

INDEPENDENT AUDITOR'S REPORT

To the Members of
Indiabulls Distribution Services Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Indiabulls Distribution Services 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

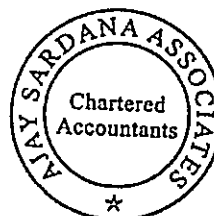
We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act ("SAs"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our 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.

Emphasis of matter

We draw attention to Note 33 A) b) i) to the Financial Statements, describes that the Company has recorded provisions for impairment due to expected credit losses on certain financial assets as at March 31, 2023 on an estimated basis, in respect of losses that may arise dependent upon future developments including inter alia, the uncertainties due to the effects of unravelling of the Covid-19 pandemic on the Company's business. Our opinion is not modified in respect of this matter.

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IDSL - Independent auditor's report – March 31, 2023



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. 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.

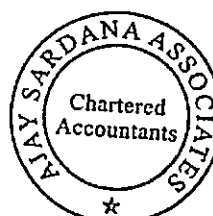
In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or 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.



Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.



Report on Other Legal and Regulatory Requirements (continued)

- (d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (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”.
- (g) In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid / provided any remuneration to its directors during the year ended March 31, 2023.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company, as detailed in note 36 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



Report on Other Legal and Regulatory Requirements (continued)

- 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) 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.



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



Rahul Mukhi
Partner

Membership No.099719
New Delhi, May 25, 2023
UDIN: 23099719BGZADT4369

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Distribution Services Limited for the year ended March 31, 2023

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the Financial Statements for the year ended March 31, 2023, we report the following:

(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 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) 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 sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of the security of current assets at any point of time during the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) The Company has not made investments in and provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties. However, the Company has granted secured and unsecured loans to companies, firms, Limited Liability Partnerships and to other parties during the year in respect of which:

(a) During the year the Company has provided loans to companies as follows:

	Loans (Amount in Rs. lakhs)
Aggregate amount granted /provided during the year	
- Others	3,311.00
Balance outstanding as at balance sheet date in respect of above cases	
- Others	23,261.10



Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Distribution Services Limited for the year ended March 31, 2023 (continued)

(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 investments in or provided security to or provided guarantees to companies, firms, limited liability partnerships or any other parties during the year. According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.

(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 granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) 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 amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) 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 extended / granted fresh loans during the year to the respective parties to settle the dues of the existing loans.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(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 and investments, to the extent applicable to it. The Company has not entered into any transactions in respect of security and guarantees covered under section 185 and 186 of the Companies Act, 2013.

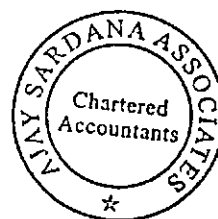
(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(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 have 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 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.



Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Distribution Services Limited for the year ended March 31, 2023 (continued)

(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, except as below:

Name of the Statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income tax	Rs. 56.72 lakhs	Financial year 2017-2018	Commissioner of Income-tax (Appeals)

(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 wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) The Company has not raised any funds on short-term basis during the year. Accordingly, reporting on clause 3(ix)(d) of the Order is not applicable.

(e) On an overall examination of the Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have any investments in associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. The Company does not have any investments in associates or joint ventures.

(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 fully or debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.



Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Distribution Services Limited for the year ended March 31, 2023 (continued)

(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) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) are not applicable to the Company.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of 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, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) As explained in Note 40 to the Financial Statements, as at March 31, 2022 the financial assets of the Company constitute more than fifty percent of its total assets (netted off by intangible assets) and income from financial assets constitutes more than fifty percent of the gross income of the Company for the year ended March 31, 2022. In terms of the Reserve Bank of India Act, 1934 read with Reserve Bank of India's Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and RBI's press release 1998-99/1269 dated April 8, 1999 in relation to determination of 'Principal business' for Non-Banking Financial Companies (NBFCs), in our opinion, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as a non-banking financial company.

(b) In our opinion, the Company is carrying on Non-Banking Financial activities without a valid Certificate of Registration from the Reserve Bank of India (Refer Note 40 to the Financial Statements).

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC as part of the Group.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

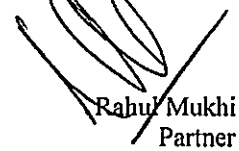
Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Distribution Services Limited for the year ended March 31, 2023 (continued)

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, the provisions related to corporate social responsibility in terms of section 135 of the Act are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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


Rahul Mukhi
Partner

Membership No.099719
New Delhi, May 25, 2023
UDIN: 23099719BGZADT4369



Annexure B to the Independent Auditor's Report of even date on the Financial Statements of Indiabulls Distribution Services 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 Indiabulls Distribution Services 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.

IDSL - Independent auditor's report - March 31, 2023



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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


Rajul Mukhi
Partner

Membership No.099719
New Delhi, May 25, 2023
UDIN: 23099719BGZADT4369



Indiabulls Distribution Services Limited
Balance Sheet as at 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

	Note	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Property, plant and equipment	4(a)	25.39	77.53
Intangible assets	4(b)	-	0.79
Financial assets			
Investments	5	505.00	505.00
Loans	6	2,233.20	3,545.12
Trade receivables	7	99.19	337.60
Other financial assets	8	-	201.40
Deferred tax assets(net)	9	2,975.25	1,311.60
Other non-current assets	10	-	0.66
Total non-current assets		5,838.03	5,979.70
Current assets			
Financial assets			
Trade receivables	11	2,212.83	3,011.05
Cash and cash equivalents	12	30.84	17.67
Loans	13	46,211.74	62,137.23
Current tax assets (net)	14	589.38	2,160.37
Other current assets	15	929.47	945.05
Total current assets		49,974.26	68,271.37
Total assets		55,812.29	74,251.07
Equity and liabilities			
Equity			
Equity share capital	16	35.82	35.82
Other equity	17	45,220.62	45,137.77
Total equity		45,256.44	45,173.59
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18	-	-
Total non-current liabilities		-	-
Current liabilities			
Financial liabilities			
Borrowings	19	-	18,256.20
Trade payables	20	-	-
-Total outstanding due to micro enterprises and small enterprises		-	-
-Total outstanding due to creditors other than micro enterprises and small enterprises		-	3.29
Other financial liabilities	21	9,999.78	9,999.78
Other current liabilities	22	383.70	818.21
Current tax liabilities	23	172.37	-
Total current liabilities		10,555.85	29,077.48
Total equity and liabilities		55,812.29	74,251.07

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. Q16827N

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

For and on behalf of the Board of Directors of Indiabulls Distribution Services Limited -

Akshay Kumar Tiwary
Director
DIN: 00366348
New Delhi, 25 May 2023

Usha Devi
Director
DIN: 03498022



Indiabulls Distribution Services Limited
Statement of profit and loss for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
I Revenue from operations	24	71.05	76.11
II Net gain on de-recognition of financial assets at amortized cost		21.61	2.29
III Other income	25	6,678.13	5,808.91
IV Total revenue (I+II+III)		<u>6,770.79</u>	<u>5,887.31</u>
V Expenses			
Employee benefits expenses	26	64.52	49.80
Finance costs	27	2,680.08	2,335.09
Depreciation and amortization		31.12	51.12
Impairment losses	28	5,000.00	4,229.07
Other expenses	29	114.37	270.96
Total expenses (V)		<u>7,890.09</u>	<u>6,936.04</u>
VI Profit/(Loss) before exceptional items and tax (IV-V)		(1,119.30)	(1,048.73)
VII Exceptional items		-	-
VIII Profit/(Loss) before tax (VI-VII)		(1,119.30)	(1,048.73)
IX Tax expense	30		
Current tax		465.76	-
Tax expenses related to earlier years		(4.26)	-
Deferred tax		(1,663.65)	(9.84)
Total tax expenses		<u>(1,202.15)</u>	<u>(9.84)</u>
X Profit/(Loss) for the year from continuing operations (VIII-IX)		82.85	(1,038.89)
XI Other comprehensive income		-	-
XII Total comprehensive income/(loss) for the year (X+XI)		<u>82.85</u>	<u>(1,038.89)</u>
XIII Earnings per equity share	31		
(1) Basic (Rs)		23.13	(290.01)
(2) Diluted (Rs)		23.13	(290.01)
Face value per equity share		10.00	10.00

The accompanying notes are an integral part of these financial statements.

