

Date: September 2, 2024

**Scrip Code – 532960, 890145**  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

**DHANI – EQ, DHANIPP**  
**National Stock Exchange of India Limited**  
“Exchange Plaza”,  
Bandra-Kurla Complex, Bandra (E).  
Mumbai – 400 051

**Sub: Notice convening 29<sup>th</sup> Annual General Meeting (AGM) of Shareholders of Dhani Services Limited (the Company), along with Annual Report for the financial year 2023-24**

Dear Sirs,

Pursuant to the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and in furtherance to intimation dated August 28, 2024, we wish to inform that the Notice of the 29<sup>th</sup> Annual General Meeting of the Shareholders of the Company, which has been scheduled to be held on **Wednesday, September 25, 2024 at 2:30 P.M.** (IST) ("**AGM**"), and Annual Report for the financial year 2023-24 are being mailed to the Shareholders, holding equity shares of the Company as on August 30, 2024 and whose email IDs are registered with the Company/Depositories, in compliance with applicable MCA and SEBI Circulars ("**Circulars**") (**Copy of the said AGM Notice and Annual Report are attached**).

The AGM will be held through Video Conferencing / Other Audio Visual Means without the physical presence of Members at a common venue, in compliance with Circulars. Notice of 29<sup>th</sup> AGM and Annual Report for the financial year 2023-24 are also uploaded on the website of the Company viz. [www.dhani.com](http://www.dhani.com).

This is for your information and record.

Thanking you,  
Yours truly,

For **Dhani Services Limited**

Ram Mehar  
*Company Secretary*  
*Membership No. FCS: 6039*

*Encl: a/a*

**Dhani Services Limited**

CIN: L74110HR1995PLC121209

Reg. Off: 5th Floor, Plot No. 108, IT Park, Udyog Vihar, Phase 1, Industrial Complex Dundaheera, Gurgaon- 122016, Haryana. T. +91 124 6685800

Corp. Off: 5th Floor, Plot No. 108, IT Park, Udyog Vihar, Phase 1, Industrial Complex Dundaheera, Gurgaon- 122016, Haryana T. +91 124 6685800

Website: [www.dhani.com](http://www.dhani.com) | Email: [support@dhani.com](mailto:support@dhani.com)

## NOTICE

# dhani

Dhani Services Limited

CIN: L74110HR1995PLC121209

Registered Office: 5th Floor, Plot No. 108, IT Park, Udyog Vihar, Phase 1, Gurgaon – 122016, Haryana

Email: support@dhani.com, Tel: 0124-6685800, Website: www.dhani.com

### NOTICE

**NOTICE** is hereby given that the **TWENTY NINTH ANNUAL GENERAL MEETING** of the members of **DHANI SERVICES LIMITED** will be held on **Wednesday, September 25, 2024 at 2:30 PM IST (“AGM”)** through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), to seek the consent of the shareholders of the Company (“Members”), on the agenda herein below through remote electronic voting (“E-voting”).

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone and consolidated financial statements of the Company as at March 31, 2024, and Reports of the Board’s and Auditors thereon.
2. To appoint a Director in place of Mr. Amit Ajit Gandhi (DIN: 07606699), a Non-Independent Non-Executive Director, who, as a director, retires by rotation and being eligible, offers himself for re- appointment and to consider and, if thought fit, to pass the following resolution, as an Ordinary Resolution:

“**RESOLVED THAT** Mr. Amit Ajit Gandhi (DIN: 07606699), a Non-Executive Director, who retires by rotation at this 29th Annual General Meeting and, being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

3. **To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution for the appointment of M/s Hem Sandeep & Co., Chartered Accountants (Firm Registration No. 009907N), as Statutory Auditors of the Company and to fix their remuneration:**

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any amendment, modification, variation or reenactment thereof, on the basis of recommendation of the Audit Committee and the Board of Directors of the Company, M/s Hem Sandeep & Co., Chartered Accountants (Firm Registration No. 009907N, issued by The Institute of Chartered Accountants of India) be and are hereby appointed as the Statutory Auditors of the Company for a period of 3 (Three) consecutive years, in place of M/s Sharp & Tannan Associates, Chartered Accountants (Firm Registration No. 109983W), to hold the office from the conclusion of the 29th Annual General Meeting until the conclusion of the 32nd Annual General Meeting of the Company, subject to their continuity of fulfillment of the applicable eligibility norms, for a fee of upto INR 53,50,000/- (Rupees Fifty Three Lacs Fifty Thousand only) plus applicable taxes and reimbursement of out of pocket expenses incurred by them in connection with the audit of the accounts of the Company for each financial year, during their tenure.”

#### SPECIAL BUSINESS:

##### Item No. 4:

**To consider and, if thought fit, to pass the following resolution as a Special Resolution for approval to the re-appointment of Mr. Aishwarya Katoch (DIN: 00557488), as an Independent Director:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and 160 and any other applicable provisions of the Companies Act, 2013 (the “Act”) including Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, re-appointment of Mr. Aishwarya Katoch (DIN: 00557488), as Non-Executive Independent Director of the Company, from January 1, 2025 up to December 31, 2026, be and is hereby approved AND THAT he shall not be liable to retire by rotation.”

## Notice (Contd.)

### Item No. 5:

To consider and if thought fit to pass the following resolution as a Special Resolution, to approve to modify 'Dhani Services Limited Employees Stock Option Scheme – 2008', to extend its effectiveness:

**"RESOLVED THAT** in partial modification of shareholders' authorisation dated January 19, 2009 approving '**Dhani Services Limited Employees Stock Option Scheme – 2008' (hereinafter referred to as "DSL ESOP 2008 Scheme")**, consent of the members of the Company be and is hereby accorded to modify Clause 23 (iii) of DSL ESOP 2008 Scheme, to extend its effectiveness from 16 years from the date of institution of the Scheme to 26 years from the date of institution of the Scheme.

**RESOLVED FURTHER THAT** all other terms of DSL ESOP 2008 Scheme, as approved by the shareholders' on January 19, 2009, shall remain unchanged."

### Item No. 6:

To consider and if thought fit to pass the following resolution as a Special Resolution, to approve to modify 'Dhani Services Limited Employees Stock Option Scheme – 2009', to extend its effectiveness:

**"RESOLVED THAT** in partial modification of shareholders' authorisation dated September 30, 2009 approving '**Dhani Services Limited Employees Stock Option Scheme – 2009' (hereinafter referred to as "DSL ESOP 2009 Scheme")**, consent of the members of the Company be and is hereby accorded to modify Clause 23 (iii) of DSL ESOP 2009 Scheme, to extend its effectiveness from 16 years from the date of institution of the Scheme to 26 years from the date of institution of the Scheme.

**RESOLVED FURTHER THAT** all other terms of DSL ESOP 2009 Scheme, as approved by the shareholders' on September 30, 2009, shall remain unchanged."

By Order of the Board of Directors  
For **Dhani Services Limited**

Sd/-  
**Ram Mehar**

Company Secretary  
FCS: 6039

Place: Mumbai  
Date: August 28, 2024

### NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) 2015, in respect of the businesses as set out in the AGM Notice is annexed hereto.
2. The Ministry of Corporate Affairs ("**MCA**") has vide its circular no. 09/2023 dated September 25, 2023 read together with circulars dated April 8, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022 (collectively referred to as "**MCA Circulars**") and the Securities and Exchange Board of India ("**SEBI**") Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120, dated July 11, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167, dated October 7, 2023 ("**SEBI Circulars**"), permitted convening the Annual General Meeting ("**AGM**" / "**Meeting**" / "**e-AGM**") through Video Conferencing ("**VC**") or Other Audio Visual Means ("**OAVM**"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ("**the Act**") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
3. The Company has made arrangements through KFin Technologies Limited ("**KFin**" / "**KFintech**"), to provide Video Conferencing (VC) / Other Audio-Visual Means (OAVM) facility for conducting of the e-AGM. The Members can join the e-AGM 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
4. Pursuant to the provisions of Section 105 the Companies Act, a Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/ her behalf and the Proxy need not be a Member of the Company. However, since

## Notice (Contd.)

this AGM is being held pursuant to the applicable MCA and SEBI Circulars as mentioned hereinabove, through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this AGM Notice.

5. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
6. Institutional/Corporate Members (i.e., other than individuals/HUF, NRI, etc.) intending to depute their authorized representatives to attend the Meeting through VC/ OVAM are requested to send to the Company a certified true copy of the Board Resolution/Letter of Authorisation together with attested specimen signature of the duly authorized signatory(ies) who are authorized to attend and vote at the Meeting on their behalf.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
8. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and all documents referred to in the Notice, are available for inspection by the Members electronically from the date of circulation of this Notice up to the date of the 29th AGM.
9. As mandated by the SEBI, securities of the Company can be transferred / traded only in dematerialised form. Members holding shares in physical form are advised to avail the facility of dematerialisation. Members may please note that the SEBI Listing Regulations mandate transfer, transmission and transposition of securities of listed companies held in physical form only in demat mode. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests, viz., issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; subdivision/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, members are requested to make service requests for issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate etc., by submitting a duly filled and signed Form ISR-4 (available at Company's website at <https://www.dhani.com/services/wp-content/uploads/2022/09/Form-ISR-4.pdf>) along with requisite supporting documents to Company's RTA as per the requirement of the aforesaid circular.
10. The Register of Members and Share Transfer Books of the Company shall remain closed from **Thursday, September 19, 2024 to Wednesday, September 25, 2024** (both days inclusive) for the purpose of 29th AGM of the Company.
11. The Company has appointed Mr. Sukesh Saini (Membership No. F11688), Proprietor of M/s. Sukesh Saini & Co., Practicing Company Secretaries, Delhi, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
12. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023 and SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

Further, relevant FAQs published by SEBI on its website can be viewed at the following link: [https://www.sebi.gov.in/sebi\\_data/faqfiles/jan-2024/1704433843359.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf).

13. Members are requested to intimate/update changes, if any, in postal address, e-mail address, mobile number, PAN, nomination, bank details such as name of the bank and branch, bank account number, IFS Code etc.
  - For shares held in electronic form to their Depository Participant for making necessary changes. NSDL has provided a facility for registration/updation of e-mail address through the link: <https://eservices.nsdl.com/kyc-attributes/#/login> and opt-in/opt-out of nomination through the link: <https://eservices.nsdl.com/instademat-kyc-nomination/#/login> .
  - For shares held in physical form by submitting to Company's RTA the forms given below along with requisite supporting documents available on Company's website at <https://www.dhani.com/services/kyc-updation/>:

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S. No	Particulars	Form
1	Registration of PAN, postal address, e-mail address, mobile number, Bank Account Details or changes /update thereof.	ISR -1
2	Confirmation of Signature of shareholder by the Banker	ISR-2
3	Registration of Nomination	SH-13
4	Cancellation or Variation of Nomination	SH-14
5	Declaration to opt out of Nomination	ISR-3

The aforesaid forms can also be downloaded from the website of Company's RTA at [https://www.skylinerta.com/downloads\\_page.php](https://www.skylinerta.com/downloads_page.php). All aforesaid documents/requests should be submitted to Company's RTA, at the address mentioned hereinafter.

