

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Dhani Stocks Limited  
(Formerly Indiabulls Securities Limited)  
Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying Financial Statements of Dhani Stocks Limited (formerly Indiabulls Securities Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and other comprehensive income, its cash flows and changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act ("SAs"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

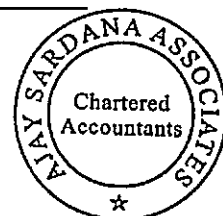
### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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## **Information Other than the Financial Statements and Auditor's Report Thereon (continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

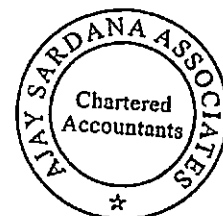
In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



## Report on Other Legal and Regulatory Requirements (continued)

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- B. With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company, as detailed in note 37 to the Financial Statements, has disclosed the impact of pending litigations on its financial position as at March 31, 2023.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv)
    - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.
  - v) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.
  - vi) The Company has not declared/paid any dividend during the year and subsequent to the year-end.

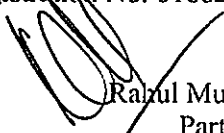


**Report on Other Legal and Regulatory Requirements (continued)**

- C. With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:
- i) In our opinion and to the best of our information and according to the explanations given to us, the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.



For Ajay Sardana Associates  
Chartered Accountants  
Firm Registration No. 016827N

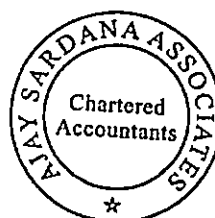
  
Rajul Mukhi  
Partner  
Membership No.099719  
New Delhi, May 25, 2023  
UDIN: 23099719BGZADP4911

**Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Dhani Stocks Limited (formerly Indiabulls Securities Limited) for the year ended March 31, 2023**

Report on the statement of matters specified in paragraphs 3 and 4 of the Order.

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties. Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is a service company and accordingly, it does not hold any inventories. Thus, clause 3 (ii) (a) of the Order is not applicable to the Company.
- (b) The Company has been sanctioned working capital limits in excess of Rupees five crores in aggregate by banks or financial institutions. However, such loans are secured by way of negative lien over assets of the Company. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has provided loans in the nature of margin trading facility to companies, firms, Limited Liability Partnerships or any other parties as follows:

	Amount in Rs. lakhs
	Loans
Aggregate amount granted/ provided during the year	25,611.43
Balance outstanding as at balance sheet date in respect of above cases	2,908.31



**Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Dhani Stocks Limited (formerly Indiabulls Securities Limited) for the year ended March 31, 2023 (continued)**

During the year, the Company has not provided advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

(b) During the year, the terms and conditions of the grant of loans in the nature of margin trading facility to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

During the year, the Company has not provided advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, in respect of Margin Trading Facility ("MTF") loans, as per product design, schedule of repayment of principal and interest are not stipulated and hence regularity of the same has not been commented upon.

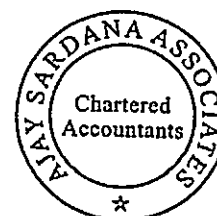
During the year, the Company has not provided advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

(d) There are no loans granted to companies or other parties which are overdue for more than ninety days.

During the year, the Company has not provided advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

(e) The Company's principal business activities involve providing loans in the form of MTF to its clients. There were no loans granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

(f) In our opinion and according to the information and explanations given to us there are no loans/advances given during the year in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013 which are repayable on demand or without specifying any terms or period of repayment. Accordingly, the requirement to report on this clause is not applicable to the Company.



**Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Dhani Stocks Limited (formerly Indiabulls Securities Limited) for the year ended March 31, 2023 (continued)**

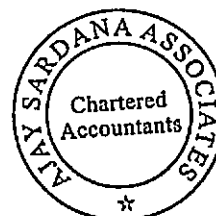
- (iv) In our opinion and according to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, to the extent applicable to it. The Company has not entered into any transactions in respect of investments, security and guarantees covered under section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Services Tax ("GST")

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, cess and other statutory dues, as applicable to the Company. have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, cess and other statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

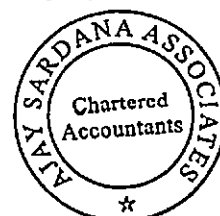
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax or cess or other statutory dues which have not been deposited on account of any dispute.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.  
  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.



**Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Dhani Stocks Limited (formerly Indiabulls Securities Limited) for the year ended March 31, 2023 (continued)**

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any term loan during the year and there are no term loans outstanding at the beginning of the year.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiaries and does not hold any investment in any associate or joint venture (as defined in the Act). Accordingly, reporting on clause 3(ix)(e) and 3(ix)(f) of the Order are not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistleblower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the provisions related to internal audit are not applicable to the Company. Accordingly, clauses 3(xiv) (a) and 3(xiv) (b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.





**Annexure B to the Independent Auditor's Report of even date on the Financial Statements of Dhani Stocks Limited (formerly Indiabulls Securities Limited) for the year ended March 31, 2023**

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

We have audited the internal financial controls over financial reporting of Dhani Stocks Limited (formerly Indiabulls Securities Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the 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 ("ICAI"). 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 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Financial Statements 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") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 with reference to these Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Financial Statements, 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to these Financial Statements.

**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:



## Meaning of Internal Financial Controls Over Financial Reporting (continued)

- (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.

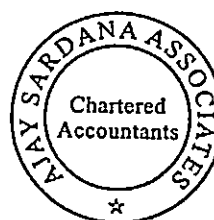
## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Financial Statements and such internal financial controls over financial reporting with reference to these Financial Statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the 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.

For Ajay Sardana Associates  
Chartered Accountants  
Firm Registration No. 016827N

  
Rahul Mukhi  
Partner

Membership No.099719  
New Delhi, May 25, 2023  
UDIN: 23099719BGZADP4911



**Dhani Stocks Limited**

Balance sheet as at 31 March 2023

(All amounts in Rs. Lakh unless otherwise stated)

	Note No.	As at 31 March 2023	As at 31 March 2022
<b>I. ASSETS</b>			
<b>(1) Financial assets</b>			
(a) Cash and cash equivalents	3	2,606.02	1,194.82
(b) Bank balances other than cash and cash equivalents	4	33,648.44	39,164.93
(c) Receivables			
(i) Trade receivables	5	5,714.02	4,075.02
(ii) Other receivables	6	-	680.57
(d) Loans	7	2,234.90	3,094.14
(e) Other financial assets	8	3,288.47	854.56
<b>Total Financial assets</b>		<b>47,491.85</b>	<b>49,064.04</b>
<b>(2) Non-financial assets</b>			
(a) Current tax assets (net)	9	87.83	56.20
(b) Deferred tax assets (net)	10	854.13	993.91
(c) Property, plant and equipment	11 A	516.03	774.29
(d) Intangible assets under development	11 B	9.00	163.05
(e) Other intangible assets	11 C	2,235.32	2,533.77
(f) Right of Use Assets	11 D	90.73	110.50
(g) Other non-financial assets	12	1,859.51	2,010.28
<b>Total Non-financial assets</b>		<b>5,652.55</b>	<b>6,642.00</b>
<b>TOTAL ASSETS</b>		<b>53,144.40</b>	<b>55,706.04</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b>(1) Financial liabilities</b>			
(a) Payables			
Trade payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		19.42	87.79
(b) Borrowings (other than debt securities)	14	-	83.01
(c) Finance Lease obligations	15	99.06	113.22
(d) Other financial liabilities	16	11,162.99	14,932.44
<b>Total Financial liabilities</b>		<b>11,281.47</b>	<b>15,216.46</b>
<b>(2) Non-financial Liabilities</b>			
(a) Current tax liabilities (net)	17	203.81	180.58
(b) Provisions	18	406.54	504.95
(c) Other non-financial liabilities	19	616.72	716.26
<b>Total Non-financial liabilities</b>		<b>1,227.07</b>	<b>1,401.79</b>
<b>(3) Equity</b>			
(a) Equity share capital	20	1,370.00	1,370.00
(b) Other equity	21	39,265.86	37,717.79
<b>Total Equity</b>		<b>40,635.86</b>	<b>39,087.79</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>53,144.40</b>	<b>55,706.04</b>

Summary of significant accounting policies

2

The accompanying notes are an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date.

For Ajay Sardana Associates  
Chartered Accountants  
Firm Registration No. 016827N

For and on behalf of the Board of Directors

Rahul Mukhi  
Partner  
Membership No. 099719  
New Delhi, 25th May 2023

Ashu Khanna  
Whote-time Director  
DIN: 10055211  
Gurugram, 25th May 2023

Prasenjeet Mukherjee  
Director  
DIN: 07629972  
Gurugram, 25th May 2023

Abhishek Jain  
Chief Financial Officer  
Gurugram, 25th May 2023

Ajay Sardana Associates  
Chartered Accountants  
★  
Anil Gupta  
Company Secretary  
Gurugram, 25th May 2023

Dhani Stocks Limited  
Statement of profit and loss for the year ended 31 March 2023  
(All amounts in Rs. Lakh unless otherwise stated)

	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>I. Revenue from operations</b>			
Interest income	22	2,877.82	2,876.76
Fees and commission income	23	5,384.96	5,938.00
Net gain on fair value changes	24	45.28	74.08
Sale of services	25	497.71	659.42
<b>Total revenue from operations</b>		<b>8,805.77</b>	<b>9,548.26</b>
<b>II. Other income</b>	26	<b>210.41</b>	<b>147.05</b>
<b>III. Total Income (I + II)</b>		<b>9,016.18</b>	<b>9,695.31</b>
<b>IV. Expenses :</b>			
Finance costs	27	40.20	102.70
Fees and commission expense	28	750.60	766.54
Impairment on financial instruments	29	771.91	153.58
Employee benefits expense	30	1,642.70	2,500.47
Depreciation and amortisation expense	31	738.79	693.44
Other expenses	32	3,047.43	4,178.75
<b>Total expenses</b>		<b>6,991.63</b>	<b>8,395.48</b>
<b>V. Profit before exceptional items and tax (IV-III)</b>		<b>2,024.55</b>	<b>1,299.83</b>
<b>VI. Exceptional items</b>		-	-
<b>VII. Profit before tax (V-VI)</b>		<b>2,024.55</b>	<b>1,299.83</b>
<b>VIII. Tax expense/(benefit) :</b>	33		
(1) Current tax		354.08	300.31
(2) Deferred tax		20.74	52.03
		<b>374.82</b>	<b>352.34</b>
<b>IX. Profit for the year from continuing operations (VII-VIII)</b>		<b>1,649.73</b>	<b>947.49</b>
<b>X. Profit/(loss) from discontinued operations</b>		-	-
<b>XI. Tax expense of discontinued operations</b>		-	-
<b>XII. Profit/(loss) from discontinued operations after tax (X-XI)</b>		-	-
<b>IX. Profit for the year (IX + XII)</b>		<b>1,649.73</b>	<b>947.49</b>
<b>X. Other comprehensive income</b>			
(A) Items that will not be reclassified to profit or loss			
Re-measurement gain on defined benefit plans		47.95	16.46
Income tax relating to items that will not be reclassified to profit and loss		(13.96)	(4.79)
Subtotal (A)		<b>33.99</b>	<b>11.67</b>
(B) Items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	-
<b>Total Other comprehensive income (A+B)</b>		<b>33.99</b>	<b>11.67</b>
<b>XI. Total comprehensive income for the year (IX+X)</b>		<b>1,683.72</b>	<b>959.16</b>



**Dhani Stocks Limited**  
**Statement of profit and loss for the year ended 31 March 2023**  
*(All amounts in Rs. Lakh unless otherwise stated)*

	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>XII. Earnings per equity share:</b>	34		
(1) Basic (in Rs )		12.04	6.92
(2) Diluted (in Rs.)		12.04	6.92
Summary of significant accounting policies	2		


The accompanying notes are an integral part of these financial statements

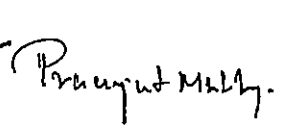
This is Statement of Profit and Loss referred to in our report of even date

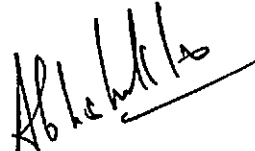
For Ajay Sardana Associates  
Chartered Accountants  
Firm Registration No. 016827N


For and on behalf of the Board of Directors

  
Rahul Mukhi  
Partner  
Membership No. 099719  
New Delhi, 25th May 2023

  
Ashu Khanna  
Whole-time Director  
DIN: 10055211  
Gurugram, 25th May 2023

  
Prasenjeet Mukherjee  
Director  
DIN: 07629972  
Gurugram, 25th May 2023

  
Abhishek Jain  
Chief Financial Officer  
Gurugram, 25th May 2023

  
Avik Gupta  
Company Secretary  
Gurugram, 25th May 2023



**Dhani Stocks Limited**  
**Statement of Cash Flows for the year ended 31 March 2023**  
*(All amounts in Rs. Lakh unless otherwise stated)*

