

Dhani Services Limited
(CIN: L74110DL1995PLC069631)
Statement of Unaudited Consolidated Financial Results
for the quarter and nine months ended 31 December 2022

dhani

(Amount in ₹ Lakh)

Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended 31 December 2022						
Particulars	Quarter ended			Nine months ended		Year ended
	31 December 2022	30 September 2022	31 December 2021	31 December 2022	31 December 2021	31 March 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Revenue from operations						
Interest income	7,650.23	5,996.27	11,863.35	20,710.61	32,767.31	48,850.31
Dividend income	-	-	-	-	11.62	11.62
Fees and commission income	5,113.36	6,009.70	28,478.92	26,895.74	54,353.21	65,101.16
Net gain on fair value changes	691.91	604.73	174.69	1,954.07	1,776.19	1,910.17
Net gain on derecognition of financial assets	-	(613.46)	(83.64)	-	11,941.74	12,069.94
Sale of products	1,313.80	1,018.65	8,553.94	2,863.12	12,047.60	15,500.65
Total revenue from operations	14,769.30	13,015.89	48,987.26	52,423.54	1,12,897.67	1,43,443.85
2 Other income	2,021.78	5,276.60	1,172.44	10,127.41	1,385.38	3,098.17
3 Total income (1+2)	16,791.08	18,292.49	50,159.70	62,550.95	1,14,283.05	1,46,542.02
4 Expenses :						
Finance costs	3,498.19	4,225.57	5,941.55	13,606.94	21,325.72	27,501.56
Fees and commission expense	2,539.13	2,834.11	4,878.70	8,068.38	10,225.26	13,736.13
Net loss on derecognition of financial assets	(1.46)	246.68	-	245.22	-	-
Impairment on financial assets	962.96	(462.25)	6,872.36	1,763.38	36,458.47	38,376.03
Purchases of Stock-in-trade	(175.24)	(245.36)	13,313.46	(410.03)	20,747.48	26,680.76
Changes in Inventories of stock-in-trade and others	2,272.40	1,868.00	(4,553.60)	5,378.63	(8,433.22)	(10,459.85)
Employee benefits expenses	8,122.72	10,400.04	19,090.02	28,116.65	48,966.68	66,361.59
Depreciation and amortisation	1,745.76	2,762.51	2,518.64	7,373.29	6,754.25	9,498.93
Other expenses	7,746.24	6,438.50	20,983.95	26,009.18	45,164.34	64,932.19
Total expenses	26,710.70	28,067.80	69,045.08	90,151.64	1,81,209.98	2,36,627.34
5 Profit / (loss) before tax (3-4)	(9,919.62)	(9,775.31)	(18,885.38)	(27,600.69)	(66,926.93)	(90,085.32)
6 Tax expense:						
(a) Current tax	484.31	(80.10)	281.74	1,035.87	1,460.13	1,978.80
(b) Income tax of earlier years	-	-	-	-	0.21	(445.68)
(c) Minimum alternate tax credit entitlement	(239.27)	-	-	(239.27)	-	-
(c) Deferred tax (credit) / charge	(917.67)	(966.36)	2,594.13	(29.92)	(6,789.22)	(5,581.49)
Total tax expense	(672.63)	(1,046.46)	2,875.87	766.68	(5,328.88)	(4,048.37)
7 Profit / (loss) for the period/year (5-6)	(9,246.99)	(8,728.85)	(21,761.25)	(28,367.37)	(61,598.05)	(86,036.95)
8 Other comprehensive income						
Items that will not be reclassified to profit or loss	15.93	790.54	198.17	722.20	597.53	1,479.00
Income tax relating to items that will not be reclassified to profit or loss	(14.73)	(190.20)	4.12	(205.50)	(9.11)	(57.93)
Items that will be reclassified to profit or loss	772.69	(445.08)	(129.84)	(33.56)	(965.46)	(954.76)
Income tax relating to items that will be reclassified to profit or loss	-	-	(19.29)	129.93	114.73	46.75
Total other comprehensive income	773.89	155.26	53.16	613.07	(262.31)	513.06
9 Total comprehensive income for the period/year (7+8)	(8,473.10)	(8,573.59)	(21,708.09)	(27,754.30)	(61,860.36)	(85,523.89)
10 Net profit / (loss) after tax attributable to -						
Owners of the Holding Company	(9,430.04)	(8,782.19)	(21,808.17)	(28,353.39)	(61,814.76)	(86,635.46)
Non controlling interests	183.05	53.34	46.92	(13.98)	216.71	598.51
11 Other comprehensive income attributable to -						
Owners of the Holding Company	773.89	155.26	53.16	613.07	(262.31)	513.06
Non controlling interests	-	-	-	-	-	-
12 Total comprehensive income attributable to -						
Owners of the Holding Company	(8,656.15)	(8,626.93)	(21,755.01)	(27,740.32)	(62,077.07)	(86,122.40)
Non controlling interests	183.05	53.34	46.92	(13.98)	216.71	598.51
13 Paid-up equity share capital (face value of ₹ 2 per equity share)	12,163.77	12,119.22	12,119.22	12,163.77	12,119.22	12,119.22
14 Other equity as per Statement of Assets and Liabilities						4,94,199.40
15 Earnings per equity share (EPS) (face value of ₹ 2 per equity share)						
(EPS for the quarters/ nine months not annualised)						
(1) Basic (amount in ₹)	(1.45)	(1.62)	(3.89)	(4.92)	(11.13)	(15.30)
(2) Diluted (amount in ₹)	(1.45)	(1.62)	(3.89)	(4.92)	(11.13)	(15.30)