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

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

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

For and on behalf of the Board of Directors of Indiabulls Distribution Services Limited

Akshay Kumar Tiwary
Director
DIN: 00366348
New Delhi, 25 May 2023

Usha Devi
Director
DIN: 03498022



Indiabulls Distribution Services Limited
Statement of Cash flows for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

	For the year ended 31 March 2023	For the year ended 31 March 2022
A Cash flow from operating activities		
Net profit/(loss) before tax	(1,119.30)	(1,048.73)
Adjustments for :		
Gain on redemption of mutual fund investments	-	(0.27)
Interest income	(6,309.75)	(5,670.57)
Excess provisions/Balances written back	(176.84)	(83.43)
Loss on modification of financial assets	21.20	81.16
Net gain on de-recognition of financial assets at amortized cost	(21.61)	(2.29)
Interest expense	2,546.60	2,334.92
Depreciation and amortization	31.12	51.12
Impairment loss recognized / (reversed) under expected credit loss model	5,000.00	1,430.00
Bad debts written off/ credit notes issued	-	2,799.07
Profit/(loss) on disposal of property, plant and equipment (net)	(14.35)	6.19
Operating profit/(loss) before working capital changes	(42.93)	(102.83)
Adjustments for:		
Decrease in loans	5,040.83	1,580.51
Increase in trade receivables	(3,963.08)	(2,542.61)
Decrease in other financial assets	200.00	-
Decrease in other non-current and current assets	16.24	1,296.78
Decrease in trade payables	(3.29)	(2.19)
Decrease in other current liabilities	(257.67)	(959.38)
Cash flows from/(used in) operating activities	990.10	(729.72)
Income tax paid (net)	1,281.87	647.16
Net cash flows from/(used in) operating activities	2,271.97	(82.56)
B Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	36.16	0.02
Proceeds from sale of mutual funds (net)	-	0.27
Repayment received/(Loans given) from/to fellow subsidiary Companies (net)	15,637.10	(2,033.31)
Interest received	2,870.74	2,992.82
Net cash flows generated from investing activities	18,544.00	959.80
C Cash flow from financing activities		
Repayment of long term borrowings	-	(9.44)
(Payment of)/Proceeds from short term borrowings (net)	(18,256.20)	1,021.20
Interest paid	(2,546.60)	(2,334.92)
Net cash used in financing activities	(20,802.80)	(1,323.16)
D Net increase/(decrease) in cash and cash equivalents (A+B+C)	13.17	(445.92)
E Cash and cash equivalents at the beginning of the year	17.67	463.59
F Cash and cash equivalents at the end of the year (D + E)	30.84	17.67



Indiabulls Distribution Services Limited
Statement of Cash flows for the year ended 31 March 2023 (continued)
(All amounts in Rs Lakhs unless stated otherwise)

Notes to the Statement of Cash flows for the year ended 31 March 2023:


- i. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 on 'Statement of Cash Flows' as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014

The accompanying notes form an integral part of these financial statements.

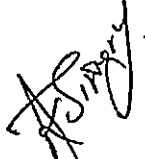
This is the Statement of Cash Flows referred to in our report of even date


For Ajay Sardana Associates

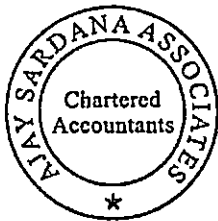
Chartered Accountants
Firm Registration No. 016827N


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

For and on behalf of the Board of Directors of Indiabulls Distribution Services Limited


Akshay Kumar Tiwary
Director
DIN: 00366348
New Delhi, 25 May 2023


Usha Devi
Director
DIN: 03498022



Indiahulls Distribution Services Limited
Statement of Changes in Equity for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

A. Equity Share Capital

(i) Current reporting year

Balance as at 1 April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2022	Changes in equity share capital during the current year	Balance as at 31 March 2023
35.82	-	35.82	-	35.82

(ii) Previous reporting year

Balance as at 1 April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2021	Changes in equity share capital during the current year	Balance as at 31 March 2022
35.82	-	35.82	-	35.82

B. Other Equity

(i) Current reporting year

Particulars	Reserves and surplus					Total
	General Reserve	Share options outstanding account	Other component of equity	Securities Premium	Retained earnings	
Balance as at 1 April 2022	815.77	7.86	28.35	44,969.30	(683.51)	45,137.77
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting year	815.77	7.86	28.35	44,969.30	(683.51)	45,137.77
Dividends	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	-	82.85	82.85
Transferred from share options outstanding account	-	-	-	-	1.59	1.59
Transferred to retained earnings	-	(1.59)	-	-	-	(1.59)
Balance as at 31 March 2023	815.77	6.27	28.35	44,969.30	(599.07)	45,320.62

(ii) Previous reporting year

Particulars	Reserves and surplus					Total
	General Reserve	Share options outstanding account	Other component of equity	Securities Premium	Retained earnings	
Balance as at 1 April 2021	815.77	8.12	28.35	44,969.30	355.12	46,176.66
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting year	815.77	8.12	28.35	44,969.30	355.12	46,176.66
Dividends	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	-	(1,038.89)	(1,038.89)
Transferred from share options outstanding account	-	-	-	-	0.26	0.26
Transferred to retained earnings	-	(0.26)	-	-	-	(0.26)
Employee share-based payment (credit)	-	-	-	-	-	-
Balance as at 31 March 2022	815.77	7.86	28.35	44,969.30	(683.51)	45,137.77

The accompanying notes are an integral part of these financial statements.

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

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No. 0168279

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

For and on behalf of the Board of Directors of Indiahulls Distribution Services Limited

Akshay Kumar Tiwari
Director
DIN: 00366348
New Delhi, 25 May 2023

Usha Devi
Director
DIN: 03498022



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 1

Company Overview:

Indiabulls Distribution Services Limited ("IBDSL" or "the Company") (CIN U74999DL2009PLC191143) was incorporated on June 11, 2009. The Company is engaged primarily in the business of Commission, brokerage and related services

Note - 2

2.1 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 as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')) The Company has uniformly applied the accounting policies during the periods presented

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

2.2 Basis of preparation

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 amortized 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.

The statement of cash flows have been prepared under indirect method

2.3 - Current versus Non Current Classifications

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification

An asset is current when it is :

- (i) Expected to be realized or intended to sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realized within twelve months after the reporting period, or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when :

- (i) It is expected to be settled in normal operating cycle
- (ii) It is held primarily for the purpose of trading
- (iii) It is due to be settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current

Deferred tax assets and liabilities are classified as non-current assets and liabilities

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Note - 3

Significant Accounting Policies:

a) Use of estimates and judgements:

In preparing these Ind AS financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on its business operations and financial position, based on its review of current indicators of future economic conditions. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

b) Revenue Recognition:

Revenue is recognized upon transfer of control of services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers.

The Company has adopted Ind AS - 115 Revenue from contracts with customers, with effect from 1st April, 2018. Ind AS - 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with its customers and replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- (i) Identify the contract(s) with customer,
- (ii) Identify separate performance obligations in the contract,
- (iii) Determine the transaction price,
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when a performance obligation is satisfied

The Company presents revenues net of indirect taxes in its statement of profit and loss.



Note - 3

Significant Accounting Policies: (continued)

The Company has adopted Ind AS – 115 using the cumulative effect method whereby the effect of applying this standard is recognized at the date of initial application (i.e. 1st April, 2018). Accordingly, the comparative information in the Standalone Statement of Profit and Loss is not restated. Impact on adoption of Ind AS – 115 is not material.