	<u>For the year ended 31 March 2023</u>	<u>For the year ended 31 March 2022</u>
<b>A Cash flow from operating activities :</b>		
Net Profit/ (loss) before tax	2,024.55	1,299.83
Adjustments for :		
Unwinding of interest income	(0.42)	(0.12)
Net gain on fair value changes	(45.28)	(74.08)
Excess provision for expenses no longer required written back	(115.16)	(78.54)
(Profit)/Loss on sale of Property, plant and equipment (net)	(6.71)	61.89
Sundry credit balances written back	(62.21)	(45.46)
Interest expenses	40.20	46.51
Depreciation and amortization	738.79	693.44
Impairment due to expected credit loss on trade receivables	80.00	152.89
Employee share-based payment expense	(135.65)	140.67
Provision of gratuity and compensated absences	45.78	86.18
Provision for doubtful debt / capital advances	12.00	0.65
Bad debts / advances written off	679.91	0.04
<b>Operating Profit before working capital changes</b>	<u>3,255.80</u>	<u>2,283.90</u>
Adjustments for changes in working capital:		
Movement in other bank balances	5,516.49	(4,365.32)
Trade receivables	(2,398.91)	(49.00)
Other receivables	680.57	-
Loans	859.24	(2,986.38)
Other financial assets	(2,433.49)	164.94
Other non-financial assets	150.77	(115.96)
Trade payables	(68.37)	53.40
Other financial liabilities	(3,804.16)	932.80
Provisions	(96.24)	(31.12)
Other non-financial liabilities	77.83	(62.87)
<b>Cash generated from/(used in) operations</b>	<u>1,739.53</u>	<u>(4,175.61)</u>
Direct taxes paid (net)	(257.40)	(411.72)
<b>Net cash generated from/(used in) operating activities</b>	<u>1,482.13</u>	<u>(4,587.33)</u>
<b>B Cash flow from investing activities :</b>		
Purchase of Property, plant and equipment	(21.11)	(2,380.06)
Proceeds from sale of fixed assets	42.27	0.07
Redemption of units of mutual funds (net)	45.28	74.08
<b>Net cash generated from/ (used in) investing activities</b>	<u>66.44</u>	<u>(2,305.91)</u>
<b>C Cash flow from financing activities</b>		
Repayment of Borrowings	(83.01)	83.01
Payment of Lease liabilities (including interest on lease liabilities)	(22.91)	(9.36)
Interest paid	(31.45)	(42.56)
<b>Net cash (used in)/generated from financing activities</b>	<u>(137.37)</u>	<u>31.09</u>



A. Equity Share Capital		(i) Current reporting year		(ii) Previous reporting year	
Balance at 1 April 2022	Changes in Equity Share Capital during the current year	Balance at 1 April 2021	Changes in Equity Share Capital during the current year	Balance at 1 April 2021	Changes in Equity Share Capital during the current year
1,370.00	-	1,370.00	-	1,370.00	-
1,370.00	1,370.00	1,370.00	1,370.00	1,370.00	1,370.00

(B) Other equity

Reserve and surplus		(i) Current Reporting Year		(ii) Previous Reporting Year	
Particulars	Balance as at 1 April 2022	Share based payment reserve	Retained earnings	Securities premium	Capital reserve
Balance as at 1 April 2022	210.11	3,942.22	32,738.30	820.69	6.47
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balance at the beginning of the current reporting year	210.11	3,942.22	32,738.30	820.69	6.47
Addition during the year	(135.65)	-	-	-	-
Transferred to other component of equity during the year	(57.06)	-	-	-	-
Transferred from share based payment reserve	-	-	-	-	47.06
Profit during the year	1,649.73	-	-	-	33.99
Transferred from other comprehensive income to retained earnings	-	-	-	-	(133.99)
Balance as at 31 March 2023	17.40	3,625.94	32,738.30	820.69	63.53

Reserve and surplus		(i) Previous Reporting Year		(ii) Previous Reporting Year	
Particulars	Balance as at 1 April 2021	Share based payment reserve	Retained earnings	Securities premium	Capital reserve
Balance as at 1 April 2021	69.44	2,983.06	32,738.30	820.69	6.47
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balance at the beginning of the previous reporting year	69.44	2,983.06	32,738.30	820.69	6.47
Addition during the year	140.67	-	-	-	-
Transferred to other component of equity during the year	-	-	-	-	-
Profit for the year	947.49	-	-	-	11.67
Transfer from other comprehensive income to retained earnings	-	-	-	-	(111.67)
Balance as at 31 March 2022	210.11	3,942.22	32,738.30	820.69	6.47

Summary of significant accounting policies

The accompanying notes are an integral part of these financial statements

This is the Statement of Changes in Equity referred to in our report of even date

For Ajay Sardana Associates

Chartered Accountants

Firm Registration No. 091682

Partner

Membership No. 099719

New Delhi, 25th May 2023

Rahul Mukhi

For and on behalf of the Board of Directors

ASHU KHANNA

Whole-time Director

DIN: 07629072

Gurgaon, 25th May 2023

Prasanna Rukhjee

Director

DIN: 07629072

Gurgaon, 25th May 2023

Abhishek Jain

Chief Financial Officer

Gurgaon, 25th May 2023

Asit Gupta

Company Secretary

Gurgaon, 25th May 2023



## Dhani Stocks Limited

Notes to financial statements for the year ended 31 March 2023

(All amounts in Rs. lakhs unless stated otherwise)

### 1. Corporate information:

Dhani Stocks Limited ("the Company") is a wholly owned subsidiary of Dhani Services Limited and was incorporated on 30 October 2003 with CIN U74999DL2003PLC122874. The Company is a corporate member of NSE, BSE, MCX and NCDEX and provides financial services of equity, derivative, currency and commodity broking, depository participant services and distribution of financial products.

In accordance with the provisions of Section 44 and other applicable provisions of the Companies Act 1956 members of the company at their Extraordinary General Meeting held on 5 January 2009 accorded their approval to change the status of the company from a private limited company to a public limited company. The Company has since received a fresh certificate of incorporation consequent upon change of name on conversion to a public limited company from the Registrar of Companies National Capital Territory of Delhi and Haryana dated 18 February 2009 in respect of the said change. Accordingly the name of the company was changed from Indiabulls Commodities Private Limited to Indiabulls Commodities Limited.

In accordance with the approval of the members of the Company, at their Extraordinary general meeting held on February 5, 2019 and of the Registrar of Companies, National Capital Territory of Delhi & Haryana, and pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, read with applicable rules made thereunder, new set of Memorandum of Association (MOA) of the Company in accordance with Table A of Schedule I of the Companies Act, 2013, inter alia modifying sub clause 5 of the erstwhile main object of the MOA, to include main objects related to stock and share broking and other allied activities, including carrying out the activities of a Depository Participant.

In accordance with the provisions of Section 13 and other applicable provisions of the Companies Act 2013 members of the company at their Extraordinary General Meeting held on 5 February 2019 accorded their approval to change the name of the company. The Company has since received a fresh certificate of incorporation consequent upon change of name from the Registrar of Companies National Capital Territory of Delhi and Haryana dated 13 February 2019 in respect of the said change. Accordingly the name of the company was changed from "Indiabulls Commodities Limited" to "Indiabulls Securities Limited". Further, the members the company at their Extraordinary General Meeting held on August 04, 2020 accorded their approval to change the name of the company from "Indiabulls Securities Limited" to "Dhani Stocks Limited". The Company has since received a fresh certificate of incorporation consequent upon change of name from the Registrar of Companies National Capital Territory of Delhi and Haryana dated August 7, 2020 in respect of the said change. Accordingly the name of the company was changed from "Indiabulls Securities Limited" to "Dhani Stocks Limited".

The Board of Directors of the Company, at their meeting held on January 31, 2019, granted their approval for the purchase of stock broking business (both cash and derivative segments) from Indiabulls Ventures Limited, the Holding Company, for an agreed lumpsum consideration, on a going concern basis, by way of slump sale through a Business Transfer Agreement, subject to the SEBI Regulations and such other approvals, consents, permissions and sanctions as may be necessary, including but not limited to, from the Securities and Exchange Board of India and or such other statutory and regulatory authorities as may be necessary.

On July 31, 2019, the Company entered into a business transfer agreement (BTA) with Dhani Services Limited, to acquire its securities broking business on slump sale basis. The business transfer involved transfer of certain assets and liabilities as stated in the BTA on slump sale basis for an agreed consideration of Rs. 34,200.00 lakhs. Pursuant to the above agreement, the necessary resolution passed by the Board of Directors in their meeting held on January 31, 2019 and the receipt of approvals from the National Stock Exchange of India Limited, BSE Limited and the Securities and Exchange Board of India, the business stood transferred to the Company with effect from February 21, 2020.

### 2. Summary of significant accounting policies:

#### i) General information and statement of compliance with Ind AS

These financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified under section 133 of the Companies Act 2013 (as amended) read with the Companies (Indian Accounting Standards) Rules 2015 (as amended) (by Ministry of Corporate Affairs ('MCA')). The Company has uniformly applied the accounting policies during the periods presented.

Accordingly, the Company has prepared these financial statements which comprise the Balance Sheet as at 31 March, 2023, the Statement of Profit and Loss for the year ended 31 March 2023, the Statement of Cash Flows for the year ended 31 March 2023 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'financial statements').

The financial statements for the year ended 31 March 2023 are authorized and approved for issue by the Board of Directors on 25th May 2023.

#### ii) Basis of preparation

These financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBF-Cs, as notified by the Ministry of Corporate Affairs (MCA). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Financial Statements along with the other notes required to be disclosed under the notified Accounting Standards.

These financial statements have been prepared in Indian Rupee which is the functional currency of the Company.

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.





**2. Summary of significant accounting policies: (continued)**

**vii) Cost recognition**

Costs and expenses are recognised when incurred and have been classified according to their nature.

**viii) Income taxes**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

**Deferred income taxes**

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

**ix) Financial instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

**Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

**Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

**Financial liabilities**

Financial liabilities are measured at amortised cost using the effective interest method.



**Equity instruments**

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

**x) Provisions and contingent liabilities**

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. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

**xi) Property, plant and equipment**

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any

Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Computers	3 years
Furniture and fixtures	10 years
Office equipments	5 years
Leasehold improvements	Over the period of lease

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

**xiii) Intangible assets**

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Intangible assets are amortised from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the change pattern, if any.

The Company had developed a software that is used to enhance the Company's business operations. Useful life of that software was estimated at four years basis the expected economic benefits from the software. However, the Company has reassessed the expected pattern of consumption of economic benefit basis technical estimate of the software and expect benefits will flow to the Company till 10 years.

**Intangible assets under development**

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost. Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. These are recognised as assets when the Company can demonstrate following recognition requirements:

- The development costs can be measured reliably;
- The project is technically and commercially feasible;
- The Company intends to and has sufficient resources to complete the project;
- The Company has the ability to use or sell the such intangible asset; and
- The software will generate probable future economic benefits.

Amortisation of the asset begins when development is complete and the asset is available for use

**xiii) Impairment**

**(a) Financial assets (other than at fair value)**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.



**Dhani Stocks Limited**

**Notes to financial statements for the year ended 31 March 2023**

**(b) Non-financial assets**

**Tangible and intangible assets**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

**xiv) Employee benefits**

**(a) Defined benefit plans**

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

**(b) Defined contribution plans**

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits

**(c) Short-term employee benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(d) Compensated absences**

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date

**xv) Earnings per share**

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

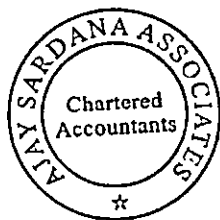
**xvi) Segment reporting:**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the chief operating decision maker (CODM) in deciding how to allocate resources and in assessing performance.

**xvii) Business combinations under common control**

Business combinations under common control are accounted for using the pooling of interest method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at carrying value on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for net identifiable assets acquired and liabilities assumed.

