way of hypothecation of book debts of the Issuer to the extent of 1.33x of outstanding borrowing through the Debentures together with interest etc. Security cover of 1.33x within 60 days of the Deemed Date of Allotment and ensure that the same is maintained till such time the Debentures are outstanding. Security cover of the Issuer shall be determined on the basis of the standard assets of the Issuer as defined by the Reserve Bank of India’s definitions provided for NBFCs, as amended from time to time. NPAs or assets( excluding Security Receipts) other than standard assets of the Issuer to not form part of the security created. During the currency of the NCDs, if any part of the hypothecated book debt turns NPA, such assets shall be excluded and shall be topped up with other standard assets so as to maintain the Security Cover.</li> <li>• For any reason thereafter during the life of the NCDs, if the security cover is below 1.10 times and the company fails to identify and create the additional security within 60 days and top-up the security within the stipulated time period, then debenture holders can charge additional 2.0% p.a. over and above the Coupon Rate till the time security cover is restored back to required level.</li> <li>• No restrictions on further borrowings or security creation by the Issuer under any instrument, subject to Financial Covenants (as set out in the Debenture Trust Deed) including Security Cover as stipulated in this term sheet being maintained at all times during the tenor of the Debentures.</li> <li>• The Debentures are secured by way of a first ranking mortgage over certain immovable assets of the Company comprising the Mortgaged Property as described in the Debenture Trust Deed, in favour of the Debenture Trustee for the benefit of the Debenture Holders in accordance with the terms of the Transaction Documents set out therein</li> </ul>

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Financial and Other Covenants	Any other covenants as mutually agreed between the Issuer & the Investor(s) pursuant to specific investor termsheet and as specified in the debenture trust deed
Transaction Documents	<ul style="list-style-type: none"> <li>▪ Debenture Trust Deed</li> <li>▪ Disclosure Document</li> <li>▪ Deed of hypothecation</li> <li>▪ Credit rating letter</li> <li>▪ Consent letter from trustee</li> <li>▪ And any Other Document that may be designated as the transaction document by the Debenture Trustee.</li> </ul>
Conditions Precedent to Disbursement	<ul style="list-style-type: none"> <li>▪ Authority from Board of Directors and Shareholders to issue debentures;</li> <li>▪ Credit Rating Letters</li> <li>▪ Trustee Consent</li> <li>▪ Any other condition precedent as may be provided in the Debenture Trust Deed</li> </ul>
Condition Subsequent to Disbursement	As provided in the Debenture Trust Deed
Events of Default	<ul style="list-style-type: none"> <li>▪ As mentioned in the transaction documents executed between the issuer and the debenture trustee.</li> </ul>
Provisions related to Cross Default Clause	Not Applicable
Name of the Debenture Trustee	Axis Trustee Services Limited
Role and Responsibilities of Debenture Trustee	As provided in the Debenture Trust Deed
Governing Law and Jurisdiction	The Debentures offered are subject to provisions of the Companies Act, 2013, and other Applicable Laws , terms of this Disclosure Document, Instructions contained in the Application Form and other terms and conditions as may be incorporated in the Debenture Trustee Agreement and the Debenture Trust Deed. Over and above such terms and conditions, the Debentures shall also be subject to the applicable provisions of the Depositories Act 1996 and the laws as applicable, guidelines, notifications and regulations relating to the allotment & issue of capital and listing of securities issued from time to time by the Government of India (GoI), Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), concerned Stock Exchange or any other authorities and other documents that may be executed in respect of the Debentures. Any disputes arising out of this issue will be subject to the exclusive jurisdiction of the Court at Delhi/Mumbai.
Issue Timing	
1. Issue Opening Date	June 14, 2018
2. Issue Closing Date	June 14, 2018
3. Pay-in Date	June 15, 2018
4. Deemed Date of Allotment	June 15, 2018

Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein).

## W. ADDITIONAL COVENANTS / UNDERTAKING BY THE COMPANY

The Issuer undertakes that:

- a) No allotments with respect to any offer or invitation made earlier is incomplete. No offer or invitation has been withdrawn or abandoned by the Company.
- b) **Undertaking regarding RBI/ECGC Defaulters List**
  - i. The Company hereby confirms that none of its Directors are appearing on the RBI/ECGC defaulters list except as mentioned in this Disclosure Document.
- c) **Delay in Listing**
  - i. In case of delay in listing of the debt securities beyond 20 days from the deemed date of allotment, the Company will pay penal interest of at least 1% p.a. over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the investor.
- d) **Default in Payment**
  - i. In case of default in payment of interest and/or principal redemption on the due dates, additional interest of at least @2% p.a. over the coupon rate will be payable by the Company for the defaulting period.
- e) **Security Creation**
  - i. In case of delay in execution of the Debenture Trust Deed and the Security Documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of at least 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor..
- f) The Company shall allot securities to the eligible applicants within sixty days from the date of receipt of the application money for such securities. Further, until allotment of debt securities, monies received on application shall be kept in a separate bank account in a scheduled bank and shall not be utilised for any purpose other than—
  - i. for adjustment against allotment of securities; or
  - ii. for the repayment of monies where the company is unable to allot securities
- g) The complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;
- h) Necessary co-operation to the credit rating agency(ies) shall be extended in providing true and adequate information till the debt obligations in respect of the instrument are outstanding.
- i) It shall use a common form of transfer for the instrument.
- j) Company shall comply with SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 to the extent applicable.



Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein).

## X. DECLARATION

### - The Director declares that-

- the company has complied with the provisions of the Companies Act and the rules made thereunder and other applicable laws;
  - the compliance with the Companies Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government;
  - the monies received under the offer shall be used only for the purposes and objects indicated in the Disclosure Document;
- It is hereby declared that this Disclosure Document contains full disclosures in accordance with The Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008 dated June 6, 2008, SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 dated October 12, 2012 and SEBI (Issue & Listing of Debt Securities) (Amendment) Regulations, 2014 dated January 31, 2014. provisions of Companies Act, 2013 & Rules made thereunder as amended from time to time.
- The Issuer also confirms that this Disclosure Document does not omit disclosure of any material fact, which may make the statements made therein, in the light of the circumstances under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement.
- The Issuer accepts no responsibility for the statement made otherwise than in the Disclosure document or in any other material issued by or at the instance of the issuer and that anyone placing reliance on any other source of information would be doing so at his own risk.

I am authorized by the Board of Directors of the Company vide resolution number 12 dated March 16, 2018 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

**For DMI Finance Private Limited.**



---

Shivashish Chatterjee  
**Joint Managing Director**

**Date: June 6, 2018**

**Place: Delhi**

*Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein).*

Attachments:

1. Trustee Consent Letter
2. Credit Rating Letter
3. Abridged Audited Financials (Consolidated and Standalone) for last 3 years
4. Abridged Version Of Latest Audited / Limited Review Half Yearly Consolidated (Wherever Available) And Standalone Financial Information (Like Profit & Loss Statement, And Balance Sheet) And Auditor's Qualifications, If Any
5. Related Party Transactions
6. Form PAS 4 – Private Placement Offer Letter
7. Copy of board resolution
8. Copy of shareholders resolution
9. Copy of Loan/Investment Borrowing Committee resolution

Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein).

ANNEXURE-1

TRUSTEE CONSENT LETTER

Corporate Office : Axis House Bombay Dyeing Mills Compound  
Pandurang Budhkar Marg Worli, Mumbai - 400 025  
Phone : 022-24255215 Fax : 022-24254200  
Email : debenturetrustee@axistrustee.com



ATSL/CO/18-19/0013  
19 April, 2018

DMI FINANCE PRIVATE LIMITED  
Express Building, 3rd Floor,  
9-10, Bhahdur Shah Zafar Marg  
New Delhi - 110002

Kind Attn : Mr. Anmol Nayyar

Dear Sir / Madam,

**Sub: Consent to act as Debenture Trustee for Rated, Listed, Secured, Redeemable, Non-Convertible Debentures aggregating upto Rs. 250 Crores to be issued by DMI Finance Private Limited**

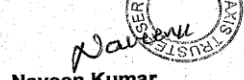
We, Axis Trustee Services Limited, hereby give our consent to act as the Debenture Trustee for the above mentioned issue of Debentures having a tenure of more than one year and are agreeable to the inclusion of our name as Debenture Trustee in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum and/or application to be made to the Stock Exchange for the listing of the said Debentures.

