

1010/01

February 04, 2021

**BSE Limited**  
New Trading Ring,  
Rotunda Building,  
P J Towers, Dalal Street,  
Fort Mumbai-400001  
Scrip Code: 542216

**National Stock Exchange of India Limited**  
“Exchange Plaza”, Plot No. C-1, Block G  
Bandra – Kurla Complex, Bandra(East),  
Mumbai – 400 051  
Symbol: DALBHARAT

**Subject: Intimation of event under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”)- Update on illegal and unauthorized transfer of certain mutual fund units from demat account of our subsidiary**

Dear Sir(s),

This is in continuation to our letter (s) to the stock exchange(s) dated February 27, 2019 and March 6, 2019, about the illegal and unauthorised transfer of Mutual Fund units (“Securities”) valued at approx. Rs. 344 crore of Dalmia Cement East Limited (DCEL) and OCL India Limited (OCL) since amalgamated with Dalmia Cement (Bharat) Limited (DCBL), subsidiary of the Company, by Allied Financial Services Private Limited (“Allied/AFSPL”).

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we further update that M/s. KG Somani & Co (KGS), the independent agency appointed for conducting forensic audit, has submitted their report. The report contains *inter alia* the manner in which the fraud was perpetrated by Allied; and that Allied issued delivery instruction slips to themselves based on forged requisition slips and used the same with forged signature of authorized signatories of OCL/DCEL signatories for fraudulently transferring the securities to its own and associate entities’ accounts. The Report is attached as Annexure-A.

Further, the forensic audit report of the auditor appointed by SEBI (as filed by Allied in court proceedings) in connection with said fraudulent transfer of securities from OCL/DCEL’s demat account, mentions *inter alia*, various non compliances of the regulations by Allied besides the unauthorized transactions done by Allied without the knowledge of OCL/DCEL as well as

**Dalmia Bharat Limited**

*(formerly known as Odisha Cement Limited)*

11<sup>th</sup> & 12<sup>th</sup> Floors, Hansalaya Building, 15, Barakhamba Road, New Delhi-110 001, India  
t 91 11 23465100 f 91 11 2331 3303 w [www.dalmiabharat.com](http://www.dalmiabharat.com) CIN : L14200TN2013PLC112346  
Registered Office: Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu- 621 651, India  
A **Dalmia Bharat Group** company, [www.dalmiabharat.com](http://www.dalmiabharat.com)

illegally providing of the securities as collateral to IL&FS Securities Services Limited (ISSL) for trading purposes.

The forensic audit report of KGS has been placed before the Audit Committee/ Board of DCBL and the Company in their its meeting(s) held on February 4, 2021. While reviewing and taking note of the report, the Audit Committee/ Board discussed and deliberated the findings and observations in the report and expressed their satisfaction thereon. The Audit Committee/ Board also observed certain internal control weaknesses in the report. They appreciated the actions taken by the management for strengthening the systems and processes immediately upon reporting of the fraud to the authorities in February 2019. However, they further advised the management to take further corrective measures, if so required, for strengthening internal control process including appointment of experts.

While taking note of the findings of the forensic audit report of SEBI, the Audit Committee/Board has also noted the findings of the charge sheet filed by the Economic Offences Wing, Delhi, that as per the investigation it has been established that the accused (Allied and its Managing Director) in connivance with other accused (ISSL and its officials) induced OCL/DCEL to open demat account and fraudulently and dishonestly altered and uploaded wrong credentials with NSDL system and transferred the mutual fund units of OCL/DCEL by forging signatures of the authorized signatories. The accused criminally misappropriated the securities by pledging the same with ISSL for utilizing as margin for personal gain.

The Audit Committee/Board advised the management to take all appropriate legal remedies against the perpetrators of fraud as well as for release of the Securities in favour of DCBL.

This is for your information and records.

Thanking you,

Yours faithfully,

**For Dalmia Bharat Limited**  
(Formerly known as Odisha Cement Limited)

**Dr. Sanjeev Gemawat**  
**Executive Director-Legal &**  
**Group Company Secretary**

***Dalmia Bharat Limited***

*(formerly known as Odisha Cement Limited)*

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# Forensic Audit Report

'Dalmia Cement (Bharat) Limited'

Presented by:  
KG Somani & Co.  
FRN: 006591N

23 December, 2020

**Kind Attn: Board of Directors**  
Dalmia Cement (Bharat) Limited  
11<sup>th</sup> Floor, Hansalaya Building,  
15 Barakhamba Road.  
New Delhi - 110001

**Dear Members,**

**Sub:** Forensic Audit Report - In the matter of alleged transfers of securities from account of OCL India Limited ('OCL') & Dalmia Cement East Limited ('DCEL') by Allied Financial Services Private Limited ('AFSPL'), Depository Participant of NSDL.

We were engaged by 'Dalmia Cement (Bharat) Limited' vide engagement letter dated 18 June 2019 to conduct the Forensic Audit of transaction between the OCL India Limited & Dalmia Cement East Limited and Allied Financial Services Private Limited (hereinafter referred as 'Allied' or 'AFSPL').

The Scope of Work was as under:


- 1) Analysis and review of Account Opening Form with AFSPL and other correspondence with/by Dalmia Cement Bharat Limited ("DCBL").
- 2) Analysis of Documents of Investments made through AFSPL by the DCBL and report discrepancies thereon.
- 3) Scrutiny of Redemption Slips, Account Holding Statement, Delivery Instruction Slips (DIS) and other related documents for purchase, sale and transfer of securities of DCBL.
- d) Any other area as may be considered necessary for performing of the audit.

As provided in the scope of work, the period under review shall be the period from opening of account with Allied to the date of reporting Fraud to SEBI by the company.

Our report based on the data/ details received and verified by us, read along with the limitations and disclaimers wherever mentioned in the report, is enclosed herewith for your kind perusal.

*Should you require any further information, please do not hesitate to contact us.*

**Yours Faithfully**  
**For K.G. Somani & Co.**  
**FRN: 006591N**

  
**Kavita Goyal**

**Partner**

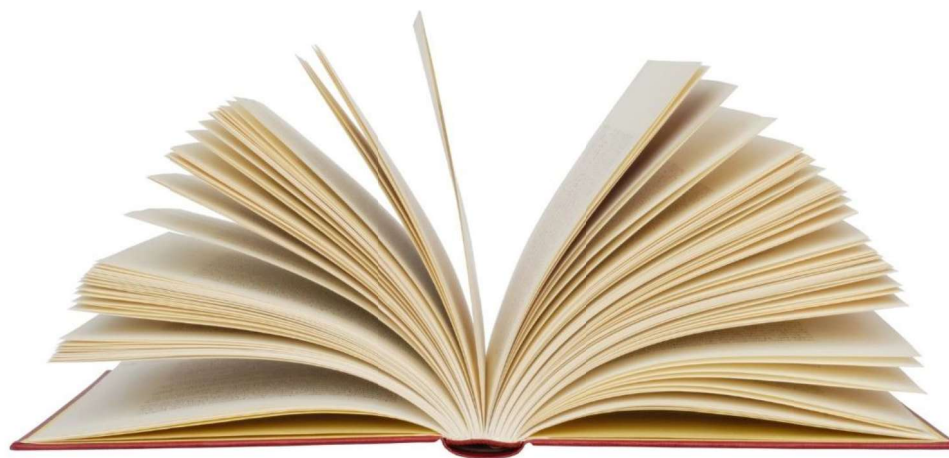
**M. No.: 063419**

**UDIN: 20063419A AAAAX9522**

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## **A. ENGAGEMENT OVERVIEW**





### **Engagement Objective and Scope**

'KG Somani & Co.' (hereinafter referred to as 'KGS' or 'We') has been appointed by **'Dalmia Cement (Bharat) Limited'** (hereinafter referred to as 'DCBL') for forensic audit of transactions entered into between 'OCL India Limited' ('OCL') & 'Dalmia Cement East Limited' ('DCEL') (hereinafter together referred to as **'Erstwhile Subsidiaries'**) and Allied (including its associated entities).