14. Members of the Company are requested to note that as per the provisions of Section 124 of the Companies Act, 2013, dividends not en-cashed/ claimed by the Members of the Company, within a period of 7 (seven) years from the date of declaration of dividend, shall be transferred to the Investor Education and Protection Fund (IEPF) by the Company. Accordingly, the unclaimed dividend of Rs. 13.25 lakh - pertaining to the Financial Year 2016-17 got transferred to Investor Education and Protection Fund after giving due notice to the members. Also, the Company has transferred 46,896 fully paid-up equity shares pertaining to the Financial Year 2016-17 in respect of which dividend has not been received or claimed for seven consecutive years to Demat Account of IEPF Authority. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).

15. The details of Dividends declared and paid by the Company and the corresponding tentative due dates for transfer of such un-cashed/ un-claimed dividend to IEPF are provided on the website of the Company at <https://www.dhani.com/>

Members who have not encashed/claimed the dividend warrant(s) so far in respect of the those Financial Years are, therefore, requested to make their claims to the RTA of the Company well in advance of the above tentative dates.

Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority Rules, 2016 (IEPF Rules), all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF suspense account (in the name of the Company) within 30 (thirty) days of such shares becoming due for transfer to the Fund.

It is in the Members interest to claim any un-cashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members account on time.

The details of the unclaimed dividends are available on the Company's website at <https://www.dhani.com/> and Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in).

16. In compliance with the MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report for the financial year 2023-24 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. Members may note that the Notice and Annual Report for the financial year 2023-24 will also be available on the Company's website at <https://www.dhani.com/> and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at <https://www.bseindia.com/> and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of Registrar and Share Transfer Agent at [www.skylinerta.com](http://www.skylinerta.com) and Kfintech at <https://evoting.kfintech.com>, for those members whose email ids are not registered with the Company/Skyline.

Rule 18 of the Companies (Management and Administration) Rules, 2014 requires a company to provide advance opportunity at least once in a Financial Year to the Members to register his/her e-mail Ids and any changes therein. In accordance with the said requirements, Members are requested to follow the process set out in Note No. 13 in this Notice.

17. Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.
18. Non-Resident Indian members are requested to inform the Company/ Company's RTA (if shareholding is in physical mode) / respective DPs (if shareholding is in demat mode), immediately of change in their residential status on return to India for permanent settlement.

## Notice (Contd.)

19. Members desiring any information with regard to financial statements are requested to write to the Company at an early date so as to enable the management to keep the information ready.

### 20. PROCEDURE FOR REMOTE E-VOTING

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFinTech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- ii. However, pursuant to SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 on “e-Voting facility provided by Listed Companies”, e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv. **The remote e-Voting period commences Sunday, September 22, 2024 at 10.00 A.M. and ends on Tuesday, September 24, 2024 at 5.00 P.M.**
- v. **The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, September 18, 2024.**
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@kfinotech.com](mailto:evoting@kfinotech.com). However, if he / she is already registered with KFinTech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.”
- viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:
  - Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.
  - Step 2: Access to KFinTech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.
  - Step 3: Access to join virtual meetings (e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

## Notice (Contd.)

**Details on Step 1 are mentioned below:**

Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li><b>1. User already registered for IDeAS facility:</b> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section.</li> <li>III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”</li> <li>IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</li> </ol> </li> <li><b>2. User not registered for IDeAS e-Services</b> <ol style="list-style-type: none"> <li>I. To register click on link : <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Select “Register Online for IDeAS” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>III. Proceed with completing the required fields.</li> <li>IV. follow steps given in points 1</li> </ol> </li> <li><b>4. Alternatively by directly accessing the e-Voting website of NSDL</b> <ol style="list-style-type: none"> <li>I. Open URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></li> <li>II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li> <li>III. A new screen will open. You will have to enter your User ID (i.e. your 16 digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</li> <li>IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e. KFintech.</li> <li>V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.</li> </ol> </li> </ol>

Notice (Contd.)

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<p><b>1. Existing user who have opted for Easi / Easiest</b></p> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://web.cdslindia.com/myeasitoken/Home/Login">https://web.cdslindia.com/myeasitoken/Home/Login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Click on New System Myeasi</li> <li>III. Login with your registered user id and password.</li> <li>IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.</li> <li>V. Click on e-Voting service provider name to cast your vote.</li> </ol> <p><b>2. User not registered for Easi/Easiest</b></p> <ol style="list-style-type: none"> <li>I. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>II. Proceed with completing the required fields.</li> <li>III. Follow the steps given in point 1</li> </ol> <p><b>3. Alternatively, by directly accessing the e-Voting website of CDSL</b></p> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Provide your demat Account Number and PAN No.</li> <li>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li> <li>IV. After successful authentication, user will be provided links for the respective ESP, i.e KFintech where the e- Voting is in progress.</li> </ol>
Individual Shareholder login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> <li>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</li> <li>II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>III. Click on options available against company name or e-Voting service provider – KFintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.</li> </ol>

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: 022 - 4886 7000 and 022 - 2499 7000
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no: 1800 22 55 33



## Notice (Contd.)

**Details on Step 2 are mentioned below:****I) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

- A. Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:
- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
  - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
  - iii. After entering these details appropriately, click on "LOGIN".
  - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - v. You need to login again with the new credentials.
  - vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'Dhani Services Limited AGM' and click on "Submit"
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
  - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
  - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id [cssukeshsaini@gmail.com](mailto:cssukeshsaini@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above-mentioned documents should be in the naming format "Corporate Name\_Even No."

## Notice (Contd.)

- B. Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

**Procedure for Registration of email and Mobile: securities in physical mode:**

Physical shareholders are hereby notified that based on SEBI Master Circular No. SEBI/HO/MIRSD/MIRSDPoD1/P/CIR/2024/37 dated May 07, 2024, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite Form ISR-1 along with the supporting documents. Form ISR-1 can be obtained by following the link: [https://www.skylinerta.com/pdf\\_file/66\\_642181213\\_Form\\_ISR-1.pdf](https://www.skylinerta.com/pdf_file/66_642181213_Form_ISR-1.pdf) ISR Form(s) and the supporting documents can be provided by any one of the following modes.

- a) Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or
- b) Through hard copies which are self-attested, which can be shared on the address below; or

Name	Skyline Financial Services Private Limited
Address	D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020

- c) Through electronic mode with e-sign by following the link: <https://www.skylinerta.com/submit-document-to-rta.php>

Detailed FAQ can be found on the link:

[https://www.skylinerta.com/pdf\\_file/66\\_1084699807\\_FAQonServiceRequest.pdf](https://www.skylinerta.com/pdf_file/66_1084699807_FAQonServiceRequest.pdf)

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

**Details on Step 3 are mentioned below:**

**II) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.**

- i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFinTech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFinTech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.
- ii. Facility for joining AGM through VC/ OAVM shall open atleast 30 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

## Notice (Contd.)

- v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, mobile number, email id at ram.g@dhani.com. Questions /queries received by the Company till Saturday, September 21, 2024 shall only be considered and responded during the AGM.
- vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- viii. Facility of joining the AGM through VC / OAVM shall be available for atleast 2000 members on first come first served basis.
- ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

### OTHER INSTRUCTIONS

- I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be opened from Saturday, September 21, 2024 to Monday, September 23, 2024. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
- II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be opened from Saturday, September 21, 2024 till Monday, September 23, 2024.
- III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (Kfintech Website) or contact Ms. C Shobha Anand, at [evoting@kfintech.com](mailto:evoting@kfintech.com) or call Kfintech's toll free No. 1-800-309-4001 for any further clarifications.
- IV. **The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Wednesday, September 18, 2024, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.**
- V. This AGM Notice and Annual Report of FY 2023-24 are being sent to all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on **Friday, August 30, 2024**. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
  - i. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - ii. Members who may require any technical assistance or support before or during the AGM are requested to contact Kfintech at toll free number 1-800-309-4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).
- VI. The Scrutinizer shall, immediately after the conclusion of AGM, count the votes cast at the AGM and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses, who are not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, within the prescribed time limit after the conclusion of the AGM to the Chairman or a person authorised by him. The Chairman or any other person authorised by him shall declare the result of the voting forthwith.

## Notice (Contd.)

- VII. The resolution(s) will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolution(s). The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company at <https://www.dhani.com> and Service Provider's website at <https://evoting.kfintech.com> and the communication will be sent to the BSE Limited and National Stock Exchange of India Limited, within the prescribed time limit.
- VIII. SEBI vide Circular no. SEBI/HO/OIAE/ OIAE\_IAD-1/P/ CIR/2023/131 dated July 31, 2023 and SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/135 dated August 04, 2023, read with Master Circular No. (SEBI/HO/ OIAE/OIAE\_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA / Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>.

### EXPLANATORY STATEMENT IN RESPECT OF THE ORDINARY/ SPECIAL BUSINESSES PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

As required under Section 102(1) of the Companies Act, 2013, the following statement sets out all material facts relating to the ordinary/special business mentioned in this Notice.

#### **Resolution No. 2: Appointment of Mr. Amit Ajit Gandhi (DIN: 07606699), a Non-Executive Director, as a director retiring by rotation:**

Mr. Amit Ajit Gandhi has over 25 years of experience in Retail Banking and Financial Services across Business, Strategy, Collections, Risk, Channel Management and Digital Lending. Prior to his association with Dhani group, he worked with Indiabulls Housing Finance Limited for 10 years heading National Level roles in Risk, Collections, fraud and Sales. He has also worked with Standard Chartered Bank, Bharti Cellular, Xerox. He is Commerce graduate from Delhi University. He is Whole-time Director and Chief Executive Officer of Indiabulls Asset Reconstruction Company Limited (IBARC), wholly owned subsidiary of the Company.

Mr. Amit Ajit Gandhi is Non-Executive Director of the Company w.e.f. January 1, 2023. In compliance with applicable provisions under the Companies Act, 2013 and SEBI Listing Regulations, the shareholders of the Company, on February 7, 2023, through postal ballot, had approved his appointment as Non-Executive Director of the Company, on the terms & conditions, as under, which shall remain unchanged:

Nature	Director, liable to retire by rotation
Designation	Non Independent Non-Executive Director
Remuneration	Nil
Performance related incentive	Stock options/SARs in terms of ESOP/ESBS Schemes of the Company upto 1% of the paid-up share capital of the Company, as per the Company's policy and applicable SEBI regulations.
Sitting Fees	Nil

Mr. Gandhi is holding 47,001 fully paid-up equity shares in the Company and is not related to any other director or key managerial personnel of the Company. He is also on the Board of various other subsidiary companies of the Company namely Dhani Loans and Services Limited, Auxesia Soft Solutions Limited, Jwala Technology Systems Private Limited, Indiabulls Distribution Services Limited and Indiabulls Alternate Investments Limited. Mr. Gandhi is member of Audit Committee, Nomination & Remuneration Committee, Compensation Committee, Management Committee, Securities Issuance Committee, Risk management Committee and Capital Raising Committee of the Company. He is chairman of Allotment Committee and Member of Investment Committee and CSR Committee of IBARC.

In compliance with the applicable provisions of the Companies Act, Mr. Gandhi, as a Director of the Company, retires by rotation, and being eligible, he has offered himself to be reappointed as such in the ensuing AGM. Keeping in view of his vast experience, knowledge and skills, the Board is of the view that it will be in the best business interest of the Company that Mr. Amit Ajit Gandhi, Non-Executive Director of the Company, who retires by rotation, as a director, be re-appointed as set out at Item No. 2 of this Notice.

Accordingly, the Board recommends the resolution as set out at Item No. 2 of this Notice, as an Ordinary resolution, for the approval by the shareholders.