Axis Trustee Services Limited (ATSL) consenting to act as Debenture Trustees is purely its business decision and not an indication on the Issuer Company's standing or on the Debenture Issue. By consenting to act as Debenture Trustees, ATSL does not make nor deems to have made any representation on the Issuer Company, its Operations, the details and projections about the Issuer Company or the Debentures under Offer made in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document. Applicants / Investors are advised to read carefully the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document and make their own enquiry, carry out due diligence and analysis about the Issuer Company, its performance and profitability and details in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document before taking their investment decision. ATSL shall not be responsible for the investment decision and its consequence.

We also confirm that we are not disqualified to be appointed as Debentures Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debentures) Rules, 2014.

Yours Truly,

For Axis Trustee Services Limited

  
Naveen Kumar  
Assistant General Manager

Registered Office : Mumbai  
Website : www.axistrustee.com Corporate Identity Number : U74999MH2008PLC182264  
A wholly owned Subsidiary of AXIS Bank Limited.

ANNEXURE 2

CREDIT RATING LETTER



No. CARE/DRO/RL/2018-19/1592

Mr. Yuvraja Chanakya Singh  
Jt. Managing Director,  
DMI Finance Pvt Ltd,  
Express Building, 3<sup>rd</sup> Floor,  
9-10, Bahadur Shah Zafar Marg,  
New Delhi - 110002

June 5, 2018

Confidential

Dear Sir,

Credit rating for Non-Convertible Debentures

Please refer to our letter dated March 12, 2018 and your request for revalidation of the rating assigned to the Non-Convertible Debentures of your company, for a limit of Rs.500 crore.

2. The following rating(s) have been reviewed:

Instrument	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Non-Convertible Debenture issue	500* (Rs. Five hundred crore only)	CARE AA-; Stable (Double A Minus; Outlook: Stable)	Reaffirmed

\*Rs.100 crore NCD o/s as on June 1, 2018

- Please arrange to get the rating revalidated, in case the proposed issue is not made within six months from the date of this letter.
- Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors

- CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
- CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE shall carry out the review on the basis of best available information throughout the life time of such instruments. In such cases the credit rating

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications.

CREDIT ANALYSIS & RESEARCH LTD.

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**ANNEXURE 3**

**Abridged version of audited consolidated and standalone financial information (like profit & loss statement, balance sheet and cash flow statement) for at least last three years and auditor qualifications, if any:**

<b>Standalone Financials for last 3 years</b>			<b>(Rs. In Cr)</b>
<b>Profit &amp; Loss Account</b>			
<b>Particulars</b>	<b>FY 18 (Provisional)</b>	<b>FY 17 (Audited)</b>	<b>FY16 (Audited)</b>
<b>Income</b>			
Income from operation	240.04	217.45	194.17
Other income	6.24	5.32	1.34
<b>Total</b>	<b>246.28</b>	<b>222.77</b>	<b>195.51</b>
<b>Expenses</b>			
Employee benefits expense	22.63	17.27	13.83
Finance costs	98.01	91.87	73.85
Depreciation and amortization expense	1.17	0.79	0.65
Other expenses	23.41	17.20	11.84
<b>Total</b>	<b>145.23</b>	<b>127.13</b>	<b>100.18</b>
Profit before tax	101.05	95.64	95.33
Tax expense	35.35	33.34	33.21
<b>Profit after tax</b>	<b>65.70</b>	<b>62.30</b>	<b>62.13</b>
<b>Balance Sheet</b>			
<b>Particulars</b>	<b>FY 18 (Provisional)</b>	<b>FY 17 (Audited)</b>	<b>FY16 (Audited)</b>
<b>Source of funds</b>			
Share capital	352.20	352.20	320.01
Reserves and surplus	516.87	451.17	283.00
Long-term borrowings	795.25	496.22	563.80
Other long-term liabilities	-	-	0.02
Long-term provisions	6.98	5.03	7.57
Short-term borrowings	37.65	0.29	63.63
Trade payables	5.54	1.96	1.73
Other current liabilities	192.65	254.14	147.48
Short-term provisions	2.26	1.33	3.00
<b>Total</b>	<b>1,909.41</b>	<b>1,562.34</b>	<b>1,390.25</b>
<b>Application of Funds</b>			
Fixed assets			
Tangible assets	6.18	4.07	3.78
Intangible assets	0.17	0.10	0.14
Non-current investments		-	-
Credit substitute	223.51	364.74	334.78
Other investments	174.53	113.78	42.61
Deferred tax asset (net)	5.75	2.42	3.04
Long-term loans and advances	817.64	625.80	742.88



*Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein.*

Other non-current assets	152.20	43.28	1.08
Current assets			
Current investments			
Credit substitute	78.64	51.49	20.92
Other investments	0.14	40.14	0.15
Trade receivables	7.46	3.23	-
Cash and bank balances	44.18	14.33	6.82
Short term loans and advances	375.50	285.98	220.30
Other current assets	23.51	12.97	13.75
<b>Total</b>	<b>1,909.41</b>	<b>1,562.34</b>	<b>1,390.25</b>

<b>Cash Flow Statement</b>		<b>(Rs. in Cr)</b>		
<b>S.no.</b>	<b>Particulars</b>	<b>March 31, 2018 (Prov.)</b>	<b>March 31, 2017 (Audited)</b>	<b>March 31, 2016 (Audited)</b>
<b>A.</b>	<b>Cash flow from operating activities</b>			
	Profit before tax	101.04	95.64	95.33
	Adjustment to reconcile profit before tax to net cash flows	-	-	-
	Depreciation and amortization	1.17	0.79	0.65
	Interest expense	98.00	91.78	70.52
	Interest on bank deposits	-0.08	-0.07	-0.45
	Net gain on sale of current investments	-5.26	-1.93	-0.82
	Provision on business loans	2.10	0.73	2.86
	Amortization of cost	1.55	0.18	0.06
	Loan assets written-off	0.13	5.23	-
	Excess provision written back	-	-3.04	-0.04
	Profit on sale of investment in equity shares	-	-0.35	-
	Loss on sale of property, plant and equipment	0.01	0.32	0.01
	Operating profit before working capital changes	198.65	189.27	168.12
	Movements in working capital:			
	Increase/(decrease) in trade payables	3.59	0.23	0.49
	Increase/(decrease) in long term provisions	0.55	-0.23	2.86
	Increase/(decrease) in short term provisions	0.04	0.46	-2.80
	Increase/(decrease) in other current liabilities	4.03	-3.79	8.24
	Increase/(decrease) in other long-term liabilities	-	-0.02	-0.13
	Decrease/(increase) in long-term loans and advances	-193.42	112.13	-64.05
	Decrease/(increase) in short-term loans and advances	-89.52	-65.68	-9.03
	Decrease/(increase) in trade receivables	-4.23	-3.23	0.00
	Decrease / (Increase) in other current assets	-12.92	0.60	-6.64
	Decrease / (Increase) in other non current assets	-106.25	-	-
	Cash generated from /(used in) operations	-199.48	229.72	97.07
	Direct taxes paid (net of refund)	-38.49	-35.13	-30.69
	<b>Net cash from /(used in) operating activities(A)</b>	<b>-237.96</b>	<b>194.59</b>	<b>66.39</b>