Our report and observations are specific to the purpose of forensic audit and the period for the audit is from the date of opening of the account with AFSPL till reporting of fraud to SEBI by the company ('Audit Period'). This audit report is meant for the members of the Board and internal use by the Company and is strictly confidential. This report is not meant for any other purpose.

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In the course of the audit, KGS have evaluated the information/documents as were available in the record of the Company as well as through broad enquiry, analysis and review but have not performed external confirmation, in some cases\*, as the company does not have control over it. We are reporting basis information provided by the management, information available in public domain, confirmation obtained by the Company from third parties.

\*e.g.:

- Allied and its associates;
- National Securities Depository Limited (NSDL); and
- National Stock Exchange of India Limited (NSE).

## **I. Audit Approach**

1. Our team comprising Chartered Accountants, Certified Forensic Experts & associates had commenced the audit on 24 June 2019. Before commencement of audit, we requested the management for information and documents of which list was provided to them;
2. Interviewing /discussion with Senior Management, employees and staff of the 'Dalmia Bharat Limited' and 'Dalmia Cement (Bharat) Limited';
3. Meeting with Statutory and Internal Auditors;
4. Analysis and review of necessary documents and evidence on record including electronic data; and
5. Preparation of report.

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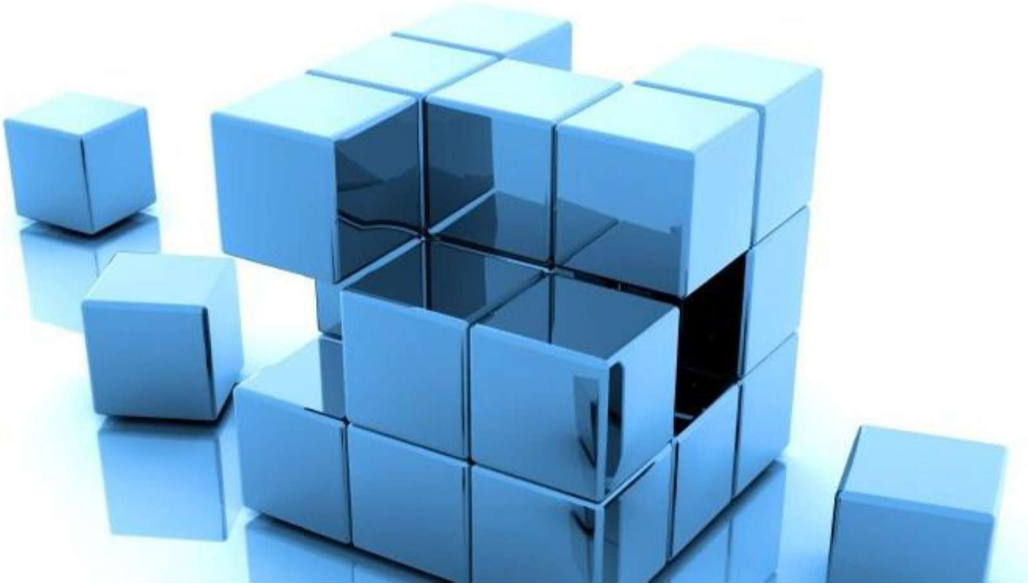
## **II. Sources of Information**

During the course of audit, we were provided with the following written & verbal information which we have relied upon.

- a. Photocopy of KYC forms and demat account opening forms;
- b. Investment ledgers in the books of account of OCL & DCEL;
- c. Underlying records, documentation and information substantiating transaction under review, recorded in the books of account of OCL/DCEL;
- d. Information available in Public domain from various sources;
- e. Extraction, assimilation and analysis of electronic data - Emails etc. of DCEL/OCL considered relevant for the review;
- f. Holding Statement provided for by AFSPL for OCL and DCEL;
- g. Monthly Consolidated Account Statement ('CAS') from January 2018 to December 2018 received from NSDL for OCL and DCEL;
- h. Internal MIS for DEMAT account of OCL and DCEL with Allied;
- i. Statement dated 25 January 2019 received from NSDL;
- j. Review of all email correspondences;
- k. 'Expert opinion' obtained by the company u/s 45 of Indian Evidence Act' from Forensic Consultant and Investigator for the signatures.
- l. Discussions held with DCBL/OCL/DCEL representatives from time to time.
- m. JM Financial and IIFL (Depository Participant) CML and holding statements;



**B. COMPANY BACKGROUND**



Snapshot of OCL and DCEL which has DEMAT account with AFSP:

<b>OCL INDIA LIMITED</b>	
<b>Industry</b>	Construction Materials
<b>Registered Office</b>	Dalmiapuram, District Tiruchirappalli TN 621651 IN
<b>Books of Account</b>	First Floor, Landmark Apartment, Road No. 2, Hawai Nagar, Khunti Road, P.O. Hatia, P.S. Jagannathpur Ranchi 834002 JH
<b>Date of Incorporation</b>	11 October 1949
<b>Nature Of Business</b>	Manufacturer of Cement, Glass, Hydrocarbon, Non-Ferrous, Ferrous, etc.
<b>Directors/ KMP</b>	Dharmendra Nath Davar Gaurav Dalmia Gautam Dalmia Jayesh Nagindas Doshi Puneet Yadu Damia Ved Prakash Sood Amandeep Mahendra Singhi Sudha Pillai Rachna Gorla
<b>CIN</b>	L26942TN1949PLC117481

(Source: www.mca.gov.in)

<b>DALMIA CEMENT EAST LIMITED</b>	
<b>Industry</b>	Construction Materials
<b>Registered Office</b>	Dalmiapuram Lalgudi, Dist.Tiruchirappalli, TN 621651 IN
<b>Books of Account</b>	Sector – 128 Noida 201304 UP
<b>Date of Incorporation</b>	13 March 2008
<b>Nature Of Business</b>	Manufactures specialty Cements used for Oil wells, Railway sleepers, and Air strips.
<b>Directors / KMP</b>	Nagarajan Gopalswamy Ashok Kumar Jain Amandeep Bhabagrahi Pradhan Manish Gupta Ajit Aravindaksha Menon Dharmendra Tuteja Manisha Bansal Indrajit Chhaterji
<b>CIN</b>	U45209TN2008PLC110322

(Source: www.mca.gov.in)

