S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of DMI Finance Private Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of DMI Finance Private Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled entities in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and jointly controlled entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, and its associates as at March 31, 2018, their consolidated profit, and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associates we report, to the extent applicable, that:

(a) We/ the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) (d) In our opinion, the aforesaid consolidated financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary companies, incorporated in India, none of the directors of the Group's companies, incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiaries incorporated in India, refer to our separate report in "Annexure 1" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Group and its associates does not have any pending litigations which would impact its consolidated financial position;

ii. The Group and its associates did not have any material foreseeable losses in long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries and associates incorporated in India during the year ended March 31, 2018.

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Other Matter

(a) We did not audit the financial statements and other financial information, in respect of two subsidiaries, whose financial statements include total assets of Rs 235,627,571 and net assets of Rs 215,288,993 as at March 31, 2018, and total revenues of Rs 153,084,895 and net cash inflows of Rs 40,858,564 for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the report(s) of such other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors and the financial information and other financial information certified by the Management.

For S. R. BATLIBOI & ASSOCIATES LLP
ICAI Firm's Registration Number: 101049W/E300004
Chartered Accountants

Sarvesh Warty

per Sarvesh Warty
Partner
Membership Number: 121411

Mumbai
June 14, 2018

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF DMI FINANCE PRIVATE LIMTED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of DMI Finance Private Limited

In conjunction with our audit of the consolidated financial statements of DMI Finance Private Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of DMI Finance Private Limited (hereinafter referred to as the "Holding Company") and one of its subsidiaries (DMI Housing Finance Private Limited), which is incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

S.R. BATLIBOI & ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS
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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiaries which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to 2 subsidiaries (DMI Capital Private Limited & DMI Management Services Private Limited) incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For S. R. BATLIBOI & ASSOCIATES LLP
ICAI Firm's Registration Number: 101049W/E300004
Chartered Accountants

Sarvesh Warty

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS
MUMBAI

per Sarvesh Warty
Partner
Membership Number: 121411

Mumbai
June 14, 2018

DMI Finance Private Limited
Consolidated Balance Sheet as at March 31, 2018

	Notes	March 31, 2018	March 31, 2017
		Rs.	Rs.
Equity and liabilities			
Shareholders' funds			
Share capital	3	3,522,013,330	3,522,013,330
Reserves and surplus	4	5,341,065,903	4,600,857,503
Minority interest		53,950,618	48,736,711
		8,917,029,851	8,171,607,544
Non-current liabilities			
Long-term borrowings	5	8,272,923,184	4,980,625,988
Long term provisions	6	82,153,430	54,380,480
		8,355,076,614	5,035,006,467
Current liabilities			
Short-term borrowings	7	580,420,765	2,932,090
Trade payables	8	88,631,328	42,342,029
Other current liabilities	8	2,000,432,451	2,610,760,363
Short-term provisions	6	20,919,884	13,734,400
		2,690,404,428	2,669,768,882
Total		19,962,510,893	15,876,382,894
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	80,226,786	49,576,449
Intangible assets		2,600,886	2,222,273
Non-current investments	10		
Credit substitute		2,247,522,027	3,701,183,197
Other investments		735,015,696	510,053,339
Deferred tax asset (net)	11	59,205,464	25,612,212
Long-term loans and advances	12	10,331,915,653	6,812,601,186
Other non-current assets		1,498,209,237	432,792,240
		14,954,695,750	11,534,040,897
Current assets			
Current investments	13		
Credit substitute		789,577,578	525,056,679
Other investments		40,798,752	439,695,339
Trade receivables	14	76,725,598	43,797,134
Cash and bank balances	15	506,525,702	247,590,511
Short term loans and advances	12	3,320,189,172	2,949,113,232
Other current assets	16	273,998,342	137,089,102
		5,007,815,143	4,342,341,997
Total		19,962,510,893	15,876,382,894
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S. R. Batliboi & Associates LLP
ICAI Firm registration number : 101049W/ E300004
Chartered accountants

Sarvesh Warty

per Sarvesh Warty
Partner
Membership number: 121411

Date: June 14, 2018
Place: Mumbai

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

Nipender Kochhar
(Director)
DIN: 02201954

Shivashish Chatterjee
(Jt. Managing Director)
DIN: 02623460

Jatinder Bhasin
(Chief Financial Officer)

Sahib Pahwa
(Company Secretary & Compliance Officer)
Membership number: A24789

S.R. Batliboi & Associates MUMBAI Chartered Accountants

Date: June 14, 2018
Place: New Delhi

DMI Finance Private Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2018

	Notes	March 31, 2018 Rs.	March 31, 2017 Rs.
Income			
Revenue from operations	17	2,698,590,395	2,369,726,198
Other income	18	85,315,329	72,322,587
Total		**2,783,905,724**	**2,442,048,785**
Expenses			
Employee benefits expense	19	315,078,794	231,359,607
Finance costs	20	1,006,151,467	925,138,170
Depreciation expense	21	16,420,534	9,834,793
Other expenses	22	328,978,929	238,054,493
Total		**1,666,629,724**	**1,404,387,063**
Profit/(loss) before share of profit/(loss) of an associate and tax		**1,117,276,000**	**1,037,661,721**
Share of Profit/ (loss) on associate		7,187,492	(49,000)
Profit/(loss) before tax		**1,124,463,493**	**1,037,612,721**
Tax expenses			
Current tax		418,086,937	355,521,982
Deferred tax		(33,593,243)	5,210,153
Total tax expense		**384,493,694**	**360,732,135**
Profit for the year		**739,969,799**	**676,880,586**
Earnings per equity share [nominal value of share Rs. 10 (Previous year: Rs. 10)]	23		
Basic			
Computed on the basis of total profit for the year		2.28	2.31
Diluted			
Computed on the basis of total profit for the year		2.10	2.11
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm registration number : 101049W/ E300004
Chartered accountants

Sarvesh Warty.

per Sarvesh Warty
Partner
Membership number: 121411

Date: June 14, 2018
Place: Mumbai

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

Nipender Kochhar
(Director)
DIN: 02201954

Shivashish Chatterjee
(Jt. Managing Director)
DIN: 02623460

Jatinder Bhasin
(Chief Financial Officer)

Sahib Pahwa
(Company Secretary & Compliance Officer)
Membership number: A24789

Date: June 14, 2018
Place: New Delhi

S.R. BATLIBOI & ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

DMI Finance Private Limited
Consolidated Cash Flow Statement for the year ended March 31, 2018

			March 31, 2018 Rs.	March 31, 2017 Rs.
A.	**Cash flow from operating activities**			
	Profit before tax		1,117,276,000	1,037,661,721
	Non cash adjustment to reconcile profit before tax to net cash flows			
	Depreciation		16,355,015	9,834,793
	Interest expense		1,001,584,736	923,135,396
	Interest on bank deposits		(758,651)	(709,395)
	Interest on investments in debentures		(18,039,732)	(869,472)
	Net gain on sale of current investments		(58,407,291)	(36,446,224)
	Provision on business loans		20,959,233	7,334,707
	Amortization of cost		15,493,135	(1,788,832)
	Loan assets written-off		1,256,063	52,250,344
	Income from reversal of excess provision		-	(30,540,246)
	Profit on sale of equity		-	(3,546,562)
	Employee stock option expense		182,902	
	Loss on sale of fixed assets		75,838	3,152,929
	Service tax written-off		-	10,648
	Operating profit before working capital changes		**2,096,977,247**	**1,959,479,807**
	Movements in working capital:			
	Increase in trade payables		53,679,360	15,562,728
	Increase in long term provisions		12,094,646	747,758
	Increase in short term provisions		284,218	5,010,832
	(Decrease)/increase in other current liabilities		(17,499,681)	31,289,682
	Decrease in other long-term liabilities		-	(206,275)
	(Increase)/decrease in long-term loans and advances		(3,519,112,321)	735,177,528
	(Increase) in short-term loans and advances		(371,075,938)	(739,568,608)
	(Increase) in trade receivables		(38,033,689)	(33,653,032)
	(Increase) /decrease in other current assets		(136,831,668)	3,072,006
	(Increase) in other non current assets		(1,065,416,997)	(460,142)
	Cash generated from /(used in) operations		**(2,985,934,823)**	**1,976,452,284**
	Direct taxes paid		(416,835,950)	(384,375,878)
	Net cash from /(used in) operating activities	(A)	**(3,402,770,773)**	**1,592,076,406**
B.	**Cash flows from investing activities**			
	Purchase of fixed assets		(49,270,141)	(446,167,037)
	Sale of fixed assets		655,962	3,152,929
	Purchase of non current investments		(634,964,865)	(1,177,434,130)
	Sale of non current investments		1,431,684,941	-
	Sale of current investments		456,694,060	19,253,621
	Purchase of current investments		(647,767,809)	(751,167,204)
	Proceeds from sale of investments		410,569,555	96,046,562
	Interest received on bank deposits		681,080	726,590
	Net cash from /(used in) investing activities	(B)	**968,282,782**	**(2,255,588,668)**
C.	**Cash flows from financing activities**			
	Proceeds from issuance of share capital		420,269,611	1,936,642,842
	Proceeds from long term borrowings		2,652,321,224	428,899,498
	Proceeds from short term borrowings		577,488,674	(762,848,803)
	Interest paid		(956,656,326)	(903,332,737)
	Net cash from / (used in) financing activities	(C)	**2,693,423,183**	**699,360,800**
	Net increase /(decrease) in cash and cash equivalents (A+B+C)		258,935,191	35,848,538
	Cash and cash equivalents at the beginning of the year		247,590,511	211,741,973
	Cash and cash equivalents at the end of the year		**506,525,702**	**247,590,511**