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<b>B.</b>	<b>Cash flows from investing activities</b>			
	Purchase of fixed assets	-3.50	-43.51	-3.92
	Sale of fixed assets	0.06	-	0.23
	Purchase of non current investments	-	-101.13	-323.33
	Purchase of current investments	-	-	-
	Sale of non current investments	80.48	-70.21	-3.97
	Sale of current investments	12.86	-	-
	Investment in bank deposits (having original maturity of more than three months) including interest accrued	-1.42	-1.12	-1.08
	Maturity of bank deposits (having original maturity of more than three months)	1.12	1.08	1.03
	Interest received on bank deposits	0.07	0.07	-
	Income from current investments	5.26	1.93	0.82
	<b>Net cash from / (used in) investing activities (B)</b>	<b>94.94</b>	<b>-212.90</b>	<b>-330.21</b>
<b>C.</b>	<b>Cash flows from financing activities</b>			
	Proceeds from issuance of share capital	-	138.06	34.94
	Proceeds from long term borrowings	229.03	40.89	174.79
	Repayment of short term borrowings	37.36	-63.34	106.60
	Interest paid	-93.52	-89.80	-60.89
	<b>Net cash from / (used in) financing activities (C)</b>	<b>172.87</b>	<b>25.81</b>	<b>255.43</b>
	Net Increase / (decrease) in cash and cash equivalents (A+B+C)	29.85	7.51	-8.39
	Cash and cash equivalents at the beginning of the year	14.33	6.82	15.22
	Cash and cash equivalents at the end of the year	44.18	14.33	6.82
	Components of cash and cash equivalents			
	Cash on hand	0.01	0.00	0.00
	With banks - on current account	44.17	14.33	6.82
	- on deposit account	-	-	-
	<b>Total cash and cash equivalents</b>	<b>44.18</b>	<b>14.33</b>	<b>6.82</b>



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<b>Consolidated Audited Financials for last 3 years</b>				<b>(Rs. in Cr)</b>
<b>Profit &amp; Loss Account</b>				
<b>Particulars</b>	<b>FY 17 (Audited)</b>	<b>FY16 (Audited)</b>	<b>FY15 (Audited)</b>	
<b>Income</b>				
Revenue from operations	236.97	204.36	122.37	
Other income	7.23	0.86	9.69	
<b>Total</b>	<b>244.20</b>	<b>205.22</b>	<b>132.06</b>	
<b>Expenses</b>				
Employee benefits expense	23.14	15.20	15.43	
Finance costs	92.51	73.25	45.64	
Depreciation and amortization expense	0.98	0.76	0.53	
Other expenses	23.81	16.97	14.92	
<b>Total</b>	<b>140.44</b>	<b>106.18</b>	<b>76.52</b>	
Profit before tax	103.77	98.98	55.54	
Tax expense	36.07	34.39	18.99	
<b>Profit after tax</b>	<b>67.69</b>	<b>64.58</b>	<b>36.55</b>	
<b>Balance Sheet</b>				
<b>Particulars</b>	<b>FY 17 (Audited)</b>	<b>FY16 (Audited)</b>	<b>FY15 (Audited)</b>	
<b>Source of funds</b>				
Share capital	356.69	320.01	302.45	
Reserves and surplus	460.55	284.33	204.94	
Long-term borrowings	693.77	727.43	389.01	
Other liabilities and provisions	41.78	40.09	90.34	
Short-term provisions	6.12	8.19	3.96	
<b>Total</b>	<b>1,558.91</b>	<b>1,380.05</b>	<b>990.71</b>	
<b>Application of Funds</b>				
Fixed assets	5.18	4.33	0.96	
Non-current investments	88.58	22.50	20.66	
Loans and Advances	1,398.76	1,331.85	943.44	
Cash and bank balances	67.48	17.21	18.47	
Net Current Assets	-1.10	4.15	7.19	
<b>Total</b>	<b>1,558.91</b>	<b>1,380.05</b>	<b>990.71</b>	

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<b>Consolidated Audited Cash Flow Statements</b>				<b>(Rs. in Cr)</b>
<b>S.no.</b>	<b>Particulars</b>	<b>March 31, 2017 (Audited)</b>	<b>March 31, 2016 (Audited)</b>	<b>March 31, 2015 (Audited)</b>
<b>A.</b>	<b>Cash flow from operating activities</b>			
	<b>Profit before tax</b>	103.76	98.98	55.54
	<b>Non cash adjustment to reconcile profit before tax to net cash flows</b>			
	Depreciation	0.98	0.76	0.53
	Interest expense	92.31	70.52	43.98
	Interest on bank deposits	-0.07	-0.45	-4.15
	Interest on investments in debentures	-0.09	-	-
	Net gain on sale of current investments	-3.64	-0.82	-5.83
	Provision on business loans	0.73	2.86	3.84
	Amortization of cost	-0.18	0.06	-
	Loan assets written-off	5.23	-	-
	Income from reversal of excess provision	-3.05	-0.04	-
	Profit on sale of equity	-0.35	-	-
	Loss on sale of fixed assets	0.32	0.01	-
	Share of loss on associate	0.00	-	-
	Service tax written-off	0.00	-	-
	Interest on taxes	-	0.02	0.00
	<b>Operating profit before working capital changes</b>	<b>195.95</b>	<b>171.88</b>	<b>93.91</b>
	<b>Movements in working capital:</b>			
	Increase/(decrease) in trade payables	1.56	0.84	0.89
	Increase/(decrease) in long term provisions	0.07	2.92	0.11
	Increase/(decrease) in short term provisions	0.50	-2.79	-0.29
	Increase/(decrease) in other current liabilities	3.13	8.37	5.38
	Increase/(decrease) in other long-term liabilities	-0.02	-0.13	-0.22
	Decrease/(increase) in long-term loans and advances	73.52	-69.53	-322.32
	Decrease/(increase) in short-term loans and advances	-73.96	-9.45	-47.06
	Decrease/(increase) in trade receivables	-3.37	-1.21	2.23
	Decrease / (Increase) in other current assets	0.31	-6.83	-1.77
	Cash generated from /(used in) operations	<b>0.00</b>	<b>0.00</b>	<b>-0.00</b>
	Direct taxes paid	-38.44	-31.82	-20.57
	<b>Net cash from /(used in) operating activities(A)</b>	<b>-38.44</b>	<b>-31.82</b>	<b>-20.57</b>
<b>B.</b>	<b>Cash flows from investing activities</b>			
	Purchase of fixed assets	-44.62	-4.27	-0.54
	Sale of fixed assets	0.32	0.25	-
	Minority interest/ acquisition of shares in subsidiaries	-	-	-0.14
	Purchase of non current investments	-117.74	-325.17	-

*Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein.*

	Purchase of current investments (net)	-75.12	-3.97	80.97
	Proceeds from sale of investments	9.60	-	-
	Profit on sale of investments		-	-
	Investment in bank deposits (having original maturity of more than three months)	-1.12	-1.08	-1.03
	Maturity of bank deposits (having original maturity of more than three months)	1.08	1.03	0.47
	Interest received on bank deposits	0.07	-	5.01
	Income from current investments	1.93	0.82	5.83
	<b>Net cash from / (used in) investing activities (B)</b>	<b>-225.60</b>	<b>-332.39</b>	<b>90.57</b>
<b>C.</b>	<b>Cash flows from financing activities</b>			-
	Proceeds from issuance of share capital	193.66	40.44	19.85
	Proceeds from long term borrowings	42.89	174.79	115.55
	Proceeds from short term borrowings	-76.28	119.54	19.25
	Interest paid	-90.33	-60.89	-31.50
	<b>Net cash from / (used in) financing activities (C)</b>	<b>69.94</b>	<b>273.87</b>	<b>123.14</b>
	Net Increase / (decrease) in cash and cash equivalents (A+B+C)	3.58	3.74	-76.01
	Cash and cash equivalents at the beginning of the year	21.17	17.44	93.45
	<b>Cash and cash equivalents at the end of the year</b>	<b>24.76</b>	<b>21.17</b>	<b>17.44</b>
	<b>Components of cash and cash equivalents</b>			
	Cash on hand	0.00	0.00	0.00
	With banks - on current account	24.76	21.17	12.44
	- on deposit account	-	-	5.00
	<b>Total cash and cash equivalents</b>	<b>24.76</b>	<b>21.17</b>	<b>17.44</b>

*\*The Company is in the process of finalizing the consolidated financial statements for the financial year 2017-18 and upon finalization the cash flows will be provided to the Debenture Holders. The Company has provided the consolidated financial statements for the financial year 2016-17 hereinabove.*

**ANNEXURE 4**

**Abridged version of latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (like profit & loss statement, and balance sheet) and auditor's qualifications, if any**