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<b>Note - 3</b>		<b>As at</b>	<b>As at</b>
<b>Cash and cash equivalents</b>		<b>31 March 2023</b>	<b>31 March 2022</b>
Cash on hand		0.06	0.57
Balances with banks:			
- in current accounts		2,605.96	1,194.25
<b>Total</b>		<b>2,606.02</b>	<b>1,194.82</b>
<b>Note - 4</b>		<b>As at</b>	<b>As at</b>
<b>Bank balances other cash and cash equivalents</b>		<b>31 March 2023</b>	<b>31 March 2022</b>
Balances with banks:			
In Fixed deposits (Refer Note 36)			
- in fixed deposits accounts with original maturity of more than 3 months		33,376.59	39,037.15
Interest accrued on fixed deposits		271.85	127.78
<b>Total</b>		<b>33,648.44</b>	<b>39,164.93</b>
<b>Note - 5</b>		<b>As at</b>	<b>As at</b>
<b>Trade receivables</b>		<b>31 March 2023</b>	<b>31 March 2022</b>
Unsecured, considered good		5,714.02	4,075.02
Having significant increase in credit risk		984.52	904.52
<b>Total - gross</b>		<b>6,698.54</b>	<b>4,979.54</b>
Less: Impairment loss allowance due to expected credit loss (Refer Note 46)		(984.52)	(904.52)
<b>Total - net</b>		<b>5,714.02</b>	<b>4,075.02</b>
<b>Trade receivables include:</b>			
Debits due by directors or other officers		-	-
Due from others		6,698.54	4,979.54

Trade Receivables aging schedule						
As at 31st March 2023						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	4,242.37	166.54	186.62	339.49	779.00	5,714.02
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	32.20	5.08	0.23	947.01	984.52
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
As at 31st March 2022						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	2,628.89	179.86	360.23	903.69	2.35	4,075.02
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	0.40	2.98	0.66	846.18	54.30	904.52
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

<b>Note - 6</b>		<b>As at</b>	<b>As at</b>
<b>Other receivables</b>		<b>31 March 2023</b>	<b>31 March 2022</b>
b) Receivable from Others			
- Unsecured, considered good		-	680.57
- Unsecured, which have significant increase in credit risk		-	854.57
<b>Total - gross</b>		<b>-</b>	<b>1,535.14</b>
Less: Impairment loss allowance due to expected credit loss (Refer Note 46)		-	(854.57)
<b>Total - net</b>		<b>-</b>	<b>680.57</b>
<b>Other receivables include:</b>			
Debits due by directors or other officers		-	-
Due from others		-	1,535.14



Note - 7	As at	As at
Loans	31 March 2023	31 March 2022
At amortised cost		
Loans repayable on demand:		
Margin funding loan receivables (secured, considered good)	2,908.31	3,247.35
Less: Margin received	(673.41)	(153.21)
Total - gross	2,234.90	3,094.14
Less: Impairment loss allowance due to expected credit loss	-	-
Total - net	<u>2,234.90</u>	<u>3,094.14</u>
Margin funding loans are given to customers as per SEBI guidelines and are secured by pledge of shares/ mutual funds/ bonds etc.		
(i) Secured by tangible assets	-	-
(ii) Secured by intangible assets	-	-
(iii) Covered by Bank/Government Guarantees	-	-
(iv) Unsecured	-	-
(v) Secured by others (shares/ mutual funds/ bonds)	2,234.90	3,094.14
Total - Gross	2,234.90	3,094.14
Less: Impairment loss allowance	-	-
Total - Net	<u>2,234.90</u>	<u>3,094.14</u>
Loans in India		
Public sector	-	-
Others	2,234.90	3,094.14
	<u>2,234.90</u>	<u>3,094.14</u>
Note - 8	As at	As at
Other financial assets	31 March 2023	31 March 2022
At amortised cost		
(a) Security deposits		
(i) Deposits (including margin money) with stock exchanges		
- Unsecured, Considered good	3,285.11	836.78
- Unsecured, Considered doubtful	-	-
(ii) Deposits with others		
- Unsecured, Considered good	3.32	14.98
- Unsecured, Considered doubtful	25.32	13.32
(b) Other Recoverable	0.04	2.80
	<u>3,313.79</u>	<u>867.88</u>
Less: Impairment loss allowance due to expected credit loss (Refer Note 46)	(25.32)	(13.32)
	<u>3,288.47</u>	<u>854.56</u>
Total	<u>3,288.47</u>	<u>854.56</u>
Note - 9	As at	As at
Current tax assets (net)	31 March 2023	31 March 2022
Advance income tax/tax deducted at source	87.83	56.20
(Net of provision for tax Rs. Nil; Previous year Rs. Nil)		
Total	<u>87.83</u>	<u>56.20</u>



Dhani Stocks Limited  
Notes to financial statements for the year ended 31 March 2023  
(All amounts in Rs. Lakh unless otherwise stated)

Note - 10

Deferred tax assets (net)

	As at 31 March 2023	As at 31 March 2022
<b>Deferred tax assets:</b>		
Arising on account of temporary differences due to:		
Impairment allowance due to expected credit loss	295.28	274.67
Disallowances u/s. 43B of the Income-Tax Act, 1961	20.52	27.35
Disallowances u/s. 40A(7) of the Income-Tax Act, 1961	97.86	119.70
Recognition of security deposits at amortised cost	0.03	0.01
Share based payments to employees	6.95	63.07
Right of use assets and lease liabilities	2.42	0.79
Minimum alternative tax credit entitlement	834.13	939.19
<b>Sub Total (A)</b>	<b>1,257.19</b>	<b>1,424.78</b>
<b>Deferred tax liabilities:</b>		
Arising on account of temporary differences due to:		
Property, plant and equipment and intangible assets	403.06	430.87
<b>Sub Total (B)</b>	<b>403.06</b>	<b>430.87</b>
<b>Deferred tax assets (net) (A-B)</b>	<b>854.13</b>	<b>993.91</b>

Movement in deferred tax balances for the year ended 31 March 2023

Particulars	Balance as on 1 April 2022	Recognised in Profit and loss	Recognised in OCI	Other	Balance as on 31 March 2023
<b>Deferred tax assets/(liabilities):</b>					
Arising on account of temporary differences due to:					
Impairment allowance due to expected credit loss	274.67	20.61	-	-	295.28
Disallowances u/s. 43B of the Income-Tax Act, 1961	27.35	(6.82)	-	-	20.52
Disallowances u/s. 40A(7) of the Income-Tax Act, 1961	119.70	(7.87)	(13.96)	-	97.86
Property, plant and equipment and intangible assets	(430.87)	27.81	-	-	(403.06)
Recognition of security deposits at amortised cost	0.01	0.02	-	-	0.03
Share based payments to employees	63.07	(56.12)	-	-	6.95
Right of use assets and lease liabilities	0.79	1.63	-	-	2.42
Minimum alternative tax credit entitlement *	939.19	-	-	(105.06)	834.13
	<b>993.91</b>	<b>(20.74)</b>	<b>(13.96)</b>	<b>(105.06)</b>	<b>854.13</b>
<b>31 March 2022</b>					
<b>Particulars</b>	<b>Balance as on 1 April 2021</b>	<b>Recognised in Profit and loss</b>	<b>Recognised in OCI</b>	<b>Other</b>	<b>Balance as on 31 March 2022</b>
<b>Deferred tax assets/(liabilities):</b>					
Arising on account of temporary differences due to:					
Impairment allowance due to expected credit loss	360.20	(85.53)	-	-	274.67
Disallowances u/s. 43B of the Income-Tax Act, 1961	24.10	3.25	-	-	27.35
Disallowances u/s. 40A(7) of the Income-Tax Act, 1961	111.71	12.78	(4.79)	-	119.70
Property, plant and equipment and intangible assets	(406.57)	(24.30)	-	-	(430.87)
Recognition of security deposits at amortised cost	-	0.01	-	-	0.01
Share based payments to employees	22.10	40.97	-	-	63.07
Right of use assets and lease liabilities	-	0.79	-	-	0.79
Minimum alternative tax credit entitlement *	939.19	-	-	-	939.19
	<b>1,050.73</b>	<b>(52.03)</b>	<b>(4.79)</b>	<b>-</b>	<b>993.91</b>

\* Expiry date of minimum alternative tax credit  
Expiry financial year (as per Income-tax Act, 1961)

	As at 31 March 2023	As at 31 March 2022
1 April 2024 - 31 March 2025	-	45.11
1 April 2025 - 31 March 2026	94.52	154.47
1 April 2026 - 31 March 2027	436.84	436.84
1 April 2032 - 31 March 2033	36.16	36.16
1 April 2035 - 31 March 2036	266.61	266.61
	<b>834.13</b>	<b>939.19</b>



Dhani Stocks Limited  
Notes to financial statements for the year ended 31 March 2023  
(All amounts in Rs Lakh unless otherwise stated)

Note - 11 A  
**Property, plant and equipment**

	Furniture and fixtures	Office equipment	Computers	Leasehold improvements	Total
<b>Gross block</b>					
Balance as at 1 April 2021	21.83	55.40	1,012.59	229.48	1,319.30
Additions	30.88	4.93	275.60	199.75	511.17
Sales/adjustment	(0.39)	(0.11)	(13.43)	(9.38)	(23.31)
<b>Balance as at 31 March 2022</b>	<b>52.32</b>	<b>60.22</b>	<b>1,274.76</b>	<b>419.86</b>	<b>1,807.16</b>
Additions	1.00	-	6.23	-	7.23
Sales/adjustment	(13.67)	(11.49)	(51.60)	(71.85)	(148.61)
<b>Balance as at 31 March 2023</b>	<b>39.65</b>	<b>48.73</b>	<b>1,229.39</b>	<b>348.01</b>	<b>1,665.78</b>
<b>Accumulated Depreciation</b>					
Balance as at 1 April 2021	11.11	35.20	575.72	178.97	801.00
Depreciation	3.32	9.45	204.91	29.83	247.51
Sales/adjustment	(0.09)	(0.11)	(13.41)	(2.03)	(15.64)
<b>Balance as at 31 March 2022</b>	<b>14.34</b>	<b>44.54</b>	<b>767.22</b>	<b>206.77</b>	<b>1,032.87</b>
Depreciation	3.88	8.63	195.05	22.40	229.96
Sales/adjustment	(5.71)	(9.69)	(27.70)	(69.98)	(113.08)
<b>Balance as at 31 March 2023</b>	<b>12.51</b>	<b>43.48</b>	<b>934.57</b>	<b>159.19</b>	<b>1,149.75</b>
<b>Net block as at 31 March 2022</b>	<b>37.98</b>	<b>15.68</b>	<b>507.54</b>	<b>213.09</b>	<b>774.29</b>
<b>Net block as at 31 March 2023</b>	<b>27.14</b>	<b>5.25</b>	<b>294.82</b>	<b>188.82</b>	<b>516.03</b>



**Dhoni Stocks Limited**

Notes to financial statements for the year ended 31 March 2023

(All amounts in Rs Lakhs unless otherwise stated)

**Note - 11 B**

**Intangible assets under development**

<b>Gross block</b>	
Balance as at 1 April 2021	90.22
Additions	272.91
Capitalised	(200.08)
<b>Balance as at 31 March 2022</b>	<b>163.05</b>
Additions	21.63
Capitalised	(175.68)
<b>Balance as at 31 March 2023</b>	<b>9.00</b>

<b>Intangible assets under development aging schedule as at 31st March 2023</b>					
Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	9.00	-	-	9.00

<b>Intangible assets under development aging schedule as at 31st March 2022</b>					
Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	163.05	-	-	-	163.05

\*There were no Intangible assets under development whose completion is overdue or has exceeded its cost as compared to its original plan.

**Note - 11 C**

**Intangible assets**

	<u>Softwares</u>
<b>Gross block</b>	
Balance as at 1 April 2021	4,119.83
Additions	231.21
Sales/adjustment	(54.30)
<b>Balance as at 31 March 2022</b>	<b>4,296.74</b>
Additions	190.64
Sales/adjustment	-
<b>Balance as at 31 March 2023</b>	<b>4,487.38</b>
<b>Accumulated amortisation</b>	
Balance as at 1 April 2021	1,325.18
Amortisation	437.80
Sales/adjustment	(0.01)
<b>Balance as at 31 March 2022</b>	<b>1,762.97</b>
Amortisation	489.06
Sales/adjustment	0.03
<b>Balance as at 31 March 2023</b>	<b>2,252.06</b>
<b>Net block as at 31 March 2022</b>	<b>2,533.77</b>
<b>Net block as at 31 March 2023</b>	<b>2,235.32</b>

**Note - 11 D**

**Right of use of assets**

	<u>Building</u>
<b>Gross block</b>	
Balance as at 1 April 2021	-
Addition on account of transition to Ind AS 116	118.63
Termination/ adjustment	-
<b>Balance as at 31 March 2022</b>	<b>118.63</b>
Addition	-
Termination/ adjustment	-
<b>Balance as at 31 March 2023</b>	<b>118.63</b>
<b>Accumulated amortisation</b>	
Balance as at 1 April 2021	-
Amortisation	8.13
Termination/ adjustment	-
<b>Balance as at 31 March 2022</b>	<b>8.13</b>
Amortisation	19.77
Termination/ adjustment	-
<b>Balance as at 31 March 2023</b>	<b>27.90</b>
<b>Net block as at 31 March 2022</b>	<b>110.50</b>
<b>Net block as at 31 March 2023</b>	<b>90.73</b>





Note - 12 Other non-financial assets	As at	As at	As at	As at
	31 March 2023	31 March 2023	31 March 2022	31 March 2022
Prepaid expenses		43.21		101.07
Balances with government authorities *		65.29		146.34
Capital advances	1,704.15		1,725.38	
Less: Provision for doubtful capital advances	(4.15)	1,700.00	(25.38)	1,700.00
Others (unsecured, considered good)		51.01		62.87
<b>Total</b>		<b>1,859.51</b>		<b>2,010.28</b>