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Components of cash and cash equivalents		
Cash on hand	86,811	16,749
With banks - on current account	506,438,891	247,573,762
- on deposit account		
Total cash and cash equivalents (note 15)	**506,525,702**	**247,590,511**

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm registration number : 101049W/ E300004
Chartered accountants

Sarvesh Warty

per Sarvesh Warty
Partner
Membership number: 121411

Date: June 14, 2018
Place: Mumbai

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

Nipender Kochhar
(Director)
DIN: 02201954

Shivashish Chatterjee
(Jt. Managing Director)
DIN: 02623460

Jatinder Bhasin
(Chief Financial Officer)

Sahib Pahwa
(Company Secretary & Compliance Officer)
Membership number: A24789

Date: June 14, 2018
Place: New Delhi

1. Corporate information

DMI Finance Private Limited ('the Company or the Parent Company') is a Company domiciled in India as a private limited company. The Company is registered with the Reserve Bank of India ('RBI') as a non-deposit accepting non-banking financial company or NBFC-ND under the Reserve Bank of India Act, 1934.

The Parent Company is engaged in the business of providing loans and other lending activities.

The parent company has the subsidiaries as mentioned below:

DMI Housing Finance Private Limited, a 95.3% subsidiary, was incorporated on March 23, 2011 for providing housing loans to individuals and is registered with National Housing Bank ("NHB") as a Non-deposit accepting Housing Finance Institution with registration number 09.0102.12 dated September 20th, 2012.

DMI Capital Private Limited, a 100% subsidiary, was incorporated on May 17, 2013 and is registered with SEBI as Category I Merchant Banking License vide registration no. INM000012193 on January 22, 2015 to carry out the fee-based income business of the group.

DMI Management Services Private Limited, a 100% subsidiary, was incorporated on Dec 31, 2012 to carry on the business of managing the assets of investors and providing investment advisory services.

DMI Alternatives Private Limited, a 49% associate, was incorporated on September 14, 2016 to act as an investment management company of investment funds.

The accompanying Consolidated Financial Statements reflect results of activities undertaken by the Company and its subsidiaries (collectively referred to as 'the Group') during the period April 1, 2017 to March 31, 2018. The comparative figures are given for the year ended March 31, 2017.

2. Basis of preparation

The Consolidated financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and the provisions of the RBI as applicable to a non-banking financial company. The financial statements have been prepared on an accrual basis and under the historical cost convention, except interest on loans which have been classified as non-performing assets which are accounted for on realization basis.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

a. Principles of Consolidation

The Consolidated Financial Statements are prepared on the following basis: -

1. Subsidiary companies are consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and intra-group transactions and unrealized profits or losses, except where loss cannot be recovered. The results of operations of a subsidiary are included in the consolidated financial statements from the date on which the parent subsidiary relationship came into existence.

2. The difference between the cost to the Group of investment in Subsidiaries and the proportionate share in the equity of the investee company as at the date of acquisition of stake, if any, is recognized in the consolidated financial statements as Goodwill or Capital Reserve. Goodwill arising on consolidation is tested for impairment at the Balance Sheet date.

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MUMBAI
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3. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements.

4. The financial statements of the entities used for consolidation are drawn up to same reporting date as that of the Company i.e. year ended March 31, 2018.

a. Current / non-current classification

All the assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it is expected to be realized in, or is intended for sale in, the company's normal operating cycle within 12 months from the reporting date or it is cash or cash equivalent unless it is restricted from being exchanged or expected to be used to settle a liability for at least 12 months after the reporting date. Current assets include the current portion of non-current assets. All other assets are classified as non-current.

Liability

A liability is classified as current when it is expected to be settled in the company's normal operating cycle or it is held primarily for the purpose of being traded to it its due to be settled within 12 months after the reporting date or the company does not have an unconditional right to defer settlement of liability for at least 12 months from the reporting date. Current liabilities include current portion of non-current liability. All other liabilities are classified as non-current.

b. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebate are deducted in arriving at the purchase price.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss when the assets are derecognized.

d. Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a written down value basis using the rates arrived at based on the useful lives estimated by the management. The company has used the following rates to provide depreciation on its fixed assets.

	Useful lives estimated by the management (years)
Furniture and fixtures	10
Computers	3
Vehicles	8
Office equipment	5

Leasehold improvements and allied office equipment's are amortized on a straight-line basis over useful life estimated by management.

Individual assets costing less than Rs. 5,000 are fully depreciated in the year of purchase.

e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

f. Impairment of tangible/ intangible assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis, except for investments in the units of mutual funds, the provisions of respective regulatory authorities prevail.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

Credit substitutes are quoted non- convertible debentures and are part of financing activities, the same has been disclosed as investments as per the disclosure requirement under the Companies Act, 2013.

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h. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs are expensed in the period they occur.

i. Retirement and other employee benefits

The accounting policy, wherever applicable, followed by the Company in respect of its employee benefits schemes in accordance with Accounting Standards 15 (revised 2005), is set out below:
Provident fund
The Company contributes to a recognized provident fund which is a defined contribution scheme. The contributions are accounted on an accrual basis and recognized in the statement of profit and loss
Gratuity
The company's net obligation in respect of the gratuity benefit is calculated by estimating the amount of the future benefit that the employee earned in return for their services in the current and prior periods, that benefit is discounted to determine its present value, and the fair market value of any plan asset, if any, is deducted. The present value of the obligation under such benefit plan is determined based on the actuarial valuation using the Projected Unit Credit Method.

Compensated absences (Other long and short-term benefits)

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

j. Revenue reorganization

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Income including interest or discount or any other charges on non-performing asset is recognised only when realised. Any such income recognised before the asset became non-performing and remaining unrealised shall be reversed.

Interest income on deposits with banks is recognised on a time proportion accrual basis taking into account the amount outstanding and the rate applicable.

Penal interest is recognized when demand will be raised to borrower.

Dividend income

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

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Loan processing fee income

Loan processing fees collected from borrowers are recognized on an upfront basis when it is due for the payment as per the agreement.

All other income is recognized on an accrual basis.

k. Foreign Currency Translation

Foreign currency transactions and balances

Initial recognition
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion
Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences
Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

l. Income - taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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MAT credit is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realized.

m. Earnings per shares

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20-"Earnings per Share" notifies under section 133 of the Companies Act 2013. Basic earnings per share is computed by dividing the net profit after tax attributable to Equity shareholders outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving the basic EPS and weighted average number of shares that could have been issued upon conversion of all potential equity shares.

n. Provisions

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

o. Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

p. Cash and Cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank and short-term investments with an original maturity of three months or less.

q. Classification of loan portfolio

The Company classified loans and advances in accordance with the prudential norms issued by the respective regulatory authorities.

r. Provisioning for loan portfolio

The provisioning for loans and advances are based on the provisions of prudential norms issued by the respective regulatory authorities.

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3. Share capital

	March 31, 2018 Rs.	March 31, 2017 Rs.
Authorized shares		
600,000,000 (Previous year 370,000,000) equity shares of face value Rs 10 each	6,00,00,00,000	6,00,00,00,000
35,000,000 (Previous year 25,000,000) compulsorily convertible preference shares of face value Rs 10 each	35,00,00,000	35,00,00,000
	6,35,00,00,000	6,35,00,00,000
Issued, subscribed and fully paid-up shares		
324,418,138 (Previous year 292,227,818) equity shares of Rs 10 each	3,24,41,81,380	3,24,41,81,380
15,481,134 B Series (Previous year 15,481,134) compulsorily convertible preference shares of Rs 10 each	15,48,11,340	15,48,11,340
6,749,135 C Series (Previous year 6,749,135) compulsorily convertible preference shares of Rs 10 each	6,74,91,350	6,74,91,350
247,468 D Series (Previous year 247,468) compulsorily convertible preference shares of Rs 10 each	24,74,680	24,74,680
224,971 E Series (Previous year 224,971) compulsorily convertible preference shares of Rs 10 each	22,49,710	22,49,710
899,885 F Series (Previous year 899,885) compulsorily convertible preference shares of Rs 10 each	89,98,850	89,98,850
4,180,602 G Series (Previous year 4,180,602) compulsorily convertible preference shares of Rs 10 each	4,18,06,020	4,18,06,020
	3,52,20,13,330	3,52,20,13,330

a. Reconciliation of the shares outstanding at the beginning and at the end of the period

	March 31, 2018		31-Mar-17	
	No. of shares	Rs.	No. of shares	Rs.
Equity shares				
At the beginning of the year	32,44,18,138	3,24,41,81,380	29,22,27,818	2,92,22,78,180
Issued during the year	-	-	3,21,90,320	32,19,03,200
Outstanding at the end of the year	32,44,18,138	3,24,41,81,380	32,44,18,138	3,24,41,81,380

	March 31, 2018		March 31, 2017	
	No. of shares	Rs.	No. of shares	Rs.
Compulsorily convertible preference shares				
At the beginning of the year				
B Series	1,54,81,134	15,48,11,340	1,54,81,134	15,48,11,340
C to F Series	81,21,459	8,12,14,590	81,21,459	8,12,14,590
G Series	41,80,602	4,18,06,020	41,80,602	4,18,06,020
Compulsorily convertible preference shares issued during the year				
G Series Compulsorily convertible preference shares issued during the year	-	-	-	-
Outstanding at the end of the year	2,77,83,195	27,78,31,950	2,77,83,195	27,78,31,950

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the shareholders.

c. Terms/rights attached to Compulsorily Convertible Preference Shares

- Series B to F

The holders of the compulsorily convertible preference shares shall not be entitled to receive dividends until such dividends are declared by the Board. However in case a dividend is declared on equity shares, then simultaneously with payment of dividend to the holders of equity shares a pro-rata dividend would be paid out to compulsorily convertible preference shares on the basis of the ownership percentage represented by such compulsorily convertible preference shares. The compulsorily convertible preference shares shall not carry any voting rights until conversion into equity shares, except in accordance with the Companies Act, 2013 and shall convert into equity shares on occurrence of determination event as per the agreement.