## Notice (Contd.)

Except the proposed appointee, in resolution set out at Item No. 2 of this Notice, proposing his appointment, none of the Promoters, Directors and Key Managerial Persons (KMPs) of the Company or any relatives of such Promoters, Directors or KMPs, are in any way concerned or interested, financially or otherwise, in the resolution.

**Resolution No. 3: Appointment of M/s Hem Sandeep & Co., Chartered Accountants (Firm Registration No. 009907N), as Statutory Auditors of the Company and to fix their remuneration:**

The Members of the Company at their 27th Annual General Meeting held on September 29, 2022 had approved the appointment of M/s Sharp & Tannan Associates, Chartered Accountants (Firm Registration Number 109983W) as Statutory Auditors of the Company, from the conclusion of 27th AGM until the conclusion of 29th AGM to be held in the calendar year 2024, including the payment of remuneration. Accordingly, M/s Sharp & Tannan Associates will complete its three years tenure as Statutory Auditors of the Company on the conclusion of 29th AGM.

In view of the same and in terms of applicable regulatory provisions, the Audit Committee and the Board of Directors of the Company have recommended the appointment of M/s Hem Sandeep & Co., Chartered Accountants (Firm Registration No. 009907N) to act as the Statutory Auditors of the Company for a period of 3 (Three) consecutive years and to hold office from the conclusion of the 29th Annual General Meeting until the conclusion of the 32nd Annual General Meeting of the Company to be held in the calendar year 2027, subject to their continuity of fulfillment of the applicable eligibility norms.

M/s Hem Sandeep & Co., Chartered Accountants (Firm Registration No. 009907N) is a reputed firm of Chartered Accountants registered with The Institute of Chartered Accountants of India (ICAI). It was established in the year 1989 and has presence in 7 cities across India. The Firm specialises in assurance services such as statutory audits, concurrent and internal audits and other related audit and assurance services across a wide spectrum of clients and industries, primarily banking and financial services. The Firm is subjected to regular, periodic peer review conducted by the Peer Review Board of India and holds a valid Peer Review Certificate. The Firm is also empanelled with the Reserve Bank of India and Comptroller and Auditor General of India. In addition to assurance services, the Firm also provides taxation advisory services to its clients.

M/s Hem Sandeep & Co., Chartered Accountants has consented to the said appointment and issued a certificate along with relevant information to the effect that the appointment, if made, shall be in accordance with the conditions as prescribed in Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014. The said Auditor firm has also confirmed that it meets the criteria for independence, eligibility and qualification as prescribed under Section 141 of the Companies Act, 2013 and has a valid Peer Review Certificate.

The fees proposed to be paid to M/s Hem Sandeep & Co., Chartered Accountants, towards statutory audit, limited review and consolidation of accounts for each of the financial year during the aforesaid tenure shall be upto INR 53,50,000/- (Rupees Fifty Three Lacs Fifty Thousand only). The said fees shall exclude certification fees, applicable taxes, reimbursements and other outlays. There is no change in the fee payable to such auditor from that paid to the outgoing auditor as outgoing auditor was paid an audit fee of Rs. 53.50 lacs for FY 2023-24.

Accordingly, basis the aforesaid credentials of M/s Hem Sandeep & Co., Chartered Accountants, the Audit Committee and the Board of Directors of the Company have unanimously recommended the appointment of M/s Hem Sandeep & Co., as the Statutory Auditors of the Company including the payment of audit fees to them as set out at Resolution No. 3 of this Notice, as an Ordinary resolution, for approval by the shareholders.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

**Resolution No. 4: Re-appointment of Mr. Aishwarya Katoch (DIN: 00557488), as an Independent Director:**

Mr. Aishwarya Katoch aged about 54 years, has over 32 years of rich and varied experience in the areas of business management, marketing, hospitality, supply chain management and administration. Mr. Katoch runs a successful business of leisure and heritage hotels and resorts. He holds bachelor's degree in Business Administration and Merchandising from the American College for Applied Arts, London, U.K.

In terms of members authorisation dated February 7, 2023, the existing first term of Mr. Aishwarya Katoch (DIN: 00557488) as Non-Executive Independent Director of the Company is upto December 31, 2024. As a member of the Board of Directors, Mr. Aishwarya Katoch has provided valuable guidance to the Company. Taking into consideration performance and contributions of

## Notice (Contd.)

Mr. Katoch, in the Board/Committee meetings including Audit Committee, during his current tenure and on the recommendation of the Nomination & Remuneration Committee, the Board in its meeting held on August 9, 2024 has re-appointed Mr. Aishwarya Katoch (DIN: 00557488) as Non-Executive Independent Director of the Company for second consecutive term of 2 years effective from January 1, 2025 up to December 31, 2026. In compliance with applicable provisions under the Companies Act, 2013 and SEBI Listing Regulations, shareholders' approval by way of Special Resolution, in respect of his re-appointment w.e.f. January 1, 2025 up to December 31, 2026, is required in the manner as set out at Item No. 4 of this Notice.

The main terms and conditions of appointment of Mr. Aishwarya Katoch, as an Independent Director of the Company, are as under:-

Period	2 (two) years from January 1, 2025 up to December 31, 2026
Nature	Director, not liable to retire by rotation
Designation	Independent Director
Sitting Fees	Rs. 1 lakh per Board Meeting
Remuneration	Apart from Sitting Fees – Nil

The Company has received a declaration from Mr. Aishwarya Katoch confirming that he fulfils the criteria of independence as provided in Section 149(6) of the Act and in regulation 16(1)(b) of SEBI Listing Regulations. In the opinion of the Board, he fulfils the conditions specified in the Act and Rules made thereunder and SEBI Listing Regulations and he is independent of the Management of the Company.

Keeping in view of his vast experience, knowledge and business management skills, the Board constituted Nomination & Remuneration Committee had recommended seeking shareholders' approval in respect of his appointment as an Independent Director of the Company which the Board has recommended in the best business interest of the Company.

Mr. Katoch does not hold any shares in the Company and is not related to any other director or Key Managerial Personnel of the Company. Mr. Katoch is also on the Board of Yaari Digital Integrated Services Limited ("Yaari") and Indiabulls Asset Reconstruction Company Limited (material subsidiary of the Company) ("IBARC"). He is chairman of Audit Committee, Nomination & Remuneration Committee, Compensation Committee of the Company and of Yaari. He is member of CSR Committee of the Company. He is also a member of Stakeholders Relationship Committee and Issuance Committee of Yaari and chairman of Audit Committee and member of Nomination & Remuneration Committee of IBARC.

Accordingly, the Board recommends the resolution as set out at Item No. 4 of this Notice, as a Special resolution, for approval by the shareholders.

Except the proposed appointee, in resolution set out at Item No. 4 of this Notice, proposing his re-appointment, none of the Promoters, Directors and Key Managerial Personnel (KMP) of the Company or any relatives of such Promoters, Directors or KMP, are in any way concerned or interested, financially or otherwise, in the resolution.

### **Resolution No. 5 and 6: To modify 'Dhani Services Limited Employees Stock Option Scheme – 2008' and Dhani Services Limited Employees Stock Option Scheme – 2009':**

With a view to motivate the employees of the Company and its subsidiaries, by rewarding performance and retaining best talent, the shareholders of the Company had authorised to launch Dhani Services Limited Employees Stock Option Scheme – 2008' ("DSL ESOP 2008 Scheme") and Dhani Services Limited Employees Stock Option Scheme – 2009 ("DSL ESOP 2009 Scheme") on January 19, 2009 and September 30, 2009, respectively, for an aggregate no. of 2 cr. ESOPs in each scheme, which are convertible into equivalent no. of fully paid-up equity share at an exercise price as determined by the compensation committee of the Board, from time to time, while granting such ESOPs to the eligible employees.

The Compensation Committee, from time to time, have granted stock options under these Schemes, to the eligible employees of the Company and its subsidiaries. Stock Options so granted are not yet fully exercised and substantial no. of ESOPs are yet to be granted. In view of this, vesting period and exercise period of the stock options so granted/pending for grant, in terms of the Schemes extends beyond the 16 years of validity period of these Schemes as mentioned under sub clause (iii) of Clause 23 of the Schemes. Hence in the best interest of the option grantees to enable them to exercise the options granted within the applicable exercise period(s), it is required to modify the Schemes to extend the effectiveness of these schemes from 16 years from the date of institution of the Schemes to 26 years from the date of institution of the Schemes. All other terms of DSL ESOP 2008 Scheme

## Notice (Contd.)

and DSL ESOP 2009 Scheme, as approved by the shareholders' on January 19, 2009 and September 30, 2009, respectively, shall remain unchanged

Considering stock options as a talent retention measure and to provide long-term incentives to the employees to motivate them to align their interest with the long term interests of the Company, on the recommendation of the Compensation Committee, the Board of Directors of the Company, at its meeting held on August 9, 2024, has approved to modify and extend the period of validity of the Scheme by 10 years and accordingly recommended to the members of the Company to amend the sub clause (iii) of Clause 23 of the Schemes as set out at Item No. 5 and 6 of this Notice, as a Special resolutions, for approval by the shareholders.

All the eligible employees who have been granted stock options from time to time whose options are yet to be exercised and all prospective stock option grantees under the Schemes would be the beneficiaries of the above proposed amendment to the Schemes. Proposed amendment/variation to the Schemes is not prejudicial to the interest of the employees, in any way.

**All terms of DSL ESOP-2008 and DSL ESOP- 2009 as originally approved by the members on January 19, 2009 and September 30, 2009, respectively, shall remain the same except as the proposed amendment as stated above and below are the applicable information as specified under Regulations 6 of SBEB Regulations:**

S. No.	Particulars	DSL ESOP-2008	DSL ESOP-2009
1	Brief description of the scheme	Dhani Services Limited Employees Stock Option Scheme – 2008 approved by the members of the Company vide special resolution passed on January 19, 2009 through postal ballot.	Dhani Services Limited Employees Stock Option Scheme – 2009 approved by the members of the Company vide special resolution passed at their 14 <sup>th</sup> Annual General Meeting held on September 30, 2009.
2	Total number of options to be offered and granted	Up to 2,00,00,000 (Two Crores) stock options exercisable for equivalent number of fully paid-up equity shares of face value Rs. 2/-.	
3.	Identification of classes of employees entitled to participate and be beneficiaries in the scheme	All permanent employees of the Company and its subsidiaries including Directors (excluding Promoters, and any Director holding, directly or indirectly, more than 10% of the outstanding equity shares of the Company), based on performance and such other criteria as may be decided by the Board/Compensation Committee, from time to time.	
4.	Requirement of vesting and period of vesting	The Board/Compensation Committee shall decide the manner and period of vesting of options at the time of grant, with a minimum vesting period of 1 year.	
5.	Maximum period within which the options shall be vested	The maximum period of vesting shall be 10 years from the date of grant of option(s).	
6.	Exercise Price	The exercise price will be the market price, as defined in the relevant guidelines, of the Company's Equity Share on the date of grant of option.	
7.	Exercise period and the process of exercise	The exercise period shall be 5 years from the date of respective vesting, within which the options vested in any eligible employee have to be exercised. The options will be exercisable by the employees by a written application to the Company to exercise the options in such manner, and on execution of such documents, as may be prescribed by the Board/ Compensation Committee from time to time. The options will lapse if not exercised within the specified exercise period.	
8.	Appraisal Process for determining the eligibility of the employees for the scheme	Criteria such as seniority of employee, length of service, performance record, merit of the employee, future potential contribution by the employee and/or such other criteria that may be determined by the Board /Compensation Committee at its sole discretion.	