• Income from Brokerage and commission is recognized on accrual basis, generally as set out under the terms of contracts/agreements with respective customers

• Income from fee based consultancy is recognized on an accrual basis in terms of the contracts/agreements with respective customers

• Interest income is recognized using the effective interest method as set out in Ind AS 109 – Financial Instruments Recognition and Measurement, when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably. The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period.

c) Taxes on Income:

Current tax

Current Tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Entity's current tax is calculated using tax rate that has been enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

d) Property, plant and equipment

All property, plant and equipment are initially recognized at cost. Cost comprises the purchase price and any directly attributable cost to bring the asset to its working condition for its intended use. An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

Depreciation on Property, plant and equipment is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Assets costing less than Rs. 5,000 each are fully depreciated in the year of capitalization.

e) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured at the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

f) Impairment of assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

g) Borrowing Costs:

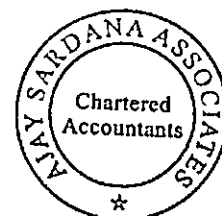
Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such assets. All other borrowing costs are charged to revenue.

h) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another.



Note - 3

Significant Accounting Policies: (continued)

1. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ('EIR') method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI (Fair Value through OCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value.

Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL (Fair value through profit or loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity Investments

All equity investments in entities other than tax free bonds and fixed deposits are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss. Investments in tax free bonds and fixed deposits are measured at amortized cost.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

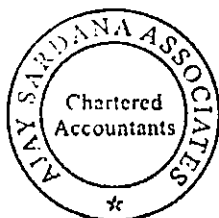
Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Trade receivables under Ind AS 18.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.



Note - 3

Significant Accounting Policies: (continued)

II. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below.

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use Assets (ROU Assets)

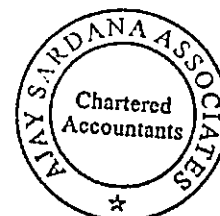
The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 3
Significant Accounting Policies: (continued)

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned

1) Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

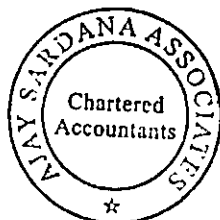
Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

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Inchibulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs. Unless unless stated otherwise)

Note - 4

Fixed Assets:

Particulars	Gross Block (At Cost)				Accumulated Depreciation/Amortization			Net Block	
	As at 1 April 2022 Rs.	Additions during the year Rs.	Adjustments/ Sales during year Rs.	As at 31 March 2023 Rs.	As at 1 April 2022 Rs.	Additions during the year Rs.	Adjustments during the year Rs.	As at 31 March 2023 Rs.	As at 31 March 2022 Rs.
a. Tangible Assets									
Office Equipment	24.34	-	12.53	11.81	23.28	0.51	11.98	-	1.06
Vehicles	264.79	-	50.07	214.72	222.90	22.41	45.58	14.99	41.89
Furniture and fixtures	45.61	-	27.29	18.32	11.26	7.19	10.52	10.39	34.35
Computers	183.09	-	148.10	34.99	182.86	0.22	148.10	0.01	0.23
TOTAL (a)	517.83	-	237.99	279.84	440.30	30.33	216.18	254.45	77.53
b. Intangible Assets									
Software	506.56	-	-	506.56	505.77	0.79	-	506.56	0.79
TOTAL (b)	506.56	-	-	506.56	505.77	0.79	-	506.56	0.79



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 5

	As at 31 March 2023			As at 31 March 2022	
	Face value per share	Number of shares	Amount	Number of shares	Amount
Investments-Non current					
Non-Trade Investments					
Investment in equity shares (at cost)					
(i) in subsidiary companies					
Indiabulls Alternate Investments Limited	10	50,50,000	505.00	50,50,000	505.00
			<u>505.00</u>		<u>505.00</u>
Aggregate book value of unquoted investments			505.00		505.00

Name of subsidiaries	Principal place of business	Ownership interest	
		As at 31 March 2023	As at 31 March 2022
Indiabulls Alternate Investments Limited	India	100%	100%

Note - 6

	As at 31 March 2023	As at 31 March 2022
	Loans-Non current	
at amortized cost		
a) Deposits for Underwriting/distribution of real estate projects		
Considered good-Unsecured	2,233.20	3,545.12
Having significant increase in credit risk-Unsecured	1,328.79	-
	<u>3,561.99</u>	<u>3,545.12</u>
Less: Provision for impairment loss due to expected credit loss	(1,328.79)	-
	<u>2,233.20</u>	<u>3,545.12</u>
b) Rental deposits		
Unsecured, considered good	-	-
Unsecured, having significant increase in credit risk	20.10	20.10
Less: Provision for impairment loss due to expected credit loss	(20.10)	(20.10)
	<u>-</u>	<u>-</u>
	<u>2,233.20</u>	<u>3,545.12</u>

Note - 7

	As at 31 March 2023	As at 31 March 2022
	Trade receivables-Non current	
Unsecured, considered good	99.19	337.60
Unsecured, which have significant increase in credit risk	1,214.85	904.27
	<u>1,314.04</u>	<u>1,241.87</u>
Less: Provision for impairment loss due to expected credit loss	(1,214.85)	(904.27)
	<u>99.19</u>	<u>337.60</u>

(i) Ageing schedule as at 31 March 2023

S no	Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	0.17	4.91	14.66	1.82	77.63	99.19
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	1.07	31.59	94.22	11.71	499.08	637.67
(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	0.97	28.59	85.28	10.60	451.74	577.18



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 7
Trade receivables-Non current (continued)

(ii) Ageing schedule as at 31 March 2022

S no	Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables - considered good	4.94	40.07	5.83	27.43	259.33	337.60
(ii)	Undisputed Trade Receivables - which have significant increase in credit risk	0.86	7.00	1.02	4.79	45.34	59.01
(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	12.38	100.33	14.59	68.67	649.29	845.26

Note - 8

Other financial assets-Non current

In fixed deposit accounts with banks having maturity of more than twelve months
Interest accrued on fixed deposits

	As at 31 March 2023	As at 31 March 2022
In fixed deposit accounts with banks having maturity of more than twelve months	-	200.00
Interest accrued on fixed deposits	-	1.40
	-	201.40

Note - 9

Deferred tax assets

Arising on account of temporary differences due to:
Provision for impairment loss on security deposits
Property, plant and equipment and other intangible assets
Share options outstanding reserve
Provision impairment loss due to expected credit losses
Effect of reversal of financing component from revenue
Underwriting deposits measured at amortized cost
MAT credit entitlement

	As at 31 March 2023	As at 31 March 2022
Provision for impairment loss on security deposits	5.85	5.85
Property, plant and equipment and other intangible assets	53.48	58.27
Share options outstanding reserve	1.83	2.29
Provision impairment loss due to expected credit losses	1,803.24	416.42
Effect of reversal of financing component from revenue	0.02	0.11
Underwriting deposits measured at amortized cost	63.20	199.39
MAT credit entitlement	1,047.63	629.27
Total Deferred tax assets	2,975.25	1,311.60

Note - 9

Deferred tax assets (Continued)

Movement in deferred tax balances for the year ended 31 March 2022

	As at 1 April 2022	Recognized in statement of profit and loss	Recognized in other comprehensive income	As at 31 March 2023
Provision for impairment loss on security deposits	5.85	-	-	5.85
Provision for contingencies	-	-	-	-
Property, plant and equipment and other intangible assets	58.27	4.79	-	53.48
Share options outstanding reserve	2.29	0.46	-	1.83
Provision impairment loss due to expected credit losses	416.42	(1,386.82)	-	1,803.24
Effect of reversal of financing component from revenue	0.11	0.09	-	0.02
Underwriting deposits measured at amortized cost	199.39	136.19	-	63.20
MAT credit entitlement	629.27	(418.36)	-	1,047.63
	1,311.60	(1,663.65)	-	2,975.25



Indialulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 9

Deferred tax assets (Continued)

Movement in deferred tax balances for the year ended 31 March 2022

	As at 1 April 2021	Recognized in statement of profit and loss	Recognized in other comprehensive income	As at 31 March 2022
Provision for impairment loss on security deposits	5.85	-	-	5.85
Property, plant and equipment and other intangible assets	58.45	0.18	-	58.27
Share options outstanding reserve	2.29	-	-	2.29
Provision impairment loss due to expected credit losses	288.27	(128.13)	-	416.42
Effect of reversal of financing component from revenue	1.10	0.99	-	0.11
Underwriting deposits measured at amortized cost	316.51	117.12	-	199.39
MAT credit entitlement	629.27	-	-	629.27
Total Deferred tax assets	1,301.74	(9.84)	-	1,311.60

* Expiry date of minimum alternative tax credit

Expiry financial year (as per Income tax Act)

	As at 31 March 2023	As at 31 March 2022
1 April 2031 - 31 March 2032*	531.59	531.59
1 April 2032 - 31 March 2033	97.68	97.68
1 April 2037 - 31 March 2038	418.36	-
	1,047.63	629.27

* From financial year ended 31 March 2018, section 115JAA has been amended to provide tax credit determined under this section can be carried forward up to the 15th assessment year, immediately succeeding the assessment years in which such tax credit becomes allowable.

Tax losses for which no deferred tax assets has been recognized:

Expiry financial year (as per Income tax Act)

Unused tax business losses

	As at 31 March 2023	As at 31 March 2022
1 April 2023 - 31 March 2024	-	1,267.71
1 April 2025 - 31 March 2026	-	1,774.38
1 April 2026 - 31 March 2027	969.27	1,048.86
1 April 2027 - 31 March 2028	4,407.02	4,407.02
1 April 2028 - 31 March 2029	4,706.15	4,706.15
1 April 2029 - 31 March 2030	1,016.68	958.73
	11,029.12	14,162.85

Unused tax long-term capital losses

	As at 31 March 2023	As at 31 March 2022
1 April 2027 - 31 March 2028	17.82	17.82
	17.82	17.82

Unused tax Unabsorbed depreciation

Unabsorbed depreciation for indefinite period

	As at 31 March 2023	As at 31 March 2022
	989.49	989.49
	989.49	989.49
Total	12,106.43	15,170.16

Note - 10

Other non-current assets

Capital advances

	As at 31 March 2023	As at 31 March 2022
	-	0.66
	-	0.66



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 11

Trade receivables-Current

	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good	2,212.83	3,011.05
Unsecured, which have significant increase in credit risk	777.61	525.73
	<u>2,990.44</u>	<u>3,536.78</u>
Less: Provision for impairment loss due to expected credit loss	(777.61)	(525.73)
	<u>2,212.83</u>	<u>3,011.05</u>

(i) Ageing schedule as at 31 March 2023

S no	Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	3.72	109.63	326.95	40.63	1,731.90	2,212.83
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	0.29	8.66	25.83	3.21	136.85	174.84
(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	1.01	29.86	89.06	11.07	471.77	602.77

(ii) Ageing schedule as at 31 March 2022

S no	Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	44.10	357.40	51.99	244.61	2,312.95	3,011.05
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	7.70	62.40	9.08	42.71	403.84	525.73
(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	-	-	-	-	-	-

Note - 12

Cash and cash equivalents

Cash on hand
Balance with banks
- in current accounts

	As at 31 March 2023	As at 31 March 2022
Cash on hand	-	0.02
Balance with banks	30.84	17.65
	<u>30.84</u>	<u>17.67</u>



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 13

	As at 31 March 2023	As at 31 March 2022
Loans-Current		
at amortized cost		
a) Deposits for Underwriting/distribution of real estate projects/Inter-corporate deposits		
Underwriting/distribution of real estate projects:		
Secured*	10,490.71	10,490.71
Interest accrued thereon	7,214.26	4,241.41
Considered good-Unsecured	5,244.97	8,506.21
Having significant increase in credit risk-Unsecured	2,871.21	-
	<u>8,116.18</u>	<u>8,506.21</u>
Less Provision for impairment loss due to expected credit loss	(2,871.21)	-
	<u>5,244.97</u>	<u>8,506.21</u>
Inter-corporate deposits:		
Unsecured to related parties (fellow subsidiary companies)**	23,261.10	38,898.20
b) Other deposits (unsecured)	0.70	0.70
	<u>46,211.74</u>	<u>62,137.23</u>

* Secured by way of mortgage/pledge/hypothecation of residential real estate properties of the respective parties in favour of the Company.

** Includes unsecured, short term loans granted to fellow subsidiary companies, intended to be utilized for their respective business activities. The loans are unsecured and repayable in full on or before the expiry of the term at loans, the option of the respective borrower. Interest is charged at the rates ranging from 8.25 percent per annum to 10 percent per annum. The loan has been utilized for the purpose it was granted.

Note - 14

	As at 31 March 2023	As at 31 March 2022
Current tax assets (net)		
- Advance income tax/tax deducted at source (net)	589.38	2,160.37
[Net of provision for taxation 31 March 2023: Rs. 493.49 lakhs (Previous year: Rs. 10,254.74 lakhs)]		
	<u>589.38</u>	<u>2,160.37</u>

Note - 15

	As at 31 March 2023	As at 31 March 2022
Other current assets		
Prepaid expenses	0.37	0.31
Balance with government authorities	256.03	268.20
Advance to employees	-	3.39
Advances recoverable	673.07	673.15
	<u>929.47</u>	<u>945.05</u>

Note - 16

	As at 31 March 2023		As at 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
i. Authorized				
Equity shares of face value of Rs. 10 each	20,00,000	200.00	20,00,000	200.00
		<u>200.00</u>		<u>200.00</u>
ii. Issued and subscribed and paid up				
Equity shares of face value of Rs. 10 each fully paid up	3,58,220	35.82	3,58,220	35.82
		<u>35.82</u>		<u>35.82</u>
iii. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:				
Equity shares, fully paid-up				
Balance at the beginning of the year	3,58,220	35.82	3,58,220	35.82
Add: Issued during the year	-	-	-	-
Balance at the end of the year	<u>3,58,220</u>	<u>35.82</u>	<u>3,58,220</u>	<u>35.82</u>



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 16
Equity share capital (continued)

iv. Rights, preferences and restrictions attached to the equity shares:

The Company has only one class of equity shares having a face value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. 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.

v. Shares held by shareholders holding more than 5% shares:

	As at 31 March 2023		As at 31 March 2022	
	No. of shares	% of Holding	No. of shares	% of Holding
Dhani Loans and Services Limited ("DLSL") and its nominees*	3,08,220	86.04%	3,08,220	86.04%
Dhani Services Limited and its nominees**	50,000	13.96%	50,000	13.96%

* Holding Company with effect from March 26, 2020

** Holding Company upto March 25, 2020

vi. Shares held by promoters at the end of the year

As at 31 March 2023

Promoter name	No. of Shares	% of total shares	% Change during the year
Dhani Loans and Services Limited and its nominees	3,08,220	86.04%	Nil

As at 31 March 2022

Promoter name	No. of Shares	% of total shares	% Change during the year
Dhani Loans and Services Limited and its nominees	3,08,220	86.04%	Nil

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

viii. There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue. The Company has not bought back shares during the last five years.

ix. For employee stock option scheme, Refer Note: 35

Note - 17

Other equity

	As at 31 March 2023	As at 31 March 2022
General reserve	815.77	815.77
Share options outstanding account	6.27	7.86
Other component of equity	28.35	28.35
Securities premium	44,969.30	44,969.30
Retained earnings	(599.07)	(683.51)
	<u>45,220.62</u>	<u>45,137.77</u>

Nature and purpose of other reserve:

General reserve

The general reserve is a free reserve which is used from time to time to transfer profits from / to retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Share options outstanding account

The reserve is used to recognize the fair value of the options issued to employees of the Company under the Ultimate Holding Company's ESOP's plans (Refer Note 34)

Securities premium

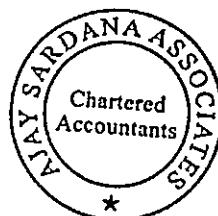
The amount received in excess of the par value of equity shares has been classified as securities premium.