Notes to the Unaudited Consolidated Financial Results:

- Dhani Services Limited ('Holding Company') and its subsidiaries are together referred to as 'the Group' in the following notes. These unaudited consolidated financial results of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standard) Rules, 2015 as amended by the Companies Indian Accounting Standards (Amendment) Rules, 2016 and the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- These unaudited consolidated financial results of the Group have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on 10 February 2023. These unaudited consolidated financial results have been subjected to limited review by the statutory auditors of the Company.
- India is emerging from the COVID-19 virus, a global pandemic that affected the world economy over the last two years. The extent to which any new wave of COVID-19 will impact the Company's results will depend on ongoing as well as future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic, and any action to contain its spread or mitigate its impact whether government-mandated or elected by us. The Company has recognized provisions as on 31 December 2022 towards its loan assets, based on the information available at this point of time, in accordance with the expected credit loss method. The Company believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of financial results. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor any material changes to future economic condition. The Company's capital and liquidity position remains sufficient and would continue to be the focus area for the Company; accordingly, the Company does not expect a stress on its liquidity situation in the immediate future.
- The Holding Company was carrying on the business of stock broking which was demerged during the financial year 2019-20. Accordingly, as at and during the year ended 31 March 2022 and period ended 31 December 2022, the financial assets of the Holding Company were more than fifty percent of its total assets and income from financial assets was more than fifty percent of the gross income. The Holding Company's present business activities consists of providing loans and making investments in group companies, consequentially, the Holding Company may be required to apply and obtain the Certificate of Registration (CoR) from Reserve Bank of India (RBI) as a Non-Banking Financial Company (NBFC) under the category of Core Investment Company (CIC). The management is of the view that basis of their present business operations and financials, the Holding Company qualifies to fall under the category of an unregistered CIC and has written to RBI for their views in this regard, response to which is still awaited. The management is also of the view that the possible non-compliance with such requirement is not expected to have a material impact on the accompanying financial results.