**Standalone Financials for the FY ended 31<sup>st</sup> March, 2018**

<b>Profit &amp; Loss Account</b>	<b>Rs. in Cr</b>
<b>Particulars</b>	<b>March 2018 (Prov.)</b>
<b>Income</b>	
Income from operation	240.04
Other income	6.24
<b>Total</b>	<b>246.28</b>
<b>Expenses</b>	
Employee benefit Expenses	22.63
Finance Costs	98.01
Depreciation/ amortisation	1.17
Other Expenses	23.41
<b>Total</b>	<b>145.23</b>
Profit before tax	101.05
Tax expense	35.35
<b>Profit after tax</b>	<b>65.70</b>
<b>Balance Sheet</b>	<b>Rs. in Cr</b>
<b>Particulars</b>	<b>March 2018 (Prov.)</b>
<b>Source of funds</b>	
Capital	352.20
Reserves & Surplus	516.87
Long Term Borrowings	795.25
Short Term Borrowings	37.65
Long and Short term provisions	9.24
Current Liabilities	198.19
<b>Total</b>	<b>1,909.41</b>
<b>Application of Funds</b>	
Fixed Assets (Net Block)	6.35
Non current investment	398.04
Deferred Tax Asset	5.75
Loan Term Loans & Advances	817.64
Cash & Bank Balance	44.18
Current investments	78.78
Short Term Loans & Advances	375.50
Other Current Assets	30.98
Other non-current assets	152.20
<b>Total</b>	<b>1,909.41</b>

*Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein.*

**Consolidated Financials for FY ended 31st March, 2017**

<b>Profit &amp; Loss Account</b>	<b>Rs. in Cr.</b>
<b>Particulars</b>	<b>FY 17 (Audited)</b>
<b>Income</b>	
Income from operation	236.97
Other income	7.23
<b>Total</b>	<b>244.20</b>
<b>Expenses</b>	
Employee benefits expense	23.14
Finance costs	92.51
Depreciation and amortization expense	0.98
Other expenses	23.81
<b>Total</b>	<b>140.44</b>
Profit before tax	103.77
Tax expense	36.07
<b>Profit after tax</b>	<b>67.69</b>
<b>Balance Sheet</b>	<b>Rs. in Cr</b>
<b>Particulars</b>	<b>FY 17 (Audited)</b>
<b>Source of funds</b>	
Share capital	356.69
Reserves and surplus	460.55
Long-term borrowings	693.77
Other liabilities and provisions	41.78
Short-term provisions	6.12
<b>Total</b>	<b>1,558.91</b>
<b>Application of Funds</b>	
Fixed assets	5.18
Non-current investments	88.58
Loans and Advances	1,398.76
Cash and bank balances	67.48
Net Current Assets	-1.10
<b>Total</b>	<b>1,558.91</b>

*\*The Company is in the process of finalizing the consolidated financial statements for the financial year 2017-18 and upon finalization the cash flows will be provided to the Debenture Holders. The Company has provided the consolidated financial statements for the financial year 2016-17 hereinabove.*

*Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein.*

**ANNEXURE 5**

**Related party transactions entered during the last three financial years immediately preceding the year of circulation of Disclosure Document including with regard to loans made or, guarantees given or securities provided.**

<b>a) Sale/purchase of services</b>	<b>Year</b>	<b>Purchase of services/ assets</b>	<b>Sale of services/ assets</b>	<b>Amount owned by related parties</b>	<b>Amount owned to related parties</b>	
Compro Technologies Private Limited	2017-18	97,25,071	-	-	53,83,450	
	2016-17	29,04,275	-	-	19,37,384	
	2015-16	19,96,584	-	-	14,22,904	
DMI Housing Finance Private Limited	2017-18	4,70,92,289	85,77,568		71,28,000	
	2016-17	41,96,291	5,29,67,001	-	-	
	2015-16	33,50,316	3,00,000	-	-	
DMI Management Services Private Limited	2017-18	-	5,95,080	-	-	
	2016-17	-	2,47,950	-	-	
	2015-16	-	1,11,236	-	-	
DMI Capital Private Limited	2017-18	11,61,40,765	17,19,82,923	-	-	
	2016-17	-	12,08,20,514	-	-	
	2015-16	-	3,33,398	-	-	
<b>b) Loans taken and repayment thereof</b>	<b>Year</b>	<b>Loans taken/transfer/ (repaid)</b>	<b>Interest accrued</b>	<b>Interest paid</b>	<b>Amount owned by related parties</b>	
DMI Capital Fund LP	2017-18	-4,44,53,060	6,11,15,249	5,38,61,001	46,56,23,260	
	2016-17	-	6,41,90,773	5,22,81,278	48,13,28,197	
	2015-16	2,42,96,987	6,23,46,427	4,78,53,578	47,97,48,473	
Ms. Mallika Singh	2017-18	-	2,95,422	2,65,880	22,68,740	
	2016-17	-	2,95,422	2,65,880	22,68,740	
	2015-16	-	2,95,422	2,65,880	22,68,740	
Mr. Yuvraja C. Singh	2017-18	-	18,53,181	16,67,863	1,42,31,803	
	2016-17	-	18,53,181	16,67,863	1,42,31,803	
	2015-16	-	18,53,181	14,83,833	1,42,31,803	
<b>c) Advance given and repayment thereof</b>	<b>Year</b>	<b>Advance given</b>	<b>Advance taken</b>	<b>Interest on loan, if any</b>	<b>Repayment</b>	<b>Amount owned to related parties</b>
DMI Housing Finance Private Limited	2017-18	-	-	-	-	-
	2016-17	-	9,300	-	9,300	-
	2015-16	5,90,00,000	-	43,37,855	6,33,37,855	-
DMI Management Services Private Limited	2017-18	20,00,000	-	-	-20,00,000	-
	2016-17	95,00,000	1,00,500	-	93,99,500	-
	2015-16	1,20,000	-	-	1,22,149	-
DMI Capital Private Limited	2017-18	62,31,674	-	-	-62,31,674	-
	2016-17	-	-	-	-	-
	2015-16	14,000	-	-	14,000	-
DMI Consumer Credit Private Limited	2017-18	-	-	-	-	-
	2016-17	4,60,835	-	-	4,60,835	-
	2015-16	-	-	-	-	-
DMI Alternatives Private Limited	2017-18	6,00,00,000	-	19,17,808		6,17,26,027
	2016-17	10,00,000	-	-	-	10,00,000
	2015-16	-	-	-	-	-

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<b>d) Reimbursement of expense</b>	<b>Year</b>	<b>Reimbursement of expense paid by related party on behalf of entity</b>	<b>Reimbursement of expense incurred on behalf of related party</b>	<b>Amount owed to related party</b>		
DMI Management Services Private Limited	2017-18	-	3,000	-	-	-
	2016-17	4,04,929	38,819	-	-	-
	2015-16	-	7,596	-	-	-
DMI Capital Private Limited	2017-18	-	-	-	-	-
	2016-17	-	-	-	-	-
	2015-16	-	41,500	-	-	-
DMI Housing Finance Private Limited	2017-18	-	-	-	-	-
	2016-17	13,14,819	25,046	-	-	-
	2015-16	1,96,809	48,695	-	-	-
Bina Singh	2017-18	-	-	-	-	-
	2016-17	88,596	12,884	-	-	-
	2015-16	-	-	-	-	-
<b>e) Remuneration to key managerial personnel</b>	<b>Year</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>		
Mr. Yuvraja C. Singh, Jt. Managing Director		5,98,90,000	5,95,30,000	5,98,90,000	-	-
Salary, bonus and other benefits						
Mr. Shivashish Chatterjee, Jt. Managing Director		2,98,90,000	3,03,24,566	2,60,21,641	-	-
Salary, bonus and other benefits						
<b>f) Remuneration to relative of key managerial personnel</b>	<b>Year</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>		
Mrs. Jayati Chatterjee, Director		1,60,000	1,80,000	1,60,000		
Sitting Fees						
Mrs. Bina Singh, Director		60,000	80,000	80,000		
Sitting Fees						
<b>g) Shares issued</b>	<b>Year</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>		
<b>DMI Limited</b>						
Issue of equity shares		-	32,19,03,200	15,46,73,590		
Securities premium received		-	1,05,87,39,653	15,31,26,870		
<b>h) Purchase of Shares</b>	<b>Year</b>	<b>No. of Equity shares purchased</b>	<b>Amount Rs.</b>	<b>No. of Compulsorily convertible preference shares purchased</b>	<b>Amount Rs.</b>	
DMI Housing Finance Private Limited	2017-18	-	-	3,83,84,475	41,00,00,000	
	2016-17	27,54,821	3,00,00,000	4,93,57,553	52,60,00,000	
	2015-16	49,90,925	-	5,50,00,000	-	
DMI Consumer Credit Pvt. Ltd.	2017-18	-	-	-	-	-
	2016-17	31,50,000	3,15,00,000	-	-	-
	2015-16	-	-	-	-	-
DMI Alternatives Pvt. Ltd.	2017-18	-	-	-	-	-
	2016-17	9,800	98,000	-	-	-
	2015-16	-	-	-	-	-
Yuvraja Chanakya Singh (Shares of DMI Housing Finance Private Limited)	2017-18	5,00,000	50,00,000	-	-	-
	2016-17	-	-	-	-	-
	2015-16	-	-	-	-	-
		<b>No. of Equity shares sold</b>	<b>Amount Rs.</b>			
<b>i) Sale of Shares</b>	2017-18	-	-	-	-	-
	2016-17	73,63,653	7,71,83,092	-	-	-
	2015-16	-	-	-	-	-