-Series G

The holders of G Series CCPS shall not be entitled to receive dividends until such dividends are declared by the Board. However, in case a dividend is being declared on equity shares or any other compulsorily convertible preference shares, then simultaneously with payment of dividend to holders of equity shares, a pro-rata dividend would be paid out to G Series CCPS on the basis of the ownership percentage represented by such CCPS. The G Series compulsorily convertible preference shares shall not carry any voting rights until conversion into equity shares, except in accordance with the Companies Act, 2013 and shall convert into equity shares on occurrence of determination event as per the agreement.

d. Shares held by holding Company

	March 31, 2018 Rs.	March 31, 2017 Rs.
DMI Limited, the holding Company		
322,276,016 (Previous year 322,276,016) equity shares of Rs 10 each fully paid up	3,22,27,60,160	3,22,27,60,160

e. Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

	March 31, 2018 Rs.	March 31, 2017 Rs.
Equity shares bought back by the Company during 2012-13	81,21,459	81,21,459

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f. Details of shareholders holding more than 5% shares in the Company

	March 31, 2018		March 31, 2017	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of Rs. 10 each fully paid up				
DMI Limited, the holding Company	3,22,27,60,160	99.34%	29,00,85,696	99.27%
Compulsorily convertible preference shares of Rs. 10 each fully paid up				
Windy Investments Private Limited (B Series)	1,54,81,134	55.72%	1,54,81,134	55.72%
Windy Investments Private Limited (G Series)	41,80,602	15.05%	41,80,602	15.05%
Anuj Malhotra (C Series)	67,49,135	24.29%	67,49,135	24.29%

As per records of the Company, including its registers of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares

g. Shares reserved for issue under options

For details of shares reserved for issue on conversion of compulsorily convertible preference shares please refer note 3(c) regarding terms and conditions of conversion of preference shares.

For details of shares reserved for issue on conversion of compulsorily convertible debentures, please refer note 5 regarding terms and conditions of conversion of debentures.

4. Reserves and surplus

		March 31, 2018	March 31, 2017
		Rs.	Rs.
I Capital redemption reserve			
Balance as per last financial statements		8,12,14,590	8,12,14,590
Add: Credited upon buyback of equity shares		-	-
Closing Balance	(A)	8,12,14,590	8,12,14,590
II Securities premium account			
Balance as per last financial statements		2,17,01,72,327	1,11,14,32,668
Add: Premium on issue of equity shares		-	1,05,87,39,659
Add: Premium on issue of compulsorily convertible preference		-	-
Less: Amount transferred to Capital Redemption Reserve on account of buyback of equity shares		-	-
Less: Minority interest		-	-
Closing Balance	(B)	2,17,01,72,327	2,17,01,72,327
III Statutory reserve			
Under section 29C of NHB Act, 1936			
Balance as per last financial statements		19,05,520	20,44,619
Add: Addition during the year		23,50,698	-
Less: Minority interest		43,032	(1,39,099)
Closing Balance		42,99,250	19,05,520
IV Under section 45 (1C) of Reserve Bank of India Act, 1934			
Balance as per last financial statements		45,20,97,226	32,74,65,450
Add: Addition during the year		13,19,31,360	12,46,31,776
Closing Balance		58,40,28,586	45,20,97,226
Total closing balance of statutory reserves	(C)	58,83,27,836	45,40,02,746
V Employee stock options			
Balance as per last financial statements		-	-
Add: Additions on account of grants during the year		1,81,109	-
Less: Transferred to securities premium on account of exercise of options		-	-
Less: Transferred to general reserves on unexercised options lapsed/ cancelled		-	-
Closing Balance	(D)	1,81,109	-
VI Surplus in the statement of profit and loss			
Balance as per last financial statements		1,89,54,67,839	1,34,69,31,500
Profit for the year		73,99,68,767	67,38,27,988
Less: Appropriations			
Less: Minority interest		15,493	(6,59,873.44)
statutory reserve under section 29C of NHB Act, 1936			
Statutory reserve under section 45 (1C) of Reserve Bank of		(13,42,82,058)	(12,46,31,776)
Net surplus in the statement of profit and loss	(E)	2,50,11,70,041	1,89,54,67,839
Total reserves and surplus	(A+B+C+D+E)	5,34,10,65,903	4,60,08,57,503

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5. Long term borrowings

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Rs.	Rs.	Rs.	Rs.
Compulsorily convertible debentures				
290,931,076 (Previous year: 290,931,076) 14.75% compulsorily convertible debentures of Rs. 10 each (unsecured)	2,90,93,10,760	2,90,93,10,768	-	-
15,481,134 (Previous year: 15,481,134) 14.75% B Series compulsorily convertible debentures of Rs. 10 each (unsecured)	15,48,11,340	15,48,11,340	-	-
6,749,135 (Previous year: 6,749,135) 14.75% C Series compulsorily convertible debentures of Rs. 10 each (unsecured)	6,74,91,350	6,74,91,350	-	-
247,468 (Previous year: 247,468) 14.75% D Series compulsorily convertible debentures of Rs. 10 each (unsecured)	24,74,680	24,74,680	-	-
224,971 (Previous year: 224,971) 14.75% E Series compulsorily convertible debentures of Rs. 10 each (unsecured)	22,49,710	22,49,710	-	-
899,885 (Previous year: 899,885) 14.75% F Series compulsorily convertible debentures of Rs. 10 each (unsecured)	89,98,850	89,98,850	-	-
4,180,602 (Previous year: 4,180,602) 14.75% G Series compulsorily convertible debentures of Rs. 10 each (unsecured)	4,18,06,020	4,18,06,020	-	-
32,303,835 (Previous year: 32,303,835) 14.75% H Series compulsorily convertible debentures of Rs. 10 each (unsecured)	32,30,38,350	32,30,38,350	-	-
	3,51,01,81,060	3,51,01,81,068	-	-
Non convertible debentures				
1980 (Previous year: Nil) 10.50% Series-1 non convertible debentures	1,98,00,00,000	-		
	1,98,00,00,000	-	-	-

	Non-current		Current	
Term loans	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Rs.	Rs.	Rs.	Rs.
	2,78,27,42,124	1,47,04,44,928	1,31,67,90,450	1,95,67,66,423
Indian rupee loan from banks (Secured)	2,78,27,42,124	1,47,04,44,928	1,31,67,90,450	1,95,67,66,423
The above amount includes	4,76,27,42,124	1,47,04,44,928	1,31,67,90,450	1,95,67,66,423
Secured borrowings	3,51,01,81,060	3,51,01,81,060	-	-
Unsecured borrowings			(1,31,67,90,450)	(1,95,67,66,423)
Amount disclosed under the head "other current liabilities" (note 9)	8,27,29,23,184	4,98,06,25,988	-	-
Net Amount				

a. 14.75% compulsorily convertible debentures would be converted into equity shares of the Company at a fixed price of Rs. 35 per equity share having face value of Rs. 10 per share. The CCDs would have such maturity period as may be determined by the Board of Directors of the Company but not exceeding 30 September 2021. However, at the option of the Company the whole or part of the CCDs may be converted into resultant equity shares before the end of the maturity period. In such an event, such conversion date would be the maturity date.

b. Terms attached to compulsorily convertible debentures carrying Series G
14.75% compulsorily convertible debentures would be converted into equity shares of the Company at a fixed price of Rs. 35 per equity share having face value of Rs. 10 per share. The CCDs would have such maturity period as may be determined by the Board of Directors of the Company but not exceeding 30 September 2021. However, at the option of the Company the whole or part of the CCDs may be converted into resultant equity shares before the end of the maturity period. In such an event, such conversion date would be the maturity date. The CCDs shall, subject to applicable Indian Laws, rank senior to all kinds and classes of the Company's share capital currently existing or established hereafter. Upon a liquidation and winding up of the Company prior to the Maturity Date of a CCD, such CCD will immediately be converted into equity shares of the Company as per the conversion terms of each CCD. Upon such a conversion, the equity shares into which the CCDs are converted will rank pari passu with all other equity shares in all respects, including for purposes of the distribution of assets of the Company. The holders of CCDs would not be regarded as shareholders of the Company and they will not get any right to attend the meetings of shareholders and vote thereat till the time of conversion of CCDs.