5 During the quarter ended June 30, 2022, the Company has utilised/ applied an amount of Rs. 72,961.20 lakhs (net of deferred tax) from the outstanding balance in the securities premium account for creating a provision for impairment losses on financial instruments of Dhani Loans and Services Limited ("DLSL") which is a 100% subsidiary of Dhani Services Limited "DSL", instead of debiting the same to the Standalone Statement of Profit and Loss, which is not in strict accordance with the applicable provisions of Indian Accounting Standards and other applicable regulations. The Reserve Bank of India had issued a communication to the industry dated June 20, 2022 which impacts one of the DLSL's products/services offered to its customers. Consequently, the Company, on a conservative basis, has created the above mentioned provision in respect of any future, unanticipated losses which may arise on account of the impact of the above RBI communication. Further, Dhani Loans and Services Limited has sold loans to IARCL which is a 100% subsidiary of DSL. However, the recoveries from the pool of loans sold to IARCL will accrue in IARCL and ultimately to the benefit of DSL in consolidated financials as IARCL is 100% subsidiary of DSL.

6 During the nine month ended 31 December 2022, the Bond Issue Committee of the Board of Directors of the Dhani Loans and Services Limited (Wholly owned subsidiary of the DSL) in its meeting held on 17th May 2022 approved and allotted 957,648 NCDs of face value of ₹1,000 each, aggregating to ₹ 9,576.48 Lakhs on public issue basis.

Particulars	Amount(₹ in Lakhs)	Date of Issue	Date of Listing	
			NSE	BSE
Non-convertible debentures (NCDs)	9,576.48	17 May 2022	19 May 2022	19 May 2022

7 During the nine month ended 31 December 2022, the Compensation Committee constituted by the Board of Directors of the Company, under its Employees Stock Option Scheme(s) – 2008 & 2009, has granted 1,16,00,000 (One Crore Sixteen Lakh) Stock Options representing an equal number of fully paid-up equity shares of face value of ₹ 2/- each in the Company, at an exercise price of ₹ 30/- per share.

8 During the period ended 31st December 2022, the company has acquired 100% stake (on fully diluted basis) of Juventus Estate Limited and Mabon Properties Limited at the enterprise value of Rs.240 crores at Sec-104, Dwarka Expressway, Gurugram, Haryana.

9 The Company's Board constituted Securities Issuance Committee in its meeting, has appropriated Rs. 65,10,456 received on 60,282 partly paid up shares (PPS) as third and final call money of Rs. 108/- per PPS, towards face value (Re. 0.90 per share) and share premium (Rs. 107.10) per share. With this 60,282 PPS stand converted into equivalent number of fully paid up equity shares having face value of Rs. 2 each, which shall rank pari passu with the existing fully paid up equity shares of the Company. Subsequent 30th September 2022 the Company, has issued and allotted 22,00,000 (Twenty Two Lacs) Equity shares of face value INR 2/- each, to eligible employees upon exercise of options vested in their favour under 'Dhani Services Limited Employees Stock Option Scheme – 2008' of the Company on 29th October 2022. Consequent to the said allotments, the paid-up Equity Share Capital stands increased to Rs. 121,62,96,148.40 divided into 60,32,59,386 fully paid up Equity shares of face value Rs. 2/- each and 88,86,524 partly paid-up equity shares of face value of Rs. 2 each, paid up Rs. 1.10 each.

10 Segment results

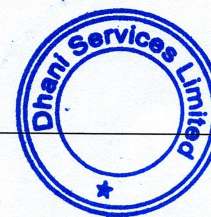
The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of services, the differing risks and returns and the internal business reporting systems.