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<b>j) Others</b>	<b>Year</b>	<b>Sale of NCDs</b>	<b>Purchase of NCD's</b>	<b>Profit on NCDs</b>	<b>Sitting Fees</b>	
Mrs. Jayati Chatterjee	2017-18	17,67,682	-	12,609	-	-
	2016-17	19,85,464	-	33,457	-	-
	2015-16	21,27,320	-	41,626	-	-
Mr. Gurcharan Das	2017-18	-	-	-	80,000	-
	2016-17	-	-	-	1,00,000	-
	2015-16	1,32,84,079	-	3,65,901	1,00,000	-
Ms. Paromita Chatterjee	2017-18	8,83,841	9,38,822	6,305	-	-
	2016-17	9,92,732	-	16,728	-	-
	2015-16	-	-	-	-	-

*\* The numbers provided for 2017-18 are based on provisional financials.*



**FORM NO PAS-4  
PRIVATE PLACEMENT OFFER LETTER**

[Pursuant to section 42 of the Companies Act, 2013 and rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014]



**DMI FINANCE PRIVATE LIMITED**

CIN: U65929DL2008PTC182749

Date of Incorporation: September 02, 2008

A Private Limited Company Incorporated under the Companies Act, 1956

Registered and Corporate Office: Express Building, 3rd Floor,

9-10, Bahadur Shah Zafar Marg, New Delhi-110002

Tel.: +91 11 4120 4444 Fax. +91 11 4120 4400

Website: [www.dmifinance.in](http://www.dmifinance.in)

Email ID: [dmi@dmifinance.in](mailto:dmi@dmifinance.in)

(A private limited company registered under the Companies Act, 2013)

To,  
UTI-Credit Risk Fund

**PRIVATE PLACEMENT OFFER LETTER IN RESPECT FOR PRIVATE PLACEMENT OF UPTO 2,500 SECURED. SENIOR, LISTED, REDEEMABLE, RATED NON-CONVERTIBLE DEBENTURES OF THE NOMINAL VALUE OF INR 10,00,000 (INDIAN RUPEES TEN LAKHS EACH), AGGREGATING UP TO INR 250 CRORES [“OFFER LETTER”]**

**GENERAL INFORMATION:**

(a) **Name, address, website and other contact details of the Company, indicating both registered office and the corporate office:**

Issuer / Company: **DMI FINANCE PRIVATE LIMITED**

Registered Office: Please refer to Page Number 13 of the Disclosure Document

Corporate Office: Please refer to Page Number 13 of the Disclosure Document

Telephone No.: +91 11 4120 4444

Website: [www.dmifinance.in](http://www.dmifinance.in)

Fax: +91 11 4120 4400

Contact Person: Sahib Pahwa, Company Secretary & Compliance Officer

Email: [dmi@dmifinance.in](mailto:dmi@dmifinance.in)

Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein).

- (b) **Date of Incorporation of the Company:** September 02, 2008
- (c) **Business carried on by the Company and its subsidiaries with the details of branches or units, if any;**
- Details of subsidiaries or branches or units of the Company: Please refer page 17 of the Disclosure Document.
- (d) **Brief particulars of the management of the Company:** Please refer to Page 29 of the Disclosure Document.
- (e) **Name, address, DIN and occupations of the directors:** Please refer to Page 28 of the Disclosure Document.
- (f) **Management perception of Risk Factors:** Please refer to Page 18 of the Disclosure Document.
- (g) **Details of defaults, if any, including the amounts involved, duration of default, and present status, in repayment of:** Please refer to Page 37 of the Disclosure Document.
- (i) Statutory Dues: Please refer to Page 37 of the Disclosure Document.
- (ii) Debenture and interest thereon: Please refer to Page 37 of the Disclosure Document.
- (iii) Deposits and interest thereon: Please refer to Page 37 of the Disclosure Document.
- (iv) Loans from banks and financial institutions and interest thereon: Please refer to Page 37 of the Disclosure Document.
- (h) **Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the private placement offer process:** Please refer to Page 13 of the Disclosure Document.
- Name: Please refer to Page 13 of the Disclosure Document.
- Designation: Please refer to Page 13 of the Disclosure Document.
- Address: Please refer to Page 13 of the Disclosure Document.
- Phone No.: Please refer to Page 13 of the Disclosure Document.
- Email: Please refer to Page 13 of the Disclosure Document.

**PARTICULARS OF THE OFFER:**

- |    |   |   |
|----|---|---|
| a. | Date of passing of Board Resolution   | <b>March 16, 2018 and June 06, 2018</b> |
| b. | Date of passing of resolution in general meeting, authorizing the offer of securities | <b>March 19, 2018</b>                   |

*Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein).*

- |    |  |   |
|----|--|---|
| c. | Kinds of securities offered (i.e. whether share or debenture) and class of security  | Please refer to Page 41 of the Disclosure Document. |
| d. | Price at which the security is being offered, including premium if any, along with justification of the price              | Please refer to Page 41 of the Disclosure Document. |
| e. | Name and address of the valuer who performed valuation of the security offered   | Please refer to Page 41 of the Disclosure Document. |
| f. | Amount, which the Company intends to raise by way of securities  | Please refer to Page 41 of the Disclosure Document. |
| g. | Terms of raising securities: Duration, if applicable, rate of interest or dividend, mode of payment and repayment          | Please refer to Page 41 of the Disclosure Document. |
| h. | Proposed time schedule for which the offer is valid  | Please refer to Page 63 of the Disclosure Document. |
| i. | Purpose and objects of the offer   | Please refer to Page 41 of the Disclosure Document. |
| j. | Contribution being made by the promoters or directors either as part of offer or separately in furtherance of such objects | Please refer to Page 41 of the Disclosure Document. |
| k. | Principal terms of assets charged as security, if applicable   | Please refer to Page 42 of the Disclosure Document. |

**DISCLOSURE WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION, ETC:**

- |     |   |   |
|-----|---|---|
| i.  | Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons  | Please refer to Page 31 of the Disclosure Document. |
| ii. | Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any Promoter of the Company during the last 3 (three) years immediately preceding the year of the circulation of this Offer Letter and any direction issued by such Ministry or | Please refer to Page 56 of the Disclosure Document. |

*Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein.*

Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed

- |      |   |   |
|------|---|---|
| iii. | Remuneration of directors (during the current year and last 3 (three) financial years)  | Please refer to Page 31 of the Disclosure Document. |
| iv.  | Related party transactions entered during the last 3 (three) financial years immediately preceding the year of circulation of this Offer Letter including with regard to loans made or, guarantees given or securities provided   | Please refer to Page 77 of the Disclosure Document  |
| v.   | Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of circulation of this Offer Letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark   | Please refer to Page 32 of the Disclosure Document. |
| vi.  | Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of this Offer Letter in the case of the Company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this Offer Letter and if so, section-wise details thereof for the Company and all of its subsidiaries | Please refer to Page 56 of the Disclosure Document. |
| vii. | Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the Company  | Please refer to Page 56 of the Disclosure Document. |

*Shelf Disclosure Document prepared as per Schedule I of SEBI (Issue and Listing of Debt Securities) regulations 2008 and (Amendment) Regulations, 2012 and private placement offer letter as per PAS-4 (Pursuant to Section 42 of Companies Act, 2013 and rules framed therein.*