\* includes Rs 3.50 lakh (31 March 2022: Rs 3.50 lakh) recoverable from UPVAT authorities pending assessment of liability in respect of assessment years 2013-14 and 2014-15

Note - 13 Trade payables	As at	As at
	31 March 2023	31 March 2022
Total outstanding due to micro enterprises and small enterprises	-	-
Total outstanding due to creditors other than micro enterprises and small enterprises	19.42	87.79
<b>Total</b>	<b>19.42</b>	<b>87.79</b>

Ageing of Trade Payable:-  
As at 31 March 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	12.90	0.76	1.44	4.32	19.42
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

As at 31 March 2022

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	78.85	1.44	7.50	-	87.79
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

On the basis of confirmations obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Particulars	As at	As at
	31 March 2023	31 March 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Note - 14 Borrowings (other than debt securities)	As at	As at
	31 March 2023	31 March 2022
At amortized cost		
Secured		
- From banks		
- Bank overdraft	-	83.01
<b>Total</b>	<b>-</b>	<b>83.01</b>
Borrowings in India	-	83.01
Borrowings outside India	-	-
<b>Total</b>	<b>-</b>	<b>83.01</b>

Reconciliation of liabilities arising from financing activities:

The changes in the Company's liabilities arising from financing activities are as follows

Particulars	Borrowings (other than debt securities)
Balance as at 31 March 2021	-
Cash flows:	
- Repayment	(62,563.00)
- Proceeds	62,646.01
Non-cash:	
- Others	-
Balance as at 31 March 2022	83.01
Cash flows:	
- Repayment	(84,298.92)
- Proceeds	84,215.91
Non-cash:	
- Others	-
Balance as at 31 March 2023	-

Note - 15 Finance Lease obligations	As at	As at
	31 March 2023	31 March 2022
Finance Lease obligations (Refer Note 48)	99.06	113.22
<b>Total</b>	<b>99.06</b>	<b>113.22</b>



Note - 16  
Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Others		
Temporary overdrawn bank balances as per books	-	135.06
Employee related payables	54.37	34.93
Payable for capital goods	42.70	7.99
Margin from customers <sup>(i)</sup>	11,065.92	14,754.46
<b>Total</b>	<b>11,162.99</b>	<b>14,932.44</b>

(i) "Margin from customers" represents amount received from customer for as margin for executing orders on stock exchanges

Note - 17  
Current tax liabilities (net)

	As at 31 March 2023	As at 31 March 2022
Provision for Taxation (Net of tax deducted at source of Rs. 332.61 lakh (31 March 2022: Rs. 119.73 lakh))	203.81	180.58
<b>Total</b>	<b>203.81</b>	<b>180.58</b>

Note - 18  
Provisions

	As at 31 March 2023	As at 31 March 2022
For Employee Benefits (Refer Note 40)		
Provision for Gratuity	336.06	411.04
Provision for Compensated Absences	70.48	93.91
<b>Total</b>	<b>406.54</b>	<b>504.95</b>

Note - 19  
Other non-financial liabilities

	As at 31 March 2023	As at 31 March 2022
Revenue received in advance <sup>(i)</sup>	28.33	45.12
Others		
Statutory dues payables	33.06	68.45
Expenses and others payable	555.33	602.69
<b>Total</b>	<b>616.72</b>	<b>716.26</b>

(i) Revenue received in advance represents brokerage and depository income billed but not recognised as income in the statement of profit and loss since the same is related to future period and not current year. Reconciliation of revenue received in advance is as follows:

	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	45.12	63.44
Add: Advance received during the year	171.65	528.50
Less: Revenue recognised during the year	(188.44)	(546.82)
<b>Balance at the end of the year</b>	<b>28.33</b>	<b>45.12</b>

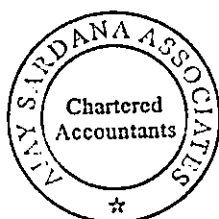
Note - 20  
Equity share capital

	As at 31 March 2023		As at 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity Shares of face value of Rs. 10 each	1,40,00,000	1,400.00	1,40,00,000	1,400.00
	<b>1,40,00,000</b>	<b>1,400.00</b>	<b>1,40,00,000</b>	<b>1,400.00</b>

In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013, members of the Company in their meeting held on 1 February 2020 granted their approval for increase in the authorised share capital from Rs. 100.00 lakh to Rs. 1,400.00 lakh divided in to 1,40,00,000 equity shares of face value of Rs 10 each

	As at 31 March 2023		As at 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
Issued, subscribed and fully paid up				
Equity Shares of face value of Rs. 10 each fully paid up	1,37,00,000	1,370.00	1,37,00,000	1,370.00
<b>Total</b>	<b>1,37,00,000.00</b>	<b>1,370.00</b>	<b>1,37,00,000.00</b>	<b>1,370.00</b>

Consequent upon the increase in authorized share capital, and upon receipt of consideration in cash, the Board of Directors of the Company, at their meeting held on February 20, 2020 granted their approval and the Company issued and allotted 137,00,000 equity shares respectively of face value Rs. 10 per share to the Holding Company, Dhani Services Limited ("DSL") at a premium of Rs. 250 per share. As a result, the paid up equity share capital of the Company increased to Rs. 13,70,00,000 divided into 1,37,00,000 equity shares of Rs. 10 each fully paid up.



**a. Terms/rights attached to equity shares:**

(i) The Company has only one class of Equity Shares having a face value of Rs. 10 per share. Each holder of Equity Share is entitled to one vote per share.

(ii) In the event of liquidation of the Company, the holders 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 Equity Shares held by the shareholders.

**b. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the financial year :**

Equity shares	As at 31 March 2023		As at 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	1,37,00,000	1,370.00	1,37,00,000	1,370.00
Outstanding at the end of year	1,37,00,000	1,370.00	1,37,00,000	1,370.00

**c. Details of shareholders holding more than 5% shares and holding company:**

Names of shareholders	As at 31 March 2023		As at 31 March 2022	
	No. of shares	% held	No. of shares	% held
Equity Shares of face value of Rs. 10 each fully paid up The entire share capital is held by Dhani Services Limited, the holding Company and its nominees	1,37,00,000	100%	1,37,00,000	100%

**d. Shares held by promoters at the end of the reporting year**

As at 31 March 2023:

Name of Promoter	No. of Shares	% of total shares	% Change during the year
Dhani Services Limited and its nominees	1,37,00,000	100%	-
	1,37,00,000	100%	-

As at 31 March 2022:

Name of Promoter	No. of Shares	% of total shares	% Change during the year
Dhani Services Limited and its nominees	1,37,00,000	100%	-
	1,37,00,000	100%	-

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

e. The Company has not issued any bonus shares during the current year and five years immediately preceding current year.

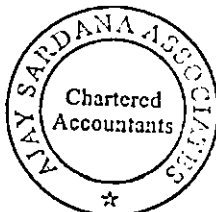
f. There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue and bought back during the last five years.

f. Employees stock option plans: [Refer Note: 44]

**Note - 21**

**Other equity**

	As at 31 March 2023	As at 31 March 2022
(a) Securities Premium	32,738.30	32,738.30
(b) Share based payment reserve	17.40	210.11
(c) Other component of equity	63.53	6.47
(d) Capital reserve	820.69	820.69
(e) Retained Earnings	5,625.94	3,942.22
<b>Total</b>	<b>39,265.86</b>	<b>37,717.79</b>
(a) Securities Premium		
Balance at the beginning of the year	32,738.30	32,738.30
Add: Premium on shares issued during the year	-	-
Less: Share issue expenses	-	-
<b>Total (a)</b>	<b>32,738.30</b>	<b>32,738.30</b>
(b) Share based payment reserve		
Balance at the beginning of the year	210.11	69.44
Add: Transfer from the Statement of Profit and Loss	(135.65)	140.67
Less: Transferred to Other Component of Equity	(57.06)	-
<b>Total (b)</b>	<b>17.40</b>	<b>210.11</b>
(c) Other component of equity		
Balance at the beginning and end of the year	6.47	6.47
Add: Transferred from Share based payment reserve	57.06	-
<b>Total (c)</b>	<b>63.53</b>	<b>6.47</b>
(d) Capital reserve		
Balance at the beginning and end of the year	820.69	820.69
Add: Addition during the year	-	-
<b>Total (d)</b>	<b>820.69</b>	<b>820.69</b>
(e) Retained Earnings		
Balance at the beginning of the year	3,955.54	3,008.05
Add: Profit for the year	1,649.71	947.49
<b>Retained Earnings</b>	<b>5,605.27</b>	<b>3,955.54</b>
Remeasurement of defined benefit plans through other comprehensive income		
Opening Balance	(13.32)	(24.99)
Other comprehensive income (net of tax) for the year	33.99	11.67
Remeasurement of defined benefit plans through other comprehensive income	20.67	(13.32)
<b>Total Appropriations</b>	<b>20.67</b>	<b>(13.32)</b>
<b>Total (e)</b>	<b>5,625.94</b>	<b>3,942.22</b>
<b>Total</b>	<b>39,265.86</b>	<b>37,717.79</b>



(a) Securities premium

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act 2013

(b) Share based payment reserve

The share based payment reserve is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in share based payment reserve are transferred to share premium-retained earnings upon exercise of stock options by employees

(c) Other component of equity

Other component of equity are upon exercise of stock options by employees during the year

(d) Capital reserves

Capital reserve has been created in accordance with provision of the Act and is not available for distribution to owners. Addition (net of taxes) have been made on account of acquisition of stock broking business from Dhani Services Limited, the Holding Company

(e) Retained earnings

Retained earnings are the accumulated profits earned by the Company till date and Actuarial gains and losses on defined benefit plans are recognised in other comprehensive income (net of taxes), less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders

Note - 22	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Interest income</b>		
<b>On financial assets measured at amortised Cost:</b>		
<b>Interest on deposits</b>		
- Interest on fixed deposits with banks and deposits with stock exchanges	1,478.08	1,312.11
<b>Other interest income</b>		
- Interest on delayed payments / margin funding	1,399.32	1,564.53
- Unwinding of interest income	0.42	0.12
<b>Total</b>	<b>2,877.82</b>	<b>2,876.76</b>
<b>Note - 23</b>	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
<b>Fees and commission income</b>		
<b>Brokerage and other ancillary income</b>	4,794.57	5,361.75
<b>Income from depository services</b>	397.66	546.82
<b>Income from mutual funds and IPO commission and account opening charges</b>	192.73	29.43
<b>Total</b>	<b>5,384.96</b>	<b>5,938.00</b>
<b>Note - 24</b>	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
<b>Net gain on fair value changes</b>		
<b>Net gain on financial instruments at fair value through profit and loss account -</b>		
- Investments		
Gain on redemption of mutual funds	45.28	74.08
<b>Total</b>	<b>45.28</b>	<b>74.08</b>
<b>Fair Value Changes</b>		
-Realised	45.28	74.08
<b>Total Net gain on fair value changes</b>	<b>45.28</b>	<b>74.08</b>
<b>Note - 25</b>	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
<b>Sale of services</b>		
<b>Transaction and other charges</b>	497.71	659.42
<b>Total</b>	<b>497.71</b>	<b>659.42</b>
<b>Note - 26</b>	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
<b>Other income</b>		
<b>Excess provision for expenses no longer required written back</b>	115.16	78.54
<b>Interest on income tax refund</b>	4.43	-
<b>Sundry credit balances written back</b>	62.21	45.46
<b>Miscellaneous income</b>	21.90	23.05
<b>Dividend received on behalf of beneficial owners (net of tax deduction of source)</b>	57.02	152.94
<b>Less: Transferred to beneficial owners</b>	(57.02)	(152.94)
<b>Total</b>	<b>210.41</b>	<b>147.05</b>