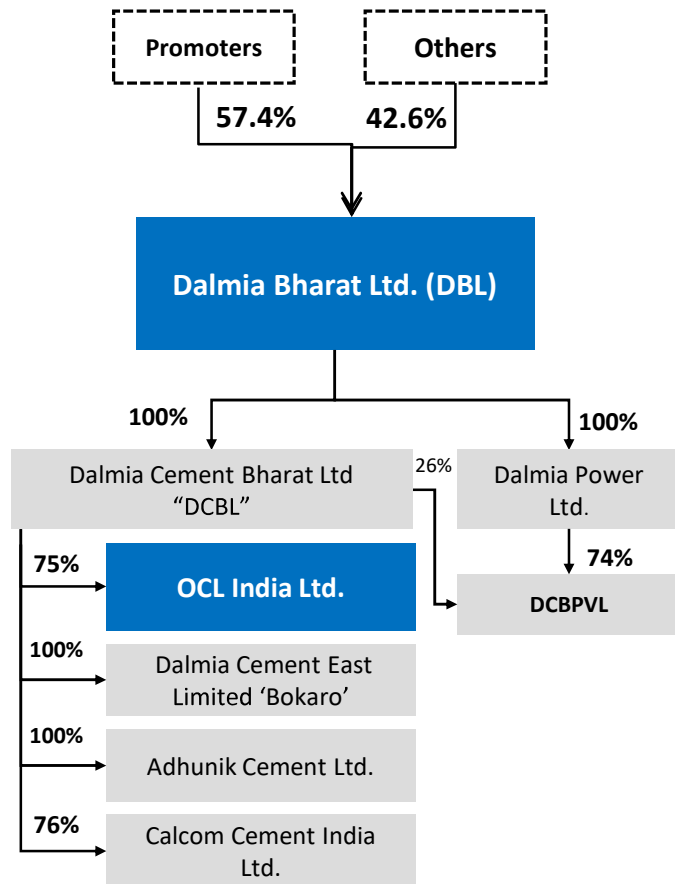
### Brief Summary

Dalmia Bharat group is in the Cement manufacturing Industry. The group has restructured its operations in fewer companies with holding company structure in the recent past whereby it has consolidated through amalgamation of OCL India Limited ('OCL'), Dalmia Cement East Limited ('DCEL'), Dalmia Bharat Cement Holdings Limited ('DBCHL') and Shri Rangam Securities & Holdings Limited ('SRSHL') with Odisha Cement Limited ('ODCL').

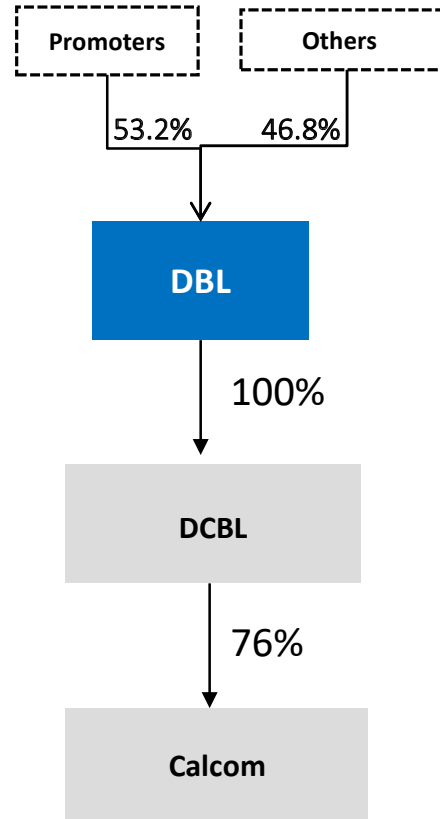
ODCL is a public company having its equity shares listed on the National Stock Exchange of India Limited ('NSE') and BSE Limited. Effective from October 30 2018, through an order of the National Company Law Tribunal, Chennai, two erstwhile associate entities, **OCL** and **DCEL** were amalgamated with the ODCL.

## DALMIA BHARAT GROUP

### Structure before Restructuring

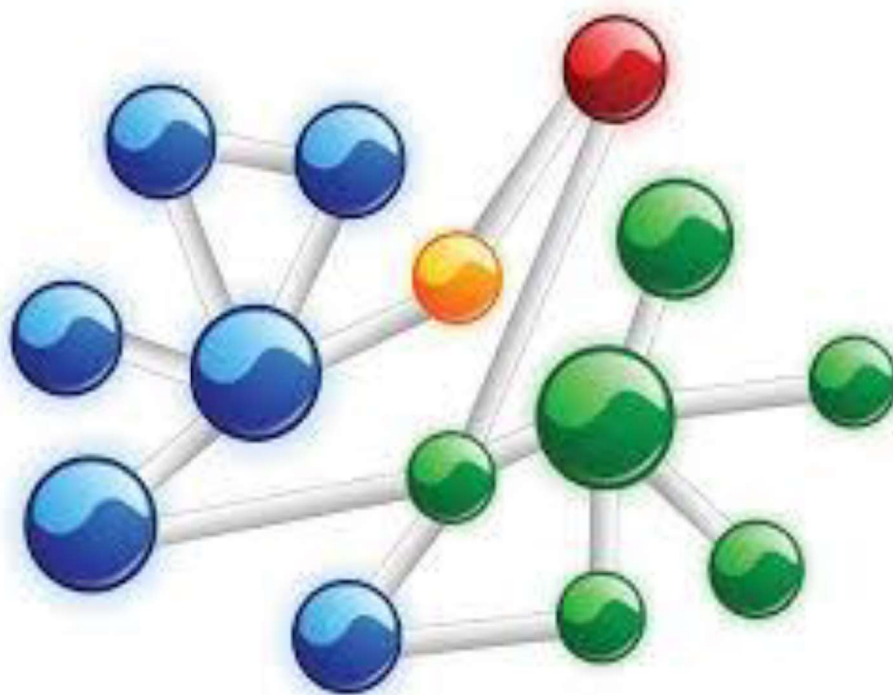


### Structure after Restructuring



■ Listed entities

**C. METHODOLOGY FOR PERPETUATION OF FRAUD BY ALLIED**



## Introduction:

OCL & DCEL opened Demat accounts with Allied Financial Services Private Limited ('AFSPL'), for holding its investments in electronic form including the investments that were earlier held in physical form. The accounts were opened on 03 May 2017 and 13 February 2017 respectively for OCL India Limited ('OCL') and Dalmia Cement East Limited ('DCEL'), which were amalgamated into DCBL vide order dated 20-April-2018 and 1-May-2018 with effect from 30-October-2018, passed by National Company Law Tribunal, Chennai, ('NCLT'). These companies were having the total consolidated portfolio value of Mutual Fund investment in February 2017, amounting to about Rs. 1,692.09 Crores, which were initially held in physical form.

The Demat accounts were opened based on the resolution passed by the Company for opening of Demat accounts. Companies passed resolution for opening of Demat Account without mentioning the name of Depository Participant but authorising certain individual officials/directors who were directors, and/or employees of the company and the group companies. Further, the resolution (DCEL) also authorised for opening of Trading Account with any SEBI registered broker, even though it is informed that no such trading account were opened with AFSPL.

### A. Opening of the Accounts:

Upon opening of the account, 'Client Master Lists' (CML) were duly received against both demat accounts. We have checked the emails dated 10.05.2017 & 20.02.2017 confirming therein that the information contained in the account opening forms/KYC as submitted by OCL & DCEL to Allied is correct, whereas uploaded/submitted by Allied to NSDL contained the changed information.  
***(Refer Exhibit - I)***

### B. Operation of Accounts:

1. The Company opened the Demat accounts only for purchase and redemptions of securities. The process flow for opening and operating of demat account was handled by the treasury department of the company which was headed by Group CFO.
2. The process of decision making was guided by investment policy and was largely based on consultations within the treasury department and approval from Group CFO. The decision making is **not fully** documented by the company. Further, the role and responsibility of each individual member of the treasury department is also not defined; however, it was informed that the decision making was collective.
3. No Consolidated Account Statement (CAS), was received and/or obtained from NSDL (Depository) for OCL & DCEL till October 2018 which is sent by depository on monthly basis in case of any transaction during the month otherwise on quarterly basis.
4. Allied used to send regularly holding statements to OCL & DCEL confirming securities in their respective demat accounts through emails which were being relied upon though the online facility on IDeAS (Internet-based Demat Account Statement), was made available by NSDL from January 2004.