**FINANCIAL POSITION OF THE COMPANY:**

- a. The capital structure of the company in the following manner in a tabular form:

<i>The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)</i>	Please refer to Page 23 of the Disclosure Document.																																				
<i>Size of the Present Issue</i>	Please refer to Page 23 of the Disclosure Document.																																				
<i>Paid-up Capital:</i> A. <i>After the offer:</i> B. <i>After the conversion of Convertible Instruments (if applicable)</i>	Please refer to Page 24 of the Disclosure Document.																																				
<i>Share Premium Account:</i> A. <i>Before the offer:</i> B. <i>After the offer:</i>	Please refer to Page 24 of the Disclosure Document.																																				
<p>Details of the existing share capital of the Issuer:</p> <p>i) <b>Equity Share Capital:</b></p> <table border="1"> <thead> <tr> <th><b>S No:</b></th> <th><b>Date of Allotment</b></th> <th><b>Number of Shares</b></th> <th><b>Face Value of Shares</b></th> <th><b>Price</b></th> <th><b>Details of Consideration</b></th> </tr> </thead> <tbody> <tr> <td colspan="6">Please refer Page 25 of the Disclosure Document</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>ii) <b>Compulsory Convertible Preference Shares</b></p> <table border="1"> <thead> <tr> <th><b>S No:</b></th> <th><b>Date of Allotment</b></th> <th><b>Number of Shares</b></th> <th><b>Face Value of Shares</b></th> <th><b>Price</b></th> <th><b>Details of Consideration</b></th> </tr> </thead> <tbody> <tr> <td colspan="6">Please refer Page 26 of the Disclosure Document</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		<b>S No:</b>	<b>Date of Allotment</b>	<b>Number of Shares</b>	<b>Face Value of Shares</b>	<b>Price</b>	<b>Details of Consideration</b>	Please refer Page 25 of the Disclosure Document												<b>S No:</b>	<b>Date of Allotment</b>	<b>Number of Shares</b>	<b>Face Value of Shares</b>	<b>Price</b>	<b>Details of Consideration</b>	Please refer Page 26 of the Disclosure Document											
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Please refer Page 26 of the Disclosure Document																																					
Details of allotments (number and price) made by the Company for Consideration other than cash in the last one year preceding the date of the Offer Letter.	Please refer to Page 25 of the Disclosure Document.																																				

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Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this Offer Letter	Please refer <b>ANNEXURE-3</b>
Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	The Company has not declared any dividends in the last 3 financial years.
A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this Offer Letter	Please refer <b>ANNEXURE-3</b>
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this Offer Letter	Please refer <b>ANNEXURE-3</b>
Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company	Please refer to Page 22 of the Disclosure Document.

**DECLARATION BY THE DIRECTORS THAT:**

Please refer to Page 65 of the Disclosure Document.



**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF DMI FINANCE PRIVATE LIMITED ("THE COMPANY") IN ITS MEETING HELD ON FRIDAY, MARCH 16, 2018 AT 1330 HOURS AT HOTEL OBEROP'S, DR. ZAKIR HUSSAIN MARG, NEW DELHI- 110003- THE BELVEDERE**

**ITEM NO. 13- AUTHORIZATION FOR RASING SECURED NON-CONVERTIBLE DEBENTURES UPTO RS. 1000 CRORES**

**“RESOLVED THAT** in supersession of the earlier resolutions passed by the Board and further by shareholders , pursuant to Section 42 of the Companies Act, 2013 (‘the Act’) and Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions of the Act, Memorandum & Articles of Association of the Company, subject to the borrowing limit of the Company as approved under Section 180(1)(c) of the Act and all Amendment Regulations thereto, regulations, norms, circular, guidelines, clarification, notification prescribed or issued by the Reserve Bank of India from time to time and other applicable provisions if any and subjected to the shareholder’s approval in general meeting, the consent of the Board of Directors of the Company(hereinafter referred to as **“the Board”** which term shall be deemed to include Loan/Investment & Borrowing Committee of the Board to exercise its powers including the powers conferred by this resolution) be and is hereby accorded, to borrow/ raise money by way of NCD’s aggregating to **Rs. 1000.00 Crores** on a private placement basis during the year starting from March 2018 to February 2019, in one or more tranches (listed or unlisted) including Subordinated, Fixed Rate, Floating Rate, Zero Coupon, Market Linked Debentures and any other category of Debentures which may be defined as Non-Convertible Debentures for the onward lending, refinancing of existing debt, working capital and general business purpose requirement of the Company, both unsecured or secured against such security (the **“Security”**) and on such terms as hereinafter provided.

**RESOLVED FURTHER THAT** the Company may secure the redemption amount of the NCDs and/ or any interest thereon by creating charge on immovable property, book debts and / or any kind of other assets / property of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 71(5) of the Companies Act, 2013, the Company may create mortgage over the immovable property, book debts and / or any kind of other assets / property of the Company by executing Debenture Trust Deed(s) and such other assets of the Company by executing deed of hypothecation and such other documents which shall be entered into by and between the Company and the Debenture Trustee(s) (the **“Security Trustee”**) as appointed from time to time for all or each of the tranches for benefit of the holders of the NCDs.

**RESOLVED FURTHER THAT** that the Company hereby authorizes the Security Trustee in whose favor the immovable property, book debts and / or other property is / are to be mortgaged / charged / hypothecated to exercise such powers as contained in the Debenture

Registered Office:  
Express Building, 3rd Floor,  
9-10, Bahadur Shah Zafar  
Marg, New Delhi-110002  
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Trust Deed (s) / Deed of Hypothecation / any instrument creating charge in respect of the property on behalf of the Debenture Holders.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby severally authorized to act and decide on behalf of the Company and/or delegate the powers to Loan/Investment & Borrowing Committee of the Company to act and decide on behalf of the Company as to the further terms of all the NCDs whether issued in one or more tranches and for each such tranche, to discuss, deliberate, negotiate, finalize and accept the terms as may be stipulated in the various security documents and agree to such changes and modifications as may be advised or required by the Security Trustee or the Credit Rating Agency and agree to such changes and modifications in the said terms as may be suggested from time to time and to do all such acts, deeds and things and further authorized to sign and execute all such agreements and documents as may be required, on behalf of the Company, in respect of the NCDs as a whole and/or for each tranche separately including but not limited to for the purpose of giving effect to this resolution:

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- a. appoint eligible Rating Agency (ies) as the Credit Rating Agency to rate the NCDs to be issued, to negotiate and decided the terms and conditions of their appointment, to accept the ratings and to comply with the terms and conditions that may be laid down in respect of the ratings;
- b. appoint any eligible trustee company as the Security Trustee, to hold upon trust the security for the benefit of the Debenture Holders and to negotiate and decide the terms and conditions of such appointment;
- c. appoint legal counsel(s) in respect of transactions and to negotiate and decide the terms and conditions of such appointment;
- d. appoint Registrar and Transfer Agent for NCDs and to negotiate and decide the terms and conditions of such appointment;
- e. approve, authorize, sign, issue Offer Document (s), Offer Letter (s), Information Memorandum(s) as per the prescribed format, if any, including any declaration, confirmation, affirmation, indemnity and undertaking in respect of the NCDs to the potential investors;
- f. decide the Opening and Closing Date for receiving application and date(s) of allotment (s) /deemed date(s) of allotment(s);
- g. execute any agreement(s)/deed or any other documents as may be advised or required by the Debentures Trustee or Credit Rating Agency for each tranche;
- h. apply to National Security Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") for the issuance of Letter(s) of Allotment / Debentures to the Allottees in Dematerialized form;
- i. apply with one or more recognized stock exchanges in India for listing of said NCDs for any tranche as may be decided;
- j. to do all such acts, deed and things as may be required to give effect to the above Resolution and make statutory and / or regulatory filings including but not limited to form PAS -3, PAS-4, PAS -5, PAS 6 and such other filings as may be prescribed; and





DMI FINANCE PRIVATE LIMITED

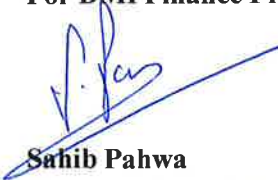
- k. take all such steps as may be necessary or expedient for the purpose of and pursuant to the issue and allotment of NCDs as required under the applicable provisions of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014 and any other law in force.