Notice (Contd.)

S. No.	Particulars	DSL ESOP-2008	DSL ESOP-2009
9.	Maximum number of options/benefits to be issued per employee and in aggregate	The number of options that may be granted to employees under the Scheme shall be determined by the Board/Compensation Committee from time to time within the aggregate limit.	
10.	Disclosure and accounting policies	The Company shall comply with the applicable disclosures and shall conform to the applicable accounting policies.	
11.	Taxes / Levies	Liability of paying taxes as may be imposed / levied on the options granted shall be entirely on the option holder.	

In terms of the Schemes and in compliance with the applicable provisions of the SBEB Regulations, any amendment/variation in terms of Schemes, requires approval of Members of the Company by special resolution. Therefore, approval of the members of the Company is sought by way of Special Resolutions, to extend the period of validity of the Schemes from 16 years to 26 Years from the date of institution of the Scheme as set out at Item No. 5 and 6 of this Notice.

Accordingly, the Board recommends the resolutions as set out at item No. 5 and 6 of this Notice, as Special Resolutions, for approval by the shareholders.

None of the Promoters, Directors and Key Managerial Persons (KMPs) of the Company or any relatives of such Promoters, Directors or KMPs, are in any way concerned or interested, financially or otherwise, in the resolutions.

By Order of the Board of Directors  
For **Dhani Services Limited**

Place: Mumbai  
Date: August 28, 2024

Sd/-  
**Ram Mehar**  
Company Secretary  
FCS: 6039



dhani



ANNUAL  
REPORT  
2023-24

# Forward-Looking Statements

This Annual Report and other statements—written and oral—that we periodically make contain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as ‘anticipate’, ‘estimate’, ‘expects’, ‘projects’ ‘intends’, ‘plans’, ‘believes’, and words of similar substance in connection with any discussion of future performance.

Although we have been prudent in our assumptions, we cannot guarantee that these forward-looking statements will be realised. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could materially vary from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statement whether as a result of new information, future events or otherwise.

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## CORPORATE INFORMATION

### Board of Directors:

Mr. Gurbans Singh  
 Mr. Divyesh B. Shah  
 Mr. Amit Ajit Gandhi  
 Ms. Swati Jain  
 Mr. Prem Prakash Mirdha  
 Mr. Aishwarya Katoch

### Chief Financial Officer:

Mr. Rajeev Lochan Agrawal

### Company Secretary:

Mr. Ram Mehar

### Statutory Auditors (FY 2023-24):

Sharp Tannan & Associates  
 (A member firm of Russell Bedford International)  
 Chartered Accountants  
 87 Nariman Bhavan, 227 Nariman Point,  
 Mumbai- 400 021

### Internal Auditors:

N.D. Kapur & Co.  
 Chartered Accountants  
 1st Floor, The Great Eastern Center  
 70, Nehru Place, Behind IFCI Tower  
 New Delhi – 110 014

### Secretarial Auditors:

Sukesh & Co.  
 Company Secretaries,  
 Deswal Farm, 1st Floor, 37km,  
 Delhi-Jaipur Road, Near Hero Honda Chowk  
 Gurgaon-122004

### Registered Office:

5th Floor, Plot No. 108, IT Park, Udyog Vihar,  
 Phase 1, Gurgaon-122016  
 Email: support@dhani.com  
 Tel: 0124-6685800  
 Website:www.dhani.com

### Corporate Offices:

5th Floor, Plot No. 108, IT Park, Udyog Vihar,  
 Phase 1, Gurugram – 122016, Haryana

One International Centre, Tower 1,  
 Senapati Bapat Marg, Elphinstone Road,  
 Mumbai - 400 013

### Registrars & Transfer Agents:

Skyline Financial Services Pvt. Ltd.  
 Unit: Dhani Services Limited,  
 D-153 A, 1st Floor, Okhla Industrial Area,  
 Phase-1 New Delhi-110020

### Bankers:

- Axis Bank Limited
- Bank of Baroda
- Canara Bank
- Central Bank of India
- HDFC Bank Limited
- ICICI Bank Limited
- IDBI Bank Limited
- IDFC First Bank Limited
- Indusind Bank Limited
- Kotak Mahindra Bank Limited
- Punjab National Bank
- RBL Bank Limited
- State Bank of India
- Union Bank of India
- Yes Bank Limited

## BOARD OF DIRECTORS

### **Mr. Gurbans Singh [Retd. IRS]**

Board Position: Executive Chairman

Mr. Gurbans Singh is a retired Indian Revenue Services (“IRS”) (Customs and Central Excise) officer where over 24 years, he worked at different senior level positions with the Government of India in the areas of Customs, Central Excise and Service Tax and finally as a Commissioner of Customs, Delhi. He has extensive expertise on the process and operations, required for running a company in a very professional manner. Mr. Singh is a gold medalist post graduate in Economics from Panjab University, Chandigarh. He was a recipient of the British Chevening scholarship awarded by the Foreign and Commonwealth Office in the year 1993-1994 and during which he completed his master of science in fiscal studies from the University of Bath, United Kingdom. He was holding the office of Joint Managing Director of Indiabulls Real Estate Limited during the period from September 2014 to August 2022. He brings deep operational knowledge and has rich and varied experience in various fields by virtue of his past experience with the Govt. of India, as a member of Indian Revenue Services (Customs & Central Excise). With more than three decades of experience in regulatory, planning, management and administration, he brings on the Board his unique vision, management and administration capabilities.

### **Mr. Divyesh B. Shah**

Board Position: Executive Director & CEO

Mr. Divyesh Shah’s career spans over 20 + years in the financial business and is currently the CEO of Dhani Services Ltd (earlier known as Indiabulls Ventures Ltd.) a listed entity with a market cap of INR 3000 cr. He has been with the Indiabulls Group right from its inception and has a very varied experience in the financial industry. From largely a retail securities broker, the company today straddles diverse and multiple strata, viz. Consumer financing, Stock broking, ARC and Real Estate. The Company has a team size of 4500 people under his leadership.

### **Mr. Amit Ajit Gandhi**

Board Position: Non-Independent  
Non-Executive Director

Mr. Amit Ajit Gandhi has over 25 years of experience in Retail Banking and Financial Services across Business, Strategy, Collections, Risk, Channel Management and Digital Lending. Prior to his association with Dhani group, he worked with Indiabulls Housing Finance Limited for 10 years heading National Level roles in Risk, Collections, fraud and Sales. He has also worked with Standard Chartered Bank, Bharti Cellular, Xerox. He is Commerce graduate from Delhi University. He is Whole-time Director & Chief Executive Officer of Indiabulls Asset Reconstruction Company Limited and was Collection Head at Dhani Loans and Services Limited, material subsidiary companies of the Company.

## Board of Director (Contd.)

**Ms. Swati Jain**

Board Position: Independent Director

Ms. Swati Jain is a seasoned and committed professional. She is a graduate in Commerce, Masters in Business Administration and a qualified Chartered Accountant. She has been in practice as a Chartered Accountant for the last 12 years and possesses rich experience in Finance, Taxation and Accountancy. She is an expert in managing a wide spectrum of finance & accounts activities encompassing finalization of accounts, credit control, cash flow management, taxation, and auditing & bank reconciliation statements. She is proficient in ensuring compliance with all applicable rules & regulations laid by various governing bodies. Ms. Jain has got strong analytical & organizational abilities with adeptness in formulating accounting systems, preparing accounting records and financial statements. She possesses effective communication, organizational & interpersonal skills and expertise in working in a highly competitive environment.

**Mr. Aishwarya Katoch**

Board Position: Independent Director

Mr. Aishwarya Katoch has over 32 years of rich and varied experience in the areas of business management, marketing, hospitality, supply chain management and administration. Mr. Katoch runs a successful business of leisure and heritage hotels and resorts. He holds bachelor's degree in Business Administration and Merchandising from the American College for Applied Arts, London, U.K.

**Mr. Prem Prakash Mirdha**

Board Position: Independent Director

Mr. Prem Prakash Mirdha is an Industrialist with over 24 years of rich and varied experience in the areas of administration, finance, regulatory and projects execution. He has been a committed professional with strong leadership qualities and expertise in management. He has a knack of diffusing crisis with practical solutions and strong communication skills and has left his indelible mark on each aspect of business and general administration. Prior to his own business, he was an enrolled member of the merchant navy and had a long stint of 11 years with the merchant navy, qualified as a "second mate" of foreign going ships as certified by the Directorate General of Shipping, Mumbai.

## MESSAGE FROM CEO

Dear Shareholders,

I hope this letter finds you in good health and high spirits.

Financial Year 2023-24 was characterised by the buoyancy and performance of the Capital Markets & Real Estate sector's. Capital Markets have been scaling new highs lending a feel good feeling and optimism across businesses.

The Indian real estate sector has demonstrated remarkable resilience and growth over the past year, despite the global economic uncertainties and challenges.

It has experienced a robust recovery, with a notable increase in demand across residential, commercial, and industrial segments. The residential sector, in particular, saw a surge in sales driven by pent-up demand, favourable interest rates, and various government incentives such as the Pradhan Mantri Awas Yojana (PMAY). According to recent reports, housing sales in major cities increased by approximately 25% compared to the previous year.

The commercial real estate segment has also shown positive growth, with a significant increase in leasing activities. The demand for office spaces, especially in technology hubs like Bengaluru, Hyderabad, and Pune, has been strong. Additionally, the emergence of hybrid work models has led to an increased demand for flexible office spaces and co-working solutions.

The Indian government's continued support through policies and reforms has played a pivotal role in revitalizing the real estate sector. Initiatives such as the Real Estate (Regulation and Development) Act (RERA) have enhanced transparency and accountability, boosting investor confidence. Additionally, infrastructure development projects, including the Smart Cities Mission and the expansion of metro networks, have further fuelled growth in the sector.

The affordable housing segment has been a significant driver of growth. Government schemes, coupled with increased urbanization and rising disposable incomes, have led to higher demand for affordable housing units. This trend is expected to continue, offering substantial growth opportunities for our company.

The adoption of technology in real estate has accelerated, with innovations in PropTech transforming the way properties are bought, sold, and managed. Digital platforms, virtual tours, and data analytics have improved customer experiences and operational efficiencies, enabling us to better serve our clients and stakeholders.

I am pleased to report that our company is poised to capitalize on these favourable market conditions and launch several new developments in the coming year.

Looking ahead, we remain optimistic about the sustained growth of the real estate sector in India. We will continue to leverage market opportunities, invest in high-potential projects, and embrace technological advancements to drive value for our shareholders.

In conclusion, I extend my heartfelt gratitude to each of you for your unwavering trust and support. Together, we will continue to build on our successes and create lasting value for all our stakeholders.

Thanking you,

**Divyesh Shah**

**CEO**

## BOARD'S REPORT

Dear Shareholders,

Your Directors are pleased to present the Twenty Ninth Annual Report of the Company alongwith the audited statement of accounts for the financial year ended March 31, 2024.

Over the past year, we have strategically invested in various projects to diversify our portfolio, and align with market trends. Our real estate initiatives began as a response to the growing demand for diverse real estate investments, the potential for sustainable long-term growth and recognizing the need to adapt to changing market conditions and consumer preferences.