Other component of equity

Other component of equity represents amounts transferred from share based payments reserve upon exercise of stock options by employees during the year.

Retained earnings

Retained earnings represent the amount of accumulated earnings of the Company.



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 18

Borrowings-Non current

	As at 31 March 2023	As at 31 March 2022
Compulsory/ Optionally convertible debentures (unsecured) (refer note (a) below)	9,999.78	9,999.78
Less: Current maturity of Debt securities	(9,999.78)	(9,999.78)
	<u>-</u>	<u>-</u>

(a) On September 30, 2019, the Board of Directors of the Company, pursuant to the applicable provisions of Companies Act, 2013, authorized the issue of 344,828 non-marketable, compulsorily convertible debentures ("Debentures") aggregating to Rs 5,000,006,000, at a nominal value of Rs 14,500 per Debenture, to Dhani Loans and Services Limited (formerly Indiabulls Consumer Finance Limited), its erstwhile fellow subsidiary company (Holding Company with effect from March 26, 2020), for consideration received in cash. In accordance with the terms of the issue of the Debentures, interest is payable at the coupon rate of 10% per annum, payable at the end of each financial year. DLSL, at its sole option, can request the Company to convert the Debentures into fully paid up equity shares of the Company at any time, on or before 24 months from the date of issue, at the value per equity share of the Company on such date of conversion.

During the year ended 31 March 2021, the Company on the request of Dhani Loans and Services Limited modified the terms of the Compulsorily Convertible Debentures ("CCDs") from being compulsorily convertible to optionally convertible. Thereafter, the Company has paid Rs. 40,000.28 lakh against redemption of these Optionally Convertible Debentures ("OCDs") to its Holding company Dhani Loans and Services Limited ("DLASL"), bearing coupon rate of 10% per annum.

Note - 19

Borrowings-Current

	As at 31 March 2023	As at 31 March 2022
Unsecured		
Inter corporate deposits		
From Fellow Subsidiary Companies	-	18,256.20
	<u>-</u>	<u>18,256.20</u>

(a) The unsecured loans/inter-corporate deposits from related parties have been taken for a term upto two years and are repayable at the option of the Company, on or before the expiration of the tenure of the said loans. These unsecured loans carry interest rate ranging from 8.25% per annum to 10% per annum, which may be revised based upon mutual agreement of the parties.

(b) There is no default as on the Balance Sheet date in repayment of the respective loan or interest amounts.

Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows

Particulars	Long term borrowings	Short term borrowings	Total
As at 1 April 2021	10,009.22	17,235.00	27,244.22
Cash flows:			
Repayment	(9.44)	(21,594.30)	(21,603.74)
Proceeds	-	22,615.50	22,615.50
As at 31 March 2022	9,999.78	18,256.20	28,255.98
As at 1 April 2022	9,999.78	18,256.20	28,255.98
Cash flows:			
Repayment	-	(30,537.98)	(30,537.98)
Proceeds	-	12,281.78	12,281.78
As at 31 March 2023	9,999.78	-	9,999.78



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 20
Trade payables

	As at 31 March 2023	As at 31 March 2022
Total outstanding due to micro enterprises and small enterprises (i)	-	-
Total outstanding due to creditors other than micro enterprises and small enterprises	-	3.29
	<u>-</u>	<u>3.29</u>

(i) 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 31 March 2023	As at 31 March 2022
Principal amount remaining unpaid	-	-
Interest due thereon	-	-
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the period / year	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period / year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period / year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid as at end of the period / year	-	-

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

(ii) Ageing Schedule as at 31 March 2023 (Outstanding from due date of payment)

S no	Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	-	-	-	-	-
(ii)	Others	-	-	-	-	-
(iii)	Disputed dues - MSME (iv) Disputed dues - Others	-	-	-	-	-

(iii) Ageing Schedule as at 31 March 2022 (Outstanding from due date of payment)

S no	Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	-	-	-	-	-
(ii)	Others	-	-	-	3.29	3.29
(iii)	Disputed dues - MSME (iv) Disputed dues - Others	-	-	-	-	-

Note - 21
Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Current maturity of Debt securities	9,999.78	9,999.78
	<u>9,999.78</u>	<u>9,999.78</u>

Note - 22
Other current liabilities

	As at 31 March 2023	As at 31 March 2022
Statutory dues payables	247.18	236.90
Employee related payables	2.60	84.69
Expenses and other payables	133.92	496.62
	<u>383.70</u>	<u>818.21</u>



Iudibulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 23
Current tax liabilities

Provision for taxation (net of advance tax/ tax deducted at source)
[Net of Advance Tax/TDS : Rs. 7,080.62 lakhs (Previous year Rs. Nil)]

	As at 31 March 2023	As at 31 March 2022
	172.37	-
	<u>172.37</u>	<u>-</u>

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Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 24

Revenue from operations	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of services		
Commission, brokerage and service charges	54.73	46.38
Consultancy fees	16.32	29.73
	<u>71.05</u>	<u>76.11</u>

Note - 25

Other income	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income from inter-corporate deposits	5,840.40	5,178.39
Interest on fixed deposits	1.79	7.68
Excess provisions written back	-	5.25
Balances written back	176.84	78.18
Unwinding of interest income	467.56	484.50
Profit on redemption of Mutual Funds	-	0.27
Interest income from Income Tax Refund	168.58	31.12
Profit on sale of fixed assets	14.35	-
Miscellaneous Income	8.61	23.52
	<u>6,678.13</u>	<u>5,808.91</u>

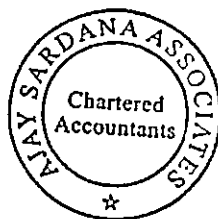
Note - 26

Employee benefits expense	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries	59.00	46.37
Contribution to provident fund and other funds	5.46	3.43
	<u>64.52</u>	<u>49.80</u>

The Company has certain defined contribution plans such as provident fund for benefits of its employees. Contributions 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. The expense recognized during the year towards defined contribution plan is Rs.5.46 lakh (Previous year Rs 3.43 lakhs)

Note - 27

Finance costs	For the year ended 31 March 2023	For the year ended 31 March 2022
Bank Charges	0.19	0.17
Interest on Inter Corporate Deposits	1,546.22	1,334.27
Interest on compulsorily/optionally convertible debentures	999.98	999.98
Interest on bank overdraft	0.40	0.40
Interest on vehicle loans	-	0.27
Interest on taxes	133.29	-
	<u>2,680.08</u>	<u>2,335.09</u>



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 28

Impairment losses

[Also refer note: 33(i)(A)(b)]

	<u>For the year ended 31 March 2023</u>	<u>For the year ended 31 March 2022</u>
Provision for impairment loss due to expected credit loss	5,000.00	1,430.00
Bad debts written off/ credit notes issued	237.54	3,789.02
Less: Adjusted against provisions	(237.54)	(989.95)
	<u>5,000.00</u>	<u>4,229.07</u>