**RESOLVED FURTHER THAT** Mr. Shivashish Chatterjee; Mr. Yuvraja Chanakya Singh, Jt. Managing Director; and Mr. Sahib Pahwa, Company Secretary & Compliance Officer be and are hereby severally authorized to file the necessary forms, returns and such other documents pertaining to the previously mentioned Secured Redeemable NCDs with the Registrar of the Companies and SEBI as may be required from time to time.

**RESOLVED FURTHER THAT** a certified copy of this resolution is provided to all concerns as and when required under the hand of Mr. Shivashish Chatterjee or Mr. Yuvraja Chanakya Singh, Jt. Managing Director or Mr. Sahib Pahwa, Company Secretary & Compliance Officer of the Company.”

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**For DMI Finance Private Limited**

  
**Sahib Pahwa**  
**Company Secretary & Compliance Officer**  
**A24789**  
**Express Building, 3<sup>rd</sup> Floor, 9-10, Bahadur Shah Zafar Marg, New Delhi- 110002**





**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE MEMBERS OF DMI FINANCE PRIVATE LIMITED ("THE COMPANY") IN EXTRA-ORDINARY GENERAL MEETING HELD ON MONDAY, MARCH 19, 2018 AT 1430 HOURS AT EXPRESS BUILDING, 3<sup>rd</sup> FLOOR, 9-10, BAHADUR SHAH ZAFAR MARG, NEW DELHI- 110002**

**ITEM NO. 4- BORROWINGS BY WAY OF ISSUANCE OF PRIVATELY PLACED NON-CONVERTIBLE DEBENTURES UPTO RS. 1000 CRORES**

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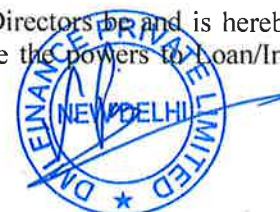
**“RESOLVED THAT** in supersession of the earlier resolution passed by the shareholders at the Extra-ordinary General Meeting of the Company held on December 23, 2016 pursuant to Section 42 of the Companies Act, 2013 (‘the Act’) and Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions of the Act, Memorandum & Articles of Association of the Company, subject to the borrowing limit of the Company as approved under Section 180(1)(c) of the Act, regulations issued by the Securities and Exchange Board of India (“SEBI”) including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012, SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2016 and all Amendment Regulations thereto, regulations, norms, circular, guidelines, clarification, notification prescribed or issued by the Reserve Bank of India, SEBI from time to time and other applicable provisions if any, approval of the Company be and is hereby accorded to borrow up to **Rs. 10,000,000,000 (Rupees One Thousand Crores Only)** on a private placement basis during the year starting from March 2018 to February 2019, in one or more tranches by issuing Non-Convertible Redeemable Debentures (NCDs) of various types (listed or unlisted), including Subordinated, Fixed Rate, Floating Rate, Zero Coupon, Market Linked Debentures and any other category of Debentures which may be defined as Non-Convertible Debentures for the onward lending, refinancing of existing debt, working capital and general business purpose requirement of the Company, both unsecured or secured against such security (the “Security”) and on such terms as hereinafter provided.

**RESOLVED FURTHER THAT** the Company may secure the redemption amount of the NCDs and/ or any interest thereon by creating charge on immovable property, book debts and / or any kind of other assets / property of the Company.

**RESOLVED FURTHER THAT** that pursuant to the provisions of Section 71(5) of the Companies Act, 2013, the Company may create mortgage over the immovable property, book debts and / or any kind of other assets / property of the Company by executing Debenture Trust Deed(s) and such other assets of the Company by executing deed of hypothecation and such other documents which shall be entered into by and between the Company and the Debenture Trustee(s) (the “Security Trustee”) as appointed from time to time for all or each of the tranches for benefit of the holders of the NCDs.

**RESOLVED FURTHER THAT** that the Company hereby authorizes the Security Trustee in whose favor the immovable property, book debts and/or other property is/are to be mortgaged/charged/hypothecated to exercise such powers as contained in the Debenture Trust Deed (s)/Deed of Hypothecation/any instrument creating charge in respect of the property on behalf of the Debenture Holders.

**RESOLVED FURTHER THAT** the Board of Directors and is hereby authorized to act and decide on behalf of the Company and/or delegate the powers to Loan/Investment & Borrowing





**RESOLVED FURTHER THAT** the Authorized Signatories, be and are hereby severally authorized to:

- (a) alter, amend, negotiate or to make changes in the Offer Document, the terms of the debenture trustee agreement, debenture trust deed, deed of hypothecation and any other transaction documents as may be required (including pursuant to the electronic book mechanism to be maintained in relation to the NCDs) and the terms of Issue, as they may deem fit to be necessary;
- (b) decide upon the date of opening and closing of the Issue, the period for which the aforesaid Issue will remain open and to finalize the deemed date of allotment of the NCDs;
- (c) apply to National Security Depository Limited (“**NSDL**”) for the issuance of the letter of allotment to the allottees in dematerialized form;
- (d) filing of form PAS-3, PAS-4, PAS-5, CHG-9 and such other filings as may be prescribed including liaising with the registrar of companies, the relevant registrar of sub-assurances and Central Registry of Securitisation Asset Reconstruction and Security Interest for the purpose of creation and perfection of the security interest (including the registered mortgage to be created over identified immovable properties pursuant to the debenture trust deed) in relation to the NCDs;
- (e) apply with the BSE Limited (“**Stock Exchange**”) for listing of the NCDs; and
- (f) do all other acts, deeds and things as may be deemed necessary to give effect to the foregoing and the other terms of this resolution.

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**RESOLVED FURTHER THAT** the draft of the application form in relation to the issue of NCDs, as placed before the Committee, be and is hereby approved and the Authorized Signatories be and are hereby severally authorized to finalize the same.

**RESOLVED FURTHER THAT** the Company does hereby appoints:

- (a) Skyline Financial Services Private Limited as “**Registrar and Transfer Agent**” for the Issue of the NCDs on the terms and conditions as mutually agreed between the Company and the Registrar and Transfer Agent;
- (b) CARE Ratings Limited as the “**Credit Rating Agency**” for the NCDs on the terms and conditions as mutually agreed between the Company and the Credit Rating Agency;
- (c) Axis Trustee Services Limited as the “**Debenture Trustee**” for the NCDs on the terms and conditions as mutually agreed between the Company and the Debenture Trustee and,

such other intermediaries as may be required in relation to the issuance of the NCDs and the Authorised Signatories be and are hereby severally authorized to appoint such other intermediaries as may be required to be appointed for the Issue of the NCDs, including







their successors and their agents, on the terms and conditions as mutually agreed between the such Authorized Signatory and the relevant intermediary.”

**RESOLVED FURTHER THAT** the credit rating as received from CARE Ratings pursuant to its letter dated June 5, 2018 viz. “CARE AA-” wherein such rating of the Issue of NCDs be and is hereby noted and accepted and the Authorized Signatories, be and are hereby severally authorized to confirm and intimate the same to the Stock Exchanges, the Reserve Bank of India, the Securities Exchange Board of India and other statutory or regulatory authorities as required under the applicable law.

**RESOLVED FURTHER THAT** the Company shall list the NCDs proposed to be issued, on the wholesale debt market segment of the Stock Exchange and the Authorized Signatories be and are hereby severally authorized to make application to the Stock Exchange for the listing of the NCDs and to do all such acts and deeds as may be required in this behalf.

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**RESOLVED FURTHER THAT** the Authorized Signatories be and are hereby severally authorized to arrange for allotment of NCDs in respect of the applications accepted after processing and to sign and execute all the document(s), deed(s) and writing(s) as may be necessary; and to do all such acts and deeds as may be required to implement the decision and to give effect to the said resolution.

**RESOLVED FURTHER THAT** the Authorized Signatories be and are hereby severally authorized to take all necessary and appropriate steps relating to the creation, perfection and registration of security created through the debenture trust deed, the deed of hypothecation, the debenture trustee agreement or such other transaction documents including registering charges with the relevant sub-registrar of assurances, if required, and also to sign and submit the necessary forms with the Registrar of Companies and other relevant governmental authorities.