c. Terms attached to compulsorily convertible debentures carrying Series B - F
14.75% compulsorily convertible debentures would be converted into equity shares of the Company at a fixed price of Rs. 35 per equity share having face value of Rs. 10 per share. The CCDs would have such maturity period as may be determined by the Board of Directors of the Company but not exceeding 30 September 2021. However, at the option of the Company the whole or part of the CCDs may be converted into resultant equity shares before the end of the maturity period. In such an event, such conversion date would be the maturity date. The CCDs shall until conversion into equity shares and subject to applicable Indian laws, rank senior to all kinds and classes of the Company's share capital currently existing or established hereafter. Upon a liquidation and winding up of the Company, such B Series CCDs shall immediately be converted into equity shares. Upon such conversion, the equity shares issued against conversion of B Series CCDs shall rank pari passu with all other equity shares in all respects, including for purposes of the distribution of assets of the Company.

d. Terms attached to compulsorily convertible debentures carrying Series H
14.75% compulsorily convertible debentures would be converted into equity shares of the Company at a fixed price of Rs. 35 per equity share having face value of Rs. 10 per share. The CCDs would have such maturity period as may be determined by the Board of Directors of the Company but not exceeding 30 September 2021. However, at the option of the Company the whole or part of the CCDs may be converted into resultant equity shares before the end of the maturity period. In such an event, such conversion date would be the maturity date. The CCDs shall until conversion into equity shares and subject to applicable Indian laws, rank senior to all kinds and classes of the Company's share capital currently existing or established hereafter. Upon a liquidation and winding up of the Company, such H Series CCDs shall immediately be converted into equity shares. Upon such conversion, the equity shares issued against conversion of H Series CCDs shall rank pari passu with all other equity shares in all respects, including for purposes of the distribution of assets of the Company.

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e. Terms attached to non-convertible debentures issued during the year

During the year, the Company issued 1980 (Previous year-Nil) secured, rated, redeemable non-convertible debentures (NCDs) of face value of Rs. 1000000/- each aggregating to Rs 1,980,000,000 at the coupon rate of 10.5% per annum, accrued, compounded and payable quarterly. The NCDs would have such maturity period as determined by the repayment schedule defined in the agreement. The total tenor of the NCDs will be 60 months from the allotment date and the last redemption date would be 7 May 2022. The NCDs are secured by way of first and exclusive charge of hypothecation on identified receivables as described in the Debenture Trust Deed to the extent required for maintaining the security cover of one time (1 times) in respect of the outstanding principal amount to be maintained till the final settlement date.

f. During the year, the Company has introduced new banks under multiple banking arrangement. The loans are secured against exclusive charge by way of hypothecation of book debts of the company. The details are as follows

Bank name	Repayment details	Rate of interest	Security cover	As at March 31, 2018		As at March 31, 2017	
				Current	Non-current	Current	Non-current
				Rs.	Rs.	Rs.	Rs.
Bank of India-I	14 quarterly instalments	=>9%<12%	133%	-	-	15,00,00,033	
Bank of India-II	14 quarterly instalments	=>9%<12%	133%	-	-	20,00,00,000	-
State Bank of India-I	14 quarterly instalments	=>9%<12%	133%	10,74,06,396	-	14,28,00,000	14,31,06,396
State Bank of India-II	14 quarterly instalments	=>9%<12%	133%	17,85,00,000	14,30,00,000	14,28,00,000	28,58,00,000
IDBI	14 quarterly installments	=>9%<12%	133%	-	-	25,71,42,850	-
Bank of Baroda	14 quarterly installments	=>9%<12%	133%	-	-	21,42,85,730	-
Karur Vyasya Bank	14 quarterly installments	=>9%<12%	133%	8,57,14,286	6,42,85,717	8,57,14,284	15,00,00,003
Lakshmi Vilas Bank	14 quarterly instalments	=>9%<12%	133%	-	-	8,57,14,284	12,85,64,577
Small Industrial Development Bank of India-I	14 quarterly instalments	=>9%<12%	133%	7,14,28,000	7,14,30,000	7,14,28,000	14,28,56,000
Small Industrial Development Bank of India-II	14 quarterly instalments	=>9%<12%	133%	11,40,00,000	20,05,00,000	6,55,00,000	1,45,00,000
South Indian Bank	14 quarterly installments	=>9%<12%	133%	-	-	7,14,28,572	14,27,11,507
Syndicate Bank	14 quarterly installments	=>8%<12%	133%	-	-	39,28,57,144	-
Lakshmi Vilas Bank	18 quarterly installments	=>9%<12%	133%	-	-	5,55,55,556	44,44,44,444
HDFC Bank*	15 quarterly instalments	=>9%<12%	133%	7,50,00,000	20,62,50,000	-	-
IFCI Ltd *	14 quarterly installments	=>9%<12%	133%	28,57,14,286	71,42,85,714	-	-
UBI*	14 quarterly installments	=>9%<12%	133%	10,71,42,858	39,28,57,142		
AU Finance Bank*	36 monthly installments	=>9%<12%	110%	13,75,00,000	31,25,00,000	-	-
Kotak Bank*	12 quarterly installments	=>9%<12%	133%	5,00,00,000	10,00,00,000	-	
South Indian Bank-II	14 quarterly installments	=>9%<12%	133%	4,28,00,000	25,72,00,000	-	-
South Indian Bank-HFC TL	26 quarterly installments	=>9%<12%	125%	1,54,00,000	7,68,82,277	15,40,000	1,84,60,000
DCB- HFC TL*	78 monthly installments	=>9%<12%	125%	1,53,84,624	8,20,51,274	-	-
State Bank of India-HFC TL	26 quarterly installments	=>9%<12%	125%	3,08,00,000	16,15,00,000	-	-
		Total		1,31,67,90,460	2,78,27,42,124	1,95,67,66,423	1,47,04,44,928

* During the year new banks have been introduced under multiple banking arrangement.

Note: During the financial year 2017-18 consortium of working capital & term loan has been dissolved vide meeting held on 6th October 2017. The company is in the process of getting individual documentation completed for which the member banks are in process of obtaining the internal approvals from their relevant authority.

6. Provisions

		Non-current		Current	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
		Rs.	Rs.	Rs.	Rs.
Provision for employee benefits					
Provision for gratuity		70,41,240	40,20,958	1,44,060	52,286
Provision for earned leave		76,17,797	14,65,885	4,74,793	37,231
	(A)	1,46,59,037	54,86,843	6,18,853	89,517
Other provisions					
Contingent provision for standard assets		4,87,52,204	3,70,03,553	1,72,81,161	1,21,73,746
Provision for investments		1,15,391	5,55,022	31,949	1,03,553
Provision for non performing assets		1,86,26,799	1,13,35,062	-	-
Provision for tax (net of advance tax)		-	-	29,87,921	13,67,584
	(B)	6,74,94,393	4,88,93,637	2,03,01,031	1,36,44,883
	Total (A+B)	8,21,53,430	5,43,80,480	2,09,19,884	1,37,34,400

7. Short term borrowings

	March 31, 2018	March 31, 2017
	Rs.	Rs.
Cash credit from banks (secured)	58,04,20,765	29,32,090
	58,04,20,765	29,32,090
The above amount includes		
Secured borrowings	58,04,20,765	29,32,090
Unsecured borrowings	-	-
	58,04,20,765	29,32,090

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Cash credit are secured against pari-passu charge by way of hypothecation of book debts of the company. The details are as follows

Bank name	Repayment details	Rate of interest	Security cover	As at March 31, 2018	As at March 31, 2017
				Rs.	Rs.
Bank of India	Repayble on demand	=>9%<12%	133%	8,23,549	-
Bank of Baroda		=>9%<12%	133%	19,46,13,790	10,74,291
State Bank of India		=>9%<12%	133%	-	7,40,355
Lakshmi Vilas Bank		=>9%<12%	133%	-	11,17,445
AU Finance Bank*		=>9%<12%	110%	5,00,80,137	
HDFC Bank*		=>9%<12%	133%	13,09,91,277	-
State Bank of India- HFC		=>9%<12%	125%	20,39,12,011	-
		Total		58,04,20,763	29,32,090

* During the year new banks have been introduced under multiple banking arrangement.

Note: During the financial year 2017-18 consortium of working capital & term loan has been dissolved vide meeting held on 6th October 2017. The company is in the process of getting individual documentation completed for which the member banks are in process of obtaining the internal approvals from their relevant authority.