Note - 27 Finance costs	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>On financial liabilities measured at amortised Cost -</b>		
<b>Interest on deposits</b>		
- Interest on inter-corporate deposits	22.02	41.16
<b>Interest on borrowings</b>		
- Interest on bank overdraft	9.43	1.40
<b>Interest on Lease Liabilities</b>	8.75	3.95
<b>Other interest expense</b>		
- Interest on Taxes	-	56.19
<b>Total</b>	<b>40.20</b>	<b>102.70</b>
<b>Note - 28 Fees and commission expense</b>		
	For the year ended 31 March 2023	For the year ended 31 March 2022
SEBI charges	7.72	11.89
Depository charges	72.25	117.80
Transaction charges	540.10	626.85
Membership fees	7.81	10.00
Other Exchange Charges	122.72	-
<b>Total</b>	<b>750.60</b>	<b>766.54</b>
<b>Note - 29 Impairment on financial instruments</b>		
	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Measured at Amortised Cost</b>		
- Impairment due to expected credit loss on trade receivables	80.00	152.89
- Provision for doubtful capital advances/security deposits	12.00	0.65
Bad debts - advances written off	1,555.71	447.31
Less - Adjusted against provision of earlier years	(875.80)	(447.27)
<b>Total</b>	<b>771.91</b>	<b>153.58</b>
<b>Note - 30 Employee benefits expense</b>		
	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and wages	1,703.03	2,239.15
Contribution to provident fund and other funds	28.25	25.11
Share-based payments to employees	(135.65)	140.67
Staff welfare expenses	1.29	9.36
Provision for gratuity and compensated absences (net) (Refer Note - 40)	45.78	86.18
<b>Total</b>	<b>1,642.70</b>	<b>2,500.47</b>
<b>Note - 31 Depreciation and amortisation expense</b>		
	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment (Refer Note - 11 A)	229.96	247.51
Amortisation on other intangible assets (Refer Note - 11 C)	489.06	437.80
Amortisation on Right of use Assets (Refer Note - 11 D)	19.77	8.13
<b>Total</b>	<b>738.79</b>	<b>693.44</b>



Note - 32  
Other expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
Repairs and maintenance - others	2.96	9.47
Communication expenses	53.35	97.90
Rates and taxes	27.38	40.01
Printing and stationery	14.63	24.56
Payment to statutory auditors	17.50	8.50
Legal and professional charges	1,951.50	2,108.99
Insurance	0.08	0.08
Stamp duty	5.52	19.28
Web hosting expenses	76.05	68.10
Lensed line expenses	160.87	206.71
Software expenses	338.13	369.34
Rent Expenses	8.39	439.57
Electricity expenses	1.31	0.13
Recruitment and training expenses	158.63	0.04
Travelling and conveyance	7.81	9.60
Office maintenance	34.91	121.60
Business promotion	30.32	507.17
Loss on sale/scrapping of fixed assets	-	61.89
Manpower hiring charges	132.59	69.21
Corporate Social Responsibility Expenses [Refer Note 52]	18.37	8.10
Miscellaneous expenses	7.13	8.50
	<b>3,047.43</b>	<b>4,178.75</b>

\* Auditor's remuneration includes

as statutory auditor	10.60	5.30
for certifications	6.90	3.20

Note - 33  
Tax expenses

A. The major components of income tax expense for the year as under:  
Income tax recognised in Statement of profit & loss -

	For the year ended 31 March 2023	For the year ended 31 March 2022
Tax expense:		
Current tax	354.08	300.31
Deferred tax	20.74	52.03
	<b>374.82</b>	<b>352.34</b>
Accounting profit before tax expense	2,024.55	1,299.83
Income tax rate	29.12%	29.12%
Expected tax expense	589.55	378.51
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense		
Tax effect of expenses-(income)	34.41	(4.60)
Allowance u/s 36(1)(viii) of the Income-Tax Act, 1961	(248.85)	-
Tax expenses of earlier years	12.90	-
Tax effect of carry forward losses (including unabsorbed depreciation)	(13.19)	(21.57)
Income tax expense	<b>374.82</b>	<b>352.34</b>

Note - 34  
Earnings per share:

Basic earnings per share is computed by dividing the net profit/(loss) attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share are computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The number of equity shares and potential diluted equity shares are adjusted for stock split and bonus shares as appropriate.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net Profit/(loss) for the year (in Rs lakh)	1,649.73	947.49
Nominal value of equity shares (In Rs )	10.00	10.00
Weighted average number of equity shares for basic earnings per share	1,37,00,000	1,37,00,000
Weighted average number of equity shares for computation of Diluted earnings per share	1,37,00,000	1,37,00,000
Basic earnings per share (In Rs.)	12.04	6.92
Diluted earnings per share (In Rs.)	12.04	6.92



## Note - 35

The Company has not entered into any derivative instruments during the year. There are no foreign currency exposures as at 31 March 2023 (Previous year: Rs. Nil).

## Note - 36

**Balances in Fixed deposits include:**

	31 March 2023	31 March 2022
(a) Deposits pledged with the National Stock Exchange of India, BSE Limited, NSE Clearing Limited (formerly National Securities Clearing Corporation Limited), National Commodity and Derivatives Exchange Limited and Multi Commodity Exchange of India Limited for the purpose of cash collateral, base capital and additional base capital.	29,060.25	38,763.37
(b) Deposits pledged with banks for overdraft facilities availed by the Company.	4,242.00	200.00
(c) Deposits pledged with bank against bank guarantees issued in favour of Unique Identification Authority of India.	25.00	25.00
(d) Deposits pledged for arbitration matters.	47.19	46.62
(e) Pledged with Sales Tax Authorities	1.90	1.90
(f) Deposits pledged with State Commission, New Delhi for appeal filed by the Company in a consumer dispute matter.	0.25	0.25
<b>Total</b>	<b>33,376.59</b>	<b>39,037.14</b>

## Note - 37

Contingent liabilities not provided for in

(a) Claims against the Company not acknowledged as debts on account of pending litigation: Rs. 63.86 lakhs (Previous year: Rs. 34.10 lakhs).

(b) The Company in the ordinary course of business, has various cases pending in different authorities and courts, however, the management does not expect any unfavourable outcome resulting in material adverse effect on the financial position of the Company.

## Note - 38

Capital commitments outstanding as at 31 March 2023: Rs. NIL (31 March 2022: Rs. 58.55 lakh).

## Note - 39

As per the best estimate of the management, no provision is required to be made as per Indian Accounting Standard 37- Provisions, Contingent Liabilities and Contingent Assets as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

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Note - 40  
Employee benefits:

**(a) Defined contribution plans**

Provident Fund

The Company has certain defined contribution plans such as provident fund for benefits of its employee. Contribution are made to provident fund in India for employees as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. During the year, the Company has recognized the following amounts in the Statement of Profit and Loss in respect of defined contribution plans and included in "Employee benefits expense".

	For the year ended	
	31 March 2023	31 March 2022
Contribution made to Employees' Provident Fund Organisation	15.45	12.24
Contribution made to Employees' State Insurance Corporation	0.72	1.47
Contribution to Labour Welfare Fund	0.85	1.20
Contribution to Employees' National Pension Scheme	10.32	9.38
	<b>27.34</b>	<b>24.29</b>

**(b) Defined benefits plan**

The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The liability of Gratuity is recognized on the basis of actuarial valuation. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and not reclassified to profit or loss in subsequent periods.

**A. Gratuity (non-funded)**

**Risks associated with plan provisions**

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**(i) Amount recognised in the balance sheet is as under:**

Particulars	As at	As at
	31 March 2023	31 March 2022
Present value of obligation	336.06	411.04
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	<b>336.06</b>	<b>411.04</b>

**(ii) Amount recognised in the statement of profit and loss is as under:**

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Current service cost	28.52	41.36
Past service cost including curtailment gains/losses	-	-
Gains or Losses on Non routine settlements	-	-
Interest cost on defined benefit obligation	27.54	26.38
Interest income on plan assets	-	-
Net impact on profit (before tax)	<b>56.06</b>	<b>67.74</b>
Actuarial (gain)/loss recognised during the year	(47.95)	(16.46)
Amount recognised in the statement of profit and loss and other comprehensive income	<b>8.11</b>	<b>51.28</b>





**Note - 40**  
**Employee benefits: (continued)**

(iii) Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Present value of defined benefit obligation as at the beginning of year	411.04	383.60
Current service cost	28.52	41.36
Interest cost	27.54	26.38
Past service cost including curtailment gains/losses	-	-
Benefits paid	(83.09)	(23.84)
Other adjustments/Reversals	-	-
Acquisition adjustments	-	-
Actuarial loss/(gain) on obligation	-	-
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	(7.61)	(20.24)
Actuarial (gain)/loss on arising from experience adjustment	(40.34)	3.78
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>336.06</b>	<b>411.04</b>

(iv) Major categories of plan assets (as percentage of total plan assets):

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Government of India Securities	-	-
State Government securities	-	-
High Quality Corporate Bonds	-	-
Equity Shares of listed companies	-	-
Property	-	-
Funds Managed by Insurer	-	-
Bank Balance	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

(v) Movement in the plan assets recognised in the balance sheet is as under:

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Fair value of plan assets at beginning of year	-	-
Actual return on plan assets	-	-
Employer's contribution	-	-
Benefits paid	-	-
<b>Fair value of plan assets at the end of the year</b>	<b>-</b>	<b>-</b>

(vi) Actuarial assumptions

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Discounting rate	7.36%	7.18%
Future salary increase	5.00%	5.00%
Retirement age (years)	60.00	60.00
Withdrawal rate		
Up to 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00
Weighted average duration	16.57	18.36

Mortality rates inclusive of provision for disability -100% of IALM (2012 - 14)

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2012-14) Ultimate table.



Note - 40  
Employee benefits: (continued)

(vii) Sensitivity analysis for gratuity liability

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	336.06	411.04
- Impact due to increase of 0.50 %	(18.87)	(24.47)
- Impact due to decrease of 0.50 %	20.14	26.52
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	336.06	411.04
- Impact due to increase of 0.50 %	20.51	26.96
- Impact due to decrease of 0.50 %	(19.16)	(25.07)

(viii) Maturity profile of defined benefit obligation

Particulars	As at	As at
	31 March 2023	31 March 2022
0 to 1 year	6.99	8.63
1 to 2 year	7.50	6.62
2 to 3 year	5.28	8.43
3 to 4 year	9.30	6.43
4 to 5 year	7.35	11.90
5 to 6 year	6.74	8.21
6 year onwards	292.90	360.83

The employer best estimate of contributions expected to be contributed during the annual period beginning after the Balance Sheet date towards Gratuity is Rs. 58.90 lakh (Previous year Rs. 84.26 lakh)

Other long-term employee benefit plans

Provision for unfunded compensated absences for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.



B. Compensated absences (non-funded)

Risks associated with plan provisions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(i) Amount recognised in the balance sheet is as under:

Particulars	As at	As at
	31 March 2023	31 March 2022
Present value of obligation	70.48	93.91
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	70.48	93.91

(ii) Amount recognised in the statement of profit and loss is as under:

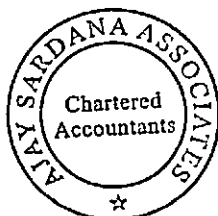
Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Current service cost	10.38	19.44
Past service cost including curtailment gains/losses	-	-
Gains or Losses on Non routine settlements	-	-
Interest cost on defined benefit obligation	6.31	6.25
Interest income on plan assets	-	-
Actuarial (gain)/loss recognised during the year	(26.97)	(7.25)
Amount recognised in the statement of profit and loss	(10.28)	18.44

(iii) Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Present value of defined benefit obligation as at the beginning of year	93.91	82.75
Current service cost	10.38	19.44
Interest cost	6.31	6.25
Past service cost including curtailment gains/losses	-	-
Benefits paid	(13.15)	(7.28)
Acquisition adjustments	-	-
Actuarial loss/(gain) on obligation		
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	(1.83)	(5.01)
Actuarial (gain)/loss on arising from experience adjustment	(25.14)	(2.24)
Present value of defined benefit obligation as at the end of the year	70.48	93.91

(iv) Major categories of plan assets (as percentage of total plan assets):

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Government of India Securities	-	-
State Government securities	-	-
High Quality Corporate Bonds	-	-
Equity Shares of listed companies	-	-
Property	-	-
Funds Managed by Insurer	-	-
Bank Balance	-	-
Total	-	-



(v) Movement in the plan assets recognised in the balance sheet is as under:

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Fair value of plan assets at beginning of year	-	-
Actual return on plan assets	-	-
Employer's contribution	-	-
Benefits paid	-	-
Fair value of plan assets at the end of the year	-	-

(vi) Actuarial assumptions

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Discounting rate	7.36%	7.18%
Future salary increase	5.00%	5.00%
Retirement age (years)	60.00	60.00
Withdrawal rate		
Up to 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00
Weighted average duration	16.57	18.36

Mortality rates inclusive of provision for disability -100% of IALM (2012-14)

Compensated Absences is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2012-14) Ultimate table.

(vii) Sensitivity analysis liability for Compensated absences

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	70.48	93.91
- Impact due to increase of 0.50 %	(4.19)	(6.00)
- Impact due to decrease of 0.50 %	4.43	6.40
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	70.48	93.91
- Impact due to increase of 0.50 %	4.56	6.56
- Impact due to decrease of 0.50 %	(4.24)	(6.07)

(viii) Maturity profile of defined benefit obligation

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
0 to 1 year	1.55	2.10
1 to 2 year	1.54	1.64
2 to 3 year	1.15	1.91
3 to 4 year	1.76	1.54
4 to 5 year	1.50	2.30
5 to 6 year	1.38	1.84
6 year onwards	61.60	82.58

The employer best estimate of contributions expected to be contributed during the annual period beginning after the Balance Sheet date, towards Compensated Absences is Rs. 16.78 lakh (Previous year: Rs. 30.10 lakh).