Note - 29

Other expenses

	<u>For the year ended 31 March 2023</u>	<u>For the year ended 31 March 2022</u>
Stamp duty	0.03	-
Service charges	5.50	-
Lease rent	-	100.47
Rates and taxes	6.89	9.20
Insurance	0.57	0.48
Communication	0.01	0.85
Legal and professional	61.90	61.74
Travelling and conveyance	0.02	3.90
Printing and stationery	0.01	-
Repairs and maintenance - others	7.74	1.41
Loss on modification of financial assets	21.20	81.16
Business promotion	-	0.05
Auditor's remuneration-As auditor	10.50	5.50
Loss on sale/ scrapping of fixed assets (net)	-	6.19
Miscellaneous Expenses	-	0.01
	<u>114.37</u>	<u>270.96</u>

Note - 30

Tax expenses

	<u>For the year ended 31 March 2023</u>	<u>For the year ended 31 March 2022</u>
Current tax	465.76	-
Earlier year tax expenses	(4.26)	-
Deferred tax charge	(1,663.65)	(9.84)
Income tax expense reported in the statement of profit and loss	<u>(1,202.15)</u>	<u>(9.84)</u>
Accounting loss before tax expense	(1,119.30)	(1,048.73)
Income tax rate	29.12%	29.12%
Expected tax expense	(325.94)	(305.39)
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense		
Tax effect of expenses which are not deductible	39.28	(1.53)
Tax losses for which no deferred tax was recognized	-	297.08
Tax effect of earlier year items	(4.26)	-
Tax effect of set-off brought forward losses	(911.23)	-
Income tax expense	<u>(1,202.15)</u>	<u>(9.84)</u>



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 31

Earnings per equity share	For the year ended 31 March 2023	For the year ended 31 March 2022
Net profit/(loss) for the year	82.85	(1,038.89)
Nominal value of equity share (Rs.)	10.00	10.00
Weighted average number of Equity Shares used for computing Basic and Diluted earnings per share	3,58,220	3,58,220
Basic earnings per share (Rs.)	23.13	(290.01)
Diluted earnings per share (Rs.)	23.13	(290.01)



Note - 32

Financial instruments:

A Financial assets and liabilities

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

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Financial assets measured at amortized cost*			
Cash and cash equivalents	Note - 12	30.84	17.67
Trade receivables	Note - 7 & 11	2,312.02	3,348.65
Loans	Note - 6 & 13	48,444.94	65,682.35
Other financial assets	Note - 8	-	201.40
Total		50,787.80	69,250.07
Financial liabilities measured at amortized cost			
Trade payables	Note - 20	-	3.29
Borrowings (including interest accrued)	Note - 18 & 19	-	18,256.20
Other financial liabilities	Note - 21	9,999.78	9,999.78
Total		9,999.78	28,259.27

* Investment in subsidiaries are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented above.

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:

The categories used are 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 amortized cost

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

Particulars	As at 31 March 2023		As at 31 March 2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	30.84	30.84	17.67	17.67
Trade receivables	2,312.02	2,312.02	3,348.65	3,348.65
Loans	48,444.94	48,444.94	65,682.35	65,682.35
Other financial assets	-	-	201.40	201.40
Total	50,787.80	50,787.80	69,250.07	69,250.07
Financial liabilities				
Trade payables	-	-	3.29	3.29
Borrowings	-	-	18,256.20	18,256.20
Other financial liabilities	9,999.78	9,999.78	9,999.78	9,999.78
Total	9,999.78	9,999.78	28,259.27	28,259.27

Fair value of cash and cash equivalents, trade receivables, loans and other financial assets approximate their carrying amounts largely due to current maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above. Fair value measurement of lease liabilities is not required. Valuation techniques used to determine fair values are given below:

(i) The fair values of the Company's fixed interest bearing loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2023 was assessed to be insignificant.

(ii) The fair values of the Company fixed rate interest-bearing debt securities and borrowings are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The Company did not have any variable rate interest-bearing debt securities / borrowings.



Note - 33

Financial risk management

i) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. 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
Credit risk	Cash and cash equivalents, investments, loans, trade receivables and other financial assets
Liquidity risk	Borrowings, trade payables and other financial liabilities
Market risk - interest rate	Borrowings and debt securities
Market risk - security price	Investments in equity securities

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 is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, 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.

Financial assets that expose the entity to credit risk*: The carrying amount of financial assets represents maximum amount of credit exposure. The maximum exposure to credit risk is as per the table below, it being total of carrying amount of cash and cash equivalents, trade receivables and other financial assets measured at amortised cost.

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Low credit risk		
Cash and cash equivalents	30.84	17.67
Trade receivables	2,312.02	3,348.65
Loans	48,444.94	65,682.35
Other financial assets	-	201.40
(ii) High credit risk		
Trade receivables	1,992.46	1,430.00
Loans	4,220.10	20.10

* These represent maximum exposure to credit risk in terms of gross carrying values of financial assets, without deduction for expected credit losses

Expected Credit Loss (ECL) on Financial Assets

The Company continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL (12mECL) or life time ECL (LTECL), the Company assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. The Company applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired:

- Historical trend of collection from counterparty
- Company's contractual rights with respect to recovery of dues from counterparty
- Credit rating of counterparty and any relevant information available in public domain

Trade and other receivables:

Exposures to customers' outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of collection from counterparties on timely basis reflects low level of credit risk. As the Company has a contractual right to such receivables as well as the control over such funds due from customers, the Company does not estimate any credit risk in relation to such receivables. Further, management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour.

Cash and cash equivalents

The credit worthiness of such banks and financial institutions with whom cash and cash equivalents are held is evaluated by the management on an ongoing basis and is considered to be high.

Loans

Loans measured at amortized cost primarily comprise security deposits given for underwriting projects. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Other financial assets

Other financial assets measured at amortized cost includes interest receivable. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.



Note - 33

Financial risk management (continued)

a) Credit risk management

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, loans, trade receivables and other financial assets	12 month expected credit loss
High credit risk	Trade receivables, Loans and security deposits	Life time expected credit loss or fully provided for

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. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

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.

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	30.84	-	30.84
Trade receivables	4,304.48	1,992.46	2,312.02
Loans	52,665.04	4,220.10	48,444.94
Other financial assets	-	-	-

As at 31 March 2022	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	17.67	-	17.67
Trade receivables	4,778.65	1,430.00	3,348.65
Loans	65,702.45	20.10	65,682.35
Other financial assets	201.40	-	201.40

Reconciliation of loss allowance provision from beginning to end of reporting year:^a

Reconciliation of loss allowance	Trade receivables	Loans
Loss allowance on 1 April 2021	989.95	20.10
Impairment loss recognised during the year	-	-
Loss allowance utilised during the year	1,430.00 (989.95)	-
Loss allowance on 31 March 2022	1,430.00	20.10
Loss allowance on 1 April 2022	1,430.00	20.10
Impairment loss recognised during the year	800.00	4,200.00
Loss allowance written back	(237.54)	-
Loss allowance on 31 March 2023	1,992.46	4,220.10

As aforesaid, the Company has recorded provisions for impairment due to expected credit losses on certain financial assets as at March 31, 2023 on an estimated basis, in respect of losses that may arise dependent upon future developments including inter alia, the uncertainties due to the effects of unravelling of the Covid-19 pandemic on the Company's business. There has been no material change in the controls or processes followed in the closing of these financial statements of the Company.

The expected credit loss allowance above is calculated based on assumptions about the risk of default and expected loss rates. The Company uses judgement in making those assumptions and selecting inputs to the loss allowance calculation, based on past history, existing conditions, as well as forward looking estimates at the end of each reporting period.

c) Concentration of trade receivables

The Company's outstanding receivables are on account of commission receivable from underwriting/distribution of real estate projects on behalf of developers and related services. Loans and other financial assets majorly represents loans to related parties 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.