Particulars	(Amount in ₹ Lakhs)					
	Quarter ended			Nine months ended		Year ended
	31 December 2022 (Unaudited)	30 September 2022 (Unaudited)	31 December 2021 (Unaudited)	31 December 2022 (Unaudited)	31 December 2021 (Unaudited)	31 March 2022 (Audited)
Segment revenue						
Broking and related activities	3,052.83	3,096.66	3,707.46	9,229.68	10,161.57	13,422.89
Financing, Digital wallet services and related activities	6,972.08	8,511.43	36,294.27	32,837.46	81,217.83	1,06,124.56
E-commerce and related activities	1,854.97	1,871.70	8,574.32	5,514.73	17,230.13	18,498.52
Real Estate development and related activities	45.02	-	-	45.02	7.50	7.50
Asset reconstruction and related activities	3,118.09	(288.62)	659.52	5,394.45	4,799.43	6,479.61
Others	27.19	76.77	69.27	204.44	349.74	343.19
Total	15,070.17	13,267.94	49,304.84	53,225.78	1,13,766.20	1,44,876.27
Less: Inter segment revenue	(300.87)	(252.05)	(317.58)	(802.23)	(868.53)	(1,432.42)
Total revenue from operations	14,769.30	13,015.89	48,987.26	52,423.55	1,12,897.67	1,43,443.85
Segment results						
Profit/(loss) before tax and interest expense						
Broking and related activities	868.58	266.96	1,417.23	(63.18)	(3,538.73)	(3,902.98)
Financing, Digital wallet services and related activities	(5,043.41)	(7,399.33)	8,273.23	(6,973.57)	(20,466.29)	(16,658.46)
E-commerce and related activities	(5,877.51)	499.23	(26,490.95)	(18,768.05)	(40,713.82)	(63,128.03)
Real Estate development and related activities	217.53	-	(0.04)	217.53	7.17	6.89
Asset reconstruction and related activities	2,000.01	(1,261.52)	501.71	2,766.83	4,121.69	5,521.77
Total	(7,834.80)	(7,894.66)	(16,298.82)	(22,820.44)	(60,589.98)	(78,160.81)
(i) Less: Interest expense	(1,641.61)	(1,488.91)	(1,230.41)	(4,549.03)	(3,573.18)	(5,065.61)
(ii) (Less)/Add: Other unallocable income / (expenses)	(443.21)	(391.74)	(1,356.15)	(231.22)	(2,763.77)	(6,858.90)
Profit / (loss) before tax	(9,919.62)	(9,775.31)	(18,885.38)	(27,600.69)	(66,926.93)	(90,085.32)
Segment assets						
Broking and related activities	96,907.89	95,044.00	1,01,212.02	96,907.89	1,01,212.02	1,01,810.26
Financing, Digital wallet services and related activities	3,08,837.60	3,60,124.45	5,64,328.66	3,08,837.60	5,64,328.66	5,60,047.28
E-commerce and related activities	38,453.47	44,796.27	35,152.78	38,453.47	35,152.78	53,062.86
Real Estate development and related activities	79,253.42	33,410.51	32,648.44	79,253.42	32,648.44	33,423.83
Asset reconstruction and related activities	73,706.59	71,855.53	80,246.94	73,706.59	80,246.94	81,353.92
Unallocable segment assets	22,982.46	26,523.79	1,14,582.33	22,982.46	1,14,582.33	33,154.79
Total	6,20,141.43	6,31,754.55	9,28,171.17	6,20,141.43	9,28,171.17	8,62,852.94
Segment liabilities						
Broking and related activities	16,520.85	13,884.05	18,165.04	16,520.85	18,165.04	17,883.25
Financing, Digital wallet services and related activities	89,258.85	1,17,279.72	2,47,127.47	89,258.85	2,47,127.47	2,34,570.14
E-commerce and related activities	25,078.93	24,920.63	17,506.32	25,078.93	17,506.32	27,745.39
Real Estate development and related activities	1,611.16	1.33	1.16	1,611.16	1.16	1.11
Asset reconstruction and related activities	1,477.39	1,271.22	1,488.24	1,477.39	1,488.24	1,447.16
Unallocable segment liabilities	56,867.43	56,012.62	48,833.41	56,867.43	48,833.41	54,102.46
Total	1,90,814.61	2,13,369.57	3,33,121.64	1,90,814.61	3,33,121.64	3,35,749.51
Capital employed (segment assets - segment liabilities)						
Broking and related activities	80,387.04	81,159.95	83,046.98	80,387.04	83,046.98	83,927.01
Financing, Digital wallet services and related activities	2,19,578.75	2,42,844.73	3,17,201.19	2,19,578.75	3,17,201.19	3,25,477.14
E-commerce and related activities	13,374.54	19,875.64	17,646.46	13,374.54	17,646.46	25,317.47
Real Estate development and related activities	77,642.26	33,409.18	32,647.28	77,642.26	32,647.28	33,422.72
Asset reconstruction and related activities	72,229.20	70,584.31	78,758.70	72,229.20	78,758.70	79,906.76
Unallocable capital employed	(33,884.97)	(29,488.83)	65,748.92	(33,884.97)	65,748.92	(20,947.67)
Total	4,29,326.82	4,18,384.98	5,95,049.53	4,29,326.82	5,95,049.53	5,27,103.43