### C. Commitment of Fraud by Allied:

The fraud was perpetuated by Allied in the following manner:

1. Preventing intimations about movement of securities in the Demat Accounts and the receipt of CAS directly by the company from NSDL by forging different details of KYC in the Account Opening Form i.e. E-mail, phone number and correspondence address in KYC at the time of submission of details to Depository but at the same time furnishing CML to the Companies with correct KYC details as originally provided by the Companies for onward submission to NSDL. The information furnished by the Company and changed information submitted to NSDL are tabulated in Exhibit 1. The perusal of the Charge Sheet submitted by EOW in the Court also reveals that the supporting address proofs given by Allied were also forged.
2. As informed by the Company and as per the charge sheet submitted by EOW, the DP (Allied) issued Delivery Instruction Slips (DIS) to themselves based on forged Requisitions Slips and used the same with forged signatures of Authorized Signatories of OCL/DCEL for fraudulently transferring the securities to its own and associate entities accounts. As revealed from NSDL letter dated 25 January 2019 these securities were further utilized by Allied for unknown purposes.

The company provided us with 'expert opinion' obtained u/s 45 of Indian Evidence Act' from Forensic Consultant and Investigator for the signatures on those DIS used by Allied which suggests that the signature of authorized signatories of OCL and DCEL purported to have been forged which is also confirmed from the Charge Sheet filed by EOW wherein EOW has taken opinion of Govt. Forensic Lab who have opined that the signatures on the DI slips, Requisition Slips, the KYC Form and updation of KYC Form are all forged.

Certain discrepancies have also been noticed in the DIS as to ISIN of security, Authorised Signatory, Quantity etc. which slips should not have been acted upon by allied/ NSDL.

3. Providing NSDL statement of holding, duly stamped by NSDL, to the company and making them to believe that securities are in accounts.

However, Due to weak internal controls there was a delay in detection of fraud being committed by Allied.

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**D.**

**INVESTMENT IN MUTUAL FUNDS BY OCL & DCEL AND TRADING IN SECURITIES AND DERIVATIVES**





## 1. Dealing of OCL, DCEL with Allied:

Dalmia Bharat group started relationship with Allied since December 2016. The Demat accounts of OCL and DCEL were opened on 03 May 2017 and 13 February 2017 respectively.

Further, the resolution for DCEL also authorised for opening of Trading Account with any SEBI registered broker; however, no such trading account was opened with AFSPL.

It may be noted that the same officials were empowered to approve the investment of funds and also authorised signatories without segregating duties of approval from that of the authorised signatories.

As per the practice in the company, these demat accounts were opened based on the resolutions passed by the Board without mentioning the name of depository participant but authorising certain individual officials/directors who were directors, and/or employees of the company and the group companies. Prudently, the name of the depository participant should have been mentioned in the resolution.

The companies opened the demat accounts only for purchase and redemptions of securities. The process flow for opening and operating of demat account was handled by the treasury department of the company which was headed by Group CFO.

The process of decision making was guided by investment policy and was largely based on consultations within the treasury department and approval from Group CFO. The decision making is **not fully** documented by the company. Further, the role and responsibility of each individual member of the treasury department is also not defined; however, it was informed that the decision making was collective.

## 2. Opening of Account

Client Master List ('CML') acknowledging the opening of account and KYC performed matched with the information provided in the account opening form except as mentioned in Exhibit – I.

We have reviewed emails dated 10.05.2017 & 20.02.2017 confirming therein that the information contained in the account opening forms/KYC as submitted by OCL & DCEL to Allied is correct, whereas KYC uploaded/submitted by Allied to NSDL contained the changed information.

As informed by the Company, Allied used to send regularly holding statements to OCL & DCEL confirming securities in their respective demat accounts through emails which are/were also forged and fabricated and were sent with an intent to mislead OCL & DCEL.

The acknowledgment received was not thoroughly reviewed, otherwise some of the discrepancies would have been discovered and corrected.

Also, after receipt of CML due care is not taken whether KYC as submitted had been properly implemented on the basis of which CAS would have been received. Also, CAS was neither ever received nor obtained/action taken for the same till October 2018

The Treasury Department all along relied upon a holding statements received from Allied which should not be taken as an independent external evidence to prove the correctness of holding statement submitted which in this case is CAS.

It may be worth noting here that all activities relating to this account, as informed, were handled by Treasury Team without assigning any specific duties to team members for adequate internal control and in certain cases personal email address of Allied have been used for communications.

### 3. Transaction Review

#### A. OCL India Limited and Dalmia Cement East Limited

A mail was received on **1 August 2018**, from Allied to replace the securities namely '**KOTAK FLEXI DEBT AND GROWTH**', ISIN: INF174K01FA2-KTKFLEXI (against which position of Rs. 166.24 Crore had been taken by Allied), since the same has been removed from the approved list of securities by NSE, in reply to which Treasury team reverted through an e-mail that their holdings are free from any encumbrances and Allied has no right to create any security over same. Allied immediately reverted on e-mail confirming that the said securities were not meant for collateral and the e-mail was sent by mistake. While the matter was clarified by Allied, Treasury team satisfied themselves by redeeming the said securities. In our view, Treasury Team should have done more diligence on this rather than getting satisfied on this **(Refer Exhibit - II(a))**

On 1 October 2018 redemption request was made for 'DSP Blackrock', but the same could not be processed by Allied and treasury team followed up with DSP Blackrock and was told by Blackrock that there were no units in their account. **Immediately** on 3 October 2018 the treasury team sought direct independent confirmation from DSP Blackrock, who informed that no units existed in the name of the companies.

On being confronted, Allied approached directly to DSP Blackrock team questioning the non-existence of units by them and requested to rectify the error. Subsequently, Allied issued a false holding statement dated 8 October 2018 under the forged attestation of NSDL, which is not a normal practice.

On happening of the said event treasury team approached Allied for registration on IDeAS platform of NSDL and updation/correction of default email-id. For the registration of IDeAS platform Allied replied that they are procuring server for the same and it will take time whereupon treasury team approached NSDL as suggested by Allied verbally which in our opinion is not the acceptable approach as NSDL (Depository) never entertains directly. It appears that Allied was confusing and misguiding the company.

On 5 October 2018, Dalmia team wrote an e-mail to NSDL for registration of IDeAS facility and updation/correction of default email-id. On 23 October 2018, NSDL team reverted enquiring about the PAN number of the entities. Dalmia team had reverted on the same day with PAN details.

The treasury team explained that they had taken multiple steps to verify the units independently, but were not able to get concrete response either from NSDL or from respective Mutual Funds. **(Refer Exhibit- II(b))**

On **9 October 2018**, an e-mail was received from Allied regarding termination of contract as Allied would not be able to maintain the DP account of OCL and DCEL and further requested Dalmia to provide alternate DP account details where the holdings can be transferred on 10 November 2018. Dalmia team reverted with alternate Demat accounts as advised by Allied. **(Refer Exhibit - II(c)).**

*Contd...*

On **7 November 2018**, an e-mail was received from Allied stating that the units were held as collateral and shall be redeemed on **9 November 2018**. On **8 November 2018** Dalmia team reverted that “MF units in Demat not to be collateralized. Dalmia should be able to redeem the same as and when needed”. In reply to which AFSPL reverted on 9 November 2018, “holding of Dalmia is intact. It is not being held as collateral and it is not collateralized. Usage of the word collateral is regretted and should be read as holding”.