8. Other current liabilities

		March 31, 2018	March 31, 2017
		Rs.	Rs.
Trade payables (refer note 26 for details of dues to micro and small enterprises)	(A)	8,86,31,328	4,23,42,029
Other liabilities			
Current maturities of long term borrowings (Note 5)		1,31,67,90,450	1,95,67,66,423
Interest accrued but not due on borrowings		47,72,73,935	43,24,17,071
Others			
Statutory liabilities		6,85,25,098	5,67,54,532
Employee benefits payables		3,92,75,449	2,52,00,000
Employee provident fund		16,66,365	6,46,764
Employee state insurance		26,043	14,516
Loan pending disbursement		-	6,26,76,994
Others		9,68,75,111	7,62,84,063
	(B)	2,00,04,32,451	2,61,07,60,363
	Total (A+B)	2,08,90,63,779	2,65,31,02,392

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9. Tangible assets

(Amount in Rs.)

	Furniture and fixtures	Computer	Vehicles	Office equipment	Lease hold improvements	Total
Cost						
At April 1, 2016	12,99,974	53,99,707	40,10,576	54,09,910	3,11,68,044	4,72,88,211
Additions	3,90,810	36,13,471	-	47,61,828	1,16,09,965	2,03,76,074
Disposals	-	-	-	-	-	-
At March 31, 2017	16,90,784	90,13,178	40,10,576	1,01,71,738	4,27,78,009	6,76,64,285
Additions	1,79,752	83,27,041	41,13,654	54,68,056	2,88,72,856	4,69,61,359
Disposals			17,00,000	45,999		17,45,999
At March 31, 2018	18,70,536	1,73,40,219	64,24,230	1,55,93,795	7,16,50,865	11,28,79,645
Depreciation						
At April 1, 2016	1,51,019	33,84,048	25,17,431	12,51,057	16,08,218	89,11,775
Charge for the year	2,15,643	22,85,252	4,78,579	23,89,819	38,06,768	91,76,061
Disposals	-	-	-	-	-	-
At March 31, 2017	3,66,662	56,69,300	29,96,010	36,40,876	54,14,986	1,80,87,836
Charge for the year	2,14,185	42,71,314	10,00,708	38,66,978	62,18,903	1,55,72,088
Disposals			9,89,162	17,903		10,07,065
At March 31, 2018	5,80,847	99,40,614	30,07,556	74,89,951	1,16,33,889	3,26,52,859
Net Block						
At March 31, 2017	13,24,122	33,43,878	10,14,566	65,30,862	3,73,63,023	4,95,76,449
At March 31, 2018	12,89,689	73,99,605	34,16,674	81,03,844	6,00,16,976	8,02,26,786

Intangible assets

	Computer software	Total
Gross block		
At April 1, 2016	61,34,056	61,34,056
Purchase	41,44,545	41,44,545
Disposals	68,47,030	68,47,030
At March 31, 2017	34,31,571	34,31,571
Additions	12,27,058	12,27,058
Disposals	-	-
At March 31, 2018	46,58,629	46,58,629
Amortization		
At April 1, 2016	10,91,739	10,91,739
Charge for the year	1,17,559	1,17,559
At March 31, 2017	12,09,298	12,09,298
Charge for the year	8,48,445	8,48,445
At March 31, 2018	20,57,743	20,57,743
Net block		
At March 31, 2017	22,22,273	22,22,273
At March 31, 2018	26,00,886	26,00,886

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10. Non-current investment

Non-trade investment (valued at cost unless stated otherwise)		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
		Rs.	Rs.	Rs.	Rs.
Unquoted equity instruments 3,480,000 (Previous year: 3,480,000) equity shares of Rs. 10 each fully paid up in Alchemist Asset Reconstruction Company Limited		20,65,50,000	20,65,50,000	-	-
274,861 (Previous year: Nil) equity shares of Rs. 10 each fully paid up in DMI Consumer Credit Private Limited		27,48,610	27,48,610	-	-
Quoted equity instruments 3,200,000 (Previous year: Nil) equity shares of Rs. 62 each fully paid up in Mcnally Bharat Engg Co. Ltd.		19,84,00,000	-	-	-
Investments in Security Receipts of Alchemist XV Trust (Unquoted)*		20,08,46,500	20,39,49,000	-	-
Investment in associate company (valued at carrying cost) Unquoted equity instruments 9,800 (Previous year: 9,800) equity shares of Rs. 10 each fully paid up in DMI Alternatives Private Limited		72,36,492	49,000	-	-
Aggregate amount of unquoted investments	(A)	61,57,81,602	41,32,96,610	-	-
Quoted non convertible debentures 199 (Previous year: Nil) 18% Secured redeemable non-convertible debentures of Rs.1,000,000 each fully paid up in Fantasy Buildwell Private Limited		11,92,34,094	-	3,94,26,415	-
122 (Previous year: Nil) 16.90% Secured redeemable non-convertible debentures series A of Rs 1,000,000 each fully paid up in Sepset Properties Private Limited		-	9,67,56,729	-	2,06,09,126
	(B)	11,92,34,094	9,67,56,729	3,94,26,415	2,06,09,126
	(A+B)	73,50,15,696	51,00,53,339	3,94,26,415	2,06,09,126

*During the year 2016-17, the Company has purchased unquoted investment in the form of Security Receipts for Rs. 1,000/- per Security Receipt from Alchemist -XV Trust

Credit substitutes are quoted non-convertible debentures and are part of financing activities. The same has been classified in loan and advances (refer note 12(B). However, it has been disclosed in investments as per the disclosure requirement under the Companies Act, 2013.

11. Deferred tax asset (net)

		March 31, 2018	March 31, 2017
		Rs.	Rs.
Deferred tax liability			
Impact of income recognition on unrealized gain on mutual funds		75,199	83,962
Gross deferred tax liability	(A)	75,199	83,962
Deferred tax asset			
Impact of difference between tax depreciation and depreciation charged for the financial reporting		36,61,190	26,73,874
Provision for standard and non-performing assets		2,88,32,639	2,10,52,667
Provision for gratuity		22,96,132	13,84,226
Provision on earned leave		25,44,464	5,02,030
Pre-incorporation expense		28,180	83,376
Employee stock option		59,915	-
Disallowed interest u/s 94B		2,11,50,765	-
Business loss		7,07,376	-
Unrealized exchange loss		-	-
Gross deferred tax asset	(B)	5,92,80,662	2,56,96,174
Deferred tax asset/(liabilities) (net)	(B-A)	5,92,05,464	2,56,12,212

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12. Loans and advances

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Rs.	Rs.	Rs.	Rs.
Loans and advances towards financing activities				
Standard assets*				
Secured, considered good				
Term loans (including housing loans)	8,21,39,93,297	4,86,05,53,882	2,09,93,76,156	2,62,12,25,726
Non convertible debentures	1,50,08,47,246	1,55,00,00,001	9,83,08,551	-
Overdraft	7,12,00,000	35,44,00,000	28,32,00,000	28,32,00,000
Substandard assets**				
Term loans	68,91,365	-	-	-
Unsecured, considered good*				
Consumer loans	43,46,04,267	12,32,978	78,29,81,965	2,29,94,124
Substandard assets**				
Consumer loans	66,32,979	14,14,441	-	-
Unsecured, considered loss**				
Term loans	1,11,93,618	1,11,93,618	-	-
(A)	10,24,51,62,772	6,77,87,94,920	3,26,38,66,672	2,92,74,19,850

* Represents standard assets in accordance with Company's asset classification policy (refer note 2 (q))
** Represents non-performing assets in accordance with Company's asset classification policy (refer note 2 (q))

Credit substitute				
315 (Previous year: 400) 18% Secured redeemable non-convertible debentures of Rs.1,000,000 each fully paid up in Fantasy Buildwell Private Limited	6,31,06,536	25,18,09,665	2,04,74,940	5,20,89,228
185 (Previous year: 200) 18% Secured redeemable non-convertible debentures of Rs.1,000,000 each fully paid up in Fantasy Buildwell Private Limited	12,06,31,687	15,56,83,285	3,50,51,596	2,93,16,715
630(Previous year 630) 18% Secured redeemable non-convertible debentures of Rs.1,000,000 each fully paid up in Raheja Icon Entertainment Private Limited.	40,75,93,681	58,94,19,304	22,23,06,319	4,05,80,696
75 (Previous year 95) 19% Secured redeemable rated listed non-convertible debentures series-II of Rs.1,000,000 each fully paid up in SaiSrushti Builders Private Limited.	11,11,274	4,42,23,429	-	82,04,268
150 (Previous year 149) 19.25% Secured redeemable rated listed non-convertible debentures series-III of Rs 1,000,000 each fully paid up in Sai Srushti Builders Private Limited	8,11,20,336	17,46,66,537	-	36,28,811
496 (Previous year: 486) 20% Secured, rated, listed, redeemable non-convertible debentures of Rs.1,000,000 each fully paid up in Charismatic Infratech Private Limited	20,97,88,744	28,40,42,851	44,30,61,207	18,07,95,745
45 (Previous year 45) 12% Secured redeemable non-convertible debentures of Rs.10,000,000 each fully paid up in Future Corporate Resources Limited.	-	36,00,00,000	-	9,00,00,000
521 (Previous year: 750) 16.90% Secured redeemable non-convertible debentures series A of Rs 1,000,000 each fully paid up in Sepset Properties Private Limited.	-	41,31,98,618	-	8,80,11,104
124 (Previous year: Nil) 16.90% Secured, rated, redeemable non-convertible debentures series B of Rs.1,000,000 each fully paid up in Sepset Properties Private Limited	-	11,92,89,888	-	47,10,112
189 (Previous year: 189) 13.50% Secured redeemable non-convertible debentures of Rs.1,000,000 each fully paid up in Nspira Management Services Private Limited.	9,32,40,000	16,12,80,000	6,80,40,000	2,77,20,000
63 (Previous year 63) 12% Secured redeemable non-convertible debentures series A of Rs.1,000,000 each fully paid up in Nspira Management Services Private Limited	6,30,00,000	6,30,00,000	-	-
701 (Previous year Nil) 17% Secured redeemable non-convertible debentures issued on private placement basis of Rs 1,000,000 each fully paid up in Total Environment-Machine Craft Private Limited	-	71,16,55,036	-	-