Registered Office: 1/1 E, 1st Floor, East Patel Nagar, New Delhi 110 008.
Corporate Identification Number: L74110DL1995PLC069631

Place : Mumbai
Date : 10 February 2023

For and on behalf of Board of Directors



Dhyanesh B. Shah
Whole-time Director & COO

Dhani Services Limited
(CIN: L74110DL1995PLC069631)
Statement of Unaudited Standalone Financial Results
for the quarter and nine months ended 31 December 2022

dhani

(Amount in ₹ Lakh)

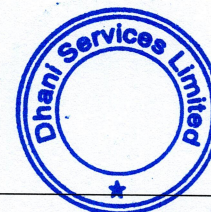
Statement of Unaudited Standalone Financial Results for the quarter and nine months ended 31 December 2022						
Particulars	Quarter ended			Nine months ended		Year ended
	31 December 2022 (Unaudited)	30 September 2022 (Unaudited)	31 December 2021 (Unaudited)	31 December 2022 (Unaudited)	31 December 2021 (Unaudited)	31 March 2022 (Audited)
1 Revenue from operations						
Interest income	2,675.74	2,659.23	999.08	7,916.80	3,103.36	4,361.08
Dividend income	-	-	-	-	11.62	11.62
Net gain on fair value changes	20.47	1.55	19.38	30.54	71.74	81.20
Total revenue from operations	2,696.21	2,660.78	1,018.46	7,947.34	3,186.72	4,453.90
2 Other income	53.38	58.76	40.83	185.15	159.64	232.05
3 Total income (1+2)	2,749.59	2,719.54	1,059.29	8,132.49	3,346.36	4,685.95
4 Expenses :						
Finance costs	1,403.64	1,341.51	1,136.78	4,056.97	3,324.86	4,516.65
Fees and commission expense	5.93	5.92	4.88	17.71	13.51	18.28
Impairment on financial assets	-	-	-	-	-	788.77
Employee benefits expenses	57.76	53.18	177.57	(608.01)	78.42	270.55
Depreciation and amortisation	5.45	5.82	5.45	17.11	15.83	21.88
Other expenses	158.93	66.50	112.19	268.30	301.95	842.31
Total expenses	1,631.71	1,472.93	1,436.87	3,752.08	3,734.57	6,458.44
5 Profit / (loss) before tax (3-4)	1,117.88	1,246.61	(377.58)	4,380.41	(388.21)	(1,772.49)
6 Tax expense:						
(a) Current tax	1.66	0.71	(1.62)	3.09	0.97	-
(b) Income tax for earlier years	-	-	-	-	-	17.62
(c) Deferred tax expense	632.75	651.28	191.70	2,128.92	733.26	681.35
Total tax expense	634.41	651.99	190.08	2,132.01	734.23	698.97
7 Profit/(loss) for the period (5-6)	483.47	594.62	(567.66)	2,248.40	(1,122.44)	(2,471.46)
8 Other comprehensive income						
(i) Items that will not be reclassified to profit or loss	-	1.95	198.07	(84.59)	562.73	1,255.27
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.48)	-	(17.78)	122.32	(64.79)	(123.79)
Total other comprehensive income	(0.48)	1.95	180.29	37.73	497.94	1,131.48
9 Total comprehensive income for the period (7+8)	482.99	596.57	(387.37)	2,286.13	(624.50)	(1,339.98)
10 Paid-up equity share capital (face value of ₹ 2 per equity share)	12,163.77	12,119.22	12,119.22	12,163.77	12,119.22	12,119.22
11 Other equity as per the Statement of Assets and Liabilities						5,68,201.63
12 Earnings per equity share (EPS) (face value of ₹ 2 per equity share) (EPS for the quarters/nine months not annualised)						
(1) Basic (amount in ₹)	0.08	0.11	(0.10)	0.39	(0.20)	(0.44)
(2) Diluted (amount in ₹)	0.08	0.11	(0.10)	0.38	(0.20)	(0.44)