Since Allied did not transfer the holdings to Demat Account of which details were provided to them, Dalmia group filed for redemption of all units on 23 November 2018. Consequent to which 88,991.90 units of 'L&T MUTUAL FUND LIQUID SUPER INSTITUTIONAL PLAN GROWTH' were redeemed on 28-November-2018 and remaining holdings were not redeemed as requested. **(Refer Exhibit - II(d))**.

The above shows that if Dalmia team had done some timely investigation, the fraud could have been detected earlier.

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### **B. Dealing of Allied with Employees of the DCBL/ Authorised Signatories of Dalmia Bharat group**

It was informed that one of the officials who was also an Authorised Signatory of DCEL had opened a trading account with AFSPL in which trading had happened in Futures and Options.

The said official was also an authorized signatory of Affiliate Entities. As part of effective internal control and system, the authorized signatories of Affiliate Entities and DCBL should not have been the same person.

It was given to understand that the said official had orally informed about his demat account to the compliance officer.

As a matter of fact, to avoid conflict of interest it is better not to have Demat/Trading by the same person who is dealing with same market intermediaries.

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### **C. Internal Financial Controls and Recording of Transactions/Movements in Investment by Accounts Department**

It was informed that, **an outside agency** had done assessment of Internal Financial Controls for the purpose of inclusion in the Directors Responsibility Statement that the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively u/s Section 135(5) of the Companies Act, 2013.

Though substantial amount of investment were made in Mutual Fund by the companies, the same was not considered risk area, identified for the purpose of financial statements and accordingly no controls were assessed in this area. Also, the Chief Executive officer & Chief Financial officer relied upon the review made by the agency and issued Compliance Certificate under regulation 17(8) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations.

The accounts department had been recording entries in the books of account basis investment made and on receipt of redemption proceeds. Statement of account from NSDL for the dealings was not obtained to verify whether all transactions have been duly recorded as in the case of any other vendor/ customer.

The statement of account in this case refers to the CAS statement received from NSDL/ IDeAS/ Karvy.

**E. INADEQUENCY OF EXAMINATION BY INDEPENDENT REVIEWING AGENCY**



Following were the Internal and Statutory Auditors of OCL and DCEL during the period under review.

**OCL/ DCBL**

<b>Period</b>	<b>Internal Auditors</b>	<b>Statutory Auditors</b>
FY 2016-17	In-house	V Sankar Aiyar & Co.
FY 2017-18	In-house	SS Kothari Mehta & Co.
FY 2018-19	In-house	SS Kothari Mehta & Co.

**DCEL/ DCBL**

<b>Period</b>	<b>Internal Auditors</b>	<b>Statutory Auditors</b>
FY 2016-17	In-house	Awatar & Co.
FY 2017-18	In-house	Awatar & Co.
FY 2018-19	In-house	S R Batliboi & Co.

*-- Space intentionally left blank --*

It was given to understand by the Group-Chief Internal Auditor that no audit procedures were applied on investments made by the company or transactions entered into during the period under review as it was included in the area under IFC.

During the discussion and review of working papers of Statutory Auditors, except Awatar & Co. with whom no discussion could take place, it was revealed that all of them had relied on confirmation from Allied instead of reliable external confirmation i.e. CAS or IDeAS.

Standards on Auditing require that independent reliable confirmation should be obtained for existence of assets on date of balance sheet wherever possible. In extant case, had the statutory auditors reviewed movement in the Demat Account online on IDeAS (Internet-based Demat Account Statement), which is made available by NSDL in January 2004 or demanded original CAS for each period, the fact that movement in certain investment and their non-existent on any particular would have been known.

**F. INFORMATION AND DOCUMENTS NOT PROVIDED AND MEETING NOT ARRANGED WITH OTHER AGENCIES**





**(i) Information not available for OCL & DCEL**

During the course of our analysis, we have requested below mentioned information but was not available in system till the writing of this report. The set of information/document etc, which has not been furnished to us, are as under:

1. Meeting with Ex- Employee Mr. Vishal Gupta (Treasury team employee);
2. Complete backup of e-mail exchange with Mr. Vishal Gupta;
3. Records of meeting with Allied officials in Dalmia Bharat office.

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## **G. LIMITATIONS AND DISCLAIMER**



## Appendix - A (Scope of Engagement & Limiting Factors)

It is in the context of the aforementioned that we have been requested by the Client to review the transaction of the Mutual Fund of the Company with AFSPL. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to in this report. While utmost care has been taken however, our report is subject to the limitations detailed hereinafter:

**Date of the Report** – Our analysis and result are specific to the purpose of engagement scope and for the Audit Period. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

**Reliance on the information provided** – In the course of the audit, KGS have evaluated the information obtained from the Company, through broad enquiry, analysis and review but have not performed external confirmation, in some cases\*, as the authority for same has not been provided same were third parties for which the authority cannot be provided by the company. The company did not maintain any records of meeting with AFSPL; accordingly, we are reporting basis information provided by the management, information available on public domain, confirmation obtained by Dalmia Cement (Bharat) Limited from third parties.

\*e.g.:

- Allied Financial Services Private Limited and its associates;
- National Securities Depository Limited;
- National Stock Exchange of India Limited;

Our work does not constitute an audit, due diligence or certification of the historical financial statements of subject businesses/companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this report.

The terms of our engagement were such that we were entitled to rely upon the information provided with detailed inquiry. Also, we have been given to understand that the company has not omitted any relevant and material factors which could impact the opinion as per engagement. KGS assume no responsibility for any errors in the above information furnished by the Company/Client and their impact on the present exercise.

Company's claim to the title of mutual fund have been assumed valid.

It must be understood that the forms and documents provided to us for which no counterfoils were available with the company have been relied upon by us. As a matter of fact KGS take no liability if at a future date any report disregarding the facts of documents produced has been made by any agency.

-- Space intentionally left blank --

## Appendix - B (Disclaimer)

1. This report is based on information and evidence obtained as a result of our work to date.
2. We have relied on information and representations made by various persons during the course of the engagement.
3. There may be additional irregularities and or/improprieties, which could exist in the company. We will not be held responsible for loss or damage arising on account of information being concealed or any misrepresentation being made to us by any person.
4. We have made desired efforts in order to ensure confidentiality of engagement and other confidential information which came across to us during the course of our engagement. We will not be held liable for any loss or damage, whatsoever, due to disclosure of such information.
5. We have not agreed to act as expert witness or to provide expert opinion or any expert testimony during the course of legal proceeding or be deemed as representing or advocating any position on behalf of any party in any legal matter or proceedings.
6. Some information has been collated from the public domains and all aspects of such information may not be accurate.
7. Client shall be wholly and solely responsible for applying judgment with respect to the findings to make appropriate decisions in regard to future course of action.
8. The information was provided to us with significant delay and consequently there is a delay in submission of report.
9. We have no obligation to update this report or revise our opinion because of events or transactions occurring subsequent to the date of this report. We have expressed our opinion on the basis of information's and details provided to us. We shall not give testimony or appear in court / tribunal / appellant authority under any circumstances relating to this report or any work done relating to this report. No notice / legal proceedings can be initiated against us based on this report under any law / act. In case of any legal dispute, the expenses of such dispute will not be borne by us and will be borne by the appointing authority.

**In case of Dispute** – Any dispute or disputes shall be first resolved by attempted negotiation at the highest executive levels between the parties. In the event such executive negotiation is unsuccessful, the dispute or disputes shall either be decided by a sole Arbitrator mutually appointed by the parties or as approved by concerned authority. The arbitration proceeding under this clause will be in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications or re-enactment in lieu thereof. The arbitration proceedings shall be in English language, venue of the arbitration shall be New Delhi and cost of arbitration will be borne by the parties in equal share. The award of the Arbitrators shall be final, conclusive and binding on both the parties.