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.



## Note - 41

There are no borrowing costs to be capitalised as at 31 March 2023 (Previous Year: Rs. Nil).

## Note - 42

## Segment reporting:

The Chief Operating Decision Maker ("CODM") reviews operations and allocates resources at the Company level. The Company is primarily engaged in the business of providing 'broking and related activities', which is considered to be the only reportable segment in accordance with IND-AS 108 - Operating Segments. All other activities of the Company revolve around the main business. The Company derives its major revenues from broking activities and its customers are spread across India. The Company operates solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosures is required.

## Note - 43

## Related party disclosures

## (a) Names of related parties identified in accordance with IND AS -24 "Related Party Disclosures":

The Company's principal related parties consist of its holding company, Indiabulls Ventures Limited and its subsidiaries, affiliates and key managerial personnel. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

Description of relationship	Names of related parties
(i) Where control exists	
Holding Company	Dhani Services Limited
(ii) Others	
Entities under common control (with whom transactions entered into during the period)	Indiabulls Investment Advisors Limited Indiabulls Distribution Services Limited Dhani Loans and Services Limited TranServ Limited
Key Management Personnel	Mr. Divyesh B. Shah, Director Mr. Ashu Khanna, Director Mr. Prasenjeet Mukherjee Mr. Prem Singh Gahalawat Mr. Anand Kumar Mr. Sameer Gehlaut, Individual exercising significant influence

## (b) Significant Transactions with Related Parties during the year ended 31 March 2023:

Particulars	Holding company		Key Management Personnel		Entities under common control	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Finance</b>						
Inter Corporate Deposit Taken (Maximum Balance Outstanding during the year)	2,700.00	5,353.00	-	-	-	-
<b>Expenses</b>						
Interest Expenses	22.02	41.16	-	-	-	-
Reimbursement of Expenses	-	-	-	-	-	502.36
<b>Compensation to key managerial personnel</b>						
- Short-term employee benefits	-	-	15.15	-	-	-
- Post employment benefits - Gratuity	-	-	13.21	-	-	-
- Other long term employee benefits - compensated	-	-	1.63	-	-	-
- Share based payments	-	-	-	-	-	-

## (c) Balance outstanding at 31 March 2022: Rs. Nil (Previous year: Rs. Nil).

In accordance with Ind AS 24, disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed. Related Party relationships are given above are as identified by the Company and relied upon by the Auditors. All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.



Note - 44

Employee stock option schemes:

The employees of the Company have been granted option as per the existing schemes of Dhani Services Limited (Holding Company). On exercise, the employees will be allotted shares of the Holding Company.

A. Grants during the year:

Dhani Services Limited (the Holding Company) has established the "Udaan Employee Welfare Trust" ("Udaan - EWT") ("Trust") for the implementation and management of its employees benefit scheme viz the "Dhani Services Limited - Employee Stock Benefit Scheme - 2008 & 2009" (Scheme) for the benefit of the employees of the holding Company and its subsidiaries Pursuant to Regulation 3(12) of the Securities and Exchange Board of India (SEBI) (Share Based Employee Benefits) Regulations, 2014, fully paid up equity shares of 1,16,00,000 (One crore sixteen lakh) lying in the Trust have been appropriated towards the Scheme for grant of Employees Stock Options (ESOPs) to the employees of the holding Company and its subsidiaries as permitted by SEBI.

The Holding Company has granted 18,00,000 and 98,00,000 employees stock options under DSL ESOP-2008 and DSL ESOP-2009 schemes respectively. Detail of same is as below:

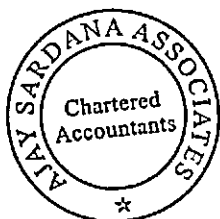
Name of Scheme No. of options granted Exercise price (₹)	DSL ESOP - 2008	DSL ESOP - 2009
		18,00,000
	30	30

B. Employees Stock Options Schemes:

(i) Employees Stock Option Scheme - 2008 (DSL ESOP - 2008)

	DSL ESOP - 2008				
	97,00,000 (Regrant)	8,80,600 (Regrant)	2,00,00,000 (Regrant)	18,00,000 (Regrant)	17,00,000 (Regrant)
Total options under the scheme (Nos.)					
Options granted (Nos.)					
Vesting period and percentage	Ten years, 1st Year - 15% 2nd year to 9th year - 10% each year 10th year - 5%	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year
Vesting date	2nd July each year, commencing 2 July 2017	25 <sup>th</sup> March each year, commencing 25 March 2019	28 <sup>th</sup> June each year, commencing 28 June 2023	25 <sup>th</sup> February each year, commencing 25 February 2023	01 <sup>st</sup> April each year, commencing 01 April 2022
Exercisable period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Exercise price (₹)	24.15	254.85	30	68	150
Outstanding at the beginning of 1 April 2021 (Nos.)	46,24,800	86,800	-	-	-
Granted/ re-granted during the year (Nos.)	-	-	-	18,00,000	17,00,000
Forfeited during the year (Nos.)	30,000	59,400	-	-	17,00,000
Exercised during the year (Nos.)	-	-	-	-	-
Expired during the year (Nos.)	-	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-	-	-
Outstanding as at 31 March 2022 (Nos.)	45,94,800	27,400	-	18,00,000	-
Vested and exercisable as at 31 March 2022 (Nos.)	45,94,800	-	-	-	-
Remaining contractual life (weighted months)	42	72	-	95	-
Outstanding at the beginning of 1 April 2022 (Nos.)	45,94,800	27,400	-	18,00,000	-
Granted/ re-granted during the year (Nos.)	-	-	18,00,000	-	-
Forfeited during the year (Nos.)	5,50,400	27,400	-	18,00,000	-
Exercised during the year (Nos.)	22,00,000	-	-	-	-
Expired during the year (Nos.)	-	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-	-	-
Outstanding as at 31 March 2023 (Nos.)	18,44,400	-	18,00,000	-	-
Vested and exercisable as at 31 March 2023 (Nos.)	18,44,400	-	-	-	-
Remaining contractual life (weighted months)	30	-	87	-	-

Weighted average exercise price of share during the year ended 31 March 2023: Not applicable (31 March 2022: Not applicable)



Note - 44

Employee stock option schemes: (continued)

(ii) Employees Stock Option Scheme - 2009 (DSL - ESOP 2009)

	DSL ESOP - 2009	DSL ESOP - 2009	DSL ESOP - 2009	DSL ESOP - 2009
Total options under the Scheme (Nos )	2,00,00,000	2,00,00,000	2,00,00,000	2,00,00,000
Options granted (Nos )	20,50,000	95,00,000 (Regrant)	98,00,000 (Regrant)	1,00,00,000 (Regrant)
Vesting period and percentage	Ten years, 10% each year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year
Vesting date	13 <sup>th</sup> April each year, commencing 13 April 2011	13 <sup>th</sup> May each year, commencing 13 May 2017	28 <sup>th</sup> June each year, commencing 28 June 2023	2 <sup>nd</sup> September each year, commencing 2 September 2018
Exercisable period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Exercise price (₹)	31.35	16	30	219.65
Outstanding at the beginning of 1 April 2021 (Nos.)	50,000	25,25,600	-	26,85,600
Granted/ regranted during the year (Nos )	-	-	-	-
Forfeited during the year (Nos )	-	24,000	-	13,88,800
Exercised during the year (Nos )	-	-	-	-
Expired during the year (Nos )	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-	-
Outstanding as at 31 March 2022 (Nos.)	50,000	25,01,600	-	12,96,800
Vested and exercisable as at 31 March 2022 (Nos.)	50,000	25,01,600	-	-
Remaining contractual life (Weighted Months)	36	43	-	65
Outstanding at the beginning of 1 April 2022 (Nos.)	50,000	25,01,600	-	12,96,800
Granted/ regranted during the year (Nos.)	-	-	98,00,000	-
Forfeited during the year (Nos )	-	7,11,200	-	12,96,800
Exercised during the year (Nos )	-	-	-	-
Expired during the year (Nos )	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos )	-	-	-	-
Outstanding as at 31 March 2023 (Nos.)	50,000	17,90,400	98,00,000	-
Vested and exercisable as at 31 March 2023 (Nos.)	50,000	17,90,400	-	-
Remaining contractual life (Weighted Months)	24	31	87	-
			<b>DSL ESOP - 2009</b>	<b>DSL ESOP - 2009</b>
Total options under the Scheme (Nos )			2,00,00,000	2,00,00,000
Options granted (Nos )			98,00,000 (Regrant)	84,00,000 (Regrant)
Vesting period and percentage			Five years, 20% each year	Five years, 20% each year
Vesting date			25 <sup>th</sup> February each year, commencing 25 February 2023	01 <sup>st</sup> April each year, commencing 01 April 2022
Exercisable period			5 years from each vesting date	5 years from each vesting date
Exercise price (₹)			68.00	150.00
Outstanding at the beginning of 1 April 2019 (Nos.)			98,80,000	2,19,400
Granted/ regranted during the year (Nos )			-	-
Forfeited during the year (Nos )			1,95,500	-
Exercised during the year (Nos )			8,52,600	40,000
Expired during the year (Nos )			-	-
Surrendered and eligible for re-grant during the year (Nos )			0	0
Outstanding as at 31 March 2020 (Nos.)			88,31,900	1,79,400
Vested and exercisable as at 31 March 2020 (Nos )			30,34,400	47,760
Remaining contractual life (Weighted Months)			67	77
Outstanding at the beginning of 1 April 2021 (Nos.)			-	-
Granted/ regranted during the year (Nos )			98,00,000	84,00,000
Forfeited during the year (Nos )			-	84,00,000
Exercised during the year (Nos.)			-	-
Expired during the year (Nos.)			-	-
Surrendered and eligible for re-grant during the year (Nos )			-	-
Outstanding as at 31 March 2022 (Nos.)			98,00,000	-
Vested and exercisable as at 31 March 2022 (Nos.)			-	-
Remaining contractual life (Weighted Months)			95	-
Outstanding at the beginning of 1 April 2022 (Nos.)			98,00,000	-
Granted/ regranted during the year (Nos )			-	-
Forfeited during the year (Nos )			98,00,000	-
Exercised during the year (Nos.)			-	-
Expired during the year (Nos )			-	-
Surrendered and eligible for re-grant during the year (Nos )			-	-
Outstanding as at 31 March 2023 (Nos.)			-	-
Vested and exercisable as at 31 March 2023 (Nos.)			-	-
Remaining contractual life (Weighted Months)			-	-

Weighted average exercise price of share during the year ended 31 March 2023 Nil (31 March 2022 Nil)



Note - 44

Employee stock option schemes: (continued)

(iii) Dhani Services Limited - Employee Stock Benefit Scheme 2019 ("Scheme") ("DSL-ESBS 2019").

The Scheme has been adopted and approved pursuant to (a) a resolution of the Board of Directors of the Holding Company at its meeting held on 22 October 2019, and (b) a special resolution of the shareholders' of the Holding Company passed through postal ballot on 4 December 2019, result of which were declared on 5 December 2019

This Scheme comprises

- Dhani Services Limited Employees Stock Option Plan 2019 ("ESOP Plan 2019")
- Dhani Services Limited Employees Stock Purchase Plan 2019 ("ESP Plan 2019")
- Dhani Services Limited Stock Appreciation Rights Plan 2019 ("SARs Plan 2019")

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SBEB Regulations"), the Company has set up "Udaan - Employee Welfare Trust" ("Trust") for the purpose of implementation of the Scheme as per the terms of the respective Schemes as aforesaid. The Trust, in compliance with the "SBEB Regulations", is authorised to purchase upto an aggregate of 10,500,000 (One Crore Five lakh) fully paid-up equity shares, being not more than 2% (Two percent) of the fully paid-up equity share capital of the Holding Company as on the date of approval of shareholders, from the secondary market. The Holding Company has appropriated 10,400,000 fully paid up equity shares of the Holding Company purchased by the Trust under the Scheme

	DSL-ESBS 2019
Total options under the Scheme (Nos.)	1,05,00,000
Options granted (Nos.)	1,04,00,000
Vesting period and percentage	Three years, 33.33% each year
Vesting date	17 <sup>th</sup> August each year, commencing 17 August 2021
Exercisable period	5 years from each vesting date
Exercise price (₹)	250
Outstanding as at 1 April 2019 (Nos.)	-
Granted/ re-granted during the year (Nos.)	-
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Surrendered and eligible for re-grant during the year (Nos.)	-
Outstanding as at 31 March 2020 (Nos.)	-
Vested and exercisable as at 31 March 2020 (Nos.)	NA
Remaining contractual life (Weighted Months)	NA
Outstanding at the beginning of 1 April 2021 (Nos.)	1,04,00,000
Granted during the year (Nos.)	-
Forfeited during the year (Nos.)	-
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Surrendered and eligible for re-grant during the year (Nos.)	-
Outstanding as at 31 March 2022 (Nos.)	1,04,00,000
Vested and exercisable as at 31 March 2022 (Nos.)	34,66,667
Remaining contractual life (Weighted Months)	65
Outstanding at the beginning of 1 April 2022 (Nos.)	1,04,00,000
Granted during the year (Nos.)	-
Forfeited during the year (Nos.)	-
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Surrendered during the year (Nos.)	1,04,00,000
Outstanding as at 31 March 2023 (Nos.)	-
Vested and exercisable as at 31 March 2023 (Nos.)	-
Remaining contractual life (Weighted Months)	-

(iv) Dhani Services Limited - Employee Stock Benefit Scheme 2020 ("Scheme") ("DSL-ESBS 2020").