The primary objectives of our real estate initiatives are:

- To achieve a balanced and diversified portfolio that mitigates risk
- To generate consistent and robust revenue streams
- To enhance shareholder value through strategic investments
- To contribute to community development and sustainability

Looking ahead, we are committed to:

- Continuing our focus on high-growth areas and sectors
- Enhancing our sustainability efforts to meet regulatory and societal expectations
- Exploring new investment opportunities in emerging markets.
- Leveraging technology to improve efficiency and tenant satisfaction

We remain confident that our strategic approach to real estate investments will continue to drive growth and create long-term value for our shareholders.

We thank you for your continued support and confidence in our vision. Our real estate initiatives are a testament to our commitment to innovation, sustainability, and strategic growth.

### FINANCIAL HIGHLIGHTS (STANDALONE)

The financial highlights of the Company, for the financial year ended March 31, 2024, are as under:

Figures in Rs. Lakhs

	Year ended March 31, 2024	Year ended March 31, 2023
Profit/(Loss) before Depreciation & Amortisation expenses and Tax	2,746.85	5,504.15
Less: Depreciation & Amortisation expenses	21.51	22.43
Profit/(loss) before exceptional items and tax	2,725.34	5,481.72
Less: Exceptional items	2,267.08	-
Profit/(loss) before Tax	458.26	5,481.72
Less: Tax Expense	1,896.27	2,967.89
Profit/(loss) from continuing operations after tax	(1,438.01)	2,513.83
Profit/(loss) from discontinued operations after tax	-	-
Profit/(loss) for the year	(1,438.01)	2,513.83
Other comprehensive income (net of taxes)	7.89	35.29
Total comprehensive income for the year	(1,430.12)	2,549.12
Balance in retained earnings at the beginning of the year	21,944.98	17,951.24
Profit/(loss) for the year	(1,438.01)	2,513.83
Other comprehensive income (net of taxes)	7.89	(0.97)
Other comprehensive income - Sale for equity instruments	-	1,480.88
Share based options lapsed	1,766.31	-
Balance in retained earnings at the end of the year	22,281.17	21,944.98



## Board of Director (Contd.)

The total revenue of the Company during the financial year ended March 31, 2024 stood at Rs. 9,541.91 lakh with a net loss of Rs. 1,438.01 lakh. The Company proposes to retain the entire amount of Rs. 22,281.17 lakh in the statement of profit & loss. The consolidated revenue of the Company stood at Rs. 47,933.60 lakh and the consolidated net loss after tax stood at Rs. 37,394.28 lakh.

### DIVIDEND

The Company has not declared any dividend during the financial year 2023-24.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

In compliance with applicable provisions under the Companies Act, 2013 and regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') and in terms of Board authorisations dated June 18, 2023 and August 11, 2023, the shareholders of the Company on September 14, 2023, through Postal Ballot, have approved the appointment of Mr. Gurbans Singh (DIN: 06667127) as Whole-time Director & Key Managerial Personnel designated as Executive Chairman of the Company, for a period of 5 years w.e.f. June 18, 2023, re-appointment of Ms. Swati Jain (DIN: 09784228) as Non-Executive Independent Director of the Company for second consecutive term of 2 years effective from November 11, 2023 and appointment of Mr. Prem Prakash Mirdha (DIN: 01352748) as Non-Executive Independent Director of the Company for a period of 2 years w.e.f. August 11, 2023. The existing term of Mr. Aishwarya Katoch (DIN: 00557488) as Non-Executive Independent Director of the Company is upto December 31, 2024. On the recommendation of the Nomination & Remuneration Committee, the Board of directors of the Company in its meeting held on August 9, 2024 has re-appointed Mr. Katoch as Non-Executive Independent Director of the Company for second consecutive term of 2 years effective from January 1, 2025.

All the Independent Directors have given declaration that they meet the criteria of independence laid down under Section 149 (6) of the Act, and in Regulation 16(1)(b) of SEBI LODR Regulations. The brief resume of the Directors proposed to be appointed/reappointed, nature of their expertise in specific functional areas, terms of appointment, names of companies in which they hold directorships, memberships/ chairmanships of Board Committees, along with names of listed entities from which they have resigned in the past three years, are provided in the Notice convening the 29th Annual General Meeting of the Company.

To ensure the continuity of guidance, vast experience, knowledge and managerial skills, on the recommendation of the Nomination & Remuneration Committee the Board has re-appointed Mr. Divyesh B. Shah (DIN: 00010933) as Whole Time Director & Key Managerial Personnel of the Company, designated as CEO, for a period of 3 years w.e.f. April 1, 2024 to March 31, 2027.

In compliance with the applicable regulatory provisions, the Board has recommended the re-appointment of Mr. Amit Ajit Gandhi (DIN: 07606699), who retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment as director.

During the financial year 2023-24 and upto the date of this report, the following changes have also taken place in the Board:

- (a) Mr. Sameer Gehlaut (DIN: 00060783), who had moved to the role of Non-Executive Chairman of the Company w.e.f. March 31, 2023, had resigned due to his personal reasons and other commitments w.e.f. June 17, 2023;
- (b) On completion of tenure, Dr. Narendra Damodar Jadhav (DIN: 02435444) has ceased to be Non-Executive Independent Director of the Company w.e.f. August 22, 2023; and
- (c) In compliance with applicable provisions under the Companies Act, 2013 and regulation 17(1C) of the SEBI LODR Regulations, the re-appointment of Mr. Divyesh B. Shah (DIN: 00010933) as Whole Time Director & Key Managerial Personnel of the Company, designated as CEO, for a period of 3 years w.e.f. April 1, 2024 to March 31, 2027 has been approved by the shareholders of the Company on June 20, 2024, through Postal Ballot.

### SHARE CAPITAL

During the financial year 2023-24, and upto the date of this report, the Company has not raised any share capital. The paid up share capital of the Company is Rs. 121,62,96,148.40 divided into 60,32,59,386 fully paid up equity shares of face value Rs. 2/- each and 88,88,524 partly paid-up equity shares of face value of Rs. 2 each, paid up Rs. 1.10 each (PPS). Voting rights in respect of PPS are proportionate to the amount paid-up thereon.

## Board of Director (Contd.)

### ESOP/SAR SCHEMES

During the year under review there was no variation in the terms of the options granted under any of the ESOP/SAR schemes and all the schemes are in compliance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEBS Regulations").

The disclosures required to be made under SBEBS Regulations and the Act read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, in respect of all existing ESOP Schemes/SARs of the Company have been placed on the website of the Company [www.dhani.com](http://www.dhani.com).

### PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from the public, falling within the ambit of Chapter V of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

### LISTING WITH STOCK EXCHANGES

The fully paid up Equity Shares (ISIN: INE274G01010) and partly paid up Rights Equity Shares (ISIN: IN9274G01034) of the Company continue to remain listed at BSE Limited and National Stock Exchange of India Limited. The listing fees payable to both the exchanges for the financial year 2024-25 have been paid. In view of very low number of outstanding GDRs vis-à-vis very thin volume of trading in GDR's, during the year under review, the Company got the GDRs delisted from Luxembourg Stock Exchange.

### SCHEME OF ARRANGEMENT

In line with the long term business objectives of the Company to further accelerate the scaling up of the operations and to provide synergy of consolidated business operations and management and to streamline the operations of the Company and /or its identified subsidiaries to have a simplified and streamlined holding structure with pooled resources, the Board of Directors of the Company, has approved the composite Scheme of Arrangement inter-alia involving Amalgamation of the Company along with its certain subsidiary companies with and into Yaari Digital Integrated Services Limited ("Amalgamated Company" / "Resulting Company "Yaari") and subsequent automatic dissolution of Amalgamating Companies.

Under the proposed Scheme subsidiaries of the Company getting amalgamating with Yaari are Savren Medicare Limited, Auxesia Soft Solutions Limited, Gyansagar Buildtech Limited, Pushpanjali Finsolutions Limited, Devata Tradelink Limited, Evinos Developers Limited, Milky Way Buildcon Limited, Indiabulls Consumer Products Limited, Indiabulls Infra Resources Limited, Jwala Technology Systems Private Limited, Mabon Properties Limited and Juventus Estate Limited.

The Scheme is subject to all applicable statutory and regulatory approvals, including approval from the stock exchanges, SEBI, shareholders and creditors of the company and the jurisdictional bench of the NCLT. Post filing the Scheme with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), the Company has received the Observation Letters from BSE and NSE on March 1, 2024 and March 4, 2024, respectively. Hon'ble Competition Commission of India (CCI) has approved the Scheme on December 19, 2023 and detailed Order of CCI has also been received. First motion application has been filed with Hon'ble National Company Law Tribunal, Chandigarh on April 10, 2024.

Upon the Scheme coming into effect, the fully paid-up equity shares of Yaari will be issued to the shareholders of the Company, basis the swap ratio as mentioned in the scheme i.e.

"294 equity shares of Yaari INR 2/- each fully paid-up for every 100 equity shares of DSL of INR 2/- each fully paid-up"

"162 equity shares of Yaari INR 2/- each fully paid-up for every 100 equity shares of DSL of INR 2/- each partly paid-up. The paid-up value of partly paid-up share is 55% i.e. INR 1.1. The exchange ratio has been computed in proportion to paid up value."

### CHANGE IN REGISTERED OFFICE OF THE COMPANY

Pursuant to shareholders' authorization through postal ballot dated May 25, 2023 and on receipt of certificate of registration from the office of Registrar of Companies, the Registered Office of the Company has been shifted, w.e.f. May 1, 2024, from NCT of Delhi at '1/1E, First Floor, East Patel Nagar, New Delhi-110008' to the State of Haryana at '5th Floor, Plot No. 108, IT Park, Udyog Vihar, Phase 1, Gurgaon-122016.

## Board of Director (Contd.)

### STATEMENT OF DEVIATION(S) OR VARIATION(S) PURSUANT TO REGULATION 32 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

On the utilization of proceeds of Rights Issue of the Company, there was no deviation from the Objects stated in the Letter of Offer for Company's Rights Issue.

### INFORMATION PURSUANT TO SECTION 134 AND SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH THE RELEVANT RULES AND SEBI LODR REGULATIONS

The information required to be disclosed pursuant to Section 134 and Section 197 of the Act read with the relevant rules (to the extent applicable) and SEBI LODR Regulations, not elsewhere mentioned in this Report, are given in "Annexure A" forming part of this Report.

### AUDITORS

#### (a) Statutory Auditors

In compliance with the applicable regulatory provisions, the existing term of M/s Sharp & Tannan Associates, Chartered Accountants (Firm Registration Number 109983W), as the Statutory Auditors of the Company shall come to an end at the conclusion of the ensuing Annual General Meeting of the Company. The Board places on record its appreciation for the services rendered by M/s Sharp & Tannan Associates as the Statutory Auditors of the Company.

In terms of applicable provisions, the Board, on the proposal of the Audit Committee, has recommended for the appointment of M/s Hem Sandeep & Co., Chartered Accountants (Registration No. 009907N), as the Statutory Auditors of the Company for a term of 3 years from the conclusion of ensuing 29th Annual General Meeting until the conclusion of 32nd Annual General Meeting of the Company to be held in the calendar year 2027. Consent and certificate u/s 139 of the Companies Act, 2013 have been obtained from M/s Hem Sandeep & Co., Chartered Accountants, to the effect that their appointment, if made, shall be in accordance with the applicable provisions of the Act and the Rules issued thereunder. As required under the SEBI LODR Regulations, M/s Hem Sandeep & Co., Chartered Accountants, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

The Notes to the Accounts referred to in the Auditors' Report are self – explanatory and therefore do not call for any further explanation. No frauds have been reported by the Auditors of the Company in terms of Section 143(12) of the Act.