## Appendix – C (Glossary of Terms used)

1. **Affiliate entities:** means companies with equities infusion by/through promoter of Dalmia Bharat group and include:
  - i. Antordaya Commercial Holding Private Limited;
  - ii. Cointribe Technologies Private Limited;
  - iii. Vinimay Developers Private Limited;
  - iv. Glowhomes Technologies Private Limited.
2. **OCL:** OCL India Limited
3. **DCEL:** Dalmia Cement East Limited
4. **DCBL:** Dalmia Cement (Bharat) Limited
5. **AFSPL/Allied:** Allied Financial Services Private Limited.
6. **Allied's Associate:** means associates of AFSPL and includes 'Money Mishra Financial Services Private Limited', 'Money Mishra Overseas Private Limited', 'Awanish Kumar Mishra'.
7. **Treasury team:** Employees of DCBL.
8. **Agreement with AFSPL:** Agreement between Affiliates entities of Dalmia Bharat group with Allied and its associate for Trading on NSE.
9. **MM:** Money Mishra Financial Services Private Limited
10. **NSE:** National Stock Exchange
11. **NSDL:** National Services Depository Limited
12. **NSCCL:** National Securities Clearing Corporation Limited
13. **Equity Derivative:** It is a class of derivatives whose value is at least partly derived from one or more underlying equity securities.

-- Space intentionally left blank --

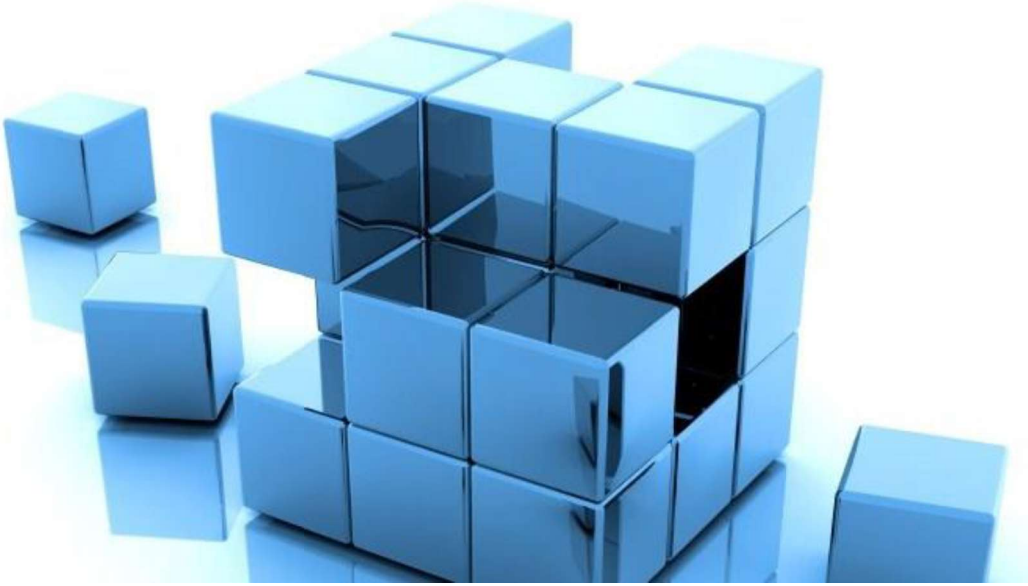
**Appendix - D (List of Dalmia group companies or affiliates having Demat/Trading Account with Allied)**

1. Dalmia Cement (Bharat) Limited
2. OCL India Limited
3. Dalmia Cement East Limited
4. Antordaya Commercial and Holdings Private Limited
5. Cointribe Technologies Private Limited
6. Vinimay Developers Private Limited
7. Glowhomes Technologies Private Limited

**Appendix - E (E-mail ID used to exchange communication)**

1. dpatmoneymishra@gmail.com
2. alliedinvestor@rediffmail.com
3. grievances@aflindia.net
4. info@aflindia.net
5. himanshu11091985@gmail.com
6. aloriamukesh@gmail.com
7. alliedfinservice@gmail.com
8. [sunder\\_p\\_pal@yahoo.com](mailto:sunder_p_pal@yahoo.com)
9. [mawanish@yahoo.com](mailto:mawanish@yahoo.com)
10. himashu@aflindia.net

**H. EXHIBITS**





## Exhibit I: CML – OCL India Limited



Business Date: 10-May-2017

## CLIENT MASTER LIST

Print Date: 10-May-2017 10:43:23AM

National Securities Depository Limited  
 DP: ALLIED FIN.SERV.PVT.LTD[IN301452]  
 304-305, 3RD FLOOR, VIKASDEEP BLDG, DISTRICT CENTRE, LAXMI NAGAR, DELHI, 110092  
 Phone: 011-43020300/307 Fax: 011-22424291

Selection Criteria :		Client ID From: 10061626		To: 10061626		Active Date From: All		To: All			
Client ID	10061626	Standing Instruction	Y	Short Name	OCL	A/C Category	Beneficiary	Client Type	Body Corporate	A/C Activation Date	5/10/2017
Status	Active	Status Change Reason				Branch	Main Branch	Sub. Type	Domestic	A/C Clos./Susp. Date	

## Personal Details :

Sole/First Holder Name	OCL INDIA LTD		Occupation	
First Holder's Father's/ Husband's Name			Other Address	AT/PO/PS, RAJGANGAPUR DISTRICT, SUNDARGARH, ODISHA
Address	11TH FLOOR NARAIN MANZIL 23 BARAKHAMBA ROAD		Pin Code	770017
Pin Code	110001		Phone No.	
Phone No.		Fax No.		
Client Option to receive e-statement	Enabled			

## Financial Details :

Bank Account Type	Current	POA	Not Assigned
Bank Account Number	007010200015543	IFSC Code	UTIB0000007
Bank Name	AXIS BANK LTD	Tax Ded. Status	
Bank Address	NEW DELHI, DELHI	SEBI/FPI Reg. No	Not Applicable
Pin Code	110001	MICR Code	110211002
RBI Ref. Number		RBI Approval Date	

## Other Details :

Sole/First Holder	PAN	AAACO1354J	PAN Flag	Verified
	Mobile No	9999329795	SMS Facility	Available
	Email	agrawal.bijay@dalmiabharat.com	Receive Annual Reports, AGM notices and other communications from Issuers & RTAs in physical form Flag	Not Available
			ATH Flag	Assigned
	Sole/First Holder DOB			

Contd...

# Exhibit I: CML – OCL India Limited

Contd...