Note - 33

Financial risk management (continued)

(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	9,999.78	9,999.78	-
- Expiring beyond one year	90,000.00	-	90,000.00
Total	99,999.78	9,999.78	90,000.00

As at 31 March 2022	Total facility	Drawn	Undrawn
- Expiring within one year	180.00	-	180.00
- Expiring beyond one year	1,39,999.78	28,255.98	1,11,743.80
Total	1,40,179.78	28,255.98	1,11,923.80

(ii) Maturities of financial assets and liabilities

The tables below analyze 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	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Cash and cash equivalent	30.84	-	-	-	30.84
Trade receivables	2,990.44	1,314.12	-	-	4,304.56
Loans	51,448.10	1,433.97	-	-	52,882.07
Investments	-	-	-	505.00	505.00
Other financial assets	-	-	-	-	-
Total undiscounted financial assets	54,469.38	2,748.09	-	505.00	57,722.47
Non-derivatives					
Borrowings	-	-	-	-	-
Trade payables	-	-	-	-	-
Other financial liabilities	9,999.78	-	-	-	9,999.78
Total undiscounted financial liabilities	9,999.78	-	-	-	9,999.78
Net undiscounted financial assets/(liabilities)	44,469.60	2,748.09	-	505.00	47,722.69

(ii) Maturities of financial assets and liabilities

As at 31 March 2022	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Cash and cash equivalent	17.67	-	-	-	17.67
Trade receivables	3,499.62	960.25	319.15	-	4,779.02
Loans	62,303.72	2,652.17	1,431.27	-	66,387.16
Investments	-	-	-	505.00	505.00
Other financial assets	201.40	-	-	-	201.40
Total undiscounted financial assets	66,022.41	3,612.42	1,750.42	505.00	71,890.25
Non-derivatives					
Borrowings	18,256.20	-	-	-	18,256.20
Trade payables	3.29	-	-	-	3.29
Other financial liabilities	9,999.78	-	-	-	9,999.78
Total undiscounted financial liabilities	28,259.27	-	-	-	28,259.27
Net undiscounted financial assets/(liabilities)	37,763.14	3,612.42	1,750.42	505.00	43,630.98

C) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to interest rate risk and price risk.

a) Foreign currency risk

The Company does not have into any foreign currency denominated assets or liabilities as at 31 March 2023 and 31 March 2022. Accordingly, the Company is not exposed to foreign currency risk.



Note - 33

Financial risk management (continued)

b) Interest rate risk

i) Liabilities

Interest rate risk is the risk where the Company is exposed to the risk that fair value or future cash flows of its financial instruments will fluctuate as a result of change in market interest rates. The Company's policy is to minimize interest rate cash flow risk exposures on long-term financing. At 31 March 2023 & 31 March 2022, the Company is exposed to changes in market interest rates through debt securities and other borrowings.

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		
Borrowings	-	-
Fixed rate liabilities		
Borrowings	-	18,256.20
Debt securities	9,999.78	9,999.78
Total	9,999.78	28,255.98

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 50 basis points (50 bps)	136.53	128.63
Interest rates – decrease by 50 basis points (50 bps)	(136.53)	(128.63)

* Holding all other variables constant

ii) Assets

The Company's fixed deposits are carried at amortized 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

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets. The Company does not have any financial assets as at 31 March 2023 and 31 March 2022 that expose it to price risk.

Note - 34

Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to maintain an optimal capital structure to reduce cost of capital
- 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. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The funding requirements are met through operating cash flows and other equity. 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. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Particulars	As at 31 March 2023	As at 31 March 2022
Net debt*	9,968.94	28,238.31
Total equity	45,256.44	45,173.59
Net debt to equity ratio	0.22	0.63

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



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
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Note - 35

Employee stock option schemes:

Dham Services Limited ("The Ultimate Holding Company") has issued various Employees stock options scheme (ESOP / ESOS) for the benefit of its employees and its subsidiary companies

A. Grants during the year:

The Ultimate Holding Company has established the "Udaan Employee Welfare Trust" ("Udaan - EWT") ("Trust") for the implementation and management of its employees benefit scheme viz the "Dham Services Limited - Employee Stock Benefit Scheme - 2008 & 2009" (Scheme) for the benefit its employees and its subsidiaries. Pursuant to Regulation 3(12) of the 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 Ultimate Holding Company and its subsidiaries as permitted by SEBI.

The Ultimate 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	DSL ESOP - 2008	DSL ESOP - 2009
No. of options granted	18,00,000	98,00,000
Exercise price (₹)	30	30

B. Employees Stock Options Schemes:

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

	DSL ESOP - 2008				
	97,00,000	8,50,600	18,00,000	18,00,000	17,00,000
	(Regrant)	(Regrant)	(Regrant)	(Regrant)	(Regrant)
Total options under the scheme (Nos.)	2,00,00,000				
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	25th March each year, commencing 25 March 2019	28th June each year, commencing 28 June 2023	25th February each year, commencing 25 February 2023	01st April each year, commencing 01 April 2022
Exercisable period	5 years from each	5 years from each	5 years from each	5 years from each	5 years from each
Exercise price (₹)	24.15	254.85	30	68	150
Outstanding at the beginning of 1 April 2021 (Nos.)	46,24,800	86,800	-	-	-
Granted/ regranted 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/ regranted 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).



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Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 35

Employee stock option schemes: (continued)

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

	DSL ESOP - 2009	DSL ESOP -	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	98,00,000	1,00,00,000
Vesting period and percentage	Ten years, 10% each year	(Regrant) Five years, 20% each year	(Regrant) Five years, 20% each year	(Regrant) Five years, 20% each year
Vesting date	13th April each year, commencing 13 April 2011	13th May each year, commencing 13 May 2017	28th June each year, commencing 28 June 2023	2nd 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	-
			DSL ESOP - 2009	DSL ESOP - 2009
Total options under the Scheme (Nos)			2,00,00,000	2,00,00,000
Options granted (Nos.)			98,00,000	84,00,000
Vesting period and percentage			(Regrant) Five years,	(Regrant) Five years,
Vesting date			25th February each year, commencing 25 February 2023	01st 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	-



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 35

Employee stock option schemes: (continued)

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)

(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 Ultimate Holding Company at its meeting held on 22 October 2019, and (b) a special resolution of the shareholders' of the Ultimate 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 Ultimate Holding 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 Ultimate Holding Company as on the date of approval of shareholders, from the secondary market. The Ultimate Holding Company has appropriated 10,400,000 fully paid up equity shares purchased by the Trust under the Scheme.

	<u>DSL-ESBS 2019</u>
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	17th 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/ regranted during the year (Nos.)	-
Exercised during the year (Nos.)	-
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)	-



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 35
Employee stock option schemes: (continued)

(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 Ultimate Holding Company at its meeting held on 23 January 2020, and (b) a special resolution of the shareholders' of the Ultimate 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 Ultimate 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 Ultimate Holding Company as on the date of approval of shareholders, from the secondary market. The Ultimate Holding Company has appropriated 93,00,000 fully paid up equity shares purchased by the Trust under the Scheme.

	<u>DSL-ESBS 2020</u>
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	7th 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/ regranted 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	-
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/ regranted 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 Ultimate Holding Company at its meeting held on 06 March 2021, and (b) a special resolution of the shareholders' of the Ultimate Holding Company passed through postal ballot on 15 April 2021, result of which were declared on 16 April 2021.

This 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 "SBEB Regulations"), the Ultimate 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 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 Ultimate Holding Company as on the date of approval of shareholders, from the secondary market. The Ultimate Holding Company has not granted any options/ SARs under the said Scheme as at 31 March 2023.