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370 (Previous year: Nil) 19.75% Secured, rated, redeemable non-convertible debentures Tranche I issued on private placement basis of Rs 1,000,000 each fully paid up in Saha Estate Developers Private Limited.	59,64,73,181	37,29,14,384	-	-
150 (Previous year: Nil) 12.84%, Senior fully secured redeemable interest bearing non-convertible debentures Series A issued on private placement basis of Rs 1,000,000 each fully paid up in Radiant Polymers Private Limited.	15,00,00,000	-	-	-
184 (Previous year: Nil) 8.58%, Senior fully secured redeemable interest bearing non-convertible debentures Series B issued on private placement basis of Rs 1,000,000 each fully paid up in Radiant Polymers Private Limited.	18,40,00,000	-	-	-
274 (Previous year Nil) 15%, Secured rated listed redeemable non-convertible debentures Series- Tranche 1 issued on private placement basis of Rs.1,000,000 each fully paid up in Panchsheel Buildtech Private Limited.	27,40,00,000	-	-	-
4 (Previous year: Nil) 20%, Secured, rated, listed, redeemable non-convertible debentures, fixed debentures issued on private placement basis of Rs.1,000,000 each fully paid up in Ansal Condominium Limited.	30,56,588	-	6,43,514	-
(B)	2,24,75,22,027	3,70,11,83,197	76,95,77,578	52,50,56,679
Total of loan & advances from financing activities (A+B)	**12,49,26,84,800**	**10,47,99,78,117**	**4,05,34,44,249**	**3,45,24,76,529**
Capital advance				
Unsecured, considered good	11,76,696	87,839	-	-
Security deposit				
Unsecured, considered good	1,11,61,062	67,89,641	-	-
Other loans and advances				
Advance tax/Tax deducted at source (net of provision for taxation)	1,00,54,305	96,64,956	-	-
MAT credit entitlement	85,829	85,829	-	-
Prepaid expenses	-	-	1,58,77,430	38,50,202
Balance with statutory/government authorities (Service tax receivable)		-	2,52,11,604	1,33,57,718
Others	6,42,74,989	1,71,58,001	1,52,33,466	44,85,462
(C)	8,67,52,880	3,38,06,266	5,63,22,500	2,16,93,382
Total (A+C)	10,33,19,15,653	6,81,26,01,186	3,32,01,89,172	2,94,91,13,232
Grand Total (A+B+C)	12,57,94,37,680	10,51,37,84,383	4,10,97,66,750	3,47,41,69,911

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Loans and advances due by related party	Rs.	Rs.	Rs.	Rs.
Loans and advances to related parties include				
Loan given to DMI Alternatives Private Limited	6,00,00,000	-	-	-
	6,00,00,000	-	-	-

13. Current investments

	March 31, 2018	March 31, 2017
	Rs.	Rs.
Valued at lower of cost and fair value, unless stated otherwise		
Unquoted mutual funds		
Nil (Previous year: 118,403) units of carrying NAV of Rs 3599.47 (Previous year Rs.3,379.23) of HDFC Cash Management Fund- Saving Plan- Growth*	-	40,01,11,737
Nil units (Previous year: 5,358.84) of HDFC Cash Management Fund- Saving Plan- Growth**	-	1,76,88,557
155.90 (Previous year: 155.90) units carrying NAV of Rs 1999.14 (Previous year: Rs.1870.02) of Baroda Pioneer Liquid Fund Plan B- Growth	3,11,655	2,91,525
504.72 (Previous year: 504.72) units carrying NAV of Rs 2101.53 (Previous year: Rs.1970.20) of Canara Robeco Liquid- Direct Growth	10,60,682	9,94,394
Aggregate amount of unquoted investment	13,72,337	41,90,86,213

* Unquoted Mutual Funds have been valued at NAV declared by the mutual fund in respect of each particular scheme, in accordance with the NBFC and NHB directions

** Unquoted Mutual Funds have been valued at lower of cost and fair value.

Credit substitutes are quoted non-convertible debentures and are part of financing activities. The same has been classified in loan and advances (refer note 12 (B). However, it has been disclosed in investments as per the disclosure requirement under the Companies Act, 2013.

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14. Trade receivables	March 31, 2018	March 31, 2017
	Rs.	Rs.
Outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	7,67,25,598	4,37,97,134
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured and considered good		
	7,67,25,598	4,37,97,134

15. Cash and bank balances

	Non-Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Rs.	Rs.	Rs.	Rs.
Cash and cash equivalents				
Balances with banks				
On current accounts	-	-	50,64,38,891	24,75,73,762
Cash on hand	-	-	86,811	16,749
	-	-	50,65,25,702	24,75,90,511
Other bank balances				
*Deposits with remaining maturity for less than 12 months	1,41,51,282	1,12,23,661		
	1,41,51,282	1,12,23,661	-	-
Amount disclosed under other non-current assets (refer note 16)	(1,41,51,282)	(1,12,23,661)	-	-

* Deposits being lien marked against corporate credit cards and bank guarantee issued from HSBC, HDFC & Kotak banks.

16. Other assets
Unsecured, considered good unless stated otherwise

	Non-current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Rs.	Rs.	Rs.	Rs.
Non-current bank balances (refer note 15)	1,41,51,282	1,12,23,661	-	-
Assets under settlement	1,44,25,40,772	42,15,68,579	-	-
Interest accrued on fixed deposits	-	-	1,46,73,034	67,73,044
Interest accrued but not due on business loans	-	-	12,52,28,693	7,96,16,495
Interest accrued and due on business loans	-	-	10,88,43,171	3,69,66,036
Discount accrued but not due on NCDs	-	-	-	-
Discount accrued and due on NCDs	-	-	-	-
Redemption premium accrued but not due on NCDs	2,15,20,980	-	2,37,93,991	1,29,37,983
Others	1,99,96,203	-	14,59,453	7,95,544
	1,49,82,09,237	43,27,92,240	27,39,98,342	13,70,89,102

17. Revenue from operations	March 31, 2018	March 31, 2017
	Rs.	Rs.
Interest income on loans	2,42,80,99,485	2,20,17,19,837
Other operating revenue		
Income from amortisation of discount received on purchase of non convertible debentures	-	10,46,510
Loan processing fee	5,29,50,616	11,83,35,758
Technical and document fees	3,16,257	1,13,540
Interest on fixed deposits as margin money deposits*	7,58,651	7,09,395
Profit on sale of non convertible debentures	84,88,329	74,19,869
Consultancy fee	12,66,84,001	1,92,26,474
Redemption premium	7,71,08,914	1,08,56,009
Other operational income	41,84,143	1,02,98,805
	2,69,85,90,395	2,36,97,26,198

*Represents interest on fixed deposits lien marked against corporate credit cards issued from HSBC and HDFC banks.

18. Other income	March 31, 2018	March 31, 2017
	Rs.	Rs.
Net gain on sale of mutual fund	5,83,20,873	3,68,66,755
Unrealised gain of Mark to market on mutual fund	86,418	1,89,274
Interest from investments in debentures	2,21,20,765	8,69,472
Interest from loan to associate	19,17,809	-
Provisions written back	-	3,05,39,399
Profit on sale of equity investments of subsidiary Company	-	35,46,562
Miscellaneous income	28,69,463	3,11,125
	8,53,15,329	7,23,22,587

19. Employee benefits expense	March 31, 2018	March 31, 2017
	Rs.	Rs.
Salaries and bonus	29,02,78,425	21,90,61,342
Gratuity expenses (Refer note 24)	31,12,057	19,17,706
Earned leave expense (Refer note 24)	65,89,474	15,03,116
Employee stock option expense (Refer note 28)	1,82,902	-
Contribution to provident fund and other funds	63,40,964	33,05,317
Staff welfare expense	85,74,972	55,72,126
	31,50,78,794	23,13,59,607

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20. Finance costs

	March 31, 2018 Rs.	March 31, 2017 Rs.
Interest		
on compulsory convertible debentures	51,77,51,706	47,04,95,180
on non convertible debentures	18,62,55,616	-
on bank cash credit	1,45,36,650	3,71,38,507
on bank term loan	25,52,01,725	38,74,93,499
on delayed deposit of statutory dues	4,57,569	8,26,983
Processing fees on borrowings	1,62,16,932	97,94,562
Other ancillary cost on borrowings	44,50,000	1,19,75,000
Bank charges	1,12,81,270	73,14,438
	1,00,61,51,467	92,51,38,170