Business Date: 10-May-2017	<b>CLIENT MASTER LIST</b>	Print Date: 10-May-2017 10:43:25AM
National Securities Depository Limited DP: ALLIED FIN.SERV.PVT.LTD[IN301452] 304-305, 3RD FLOOR, VIKASDEEP BLDG, DISTRICT CENTRE, LAXMI NAGAR, DELHI, 110092 Phone: 011-43020300/307 Fax: 011-22434201		

**Signatory Details:**

	Signatory ID	Signatory Type	Signatory Name	Signatory Status	No. Of Members Require
For First Holder	100000476	Corporate Signatory	Corporate Signatory	Active	1

\*\*\* End of Report \*\*\*

Enabled

N

**Variances in OCL's CML:**

Particulars	KYC	CML
No of authorised signatory	Director – Singly Others – Jointly ('two')	One
ATH Flag	No instruction for Auto Pledge	Assigned

## Exhibit I: CML – Dalmia Cement East Limited



Business Date: 20-Feb-2017	<b>CLIENT MASTER LIST</b>	Print Date: 20-Feb-2017	12:08:57PM
National Securities Depository Limited			
DP: ALLIED FIN. SERV. PVT. LTD [IN301452]			
304-305, 3RD FLOOR, VEKASDEEP BLDG, DISTRICT CENTRE, LAXMI NAGAR, DELHI, 110002			
Phone: 011-43020300/307 Fax: 011-22424291			

Selection Criteria :		Client ID From: 10061329 To: 10061329		Active Date From: All To: All							
Client ID	10061329	Standing Instruction	Y	Short Name	DALMIA	A/C Category	Beneficiary	Client Type	Body Corporate	A/C Activation Date	2/20/2017
Status	Active	Status Change Reason		Branch	Main Branch	Sub. Type	Domestic	A/C Clos./Susp. Date			

Personal Details :				
Sole/First Holder Name	DALMIA CEMENT EAST LIMITED			
First Holder's Father's/ Husband's Name		Occupation		
Address	12th FLOOR HANSALIYA BUILDING BARAKHAMBA ROAD CONNAUGHT PLACE DELHI		Other Address	DALMIAPURAM, DISTT TIRUCHIRAPALLI TAMIL NADU
Pin Code	110001	Pin Code	621651	
Phone No.		Fax No.		
Client Option to receive e-statement				

Financial Details :			
Bank Account Type	Current	POA	Not Assigned
Bank Account Number	911030027176711	IFSC Code	UTIB0001609
Bank Name	AXIS BANK LTD	Tax Ded. Status	
Bank Address	CORPORATE BANKING BRANCH, NEW DELHI	SEBI/FPI Reg. No	Not Applicable
Pin Code	110001	MICR Code	110211115
RBI Ref. Number		RBI Approval Date	

Other Details :					
Sole/First Holder	PAN	AADC4903B	PAN Flag	Verified	
	Mobile No	9999329795	Family Flag (Mobile)	SMS Facility	Available
	Email	agrawal.bijay@dalmiabherat.com	Family Flag (Email)	Receive Annual Reports, AGM notices and other communication from Issuers & RTAs in physical form Flag	Not Available
				ATH Flag	Assigned
	Sole/First Holder DOE				

Contd...

## Exhibit I: CML – Dalmia Cement East Limited

Contd...



Business Date: 20-Feb-2017	<b>CLIENT MASTER LIST</b>	Print Date: 20-Feb-2017 12:08:50PM
National Securities Depository Limited DP: ALLIED FIN. SERV. PVT. LTD [IN301452] 304-305, 3RD FLOOR, VIKASDEEP BLDG, DISTRICT CENTRE, LAXMI NAGAR, DELHI, 110092 Phone: 011-43020300/307 Fax: 011-22424201		

**Signatory Details:**

For First Holder	Signatory ID	Signatory Type	Signatory Name	Signatory Status	No. Of Members Require
	100000394	Corporate Signatory	DALMIA CEMENT EAST	Active	2

\*\*\* End of Report \*\*\*

N

**Variance in DCEL's CML:**

Particulars	KYC	CML
ATH Flag	No instruction for Auto Pledge	Assigned

## Exhibit – II(a): E-mail references



Bijay Agrawal <agrawal.bijay@dalmiabharat.com>

DP Mishra; AWAMISH MISHRA ▾

02-08-2018

Re: System Generated Error



Dear sir,

This mail was sent to you by mistake. We understand that aforesaid securities were not meant for collateral.

On Wed, Aug 1, 2018 at 11:55 AM, DP Mishra <[dpatmonevmishra@gmail.com](mailto:dpatmonevmishra@gmail.com)> wrote:

Dear sir,

National Stock Exchange has removed following mutual fund from the approved list of securities (Approved list of collateral has been attached in this mail) wef 1st August 2018.

**Name of Fund: KOTAK FLEXI DEBT AND GROWTH**

**ISIN: INF174K01FA2-KTKFLEXI**

**QTY: 17394915**

**RATE: 22.49**

**VALUE AS ON DATE: 39.12 CRORE**

There is an open position of Rs 166.24 Crore on aforesaid security.

Kindly arrange to replace it from approved securities.

Premature squiring off of position will incur a loss of Rs 16.56 Crore.

Thanks and regards,

## Exhibit – II(a): E-mail references



Wed 01-08-2018 14:30

Bijay Agrawal

Re: Removal of Mutual Fund(KTKFLEXI) from Approved Collateral List

To : DP Mishra

Cc : Pooja Verma; Abhay Singhal

To my mind , all our holdings in demat are free from any encumbrances and also you do not have any right to create any security on same , any which ways....

Please recheck and confirm immediately.

Regards

On Wed 1 Aug, 2018, 11:55 AM DP Mishra, <[dpatmoneymishra@gmail.com](mailto:dpatmoneymishra@gmail.com)> wrote:

Dear sir,

National Stock Exchange has removed following mutual fund from the approved list of securities (Approved list of collateral has been attached in this mail) wef 1st August 2018.

**Name of Fund: KOTAK FLEXI DEBT AND GROWTH**

**ISIN: INF174K01FA2-KTKFLEXI**

**QTY: 17394915**

**RATE: 22.49**

**VALUE AS ON DATE: 39.12 CRORE**

There is an open position of Rs 166.24 Crore on aforesaid security.

Kindly arrange to replace it from approved securities.

Premature squiring off of position will incur a loss of Rs 16.56 Crore.

Private & Confidential

**Exhibit – II(b)(i): E-mail references – Independent confirmation from DSP Blackrock.**



Khandelwal, Pankhuri (India) <Pankhuri.Khandelwal@dspim.com>

Abhay Singhal; Bijay Agrawal; Malhotra, Nandita (India) ▾

03-10-2018

Re: 30-Sep Balance Confirmation



Dear Abhay

As per our records there are NIL units under demat in the below mentioned entities with DSP Mutual Fund. Do revert should you require any further information.

Pankhuri

Sent from my iPhone

On 03-Oct-2018, at 5:48 PM, Abhay Singhal <[singhal.abhay@dalmiabharat.com](mailto:singhal.abhay@dalmiabharat.com)> wrote:

**External Email: DO NOT** click on any link or attachment until you are absolutely **sure**, have **verified** the email address and **trust** the sender

Dear Pankhuri,

Request you to confirm our balance as on 30-Sep-18 of Demat units (scheme wise) for OCL India Ltd. and Dalmia Cement East Ltd.

Regards

Abhay



**Exhibit – II(b)(ii): E-mail references – Allied e-mail to DSP Blackrock.**

**From:** himanshu [<mailto:himanshu@afindia.net>]  
**Sent:** Thursday, October 04, 2018 1:13 PM  
**To:** Ranga, Pooja (India)  
**Cc:** 'Bijay Agrawal'  
**Subject:** Allied Financial Services Pvt Lvt

**External Email:** DO NOT click on any link or attachment until you are absolutely sure, have verified the email address and trust the sender

Dear Pooja,

Greetings!

Our Client M/S. Dalmia Cement East Limited (Client Id 10061329 and DP ID IN301452) had DSP BLACKROCK MUTUAL FUND ULTRA SHORT TERM FD REG GROWTH OP quantity 50435849.802 in his demat account as on 30th September 2018. However, to our surprise, your AMC has mailed our client that aforesaid units were unavailable in his account on aforesaid date.

As per our record, the aforesaid units were available and still lying in his DP.

We would request you to check this matter and rectify the error.

Please confirm the same to us/ our client.

Regards,

Himanshu Arora

Exhibit - II(b)(iii): E-mail references - False holding statement.