The Scheme has been adopted and approved pursuant to (a) a resolution of the Board of Directors of the Holding Company at its meeting held on 23 January 2020, and (b) a special resolution of the shareholders' of the Holding Company passed through postal ballot on 20 March 2020, result of which were declared on 21 March 2020

This Scheme comprises

- Dhani Services Limited Employees Stock Option Plan 2020 ("ESOP Plan 2020")
- Dhani Services Limited Employees Stock Purchase Plan 2020 ("ESP Plan 2020")
- Dhani Services Limited Stock Appreciation Rights Plan 2020 ("SARs Plan 2020")

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SBEB Regulations"), the Holding Company has set up "Udaan - Employees Welfare Trust" ("Trust") for the purpose of implementation of the Scheme as per the terms of the respective Schemes as aforesaid. The Trust, in compliance with the "SBEB Regulations", is authorised to purchase upto an aggregate of 9,300,000 (Ninety Three lakh) fully paid-up equity shares, being not more than 2% (Two percent) of the fully paid-up equity share capital of the Holding Company as on the date of approval of shareholders, from the secondary market. The Holding Company has appropriated 93,00,000 fully paid up equity shares of the Holding Company purchased by the Trust under the Scheme





Note - 44

Employee stock option schemes: (continued)

	DSL-ESBS 2020
Total options under the Scheme (Nos.)	93,00,000
Options granted (Nos.)	93,00,000
Vesting period and percentage	Three years, 33.33% each year
Vesting date	7 <sup>th</sup> April each year, commencing 7 April 2021
Exercisable period	5 years from each vesting date
Exercise price (₹)	250
Outstanding as at 1 April 2021 (Nos.)	-
Granted: re-granted during the year (Nos.)	93,00,000
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Surrendered and eligible for re-grant during the year (Nos.)	-
Outstanding as at 31 March 2022 (Nos.)	93,00,000
Vested and exercisable as at 31 March 2022 (Nos.)	NA
Remaining contractual life (Weighted Months)	NA
Remaining contractual life (Weighted Months)	-
Outstanding as at 1 April 2022 (Nos.)	93,00,000
Granted: re-granted during the year (Nos.)	-
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Surrendered during the year (Nos.)	93,00,000
Outstanding as at 31 March 2023 (Nos.)	-
Vested and exercisable as at 31 March 2023 (Nos.)	-
Remaining contractual life (Weighted Months)	-
Remaining contractual life (Weighted Months)	-

(iv) Dhani Services Limited - Employee Stock Benefit Scheme 2021 ("Scheme") ("DSL-ESBS 2021").

The Scheme has been adopted and approved pursuant to (a) a resolution of the Board of Directors of the Holding Company at its meeting held on 06 March 2021, and (b) a special resolution of the shareholders' of the Holding Company passed through postal ballot on 15 April 2021, result of which were declared on 16 April 2021.

Thus Scheme comprises

- Dhani Services Limited Employees Stock Option Plan 2021 ("ESOP Plan 2021")
- Dhani Services Limited Employees Stock Purchase Plan 2021 ("ESP Plan 2021")
- Dhani Services Limited Stock Appreciation Rights Plan 2021 ("SARs Plan 2021")

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SBEBS Regulations"), the Holding Company has set up "Udaan - Employees Welfare Trust" (Trust) for the purpose of implementation of the Scheme as per the terms of the respective Schemes as aforesaid. The Trust, in compliance with the "SBEBS Regulations", is authorised to purchase upto an aggregate of 1,05,00,000 (One Crore Five lakh) fully paid-up equity shares, being not more than 2% (Two percent) of the fully paid-up equity share capital of the Holding Company as on the date of approval of shareholders, from the secondary market. The Holding Company has not granted any options/ SARs under the said Scheme as at 31 March 2022.

C. Fair Valuation:

The details of the Fair value of the options/ SARs as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model -

	DSL ESOP - 2008		
	97,00,000 Options Regranted	8,80,600 Options Regranted	18,00,000 Options Regranted
1 Exercise price (₹)	24.15	254.85	68.00
2 Expected volatility *	42.97%	47.15%	69.05%
3 Option Life (Weighted Average) (in years)	6	6	6
4 Expected Dividends yield	10.82%	1.10%	1.01%
5 Risk Free Interest rate	7.45%	7.56%	5.50%
6 Fair value of the options (₹)	4.31	130.05	34.58
	DSL ESOP - 2009		
	20,50,000 Options	95,00,000 Options Regranted	1,00,00,000 Options Regranted
1 Exercise price (₹)	31.35	16	219.65
2 Expected volatility *	48.96%	40.74%	46.70%
3 Expected forfeiture percentage on each vesting date	Nil	Nil	Nil
4 Expected dividends yield	6.86%	16.33%	1.27%
5 Risk free interest rate	8.05%	7.45%	6.54%
6 Fair value of the options (₹)	9.39	1.38	106.31
	DSL ESOP - 200		
	98,00,000 Options	93,00,000 SARs	1,04,00,000 SARs
1 Exercise price (₹)	68	250	250
2 Expected volatility *	69.05%	76.57%	68.45%
3 Expected forfeiture percentage on each vesting date	6	Nil	Nil
4 Expected dividends yield	1.01%	1.26%	1.71%
5 Risk free interest rate	5.50%	4.36%	4.17%
6 Fair value of the options (₹)	34.58	65.82	55.49

\* The expected volatility was determined based on historical volatility data.



Note - 44

Employee stock option schemes: (continued)

	DSL ESOP - 2008 & 2009				
	18,00,000 and 98,00,000				
	Options				
	28-Jun-23	28-Jun-24	28-Jun-25	28-Jun-26	28-Jun-27
1. Vesting Date					
2. Exercise price (₹)	30	30	30	30	30
3. Expected volatility *	70.92%	68.20%	66.66%	65.39%	63.19%
4. Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil
5. Expected dividends yield	0.66%	0.66%	0.66%	0.66%	0.66%
6. Risk free interest rate	6.70%	6.87%	6.97%	7.05%	7.09%
7. Fair value of the options (₹)	15.69	17.00	18.15	19.09	19.69
8. Average Price			17.92		

\* The expected volatility was determined based on historical volatility data

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Note - 45  
Financial instruments

A Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	Note No.	As at	
		31 March 2023	31 March 2022
<b>Financial assets measured at amortised cost</b>			
Cash and cash equivalents	3	2,606.02	1,194.82
Bank balance other than cash and cash equivalents	4	33,648.44	39,164.93
Trade receivables	5	5,714.02	4,075.02
Other receivables	6	-	680.57
Loans	7	2,234.90	3,094.14
Other financial assets	8	3,288.47	854.56
<b>Total</b>		<b>47,491.85</b>	<b>49,064.04</b>
<b>Financial liabilities measured at amortised cost</b>			
Trade payables	13	19.42	87.79
Borrowings (other than debt securities but including interest accrued)	14	-	83.01
Finance Lease obligations	15	99.06	113.22
Other financial liabilities	16	11,162.99	14,932.44
<b>Total</b>		<b>11,281.47</b>	<b>15,216.46</b>

B Fair values hierarchy

As per Ind AS 107, 'Financial Instruments: Disclosures', the fair values of the financial assets or financial liabilities are defined as the price that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

B.1 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at		As at	
	31 March 2023		31 March 2022	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Cash and cash equivalents	2,606.02	2,606.02	1,194.82	1,194.82
Bank balances other than cash and cash equivalents	33,648.44	33,648.44	39,164.93	39,164.93
Trade receivables	5,714.02	5,714.02	4,075.02	4,075.02
Other receivables	-	-	680.57	680.57
Loans	2,234.90	2,234.90	3,094.14	3,094.14
Other financial assets	3,288.47	3,288.47	854.56	854.56
<b>Total</b>	<b>47,491.85</b>	<b>47,491.85</b>	<b>49,064.04</b>	<b>49,064.04</b>
<b>Financial liabilities</b>				
Trade payables	19.42	19.42	87.79	87.79
Borrowings (other than debt securities)	-	-	83.01	83.01
Finance Lease obligations	99.06	99.06	113.22	113.22
Other financial liabilities	11,162.99	11,162.99	14,932.44	14,932.44
<b>Total</b>	<b>11,281.47</b>	<b>11,281.47</b>	<b>15,216.46</b>	<b>15,216.46</b>

The management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables, loans, trade payables, finance lease obligations and other financial liabilities approximate their respective carrying amounts, largely due to the short-term maturities of these instruments.



Note - 46

Financial risk management

i) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company's risk are managed by a treasury department under policies approved by the board of directors. The board of directors provides written principles for overall risk management. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, investments, loans, trade receivables and other financial assets	Ageing analysis	Highly rated bank deposits and diversification of asset base and collaterals taken for assets
Liquidity risk	Borrowings, trade payables and other financial liabilities	Cash flow forecasts	Committed borrowing and other credit facilities.
Market risk - interest rate	Borrowings	Sensitivity analysis	Negotiation of terms that reflect the market factors

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

A) Credit risk

Credit Risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets, trade receivables and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets:

- (i) Low credit risk
- (ii) Moderate credit risk
- (iii) High credit risk

The company provides for expected credit loss based on the following:

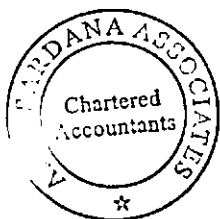
Nature	Assets covered	Basis of expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, investments, trade receivables, other receivables, loans and other financial assets	Life time expected credit loss or 12 month expected credit loss
Moderate credit risk	Trade receivables	Life time expected credit loss
High credit risk	Other receivables	Life time expected credit loss or fully provided for

Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Financial assets that expose the entity to credit risk\*

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Low credit risk		
Cash and cash equivalents	2,606.02	1,194.82
Bank balance other than cash and cash equivalents	33,648.44	39,164.93
Trade receivables	5,714.02	4,075.02
Other receivables	-	680.57
Loans	2,234.90	3,094.14
Other financial assets	3,288.47	854.56
(ii) Moderate credit risk		
Trade receivables	984.52	904.52
(ii) High credit risk		
Other receivables	-	854.57
Other financial assets	25.32	13.32

\* These represent gross carrying values of financial assets, without deduction for expected credit losses



Note - 46  
Financial risk management (continued)

**Cash and cash equivalents**

Credit risk related to cash and cash equivalents is managed by only accepting highly rated banks and diversifying accounts in different banks across the country.

**Bank balance other than cash and cash equivalents**

Credit risk related to Bank balance other than cash and cash equivalents is managed by only accepting highly rated banks and diversifying accounts in different banks across the country.

**Trade and Other receivables**

Credit risk related to trade receivables is managed by monitoring the recoverability of such amounts continuously

**Other financial assets measured at amortized cost**

Other financial assets measured at amortized cost includes loans, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

b) Credit risk exposure

i) Expected credit losses for financial assets

As at 31 March 2023	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	2,606.02	-	2,606.02
Bank balances other than cash and cash equivalents	33,648.44	-	33,648.44
Trade receivables	6,698.54	984.52	5,714.02
Loans	2,234.90	-	2,234.90
Other financial assets	3,313.79	25.32	3,288.47
As at 31 March 2022	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,194.82	-	1,194.82
Bank balances other than cash and cash equivalents	39,164.93	-	39,164.93
Trade receivables	4,979.54	904.52	4,075.02
Other receivables	1,535.14	854.57	680.57
Loans	3,094.14	-	3,094.14
Other financial assets	867.88	13.32	854.56

(ii) Reconciliation of loss allowance provision from beginning to end of reporting period:

Reconciliation of loss allowance	Trade receivables	Other receivables	Other financial assets
Loss allowance on 1 April 2021	1,198.90	854.57	13.32
Impairment loss allowance during the year	152.89	-	-
Loss allowance written back	-	-	-
Write - offs	(447.27)	-	-
Loss allowance on 31 March 2022	904.52	854.57	13.32
Impairment loss allowance during the year	80.00	-	12.00
Loss allowance written back	-	-	-
Write - offs	-	(854.57)	-
Loss allowance on 31 March 2023	984.52	-	25.32



Note - 46

Financial risk management (continued)

c) Concentration of trade receivables and other receivables

The Company carries on the business as stock broker on the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE"), commodities broker on Multi Commodity Exchange of India Limited ("MCX") and National Commodity & Derivatives Exchange Limited ("NCDEX"), depository participants and renders other related ancillary services. The Company's outstanding receivables are for stock broking on stock exchange's and depository participants. Loans and other financial assets majorly represents margin funding loans and deposits given for business purposes

B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Company's liquidity positions (also comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The Company also takes into account liquidity of the market in which the entity operates.