Notes to the Unaudited Standalone Financial Results

- These unaudited standalone financial results of Dhani Services Limited ('DSL' or 'the Company') for the quarter and nine months ended 31 December 2022 have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on 10 February 2023. These results have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standard) Rules, 2015 as amended by the Companies Indian Accounting Standards (Amendment) Rules, 2016 and the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These unaudited standalone financial results have been subjected to limited review by the statutory auditors of the Company.
- India is emerging from the COVID-19 virus, a global pandemic that affected the world economy over the last two years. The extent to which any new wave of COVID-19 will impact the Company's results will depend on ongoing as well as future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic, and any action to contain its spread or mitigate its impact whether government-mandated or elected by us. The Company has recognized provisions as on 30 June 2022 towards its loan assets, based on the information available at this point of time, in accordance with the expected credit loss method. The Company believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of financial results. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor any material changes to future economic condition. The Company's capital and liquidity position remains sufficient and would continue to be the focus area for the Company; accordingly, the Company does not expect a stress on its liquidity situation in the immediate future.
- The Company was carrying on the business of stock broking which was demerged during the financial year 2019-20. Accordingly, as at and during the year ended 31 March 2022, the financial assets of the Company were more than fifty percent of its total assets and income from financial assets was more than fifty percent of the gross income. The Company's present business activities consists of providing loans and making investments in group companies, consequentially, the Company may be required to apply and obtain the Certificate of Registration (CoR) from Reserve Bank of India (RBI) as a Non-Banking Financial Company (NBFC) under the category of Core Investment Company (CIC). The management is of the view that basis of their present business operations and financials, the Company qualifies to fall under the category of an unregistered CIC and has written to RBI for their views in this regard, response to which is still awaited. The management is also of the view that the possible non-compliance with such requirement is not expected to have a material impact on the accompanying financial results.
- The Company's operations and business activities fall within a single business segment of financing and making strategic investments and as such no separate information is required to be furnished in terms of Ind AS 108 - Operating Segment.
- The Company's Board constituted Securities Issuance Committee in its meeting, has appropriated Rs. 65,10,456 received on 60,282 partly paid up shares (PPS) as third and final call money of Rs. 108/- per PPS, towards face value (Re. 0.90 per share) and share premium (Rs. 107.10) per share. With this 60,282 PPS stand converted into equivalent number of fully paid up equity shares having face value of Rs. 2 each, which shall rank pari passu with the existing fully paid up equity shares of the Company. Subsequent 30th September 2022 the Company, has issued and allotted 22,00,000 (Twenty Two Lacs) Equity shares of face value INR 2/- each, to eligible employees upon exercise of options vested in their favour under 'Dhani Services Limited Employees Stock Option Scheme - 2008' of the Company on 29th October 2022. Consequent to the said allotments, the paid-up Equity Share Capital stands increased to Rs. 121,62,96,148.40 divided into 60,32,59,386 fully paid up Equity shares of face value Rs. 2/- each and 88,88,524 partly paid-up equity shares of face value of Rs. 2 each, paid up Rs. 1.10 each.
- During the period ended 31st December 2022, the company has acquired 100% stake (on fully diluted basis) of Juventus Estate Limited and Mabon Properties Limited at the enterprise value of Rs.240 crores at Sec-104, Dwarka Expressway, Gurugram, Haryana.
- Figures for previous year/ period have been regrouped wherever necessary to make them comparable to current period.

Registered Office: 1/1 E, 1st Floor, East Patel Nagar, New Delhi 110 008.
Corporate Identification Number: L74110DL1995PLC069631

Place : Mumbai
Date : 10 February 2023



For and on behalf of Board of Directors

Dhyanesh B. Shah
Whole-time Director & COO