**RESOLVED FURTHER THAT** the Authorized Signatories be and are hereby severally authorized to pay all stamp duty required to be paid for the Issue of the NCDs and the Transaction Documents in accordance with the laws of the Republic of India and procure the stamped documents from the relevant governmental authorities.

**RESOLVED FURTHER THAT** the Authorized Signatories be and are hereby severally authorized to approve, negotiate, re-negotiate, deal with, modify, alter, amend, finalise, sign, execute and undertake all other acts, deeds, agreements, things and matters including signing, executing and/or dispatching or delivering all documents and notices in relation to the DTD, the Debenture Trustee Agreement, the Deed of Hypothecation, in relation to the Issue of the NCDs as set out in this resolution and such other agreements, deeds, undertakings, indemnity and documents as may be required by the Debenture Trustee, or any of them in connection with the NCDs to be issued by the Company.





DMI FINANCE PRIVATE LIMITED

**RESOLVED FURTHER THAT** the Authorized Signatories be and hereby severally authorized to register or lodge for registration upon execution documents, letter(s) of undertakings, declarations, agreements and other papers or documents as may be required in relation to any of the above with any registering authority or governmental authority competent in that behalf.

**RESOLVED FURTHER THAT** a certified copy of this Resolution is provided to all concerns as and when required under the hand of Mr. Shivashish Chatterjee, Mr. Yuvraja Chanakya Singh, Jt. Managing Director; and Mr. Sahib Pahwa, Company Secretary & Compliance Officer of the Company, be furnished to the necessary authorities and they be requested to act thereon.”

**For DMI Finance Private Limited**

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**Sahib Pahwa**  
**Company Secretary & Compliance Officer**  
**A24789**

**Express Building, 3<sup>rd</sup> Floor, 9-10, Bahadur Shah Zafar Marg, New Delhi- 110002**





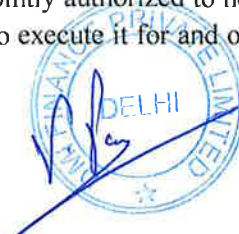
**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE LOAN/INVESTMENT & BORROWING COMMITTEE (THE "COMMITTEE") OF DMI FINANCE PRIVATE LIMITED (THE "COMPANY") ON JUNE 06, 2018**

**ISSUE OF 2500 SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES HAVING NOMINAL VALUE Rs. 10,00,000 (RUPEES TEN LAKHS ONLY) EACH AND AGGREGATING TO UP TO Rs. 250,00,00,000 (RUPEES TWO HUNDRED AND FIFTY CRORES ONLY) ON A PRIVATE PLACEMENT BASIS IN TWO SERIES**

**"RESOLVED THAT** pursuant to the resolution passed by the shareholders in the Extra-Ordinary General Meeting held on March 19, 2018, approval of the Board of Directors to issue non-convertible debentures within the overall borrowing limit of the Company as may be approved by members from time to time, at its meeting held on March 16, 2018, the applicable provisions of the Companies Act, 2013, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012, as amended from time to time and other applicable regulations and guidelines issued by the Securities Exchange Board of India and further subject to all other applicable provisions, if any and the provisions of the Memorandum of Association and Articles of Association of the Company and the listing agreement(s) to be entered into by the Company with the respective stock exchange(s) where the Company's debentures shall be listed and subject to all such consents, permissions and sanctions, if and to the extent necessary, the Committee does hereby approve the issue of up to 2500 secured, rated, listed non-convertible debentures having a nominal value of Rs. 10,00,000 (Rupees Ten Lakhs only) each and aggregating to up to Rs. 250,00,00,000 (Rupees Two Hundred and Fifty Crores only) on a private placement basis in two series ("NCDs") to be listed on the wholesale debt market segment of BSE Limited (the "Issue"), on the detailed terms and conditions as placed before the Committee at this meeting and from time to time and as per disclosures made in the draft private placement offer letter pursuant to the offer document containing the disclosures prescribed under the Companies Act, 2013 including Form PAS - 4 as required under the Companies (Prospectus and Allotment of Securities) Rules, 2014), Schedule I of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("**Offer Document**").

**RESOLVED FURTHER THAT** the draft of the Offer Document, as placed before the Committee at its meeting, be and is hereby approved and Mr. Shivashish Chatterjee and/or Mr. Yuvraja Chanakya Singh, Jt. Managing Director of the Company and/or Mr. Sahib Pahwa, Company Secretary & Compliance Officer of the Company, (collectively referred as '**Authorized Signatories**'), be and are hereby severally/jointly authorized to negotiate, modify and finalize the content of the Offer Document and to execute it for and on behalf of the Company."

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Committee of the Company to act and decide on behalf of the Company as to the further terms of all the NCDs whether issued in one or more tranches and for each such tranche, to discuss, deliberate, negotiate, finalize and accept the terms as may be stipulated in the various security documents and agree to such changes and modifications as may be advised or required by the Security Trustee or the Credit Rating Agency and agree to such changes and modifications in the said terms as may be suggested from time to time and to do all such acts, deeds and things and further authorized to sign and execute all such agreements and documents as may be required, on behalf of the Company, in respect of the NCDs as a whole and/or for each tranche separately including but not limited to:

- a) appoint eligible Rating Agency (ies) as the Credit Rating Agency to rate the NCDs to be issued, to negotiate and decide the terms and conditions of their appointment, to accept the ratings and to comply with the terms and conditions that may be laid down in respect of the ratings;
- b) appoint any eligible trustee company as the Security Trustee, to hold upon trust the security for the benefit of the Debenture Holders and to negotiate and decide the terms and conditions of such appointment;
- c) appoint legal counsel(s) in respect of transactions and to negotiate and decide the terms and conditions of such appointment;
- d) appoint Registrar and Transfer Agent for NCDs and to negotiate and decide the terms and conditions of such appointment;
- e) approve, authorize, sign, issue Offer Document (s), Offer Letter (s), Information Memorandum(s) as per the prescribed format, if any, including any declaration, confirmation, affirmation, indemnity and undertaking in respect of the NCDs to the potential investors;
- f) decide the Opening and Closing Date for receiving application and date(s) of allotment (s) /deemed date(s) of allotment(s);
- g) execute any agreement(s)/deed or any other documents as may be advised or required by the Debentures Trustee or Credit Rating Agency for each tranche;
- h) apply to National Security Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) for the issuance of Letter(s) of Allotment / Debentures to the Allottees in Dematerialized form;
- i) to do all such acts, deed and things as may be required to give effect to the above Resolution and make statutory and / or regulatory filings including but not limited to form PAS -3, PAS4, PAS -5, PAS 6 and such other filings as may be prescribed; and
- j) take all such steps as may be necessary or expedient for the purpose of and pursuant to the issue and allotment of NCDs as required under the applicable provisions of the Companies Act 2013 read with Companies (Share Capital and Debentures) Rules, 2014 and any other law in force.

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**RESOLVED FURTHER THAT** a certified copy of this Resolution is provided to all concerns as and when required under the hand of Mr. Shivashish Chatterjee, Mr. Yuvraja Chanakya Singh, Jt. Managing Director; and Mr. Sahib Pahwa, Company Secretary & Compliance Officer of the Company, be furnished to the necessary authorities and they be requested to act thereon.”

**For DMI Finance Private Limited**

  
**Sahib Pahwa**  
**Company Secretary & Compliance Officer**  
**A24789**



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**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**ITEM NO. 4**

In terms of the requirement of Section 42 of the Companies Act, 2013 and other applicable provisions, it is also proposed to increase the maximum limit to raise funds by way of issuance of Secured NCDs upto Rs. 1000 Crores (Rupees One Thousand Crores subject to the overall borrowing limit of the Company as approved under Section 180(1)(c) of the Act.

Further, the above-mentioned section when read with Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014, state that every offer or invitation to subscribe to securities (which includes debentures) of the Company on a privately placed basis will require the prior approval of the members by a Special Resolution for each of the offers or invitations. However, for the issuance of non-convertible debentures on a private placement basis, a one-time prior approval of the members in a year for all the offers or invitations of non-convertible debentures during the year will be sufficient for the purpose of this Section.

Accordingly, the Board recommends the proposed resolution(s) set out at Item No. 4 for the approval of members by way of **Special Resolution(s)**.

None of the Directors and KMPs of the Company and their relatives are in any way interested or concerned in the said Resolution.

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