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 35
Employee stock option schemes: (continued)

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

* The expected volatility was determined based on historical volatility data

	DSL ESOP - 2009	DSL-ESBS 2020	DSL-ESBS 2019
	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

	DSL ESOP - 2008 & 2009				
	18,00,000 and 93,00,000				
	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

D. Share based payment expense: Nil (Previous year Rs. Nil)



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 36

Contingent liabilities not provided in respect of:

- a) Income tax Demand of Rs 56.72 lakhs (Previous year Rs 56.72 lakhs) with respect to FY 2017-18 in respect of certain disallowances under the Income Tax Act, 1961 as determined in terms of assessment completed u/s 143(3) of the Income Tax Act, 1961, against which the Company has preferred an appeal before CIT (Appeals)
- 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 - 37

The Company has not entered into any derivative contracts during the year and previous year. The Company does not have any foreign currency exposures as at 31 March 2023 (Previous year Rs Nil)

Note - 38

There are no borrowing costs to be capitalized as at 31 March 2023 (Previous year Rs Nil)

Note - 39

a) Expenses apportioned by the Holding Company to the Company (excluding goods and services tax) include

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
- Lease rent and office maintenance	-	100.47

Note - 40

As at March 31, 2022 the financial assets of the Company constitute more than fifty percent of its total assets (netted off by intangible assets) and income from financial assets constitutes more than fifty percent of the gross income of the Company for the year ended March 31, 2022. The management of the Company is of the view that the deployment of funds in certain financial assets in the nature of loans given by the Company does not represent the principal business activities of the Company. Given the short term nature of deployment of idle / surplus funds in such financial assets and the income earned thereon, management is of the view that the requirements to obtain registration under section 45-IA of the Reserve Bank of India Act, 1934 as a non-banking financial company, are not applicable to the Company.

Note - 41

Segment reporting

The Company operates in a single reportable segment i.e. "Commission, brokerage and related services", which has similar risks and returns for the purpose of Ind AS 108 "Operating segments", is considered to be the only reportable business segment. The Company derives its revenues from its customers who are widespread within India. Further, the Company is operating in India which is considered as a single geographical segment. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM's function is to allocate the resources of the entity and assess the performance of the operating segment of the Company. All assets of the Company are domiciled in India.

Note - 42

Assets pledged as security

The carrying amounts of assets pledged/hypothecated as security are

Particulars	As at 31 March 2023	As at 31 March 2022
Fixed deposits with banks	-	200.00
Total assets pledged as security	-	200.00

Note - 43

Commitments:

Capital commitments outstanding as at 31 March 2023 Rs Nil (Previous year Rs 0.66 lakhs)

Note - 44

Disclosures in respect of Ind AS - 24 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended)

(A) Details of related parties:

Description of relationship	Names of related parties
Related parties where control exists:	
(i) Ultimate Holding Company	Dhani Services Limited
(ii) Holding Company	Dhani Loans and Services Limited
(iii) Subsidiary Company	Indiabulls Alternate Investments Limited Ervos Buildwell Limited
(iv) Fellow Subsidiary Companies (with whom transactions have been entered into)	Gvansagar Buildtech Limited Indiabulls Investment Advisors Limited Pushpanjali Finsolutions Limited Dhani Healthcare Limited



Note - 44 (Continued)

Disclosures in respect of Ind AS - 24 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) (continued)

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

Nature of transactions	Ultimate Holding Company	Holding Company	Subsidiary Company	Fellow subsidiary Companies	Total
Finance					
Inter corporate loans taken (Maximum balance outstanding during the year)	1,545.00	-	-	22,760.70	24,305.70
Inter corporate loans given (Maximum balance outstanding during the year)	-	-	-	28,049.20	28,049.20
Issue of Compulsory Convertible Debentures (CCD) (Maximum balance outstanding during the year)	-	9,999.78	-	-	9,999.78
Income					
Interest income on inter corporate loans	-	-	-	3,187.41	3,187.41
Expenses/appropriations					
Interest expense on inter corporate loans	25.73	-	-	1,520.49	1,546.22
Interest expense on CCD	-	999.98	-	-	999.98
Reimbursement of expenses (paid)	-	100.47	-	-	100.47

Note: Figures in italics relate to the previous year

(C) Balance outstanding as at 31 March 2023:

Nature of transaction	Ultimate Holding Company	Holding Company	Subsidiary Companies	Fellow subsidiary Companies	Total
Finance					
Inter corporate loans taken	-	-	-	18,256.20	18,256.20
Inter corporate loans given	-	-	-	23,261.10	23,261.10
Investments in Equity Shares	-	-	505.00	-	505.00
Compulsory convertible debentures	-	9,999.78	-	-	9,999.78

Note: Figures in italics relate to the previous year

(D) Detail of loans are granted to promoters, directors, KMPs and the related parties

Type of Borrower	As at 31 March 2023		As at 31 March 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	0.00%	-	0.00%
Directors	-	0.00%	-	0.00%
KMPs	-	0.00%	-	0.00%
Related parties	23,261.10	50.96%	38,898.20	62.61%

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 as 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.



Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 45
Accounting Ratios

Particulars	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	Variance %	Remarks
(a) Current Ratio	Current Assets	Current Liabilities	4.73	2.35	102%	Refer Note a) below
(b) Debt-Equity Ratio	Total Debt	Total Equity	0.22	0.63	-65%	Refer Note a) below
(c) Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	0.13	0.66	-81%	Refer Note a) below
(d) Return on Equity Ratio	Net profit/(loss) after tax	Average Share holder's equity	0.18%	-2.27%	-108%	Refer Note b) below
(e) Inventory Turnover Ratio	Cost of goods sold	Average value of inventory	N.A.	N.A.	N.A.	N.A.
(f) Trade Receivable Turnover Ratio	Net credit sales	Average trade receivables	0.02	0.01	11%	N.A.
(g) Trade Payable Turnover Ratio	Other expenses	Average trade payables	56.64	43.28	31%	Refer Note c) below
(h) Net Capital Turnover Ratio	Net Sales	Working capital	0.002	0.002	-10%	N.A.
(i) Net Profit Ratio	Net profit/(loss) after tax	Revenue	1.22%	-17.65%	107%	Refer Note b) below
(j) Return on Capital Employed	Earnings before interest and tax	Capital Employed	0.03	0.02	61%	Refer Note d) below
(k) Return on Investment	Income generated from investments	Average cost of investments	0.00%	0.04%	-100%	Refer Note e) below

Notes

- a) Primarily due to repayment of inter corporate loans from related parties during the financial year ended March 31, 2023
b) Due to profit earned during the financial year ended March 31, 2023
c) Decrease in other expenses and average trade payables as at March 31, 2023
d) Higher EBIT during the financial year ended March 31, 2023
e) Income from investment in mutual funds during the previous financial year ended March 31, 2022. No such income in the year ended March 31, 2023

Note - 46

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

Note - 47

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 - 48

There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) during the financial years ended March 31, 2023 and March 31, 2022.

Note - 49

The Company has not taken any borrowings from banks or financial institutions on the basis of security of current assets during the financial years ended March 31, 2023 and March 31, 2022.

Note - 50

The Company has not been declared a wilful defaulter by any bank or financial institution or other lender during the financial years ended March 31, 2023 and March 31, 2022.

Note - 51

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 financial years ended March 31, 2023 and March 31, 2022.

Note - 52

There are no charges or satisfaction of charges yet to be registered with Registrar of Companies by the Company during the financial years ended March 31, 2023 and March 31, 2022.

Note - 53

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 financial years ended March 31, 2023 and March 31, 2022 in the tax assessments under the Income Tax Act, 1961.

Note - 54

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

Note - 55

Figures for the previous year have been regrouped/ re-arranged wherever considered necessary to confirm to the figures presented in the current year



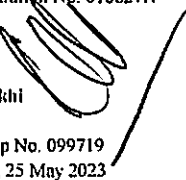
Indiabulls Distribution Services Limited
Notes to the financial statements for the year ended 31 March 2023
(All amounts in Rs Lakhs unless stated otherwise)

Note - 56

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).

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

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



For and on behalf of the Board of Directors of Indiabulls Distribution Services Limited

Akshay Kumar Tiwary
Director
DIN: 00366348
New Delhi, 25 May 2023



Ushia Devi
Director
DIN: 03498022