#### (b) Secretarial Auditors & Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act read with the rules made thereunder, the Company has appointed M/s Sukesh & Co., a firm of Company Secretaries in practice as its Secretarial Auditors, to conduct the secretarial audit of the Company, for the Financial Year 2023-24. The Company has provided all assistance, facilities, documents, records and clarifications etc. to the Secretarial Auditors for conducting their audit. The Report of Secretarial Auditors for the Financial Year 2023-24, is annexed as "Annexure 1" and forming part of this Report. The Secretarial Audit Report is self-explanatory and therefore do not call for any further explanation.

The Secretarial Compliance Report as prescribed by SEBI is annexed as "Annexure 2" and forming part of this Report.

The Secretarial Audit Report of material subsidiary companies, namely, Dhani Loans and Services Limited, Indiabulls Asset Reconstruction Company Limited, Dhani Healthcare Limited, Indiabulls Distribution Services Limited and Dhani Stocks Limited are annexed as "Annexure 3", "Annexure 4", "Annexure 5", "Annexure 6" and "Annexure 7", respectively.

#### (c) Cost Records

The Company is not required to prepare and maintain cost records pursuant to Section 148(1) of the Act.

### CORPORATE SOCIAL RESPONSIBILITY

The Company firmly believes that for an organisation to succeed in long term, it is imperative to keep the overall well-being of the society at the core of its values and purpose. Our main objective in this regard is to do meaningful work with measurable output and maximum impact on the society. The Company's vision is to contribute towards a society where quality healthcare, education and livelihood opportunities converge to create an equitable future for all families and communities. Corporate Social Responsibility is not mere an obligation for us but we yearn to transform Bharat into a stronger and healthier nation.

## Board of Director (Contd.)

Mata Krishnawanti Memorial Educational Society (MKMES) is the CSR arm of the Company and drives its various social engagement initiatives. As the Social Development arm, MKMES assesses the pressing needs of the marginalized communities and delivers tailor-made solutions aimed at improving overall living standards of the communities it works with.

During the FY 2023-24, the Company had paid an amount of Rs. 17.90 lacs being 2% of average net profits of the Company for three immediately preceding financial years, to MKMES towards effectuation and implementation of CSR activities for FY 2023-24, on the promotion of Education, on ongoing project basis.

As part of its initiatives under “Corporate Social Responsibility (CSR)”, the Company has undertaken CSR projects in the area of Promoting Education including programs for employment enhancing vocational skills, as per its CSR Policy (available on Company’s website) [https://www.dhani.com/services/wp-content/uploads/2020/12/csr-policy-isl\\_1564987829.pdf](https://www.dhani.com/services/wp-content/uploads/2020/12/csr-policy-isl_1564987829.pdf) and the details are contained in the Annual Report on CSR Activities given in “**Annexure 8**”, forming part of this Report. The project is in accordance with Schedule VII of the Act read with the relevant rules.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of SEBI LODR Regulations, Management’s Discussion and Analysis Report, for the year under review, is presented in a separate section forming part of this Annual Report.

### CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34 of the SEBI LODR Regulations, Corporate Governance Practices followed by the Company, together with a certificate from a practicing Company Secretary confirming compliance, is presented in a separate section forming part of this Annual Report.

### BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34 of the SEBI LODR Regulations, Business Responsibility and Sustainability Report (BRSR) is uploaded on the website of the Company [https://www.dhani.com/services/wp-content/uploads/2024/08/BRSR-Report-FY23-24\\_DSL.pdf](https://www.dhani.com/services/wp-content/uploads/2024/08/BRSR-Report-FY23-24_DSL.pdf).

### DIRECTORS’ RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 of the Act:

- a) that in the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in the Notes to the Financial Statements had been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company, as at March 31, 2024 and of the profit and loss of the Company for the year ended on that date;
- c) that proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts had been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that such financial controls were adequate and were operating effectively; and
- f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## Board of Director (Contd.)

### ACKNOWLEDGEMENT

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functional areas and the efficient utilization of all its resources for sustainable growth. Your Directors wish to place on record their appreciation of the contributions made and committed services rendered by the employees of the Company at various levels. Your Directors also wish to express their gratitude for the continuous assistance and support received from the investors, clients, bankers, regulatory and government authorities, during the year.

#### For Dhani Services Limited

Place: Mumbai  
Date: August 9, 2024

Sd/-  
**Gurbans Singh**  
Executive Chairman  
(DIN: 06667127)

Sd/-  
**Divyesh B. Shah**  
Whole-time Director & CEO  
(DIN: 00010933)

## Board of Director (Contd.)

### ANNEXURE-A

#### ANNEXURE FORMING PART OF THE BOARDS' REPORT

##### EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) of the Companies Act, 2013 ("Act"), the Annual Return as on March 31, 2024 is available on the Company's website at [https://www.dhani.com/services/wp-content/uploads/2024/08/MGT\\_7\\_Annual-Return\\_23-24.pdf](https://www.dhani.com/services/wp-content/uploads/2024/08/MGT_7_Annual-Return_23-24.pdf).

##### BOARD MEETINGS

During the FY 2023-24, 6 (Six) Board Meetings were convened and held. The details of such meetings are given in Corporate Governance Report forming part of this Annual Report. The intervening gap between these meetings was within the period prescribed under the Act. The notice and agenda including all material information and minimum information required to be made available to the Board under Regulation 17 read with Schedule II Part-A of the SEBI LODR Regulations, were circulated to all directors, well within the prescribed time, before the meeting or placed at the meeting. During the year, separate meeting of the Independent Directors was held on March 30, 2024, without the attendance of Non-Independent Directors and the members of the Company Management.

##### BOARD EVALUATION

The Nomination and Remuneration Committee (NRC) of the Board reassessed the framework, methodology and criteria for evaluating the performance of the Board as a whole, including Board Committee(s), as well as performance of each director(s)/ Chairman and confirms that the existing evaluation parameters are in compliance with the requirements as per SEBI guidance note dated January 5, 2017 on Board evaluation. The parameter which inter-alia includes effectiveness of the Board and its committees, decision making process, Directors/members participation, governance, independence, quality and content of agenda papers, team work, frequency of meetings, discussions at meetings, corporate culture, contribution, role of the Chairman and management of conflict of interest. Basis these parameters and guidance note on board evaluation issued by SEBI, the performance evaluation of the Board as a whole and its committees namely Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee as well as the performance of each director individually, including the Chairman was carried out by the entire Board of Directors. The performance evaluation of the Chairman, Executive Directors and Non-Executive Director was carried out by the Independent Directors in their meeting held on March 30, 2024. The Directors expressed their satisfaction with the evaluation process. Also the Chairman of the Company, on a periodic basis, has had one-to-one discussion with the directors for their views on the functioning of the Board and the Company, including discussions on level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders and implementation of the suggestions offered by Directors either individually or collectively during different board/committee meetings.

##### POLICY ON APPOINTMENT OF DIRECTORS & THEIR REMUNERATION

A Board approved policy for selection and appointment of Directors, Senior Management and their remuneration, is already in place. The brief of Remuneration Policy is stated in the Corporate Governance Report forming part of this Annual Report.

##### LOANS, GUARANTEES OR INVESTMENTS

During the FY 2023-24, in terms of the provisions of Section 186 (1) of the Act, the Company did not make any investments through more than two layers of investment companies. The Company's investment/loans/guarantees, during FY 2023-24, were in compliance with the provisions of Section 186 of the Act, particulars of which are captured in financial statements of the Company for the financial year ended March 31, 2024, wherever applicable and required, forming part of this Annual Report.

##### RELATED PARTY TRANSACTIONS

All the related party transactions, entered into by the Company, during the financial year, were in its ordinary course of business and on an arm's length basis. There are no materially significant related party transactions entered into by the Company with its Key Management Personnel or other designated persons which may have potential conflict with the interest of the Company at large. None of the transactions with related parties fall under the scope of Section 188(1) of the Act and hence the informations on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules 2014 required to be given in the prescribed form AOC -2 are not applicable.

## Board of Director (Contd.)

Further, the Policy for Dealing with Related Party Transactions is enclosed as “Annexure 9” and is also available on the website of the Company at [https://www.dhani.com/services/wp-content/uploads/2022/06/DSL\\_Policy\\_on\\_Related\\_Party\\_Transactions\\_01042022.pdf](https://www.dhani.com/services/wp-content/uploads/2022/06/DSL_Policy_on_Related_Party_Transactions_01042022.pdf).

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Commensurate with the size, scale and complexity of operations, the Company has an elaborate system of internal controls; it also covers areas like financial reporting, fraud control, compliance with applicable laws and regulations etc. Regular internal audits are conducted to check and to ensure that responsibilities are discharged effectively. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with regulatory directives, efficacy of its operating systems, adherence to the accounting procedures and policies of the Company and its subsidiaries. Wherever required, the internal audit efforts are supplemented by audits conducted by specialized consultants/audit firms. Based on the report of the Internal Auditors, process owners undertake corrective actions, in their respective areas and thereby strengthen the controls.

### MATERIAL CHANGES AND COMMITMENTS

Apart from the information provided/disclosures made elsewhere in the Boards’ Report including Annexures thereof, there are no material changes and commitments affecting the financial position of the Company, occurred between the date of end of the financial year of the Company i.e. March 31, 2024 till date of this Report.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS

No significant and material orders were passed by the regulators or courts or tribunals, impacting the going concern status and Company’s operations in future.

However, SEBI vide order dated May 21, 2021 had imposed a penalty of Rs. 55 Lacs on the Company and its Secretary for not closing trading window in respect of one of the transaction executed in 2017 with the shareholders’ approval in July 2016. An appeal was filed against the said order of SEBI, by Company/Company Secretary before Securities Appellate Tribunal (SAT), on which SAT was pleased to quash the impugned order of Adjudicating Officer (AO) of SEBI and the matter was remanded back to AO for fresh consideration. SEBI had filed civil appeal wherein Hon’ble Supreme Court of India vide order dated October 31, 2022 granted stay on the further Proceedings in the Matter and the Civil Appeal is pending adjudication before Apex Court.

### TRANSFER TO IEPF

During the year under review, in compliance with applicable regulations (a) the unclaimed dividend of Rs. 9.94 lacs pertaining to the FY 2015-16, has been transferred to Investor Education and Protection Fund (IEPF) and (b) 12,972 fully paid-up equity shares pertaining to the FY 2015-16, in respect of which dividend has not been received or claimed for seven consecutive years, have been transferred to Demat Account of IEPF Authority. Thereafter, up to the date of this report, the unclaimed dividend of Rs. 13.25 lacs pertaining to FY 2016-17, has also been transferred to IEPF and 46,896 fully paid-up equity shares pertaining to the FY 2016-17, in respect of which dividend has not been received or claimed for seven consecutive years, have been transferred to Demat Account of IEPF Authority. In compliance with the applicable regulatory requirements, the Company, till date has transferred its 2,96,867 fully paid-up equity shares in respect of which dividend has not been received or claimed for seven consecutive years from the FY 2008-09 onwards, to Demat Account of IEPF Authority, in respect of which, individual notice had also been sent to the concerned Shareholders. Those members who have not so far claimed their dividend for the subsequent financial years are also advised to claim it from the Company or Skyline Financial Services Private Limited.