(i) Financing arrangements

The Company had access to the following funding facilities:

As at 31 March 2023	Total facility	Drawn	Undrawn
- Expiring within one year	180.00	-	180.00
- Expiring beyond one year	25,000.00	-	25,000.00
<b>Total</b>	<b>25,180.00</b>	<b>-</b>	<b>25,180.00</b>

As at 31 March 2022	Total facility	Drawn	Undrawn
- Expiring within one year	180.00	83.01	96.99
- Expiring beyond one year	25,000.00	-	25,000.00
<b>Total</b>	<b>25,180.00</b>	<b>83.01</b>	<b>25,096.99</b>

(ii) Maturities of financial assets and liabilities

The tables below analyse the Company financial assets and liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows:

As at 31 March 2023	Less than 1 year	1-3 years	More than 3 years	Total
<b>Non-derivatives</b>				
Cash and cash equivalents	2,606.02	-	-	2,606.02
Bank balances other cash and cash equivalents	33,648.44	-	-	33,648.44
Trade receivables	6,698.54	-	-	6,698.54
Loans	2,234.90	-	-	2,234.90
Other financial assets	2,319.46	-	994.33	3,313.79
<b>Total undiscounted financial assets</b>	<b>47,507.36</b>	<b>-</b>	<b>994.33</b>	<b>48,501.69</b>
<b>Non-derivatives</b>				
Trade payables	19.42	-	-	19.42
Finance Lease obligations	16.55	66.99	15.52	99.06
Other financial liabilities	11,162.99	-	-	11,162.99
<b>Total undiscounted financial liabilities</b>	<b>11,198.96</b>	<b>66.99</b>	<b>15.52</b>	<b>11,281.47</b>
<b>Net undiscounted financial assets/(liabilities)</b>	<b>36,308.40</b>	<b>(66.99)</b>	<b>978.81</b>	<b>37,220.22</b>



Note - 46  
Financial risk management (continued)

As at 31 March 2022	Less than 1 year	1-3 years	More than 3 years	Total
<b>Non-derivatives</b>				
Cash and cash equivalents	1,194.82	-	-	1,194.82
Bank balances other cash and cash equivalents	39,164.93	-	-	39,164.93
Trade receivables	4,979.54	-	-	4,979.54
Other receivables	-	-	1,535.14	1,535.14
Loans	3,094.14	-	-	3,094.14
Other financial assets	2,319.46	-	994.33	3,313.79
<b>Total undiscounted financial assets</b>	<b>50,752.89</b>	<b>-</b>	<b>2,529.47</b>	<b>53,282.36</b>
<b>Non-derivatives</b>				
Trade payables	87.79	-	-	87.79
Finance Lease obligations	12.89	35.35	64.97	113.21
Other financial liabilities	14,932.44	-	-	14,932.44
<b>Total undiscounted financial liabilities</b>	<b>15,033.12</b>	<b>35.35</b>	<b>64.97</b>	<b>15,133.44</b>
<b>Net undiscounted financial assets/(liabilities)</b>	<b>35,719.77</b>	<b>(35.35)</b>	<b>2,464.50</b>	<b>38,148.92</b>

C) Market risk

a) Foreign currency risk

The Company has not entered into any foreign currency transactions and is not exposed to foreign exchange risk arising from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. The Company did not have any foreign currency receivables and payables as at 31 March 2023 (Previous year Rs. Nil).

b) Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2023, the Company is not exposed to changes in market interest rates.

*Interest rate risk exposure*

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate liabilities	-	-
Fixed rate liabilities		
Borrowings (other than debt securities)	-	83.01
<b>Total</b>	<b>-</b>	<b>83.01</b>

*Sensitivity*

Below is the sensitivity of profit or loss in interest rates.

Particulars	As at 31 March 2023	As at 31 March 2022
Interest sensitivity		
Interest rates – increase by 0.50%	-	0.42
Interest rates – decrease by 0.50%	-	(0.42)

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

c) Price risk

i) Exposure

As at 31 March 2023 (Previous year Rs. Nil), the Company had no investments in Quoted Equity Instruments subject to price risk.



**Dhani Stocks Limited**

**Notes to financial statements for the year ended 31 March 2023**

*(All amounts in Rs. Lakh unless otherwise stated)*

**Note - 47**

**Capital management**

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to comply with externally imposed capital requirements
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	As at 31 March 2023	As at 31 March 2022
Net debt*	-	-
Total equity	40,635.86	39,087.79
Net debt to equity ratio	-	-

\* Net debt includes borrowings other than debt securities + interest accrued - cash and cash equivalents.

**Note - 48**

**Leases:**

The Company has lease contracts for various office premises used in its operations. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

The Company also has certain leases of office premises with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

Leases are shown as follows in the Company's balance sheet and Statement of profit and loss:

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Following are the changes in the carrying value of right of use assets :

Following are the changes in the carrying value of right of use assets ("RoU Assets") for the year ended 31 March 2023:

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance at the beginning of the year	110.50	-
Recognized on account of implementation of Ind AS 116	-	-
Additions during the year	-	118.63
Derecognition of RoU asset	-	-
Amortisation expense*	(19.77)	(8.13)
Amortisation adjustment	-	-
Closing balance at the end of year	90.73	110.50

\*The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The following is the movement in lease liabilities during the year ended 31 March 2023:

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance at the beginning of the year	113.22	-
Recognized on account of implementation of Ind AS 116	-	-
Additions during the year	-	118.63
Derecognition of lease liabilities	-	-
Finance cost accrued during the year	8.75	3.95
Payment of lease liabilities	(22.91)	(9.36)
Closing balance at the end of year	99.06	113.22

The following is the income from subleasing right-of-use assets during the year ended 31 March 2023:

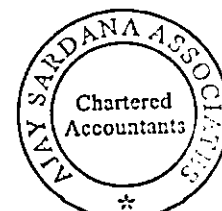
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Income from subleasing right-of-use assets	-	-
Total	-	-

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2023 on an undiscounted basis:

Particulars	As at 31 March 2023	As at 31 March 2022
Within One year	16.55	12.89
One to Five years	82.51	82.54
More than Five years	-	17.79

Rental expense recorded for short-term leases is Rs. 8.39 lakh (previous year Rs 439.57 lakh) for the year ended 31 March 2023.

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Note - 49

Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

	As at 31 March 2023		As at 31 March 2022	
	Within 12 months	After 12 months	Within 12 months	After 12 months
(a) Cash and cash equivalents	2,606.02	-	1,194.82	-
(b) Bank balance other than cash and cash	33,648.44	-	39,164.93	-
(c) Receivables				
(i) Trade receivables	5,714.02	-	4,075.02	-
(ii) Other receivables	-	-	-	680.57
(d) Loans	2,234.90	-	3,094.14	-
(e) Other financial assets	2,319.46	969.01	419.23	435.33
	<b>46,522.84</b>	<b>969.01</b>	<b>47,948.14</b>	<b>1,115.90</b>
<b>Non-financial assets</b>				
(a) Current tax assets (net)	-	87.83	-	56.20
(b) Deferred tax assets (net)	-	854.13	-	993.91
(c) Property, plant and equipment	-	516.03	-	774.29
(d) Intangible assets under development	-	9.00	-	163.05
(e) Other intangible assets	-	2,235.32	-	2,533.77
(f) Right of Use Assets	-	90.73	-	110.50
(g) Other non-financial assets	159.51	1,700.00	310.28	1,700.00
	<b>159.51</b>	<b>5,493.04</b>	<b>310.28</b>	<b>6,331.72</b>
<b>TOTAL ASSETS</b>	<b>46,682.35</b>	<b>6,462.05</b>	<b>48,258.42</b>	<b>7,447.62</b>
<b>Financial liabilities</b>				
(a) Payables				
Trade payables				
(i) total	-	-	-	-
outstanding dues				
(ii) total	19.42	-	87.79	-
outstanding dues of creditors				
(b) Borrowings (other than debt securities)	-	-	83.01	-
(c) Finance Lease obligations	16.55	82.51	12.89	100.33
(d) Other financial liabilities	11,162.99	-	14,932.44	-
	<b>11,198.96</b>	<b>82.51</b>	<b>15,116.13</b>	<b>100.33</b>
<b>Non-financial Liabilities</b>				
(a) Current tax liabilities (net)	203.81	-	180.58	-
(b) Provisions	8.54	398.00	9.89	495.06
(c) Other non-financial liabilities	616.72	-	716.26	-
	<b>829.07</b>	<b>398.00</b>	<b>906.73</b>	<b>495.06</b>
<b>TOTAL LIABILITIES</b>	<b>12,028.03</b>	<b>480.51</b>	<b>16,022.86</b>	<b>595.39</b>

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**Note - 50**

In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as on 31 March 2023 (Previous year : Rs. Nil).

**Note - 51**

**Analytical Ratios**

Additional regulatory information required under WB(xvi) of Division III of Schedule III to the Act, as amended, disclosure of ratios, is not applicable to the Company as it is in the broking business and not an NBFC registered under Section 45-1A of the Reserve Bank of India Act, 1934

**Note - 52**

**Corporate Social Responsibility (CSR):**

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Amount required to be spend by the company during the year	18.37	8.10
(b) Amount of expenditure incurred	-	8.10
(c) Shortfall at the end of the year	18.37	-
(d) Total of previous year shortfall	-	-
(e) Reason for the shortfall	Refer Note 52.1 below	N.A
(f) Nature of CSR activities	Promotion of education and scholarship to students	Promotion of education and scholarship to students
(g) Details of related parties transactions, e.g., Contributions to a trust controlled by the company in relation to CSR Expenditure as per relevant Accounting Standard	-	-
(h) Where the provision is made with respect to liability incurred by entering into a contractual obligation, the movements in the provision during the year .	N.A.	N.A.

**Note - 52.1**

During the year ended March 31, 2023, the Company had contributed Rs. 18.37 lakhs, being the amount required to be spent by the Company towards Corporate Social Responsibility expenses to a Trust, known as Indiabulls Foundation ("Trust"). The said amount was not utilised / spent for the intended CSR activity by the Trust till March 31, 2023. Accordingly, subsequent to the year end, on May 2, 2023 (April 30, 2023 and May 1, 2023 being public holidays), the Trust credited Rs. 18.37 lakhs to a Special Account titled "Dhani Stocks Limited Unspent CSR Account" maintained with a scheduled bank.

**Note - 53**

(i) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or  
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Company has not advanced or loaned or invested any funds from any person(s) or entity(ies), including foreign entities ( Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediaries shall;

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or  
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**Note - 54**

The Company has not been declared a wilful defaulter by any bank or financial institution or other lender during the year and previous year.

**Note - 55**

The company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2023 and March 31, 2022.

**Note - 56**

There are no charges or satisfaction required to be registered by the Company with Registrar of Companies by the Company during the year and previous year.

**Note - 57**

The Company did not enter into any transactions which are not recorded in the books of accounts and has been surrendered or disclosed as income during the year (Previous year : rs Nil) in the tax assessments under the Income Tax Act, 1961.

**Note - 58**

The Company has not traded or invested in crypto currency or virtual currency during the financial year ended March 31, 2023 and March 31, 2022.

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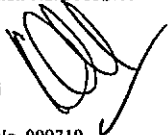


Note - 59

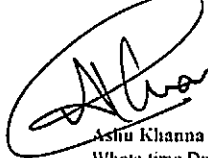
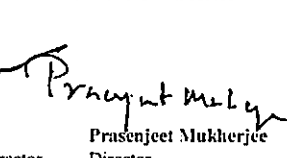
Prior year figures have been regrouped, wherever necessary, to conform to the current year presentation.

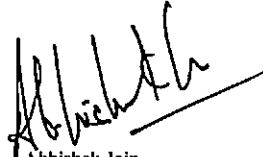
The accompanying notes are an integral part of these financial statements

For Ajay Sardana Associates  
Chartered Accountants  
Firm Registration No. 016827N

  
Rahul Mukhi  
Partner  
Membership No. 099719  
New Delhi, 25th May 2023

For and on behalf of the Board of Directors

   
Ashu Khanna                      Prasenjeet Mukherjee  
Whole-time Director              Director  
DIN: 10055211                      DIN: 07629972  
Gurugram, 25th May 2023              Gurugram, 25th May 2023

  
Abhishek Jain  
Chief Financial Officer  
Gurugram, 25th May 2023

  
Avik Gupta  
Company Secretary  
Gurugram, 25th May 2023