21. Depreciation expense

	March 31, 2018 Rs.	March 31, 2017 Rs.
Depreciation and amortization on fixed assets	1,64,20,534	98,34,793
	1,64,20,534	98,34,793

22. Other Expenses

	March 31, 2018 Rs.	March 31, 2017 Rs.
Legal and professional fees	6,98,68,210	6,14,22,574
Travelling expenses	2,43,86,637	1,36,38,536
Audit fee (refer details below)	31,36,519	26,58,750
Subscription and license fees	1,83,87,262	1,17,50,823
Credit rating fee	1,86,52,490	61,19,905
Rates and taxes	77,20,219	90,19,102
Rent	2,15,09,984	1,41,80,726
Business development expenses	4,92,71,478	31,52,766
Contingent provision against standard assets (refer note 2r)	1,63,44,830	95,31,033
Provision for non performing assets	72,91,737	1,41,442
Written-off of assets	-	6,39,345
Brokerage	4,62,404	80,01,459
Loan Assets written-off	12,56,083	5,22,50,344
Fixed assets written-off	75,838	31,52,929
Goods & service tax written-off	1,66,54,121	
Service tax credit written off	23,62,539	70,47,295
Swachh Bharat cess written-off	2,48,288	6,52,720
Krishi Kalyan Cess written-off	3,26,420	1,77,543
Corporate social responsibility	1,71,77,551	1,28,56,647
Business promotion expenses	49,41,324	16,92,631
Communication expenses	66,59,105	32,16,492
Amortization of add on cost of NCDs	2,08,83,964	18,36,382
Repair & maintenance	36,85,033	37,36,059
Printing & stationery	21,31,944	11,76,313
Insurance	3,02,330	2,09,681
TDS written-off	18,41,184	
Security expense	23,47,616	
Miscellaneous expenses	1,10,53,840	97,90,997
	32,89,78,929	23,80,54,493

Payment to auditor

	March 31, 2018 Rs.	March 31, 2017 Rs.
As auditor:		
-Audit fee	25,05,000	21,40,000
-Tax audit fee	3,00,000	3,00,000
In other capacity:		
-Reimbursement of expenses	81,519	-
-Certification fee	2,50,000	2,18,750
	31,36,519	26,58,750

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23. Earnings per share

The following reflects the profit and share data used in the basic and diluted EPS computation	March 31, 2018 Rs.	March 31, 2017 Rs.
Profit after tax	73,99,69,799	67,68,80,586
Less. Dividends on compulsorily convertible preference shares and tax thereon	-	-
Profit for calculation of basic EPS	73,99,69,799	67,68,80,586
Net profit as above	73,99,69,799	67,68,80,586
Add: Dividend on compulsorily convertible preference shares and tax thereon	-	-
Profit for calculation of diluted EPS *	73,99,69,799	67,68,80,586
	No. of shares	No. of shares
Weighted average number of equity shares in calculating basic EPS	32,44,18,138	29,24,92,396
Effect of dilution		
Convertible preference shares	2,77,83,195	2,77,83,195
Conversion of employee stock option	11,469	-
Weighted average number of equity shares in calculating diluted EPS *	35,22,12,802	32,02,75,591

* Impact of convertible debentures being anti-dilutive, has not been considered for computation of dilutive EPS

24. Gratuity and other post employment benefit plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the respective plans.

Statement of profit and loss

Net employee benefit expense (recognized in employee benefits expense)	March 31, 2018 Rs.	March 31, 2017 Rs.
Past service cost	-	1,25,683
Current service cost	29,98,626	16,36,387
Interest cost on benefit obligation	3,05,899	1,72,443
Expected return on plan assets	-	-
Benefits paid	-	-
Net actuarial (gain) / loss recognized in the year	(1,92,468)	(16,807)
Net benefit expense	31,12,057	19,17,706
Actual return on plan assets	-	-

Balance sheet	March 31, 2018 Rs.	March 31, 2017 Rs.
Defined benefit obligation	71,85,301	40,73,244
Fair value of plan assets	-	-
Less: Unrecognized past service cost	-	-
Plan asset / (liability)	(71,85,301)	(40,73,244)

Changes in the present value of the defined benefit obligation are as follows	March 31, 2018 Rs.	March 31, 2017 Rs.
Opening defined benefit obligation	40,73,244	21,55,538
Interest cost	3,05,899	1,72,443
Past service cost	-	1,25,683
Current service cost	29,98,626	16,36,387
Benefits paid	-	-
Actuarial (gains) / losses on obligation	(1,92,468)	(16,807)
Closing defined benefit obligation	71,85,301	40,73,244

Changes in the fair value of plan assets are as follows:	March 31, 2018 Rs.	March 31, 2017 Rs.
Opening fair value of plan assets	-	-
Expected return	-	-
Contributions by employer	-	-
Benefits paid	-	-
Actuarial gains / (losses)	-	-
Closing fair value of plan assets	-	-

The principal assumptions used in determining gratuity	March 31, 2018 Rs.	March 31, 2017 Rs.
Discount rate	7.80%	7.51%
Basic salary increase allowing for price inflation	6%	6%
Employee turnover		
Up to 30 Years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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Net asset/ liability and actuarial experience gain/ (loss) for	**March 31, 2018**	**March 31, 2017**
Gratuity	Rs.	Rs.
Defined benefit obligation	71,86,301	40,73,244
Plan assets	-	-
Surplus/(deficit)	(71,86,301)	(40,73,244)
Experience adjustment on plan liabilities (loss)/ gain	(1,01,737)	(4,99,867)
Experience adjustment on plan assets (loss)/ gain	-	-

(ii). Earned leave:

The Company will provide each employee at the time of their exit an amount equal to last drawn basic salary in proportion to their accumulated earned leave balance not exceeding 45 days The scheme is unfunded.

Statement of profit and loss

Net employee benefit expense (recognized in employee benefits expense)	**March 31, 2018**	**March 31, 2017**
	Rs.	Rs.
Past service cost	-	5,92,705
Current service cost	41,95,957	9,10,411
Interest cost on benefit obligation	1,12,884	-
Expected return on plan assets	-	-
Benefits paid	(7,71,142)	-
Net actuarial (gain) / loss recognized in the year	30,51,875	-
Net benefit expense	65,89,574	15,03,116
Actual return on plan assets		

Balance sheet	**March 31, 2018**	**March 31, 2017**
	Rs.	Rs.
Defined benefit obligation	80,92,590	15,03,116
Fair value of plan assets	-	-
Less: Unrecognized past service cost	-	-
Plan asset / (liability)	(80,92,590)	(15,03,116)

Changes in the present value of the defined benefit obligation are as follows	**March 31, 2018**	**March 31, 2017**
	Rs.	Rs.
Opening defined benefit obligation	15,03,116	-
Interest cost	1,12,884	-
Past service cost	-	5,92,705
Current service cost	41,95,957	9,10,411
Benefits paid	(7,71,142)	-
Actuarial (gains) / losses on obligation	30,51,875	-
Closing defined benefit obligation	80,92,690	15,03,116

Changes in the fair value of plan assets are as follows:	**March 31, 2018**	**March 31, 2017**
	Rs.	Rs.
Opening fair value of plan assets	-	-
Expected return	-	-
Contributions by employer	-	-
Benefits paid	-	-
Actuarial gains / (losses)	-	-
Closing fair value of plan assets	-	-

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:	**March 31, 2018**	**March 31, 2017**
	Rs.	Rs.
Discount rate	7.80%	7.51%
Basic salary increase allowing for price inflation	6%	6%
Retirement age	60	60
Withdrawal rate (%)		
Up to 30 Years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%

Net asset/ liability and actuarial experience gain/ (loss) for	**March 31, 2018**	**March 31, 2017**
Earned leave	Rs.	Rs.
Defined benefit obligation	80,92,590	15,03,116
Plan assets	-	-
Surplus/(deficit)	(80,92,590)	(15,03,116)
Experience adjustment on plan liabilities (loss)/ gain	(34,70,173)	-
Experience adjustment on plan assets (loss)/ gain	-	-

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25. Segment reporting

The Company operates in a single reportable segment i e , financing which has similar risk and returns for the purpose of AS 17 on "Segment Reporting" notified under the Companies Accounting standard rules, 2006 (as amended). The Company operates in a single geographical segment i.e., domestic

26. Details of dues to micro and small enterprises

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises. For the year ended March 31, 2018, no supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED

27. Related party disclosures

a) Names of related parties and related party relationship

Related parties where control exists	
Holding company	DMI Limited
Subsidiary company	DMI Housing Finance Private Limited DMI Management Services Private Limited DMI Capital Private Limited
Related parties with whom transactions have taken place during the year	
Key management personnel	Mr. Shivashish Chatterjee Mr. Yuvraja Chanakya Singh
Relative of key management personnel	Mrs Bina Singh Mrs. Jayati Chatterjee Mrs Mallika Singh Ms. Promila Chatterjee
Enterprises owned or significantly influenced by Management personnel or their relatives	DMI Capital Fund LP Compro Technologies Private Limited
Associates	DMI Alternatives Private Limited
Fellow subsidiaries	DMI Consumer Credit Private Limited

b) Sale/purchase of services	Purchase of services / assets	Sale of services / assets	Amount owned by related parties	Amount owned to related parties
Compro Technologies Private Limited				
(Current year)	97,25,071	-	-	-
(Previous year)	29,04,275	-	-	-

c) Loans taken and repayment thereof	Loans taken/transfer/ (repaid)	Interest accrued- (inclusive of TDS)	Interest paid (exclusive of TDS)	Amount owned by related parties
DMI Capital Fund LP				
(Current year)	(4,44,53,060)	6,11,15,249	5,38,61,001	46,56,23,260
(Previous year)	-	6,41,90,773	5,22,81,278	51,26,54,734
Ms. Mallika Singh				
(Current year)	-	2,95,422	2,65,880	22,68,740
(Previous year)	-	2,95,422	2,65,880	22,68,740
Mr. Yuvraja Chanakya Singh				
(Current year)	-	18,53,181	16,67,863	1,42,31,803
(Previous year)	-	18,53,181	16,67,863	1,42,31,803

d) Remuneration to key managerial personnel	March 31, 2018 Rs.	March 31, 2017 Rs.
Mr. Yuvraja Chanakya Singh, Jt Managing Director		
Salary , bonus and other benefits	5,95,30,000	5,95,30,000
Mr. Shivashish Chatterjee, Jt. Managing Director		
Salary , bonus and other benefits	2,62,57,063	3,03,24,566

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e) Remuneration to relative of key managerial personnel

Mrs Jayati Chatterjee, Director		
Sitting fees	1,60,000	1,80,000
Mrs. Bina Singh, Director		
Sitting fees	60,000	80,000
Mr. Gurcharan Das		
Sitting fees	80,000	1,00,000
	8,60,87,063	9,02,14,566

f) Shares issued	March 31, 2018 Rs.	March 31, 2017 Rs.
DMI Limited		
Issue of equity shares	-	32,19,03,200
Securities premium received	-	1,05,87,39,653
Mr Yuvraja Chanakya Singh		
Purchase of equity shares of DMI Housing Finance Private Limited	50,00,000	-

h) Others

During the year ended March 31, 2018, the companies has down sold and purchased certain non convertible debentures from Mrs. Jayati Chatterjee with a consideration as mentioned below:
Sale of NCDs- Rs 1,767,682 (Previous year: Rs. 1,985,464)
Purchase of NCDs- Rs. 1,865,036 (Previous year: Rs. Nil)

During the year ended March 31, 2018, the companies has purchased certain non convertible debentures held by Mr. Gurcharan Das with a consideration of Rs 3,576,021 (Previous year: Rs Nil).

During the year ended March 31, 2018, the companies has down sold and purchased certain non convertible debentures from Ms. Promita Chatterjee with a consideration as mentioned below:
Sale of NCDs- Rs. 883,841 (Previous year: Rs. 992,732)
Purchase of NCDs Rs 932,517 (Previous year: Rs. Nil)

28. Employee stock option plans

I. During the year ended March 31, 2018, the following stock option grants were in operation:

Scheme Name	DMI ESOP PLAN 2018	DMI HFC ESOP PLAN 2018
Date of grant	19 March 2018	19 March 2018
Date of Board / Compensation Committee approval	16 March 2018	16 March 2018
Number of Options granted	107341	116449
Method of settlement	Shares	Shares
Graded vesting period *	1/3 every year	1/3 every year
First vesting date	18th March 2019	18th March 2019
Exercise period **	5 years	5 years
Vesting conditions	As per DMI ESOP Plan	As per DMI HFC ESOP Plan
Exercise price per option	43.90	10.68
Stock price on the date of grant	43.90	10.68

* As per the vesting schedule 1/3 Options will vest on completion of one year , two year and three year from the grant date respectively.
** Exercise Period" in respect of any Vested Options means the period commencing on the date of Vesting of such Option and expiring on the fifth anniversary of Option Grant Date

II. Reconciliation of options

Options outstanding at the beginning of the year	-	-
Granted during the year	322023	116449
Exercised during the year	-	-
Outstanding at the end of the year	322023	116449

III. Computation of fair value

The Company has used fair value method for ESOP valuations For undertaking fair valuation of ESOP, the Company is using Black-Scholes Model

Reporting date	31-Mar-18	31-Mar-18
Fair Market Value	43.90	10.68
Volatility	43%	43%
Risk free Rate	7%	7%
Dividend Yield	0%	0%
Exercise Price	43 90	10.68
Option Fair Value (Weighted Average)	12.65	3.07

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29. Corporate social responsibility expenditure

(a) Gross amount required to be spent by the Company during the year is Rs 17,177,551 (Previous year, Rs. 12,856,647)

(b) Amount spent during the year on

List of CSR activities	March 31, 2018 In Cash	March 31, 2018 Yet to be paid	March 31, 2018 Total	March 31, 2017 Total paid
Supporting critically ill children from lesser privileged families - Contribution to Genesis Foundation	-	-	-	13,27,000
Providing support to parentless/abandoned children; destitute/homeless women/ widows/ abandoned aged women - Contribution to Param Shakti Peeth	20,00,000	-	20,00,000	13,00,000
Dasra works with both the donor community including corporates, foundations, philanthropists as well as social entrepreneurs and bring together knowledge, funding and people to catalyze social change - Contribution to DASRA, a part of impact foundation	28,00,000	-	28,00,000	20,00,000
Promoting education in the field of medical, engineering, management, computer software, hardware and information technology by establishing school, college, institution, education and research center for upliftment of society, not with the motive of profit- Contribution to International Foundation for Research and Education	50,00,000	-	50,00,000	50,00,000
Azad Foundation's mission is to equip resource- poor women with knowledge and skills so that they excel as professionals and entrepreneurs, and earn a "livelihood with dignity" in jobs and markets that had traditionally been closed to them.- Contribution to Azad Foundation	-	-	-	19,00,000
Foundation for promotion of sports and games. Provide training, equipment, medical support to athletes.- Contribution to Olympic Gold Quest	20,00,000	-	20,00,000	13,08,447
Contribution to Prime Minister National Relief Fund	-	-	-	21,200
The foundation is dedicated to serve less privileged people. It has a shelter for the homeless in Gurugram- Contribution to The Earth Saviours Foundation	3,35,000	-	3,35,000	
The objective of 321 foundation is to develop model schools that have a reputation for high teacher performance and motivation, rigorous student learning and strong parent engagement across the country.- Contribution to 321 Foundation	20,00,000	-	20,00,000	
Jai Vakeel Foundation aim is to provide services to individuals across varying age groups and varying level of intellectual and other associated disabilities.- Contribution to Jai Vakeel Foundation	10,42,551	-	10,42,551	
Learning Matters focuses on providing quality school education keeping in mind their learning differences and abilities. Presently, they run an innovative nursery school program and an after school professional outreach program for older children, the only of its kind in Delhi - Contribution to Learning Matters Foundation	10,00,000	-	10,00,000	
Anushruti is engaged into providing " Quality Education and Vocational Training" to the differently-abled children in receiving quality education at their school- Contribution to Anushruti IIT (Roorkee)	10,00,000	-	10,00,000	
Total	1,71,77,551	-	1,71,77,551	1,28,56,647

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30 Expenditure in foreign currency (accrual basis)

	March 31, 2018 Rs.	March 31, 2017 Rs.
Travelling and conveyance	26,64,491	34,70,683
Consulting fee	85,29,845	1,52,84,714
Subscription & license fee	31,94,995	36,72,360
Professional fee	2,37,359	12,45,059
	1,46,26,690	2,36,72,816

31. Income in foreign currency (accrual basis)

	March 31, 2018 Rs.	March 31, 2017 Rs.
Professional consultancy fee	1,63,31,826	1,87,67,150
	1,63,31,826	1,87,67,150

32. Additional information as required by Schedule III of Companies Act, 2013 for preparation of consolidated financial statements.

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
DMI Finance Private Limited	97.49%	8,69,35,30,369	89.15%	65,96,56,798
DMI Housing Finance Private Limited	12.89%	1,14,90,21,097	1.67%	1,23,32,547
DMI Capital Private Limited	2.34%	20,85,54,778	8.68%	6,42,23,826
DMI Management Private Limited	0.05%	44,57,793	-0.46%	-34,30,865
DMI Alternatives Private Limited	0.08%	72,36,492	0.97%	71,87,492
Total	**112.85%**	**10,06,28,00,529**	**100.00%**	**73,99,69,799**
Consolidated Net Assets & Profit	100.00%	8,91,70,29,851	100.00%	73,99,69,799

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. Batliboi & Associates LLP
ICAI Firm registration number : 101049W/ E300004
Chartered accountants

Sarvesh Warty

per Sarvesh Warty
Partner
Membership number: 121411

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Date: June 14, 2018
Place: Mumbai

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

Nipun Jauhar
(Director)
DIN: 02201954

Shivashish Chatterjee
(Jt. Managing Director)
DIN: 02623460

Jatinder Bhasin
(Chief Financial Officer)

DMI FINANCE PRIVATE LIMITED NEW DELHI

Sahil Pahwa
(Company Secretary & Compliance Officer)
Membership number: A24789

Date: June 14, 2018
Place: New Delhi