Further, pursuant to the requirements of SEBI Circular no. SEBI/ LAD-NRO/GN/2016-17/008 dated July 8, 2016, the Dividend Distribution Policy of the Company is available on the website of the Company at [https://www.dhani.com/services/wp-content/uploads/2020/12/ivl-dividend-distribution-policy\\_1564992261.pdf](https://www.dhani.com/services/wp-content/uploads/2020/12/ivl-dividend-distribution-policy_1564992261.pdf).

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The Company has been the leader in technology adoption to set forth example for others to trail, and is continuously launching new products & services for the customers by leveraging existing and emerging technologies. Organisation has created single view for customers to enable usage of multiple services through single frontend leading to higher customer engagement. As part of the roadmap of technology stack modernisation, applications have been consolidating application layers leading to efficiency in the processes and enhanced customer experience. Organisation has invested into multiple technology platforms to enhance

## Board of Director (Contd.)

customer acquisition, servicing processes and handle volumes. The Company is also actively investing and deploying capabilities in Artificial Intelligence (AI), Machine learning (ML), natural language processing (NLP) in the area of customer service and collections through mailbot, chatbot & voicebot. Aim is to create an unmatched customer experience with swift response at their queries & needs. The technology architecture is being simplified to be able to manage the scale and agility requirements of the organisation. Organisation has intensely invested in cloud and data infrastructure to enable faster change management and provides ability to scale and deploy rapidly.

### A. Conservation of Energy

The Company operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy. As an ongoing process, the followings are (i) the steps taken or impact on conservation of energy; (ii) the steps taken by the Company for utilizing alternate sources of energy; and (iii) the capital investment on energy conservation equipment.

Consumption of electricity and its efficient utilization is an important area and the Company has taken many steps to reduce its carbon footprint on this front. The Company has been able to reduce energy consumption by using star rated appliances where possible and also through the replacement of CFL lights with LED lights. Monitoring resource usage, improved process efficiency, reduced waste generation and disposal costs have also supported the cause.

### B. Technology Absorption

The Company is investing in cutting edge technologies to upgrade its infrastructure set up and innovative technical solutions, thereby increasing customer delight & employee efficiency. Next Generation Business Intelligence & analytics tool have been implemented to ensure that while data continues to grow, decision makers get answers faster than ever for timely & critical level decision making. The Company has implemented best of the breed applications to manage and automate its business processes to achieve higher efficiency, data integrity and data security. It has helped it in implementing best business practices and shorter time to market new schemes, products, and customer services. The Company has taken major initiatives for improved employee experience, by implementing innovative solutions and empowering them by providing mobile platform to manage their work while on the go. The Company's investment in technology has improved customer services, reduced operational cost, Improve regulatory and compliance posture and development of new business opportunities. No technology was imported by the Company during the last three financial years including financial year 2023-24.

### C. Foreign Exchange Earnings and Outgo

During the year under review, foreign exchange outgo was Rs. 91,223/- and there was no foreign exchange earnings.

## GREEN INITIATIVES

The Company's Environmental Management System (EMS) focuses on assessing the environmental cost of the Company's services and activities, and seeks to reduce or eliminate the negative impact and increase their positive effects. Environmental sustainability is important to the Company and is one of the reasons behind the Company's push to digitize its processes.

Pursuant to the guidelines and notification issued by the Ministry of Home Affairs, Government of India and pursuant to applicable provisions of the Act and rules made thereunder and SEBI LODR Regulations and MCA/SEBI Circulars, the AGM of the Company is being held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Electronic copies of the Annual Report for Financial year 2023-24 and Notice of the 29th AGM are sent to all the members whose email addresses are registered with the Company / Depository Participant(s). The Members who have not received the said Annual Report and Notice may download the same from the Company's website at [www.dhani.com](http://www.dhani.com) and on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice of the 29th AGM. This is pursuant to Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI LODR Regulations. The instructions for remote e-voting are provided in the Notice convening the 29th AGM. The members may also cast their votes during the AGM.



## Board of Director (Contd.)

### **BUSINESS RISK MANAGEMENT**

Pursuant to the applicable provisions of the Act and Regulation 21 of the SEBI LODR Regulations, the Company has in place a Board constituted Risk Management Committee. Details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of this report.

The Company has a robust Business Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on its business objectives and enhance its competitive advantage. It defines the risk management approach across the Company and its subsidiaries at various levels including the documentation and reporting. At present, the Company has not identified any element of risk which may threaten its existence.

### **PARTICULARS OF EMPLOYEES**

Pursuant to the applicable provisions of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures on Managerial Remuneration are provided in **"Annexure 10"** forming part of this Report. In terms of the provisions of Section 136(1) of the Act, read with the said rules, the Boards' Report is being sent to all the shareholders of the Company excluding the annexure on the names and other particulars of employees, required in accordance with Rule 5(2) of said rules, which is available for inspection by the members, subject to their specific written request, in advance, to the Company Secretary of the Company. The inspection is to be carried out at the Company's Registered Office at Gurgaon, Haryana, during business hours on working days (except Saturday and Sunday) of the Company up to date of ensuing Annual General Meeting.

### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

Non-Executive Directors are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through presentations about the Company's strategy, business model, product and service offerings, customers & shareholders profile, financial details, human resources, technology, facilities, internal controls and risk management, their roles, rights and responsibilities in the Company. The Board is also periodically briefed on the various changes, if any, in the regulations governing the conduct of non-executive directors including independent directors. The details of the familiarization programmes have been hosted on the website of the Company and link has been provided in the Report on Corporate Governance forming part of this Report.

### **SUBSIDIARY & ASSOCIATE COMPANIES**

Pursuant to Section 129 of the Act and Indian Accounting Standard (IND AS) - 110 on Consolidated Financial Statements, the Company has prepared its Consolidated Financial Statement along with all its subsidiaries, in the same form and manner, as that of the Company, which shall be laid before its ensuing 29th Annual General Meeting along with its Standalone Financial Statement. The Consolidated Financial Statements of the Company along with its subsidiaries, for the year ended March 31, 2024, forms part of this Annual Report.

Each quarter, the Audit Committee reviews the performance and unaudited/audited financial statements of subsidiary companies. The minutes of the board meetings of the unlisted subsidiary companies of the Company and significant transactions and arrangements entered into by all the unlisted subsidiary companies are placed before the board on a quarterly/periodically basis. The Board is periodically apprised of the performance of key subsidiary companies, including material developments.

For the performance and financial position of each of the subsidiaries of the Company, included in its Consolidated Financial Statements, the Members are requested to refer to Note no. 58 of the Notes to the Accounts, of Consolidated Financial Statements of the Company and statement pursuant to first proviso to sub section (3) of section 129 of the Act read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC - 1 relating to Statement containing salient features of the financial statement of subsidiary has been attached to this report and forms part of the financial statements.

Further pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are also available on the website of the Company at [www.dhani.com](http://www.dhani.com).

Shareholders may write to the Company for the annual financial statements and any further information on subsidiary companies. Further, the documents shall also be available for inspection by the shareholders at the registered office of the Company.

## Board of Director (Contd.)

During the year, Dhani Loans and Services Limited (DLSL), Indiabulls Asset Reconstruction Company Limited (IBARC), Dhani Healthcare Limited, Indiabulls Distribution Services Limited and Dhani Stocks Limited were material subsidiaries of the Company, as per SEBI LODR Regulations. As on March 31, 2024, the Company has 26 subsidiaries, 1 employee welfare trust and 5 business trusts and there is no joint venture company, within the meaning of Section 2(6) of the Act.

The Company is in compliance with Regulation 24A of the SEBI LODR Regulations. The Company's material subsidiaries undergo Secretarial Audit and copies of Secretarial Audit Reports of these subsidiaries are given in Annexure-3 to Annexure-7 which are self-explanatory.

### **NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES OR ASSOCIATE COMPANIES**

During the year under review, no company has become or ceased to be subsidiary company of the Company.

### **COMMITTEES OF THE BOARD**

The Company has following Board constituted committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders Relationship Committee
- d) Compensation Committee
- e) Corporate Social Responsibility Committee
- f) Allotment Committee
- g) Management Committee
- h) Securities Issuance Committee
- i) Risk Management Committee
- j) Capital Raising Committee
- k) Internal Complaints Committee
- l) Reorganisation Committee

The details with respect to the composition, powers, roles, terms of reference, etc. of relevant committees constituted under the Act and SEBI LODR Regulations are given in the Corporate Governance Report forming part of this Annual Report.

### **SECRETARIAL STANDARDS**

The Board of Directors state that the Company has complied with the applicable Secretarial Standards (SS-1 and SS-2) respectively relating to Meetings of the Board, its Committees and the General Meetings as issued by the Institute of Company Secretaries of India.

### **NUMBER OF CASES FILED, IF ANY, AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the financial year 2023-24, no case of sexual harassment was reported.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received, if any, regarding sexual harassment.

## Board of Director (Contd.)

### **DETAILS OF PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016**

During the year, no applications were made or case was pending under the Insolvency and Bankruptcy Code, 2016.

### **DETAILS OF VALUATION DONE WITH RESPECT TO LOANS TAKEN FROM BANKS OR FINANCIAL INSTITUTION**

As Company has not done any one time settlement during the year hence no disclosure is applicable for the same.

### **VIGIL MECHANISM**

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company has implemented the Whistle Blower Policy ("the Policy"), to provide an avenue for employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy applies to all employees working for the Company and its subsidiaries. Pursuant to the Policy, the whistle blowers can raise concerns relating to matters such as breach of Company's Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, misappropriation of Company's funds / assets etc. A whistle-blowing or reporting mechanism, as set out in the Policy, invites all employees to act responsibly to uphold the reputation of the Company and its subsidiaries.

The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices. The details of the Whistle Blower Policy are available on the website of the Company at <https://www.dhani.com/services/whistle-blower-policy/>.

### **For Dhani Services Limited**

Place: Mumbai  
Date: August 9, 2024

Sd/-  
**Gurbans Singh**  
Executive Chairman  
(DIN: 06667127)

Sd/-  
**Divyesh B. Shah**  
Whole-time Director & CEO  
(DIN: 00010933)

# SECRETARIAL AUDIT REPORT

## ANNEXURE-1

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
 The Members,  
**DHANI SERVICES LIMITED**  
**CIN: L74110HR1995PLC121209**  
 5th Floor, Plot No. 108, IT Park,  
 Udyog Vihar, Phase 1,  
 Gurgaon- 122016, Haryana

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dhani Services Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024, according to the provisions including amendments of the following to the extent these are applicable:

- (i) The Companies Act, 2013 and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018;
- (vi) The Securities and Exchange Board of India Act, 1992 ('SEBI Act');
- (vii) The following Regulations and Guidelines prescribed under the SEBI Act to the extent applicable to the Company: -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - g) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - k) The Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992;
  - l) The Security and Exchange Board of India (Investor Protection and Education Fund) Regulation, 2009.

## Board of Director (Contd.)

(viii) Other Laws;

- a) The Bye laws and Business Rules of NSDL/CDSL;
- b) Directives/ Circular/ Clarifications/ Guidelines issued by SEBI, the Government of India, Regulatory Bodies and NSDL/ CDSL, from time to time;
- c) Prevention of Money Laundering Act, 2002 and the Rules and Guidelines notified there under by SEBI / Regulatory Authorities.