Business Date: 08-Oct-2018  
**STATEMENT OF HOLDINGS**  
 National Securities Depository Limited  
 DP: ALLIED FIN.SERV.PVT.LTD [IN301452]  
 G-14, 2ND FLOOR, SECTOR - 3, DIST. GAUTAM BUDDH NAGAR, NOIDA, 201301  
 Phone: 0120-4320042 Fax: 011-23424291  
 Print Date: 08-Oct-2018 09:54 AM

Statement of Holdings as on: 08-Oct-2018 09:56 AM

Client Id	10061329	Status	Active
Category	Non House Beneficiary	Type	Body Corporate
Name	DALMIA CEMENT EAST LIMITED		
Address	HANSALYA BUILDING BARAKHAMBHA ROAD, CONNAUGHT PLACE DELHI		
Pin Code	110001		

ISIN	ISIN Description	ISIN Status	Account Description	Quantity	Total Balance
INF740K018P2	DSP BLACKROCK MUTUAL FUND ULTRA SHORT TERM FD REG GROWTH OP		Beneficiary	50,435,849.802	
					50,435,849.802



Depository Participant's Seal & Initials  
 Any discrepancy in the statement should be brought to the notice of "ALLIED FIN.SERV.PVT.LTD" within one month from the date of the statement.

\*\*\* End of Report \*\*\*

Business Date: 08-Oct-2018  
**STATEMENT OF HOLDINGS**  
 National Securities Depository Limited  
 DP: ALLIED FIN.SERV.PVT.LTD [IN301452]  
 G-14, 2ND FLOOR, SECTOR - 3, DIST. GAUTAM BUDDH NAGAR, NOIDA, 201301  
 Phone: 0120-4320042 Fax: 011-23424291  
 Print Date: 08-Oct-2018 09:54 AM

Statement of Holdings as on: 08-Oct-2018 09:54 AM

Client Id	10061626	Status	Active
Category	Non House Beneficiary	Type	Body Corporate
Name	OCL INDIA LTD		
Address	11th FLOOR NARAIN MANZIL 23, BARAKHAMBHA ROAD NEW DELHI		
Pin Code	110001		

ISIN	ISIN Description	ISIN Status	Account Description	Quantity	Total Balance
INF740K018P2	DSP BLACKROCK MUTUAL FUND ULTRA SHORT TERM FD REG GROWTH OP		Beneficiary	12,602,182.698	
					12,602,182.698

INF740K01FK9	DSP BLACKROCK MUTUAL FUND LIQUIDITY FUND INSTI PLAN GROWTH OPEN END		Beneficiary	2,22,116.276	
					2,22,116.276

INF174K01ES7	KOTAK MAHINDRA MUTUAL FUND BOND SHORT TERM REG GROWTH		Beneficiary	35,16,935.686	
					35,16,935.686

INF917K01JH1	L & T MUTUAL FUND LIQUID SUPER INSTITUTIONAL PLAN GROWTH		Beneficiary	88,991.899	
					88,991.899

INF204K01UN9	RELIANCE MUTUAL FUND LIQUID FD-GRW PL-GROWTH		Beneficiary	98,375.733	
					98,375.733



**Exhibit – II(c)(i): E-mail references – Allied’s mail for termination of contract.**

**From:** DP Mishra [<mailto:dpatmoneymishra@gmail.com>]

**Sent:** 09 October 2018 12:39

**To:** Bijay Agrawal; [abhaysinghal@outlook.com](mailto:abhaysinghal@outlook.com); [singhal.abhay@dalmiabharat.com](mailto:singhal.abhay@dalmiabharat.com)

**Cc:** Awanish Kumar Mishra

**Subject:** Allied Financial Services Termination of Contract

Dear sir,

Greetings!

This is regarding our agreement for NSDL Depository services to M/S. Dalmia Cement East Limited (Client Id 10061329 and DP ID IN301452) and Ms OCL India Ltd (DP id: IN301452 Client ID : 10061626).

Due to some connectivity issues at NSDL, we won't be able to maintain your DP account with Allied Financial Services.

As per terms of the aforesaid agreement, we would like to transfer your holdings in another DP A/c suggested by you. In case you wish to get these rematerialised, please let us know in advance.

We would be transferring your demat holdings in respective accounts on 10th November 2018.

Regards,

Allied Financial Services Pvt Ltd

Private & Confidential

---

**Exhibit – II(c)(ii): E-mail references – Treasury team reply to Allied.**

---

From: Abhay Singh [mailto:[singhal.abhay@dalmiabharat.com](mailto:singhal.abhay@dalmiabharat.com)]

Sent: 09 October 2018 17:36

To: 'DP Mishra'

Cc: 'Awanish Kumar Mishra'; Bijay Agrawal

Subject: RE: Allied Financial Services Termination of Contract

Dear Team,

Thanks for your revert

Request you to transfer our demat holdings with respect to Dalmia Cement East Limited (Client Id 10061329 and DP ID IN301452) and OCL India Ltd (DP id: IN301452 Client ID : 10061626) to the attached CMI's of Dalmia Cement East Ltd (DP ID: IN304158 and Client ID: 10048895) and OCL India Ltd (DP ID: IN300484 and Client ID: 13350028) respectively.

Request you to transfer our holdings on or before 10-November 2018, as soon as NSDL issue is resolved

Regards

Abhay

**Exhibit – II(d)(i): E-mail references – Allied e-mail for release of collateralised units.**



DP Mishra <dpatmoneymishra@gmail.com>

Bijay Agrawal; abhaysinghal@outlook.com; Awanish Kumar Mishra -

09-11-2018

Allied Financial Services



On Thu, Nov 8, 2018 at 11:03 PM Bijay Agrawal <[agrawal.bijay@dalmiabharat.com](mailto:agrawal.bijay@dalmiabharat.com)> wrote:

Dear Allied team,

Our mf units in demat are not collateralised for any purpose and should not be collateralised at all. I guess there is some confusion at your end.

We should be able to redeem the same , as and when we need.

Request you to please check and confirm.

Regards

Bijay

On Wed, 7 Nov 2018, 23:16 DP Mishra, <[dpatmoneymishra@gmail.com](mailto:dpatmoneymishra@gmail.com)> wrote:

Dear sir,

Greetings!

Pl refer to our mail on release of collateral. We will start the process on Friday, 9th November 2018, even before schedule. L&T MF units will be released on Friday itself.

Thereafter, collaterals will be released on regular basis.

We were to shift collaterals on Monday, 12th November, 2018. But the National Stock Exchange has fixed sign off date for trade cone on Muhurat Day at 15th November. The circular is attached herewith.

Therefore collaterals will be transferred on sign off date+2 basis.

Hope, you would bear with us.

Thanks and regards,



**Exhibit – II(d)(ii): E-mail references – Allied recalling its e-mail.**

---



Fri 09-11-2018 11:19

DP Mishra <dpatmoneymishra@gmail.com>

Allied Financial Services

To: Bijay Agrawal

Cc: abhaysinghal@outlook.com; Awanish Kumar Mishra

---

Dear sir,

Your holding with us is intact. It is not being held as collateral. It has not been collateralised. Use of the word Collateral in the previous mail is deeply regretted. It should be read as Holding.

Thanks and regards,

On Thu, Nov 8, 2018 at 11:03 PM Bijay Agrawal <[agrawal.bijay@dalmiabharat.com](mailto:agrawal.bijay@dalmiabharat.com)> wrote:

Dear Allied team,

Our mf units in demat are not collateralised for any purpose and should not be collateralised at all. I guess there is some confusion at your end.

We should be able to redeem the same , as and when we need.

Request you to please check and confirm.

Regards  
Bijay