We have also examined compliance with the applicable clauses of the Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned herein above.

### We further report that

- i. The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors, Women Director, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ii. Adequate notice is given to all directors to schedule the Board and its Committee Meetings and agenda and detailed notes on agenda were sent well in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii. All the decisions of the Board and Committees thereof were carried out with the consent of all the directors present in the meetings.

We further report that based on the review of the compliance mechanism established by the Company, we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has responded appropriately to notices received from various statutory/ regulatory authorities including initiating actions for corrective measures, wherever found necessary.

**We further report that** during the audit period i.e. FY 2023-24 the Company, inter-alia, had:

- a) Approved the composite Scheme of Arrangement inter-alia involving Amalgamation of the Company along with its certain subsidiary companies with and into Yaari Digital Integrated Services Limited and subsequent automatic dissolution of Amalgamating Companies;
- b) Completed the process of shifting its registered office from '1/1E, First Floor, East Patel Nagar, New Delhi-110008' to '5th Floor, Plot No. 108, IT Park, Udyog Vihar, Phase 1, Gurgaon- 122016, Haryana' and on receipt of certificate of registration from the office of Registrar of Companies, the Registered Office of the Company has been shifted as above, w.e.f. May 1, 2024;
- c) SEBI vide order dated May 21, 2021 had imposed a penalty of Rs. 55 Lacs on the Company and its Secretary for not closing trading window in respect of one of the transaction executed in 2017 with the shareholders' approval in July 2016. An appeal was filed against the said order of SEBI, by Company/Company Secretary before Securities Appellate Tribunal (SAT), on which SAT was pleased to quash the impugned order of Adjudicating Officer (AO) of SEBI and the matter was remanded back to AO for fresh consideration. SEBI had filed civil appeal wherein Hon'ble Supreme Court of India vide order dated October 31, 2022 granted stay on the further Proceedings in the matter and the Civil Appeal is pending adjudication before Apex Court.
- d) In compliance with applicable regulations transferred (a) the unclaimed dividend of Rs. 9.94 lacs pertaining to the FY 2015-16, to Investor Education and Protection Fund (IEPF) and (b) 12,972 fully paid-up equity shares pertaining to the FY 2015-16, in respect of which dividend has not been received or claimed for seven consecutive years, to Demat Account of IEPF Authority;
- e) Outstanding GDRs were delisted from Luxembourg Stock Exchange, in view of very thin trading; and
- f) Approved CSR expenditure of Rs. 17,90,000/- for FY 2023-24 which was spent during FY 2023-24.

For **Sukesh & Co.**  
Company Secretaries

**Sukesh Saini**  
Proprietor

FCS No.: 11688

CP No.: 12007

UDIN : F011688F000752604

PR Certificate No : 3473/2023

Place: Gurgaon

Date: 16/07/2024

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed and forms an integral part of this report.

## Board of Director (Contd.)

**ANNEXURE "A" TO SECRETARIAL AUDITORS' REPORT**

To,  
The Members,  
DHANI SERVICES LIMITED  
CIN: L74110HR1995PLC121209  
5th Floor, Plot No. 108, IT Park,  
Udyog Vihar, Phase 1,  
Gurgaon- 122016, Haryana

Our Secretarial Audit Report of even date, for the FY 2023-24 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and the happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, and standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. The maximum liability of our firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

For **Sukesh & Co.**  
*Company Secretaries*

**Sukesh Saini**  
*Proprietor*  
FCS No.: 11688  
CP No.: 12007  
UDIN : F011688F000752604  
PR Certificate No : 3473/2023

Place: Gurgaon  
Date: 16/07/2024

# SECRETARIAL COMPLIANCE REPORT

**ANNEXURE-2**  
**SECRETARIAL COMPLIANCE REPORT OF**  
**“DHANI SERVICES LIMITED”**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

We, M/s Sukesh & Co., Practicing Company Secretaries have examined:

- (a) All the documents and records made available to us and explanation provided by **DHANI SERVICES LIMITED (“the listed entity”)**,
- (b) the filings/submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this report,

for the year ended 31st March, 2024 (“**Review Period**”) in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued there under; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made there under and the Regulations, circulars, and guidelines issued there under by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provision and the circulars/guidelines issued there under, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;  
*(Not applicable during the Review Period)*
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;  
*(Not applicable during the Review Period)*
- (g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;  
*(Not applicable during the Review Period)*
- (h) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- (i) Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018;
- (j) Security and Exchange Board of India (Investor Protection and Education Fund) Regulation, 2009;
- (k) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (l) Securities and Exchange Board of India (Depository and Participants) Regulations, 2018;
- (m) Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992.

And circulars/guidelines issued there under;

## Board of Director (Contd.)

and based on the above examination, We hereby report that during the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS
1.	<b>Secretarial Standards:</b> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India(ICSI),as notified by the Central Government under section118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	None
2.	<b>Adoption and timely updation of the Policies:</b> <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities</li> <li>• All the policies are inconformity with SEBI Regulations and have been reviewed &amp; updated on time, as per the regulations/circulars/guidelines issued by SEBI</li> </ul>	Yes	None
3.	<b>Maintenance and disclosures on Website:</b> <ul style="list-style-type: none"> <li>• The Listed entity is maintaining a functional website</li> <li>• Timely dissemination of the documents/ information under a separate section on the website</li> <li>• Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/section of the website</li> </ul>	Yes	None
4.	<b>Disqualification of Director:</b> None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	None
5.	<b>Details related to Subsidiaries of listed entities have Been examined w.r.t.:</b> (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as Other subsidiaries	Yes	None
6.	<b>Preservation of Documents:</b> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	None
7.	<b>Performance Evaluation:</b> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/ during the financial year as prescribed in SEBI Regulations.	Yes	None



Board of Director (Contd.)

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS
8.	<p><b>Related Party Transactions:</b></p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or</p> <p>(b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.</p>	Yes	None
9.	<p><b>Disclosure of events or information:</b></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed there under.</p>	Yes	None
10.	<p><b>Prohibition of Insider Trading:</b></p> <p>The listed entity is in compliance with Regulation 3(5) &amp; 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>	Yes	None
11.	<p><b>Actions taken by SEBI or Stock Exchange(s),if any:</b></p> <p>No action(s) has been taken against the listed entity/its promoters/directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/guidelines issued there under.</p>	Yes	None
12.	<p><b>Additional Non-compliances, if any:</b></p> <p>No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.</p>	NA	No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.

## Board of Director (Contd.)

**Compliances related to the resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October 2019:**

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS
<b>1.</b>	<b>Compliances with the following conditions while appointing/re-appointing an auditor</b>		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/audit report for such quarter; or ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	No Statutory Auditors has resigned during the Review Period
<b>2.</b>	<b>Other conditions relating to resignation of statutory auditor</b>		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: a. In case of any concern with the management of the listed entity/ material subsidiary such as non-availability of information/ non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately with out specifically waiting for the quarterly Audit Committee meetings. b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information/ explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable. c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor. ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI/NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor	NA	No Statutory Auditors has resigned during the Review Period
<b>3.</b>	<b>The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure-A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18<sup>th</sup> October, 2019.</b>	NA	No Statutory Auditors has resigned during the Review Period

Board of Director (Contd.)

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under, except in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
None										

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	SEBI (Prohibition of Insider Trading) Regulations, 2015	SEBI (Prohibition of Insider Trading) Regulations, 2015	Alleged Violation for not closing trading window in respect of one of the transaction executed in 2017	SEBI	Penalty	Alleged violations of the Minimum Standards for Code of Conduct to Regulate, Monitor and Report Trading by Insiders and the PIT Regulations.	Rs. 55 Lacs on the Listed Entity and its Company Secretary imposed by SEBI vide order dated May 21, 2021	On appeal filed by the Company, SAT had granted stay on the said SEBI order dated May 21, 2021.  The captioned matter was placed before Hon'ble SAT for hearing on June 10, 2022.	SAT vide order dated June 30, 2022 quashed the impugned order of Adjudicating Officer (AO) of SEBI and the matter was remanded back to AO for fresh consideration. SEBI had filed civil appeal wherein Hon'ble Supreme Court of India vide order dated October 31, 2022 granted stay on the further Proceedings in the Matter and the Civil Appeal is pending adjudication before Apex Court.	Hon'ble Supreme Court of India vide order dated October 31, 2022 granted stay on the further Proceedings in the Matter and the Civil Appeal is pending adjudication before Apex Court.

**Assumptions & Limitation of Scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.

## Board of Director (Contd.)

3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **Sukesh & Co.**,  
*Company Secretaries*

**Sukesh Saini**  
*Proprietor*

M. No.: 11688

C. P. No.: 12007

PR No: 3473/2023

UDIN: F011688F000433681

Place: Gurgaon

Date: 23/05/2024

# SECRETARIAL AUDIT REPORT

## ANNEXURE-3

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**DHANI LOANS AND SERVICES LIMITED**  
CIN: U74899DL1994PLC062407  
1/1E, First Floor, East Patel Nagar,  
New Delhi-110008

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Dhani Loans and Services Limited** (hereinafter called **the Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **31st March, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions (including amendments) of the following to the extent these are applicable:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ['SEBI (LODR) Regulations'];
  - (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - (h) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (i) Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018;
  - (j) Security and Exchange Board of India (Investor Protection and Education Fund) Regulation, 2009;
  - (k) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (l) Securities and Exchange Board of India (Depository and Participants) Regulations, 2018;
- (vi) The Management has identified the following other laws, as applicable:
  - (a) All the Rules, Regulations, Directions, Guidelines and Circulars including Master Direction – Non-Banking

## Board of Director (Contd.)

Financial Company – Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India, as amended from time to time;

- (b) Credit Information Companies (Regulation) Act, 2005 and Rules.
- (c) Prevention of Money Laundering Act, 2002 and the Rules and Guidelines notified there under by SEBI / Regulatory Authorities.

We have also examined compliance with the applicable clauses of Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

### We further report that:

- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ii. Adequate notice is given to all directors to schedule the Board and its Committee Meetings and agenda and detailed notes on agenda were sent at well in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii. All the decisions of the Board and Committees thereof were carried out with the consent of all the directors

present in the meetings.

- iv. The Company has responded appropriately to notices received from various statutory/ regulatory authorities including initiating actions for corrective measures, wherever found necessary.

**We further report that** based on review of compliance mechanism established by the Company, we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the period under review:

- (a) The Company has paid a penalty of Rs. 16,520/- (including GST) each to NSE & BSE w.r.t. non-compliance under Regulation 52(7)(7A) of SEBI (LODR) Regulations.
- (b) Updated various policies of the Company as per applicable regulatory provisions.

For **Sukesh & Co,**  
*Company Secretaries*

**Sukesh Saini**  
*Proprietor*

FCS No.: 11688  
 CP No.: 12007

UDIN : F011688F000709671  
 PR Certificate No : 3473/2023

Place: New Delhi  
 Date: 10/07/2024

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as annexure A and forms an integral part of this report.

Board of Director (Contd.)

**ANNEXURE A TO SECRETARIAL AUDITORS' REPORT**

To,  
The Members,  
**DHANI LOANS AND SERVICES LIMITED**  
CIN: U74899DL1994PLC062407  
1/1E, First Floor, East Patel Nagar,  
New Delhi-110008

Our Secretarial Audit Report of even date, for the financial year 2023-24 is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. The maximum liability of our firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

For **Sukesh & Co,**  
Company Secretaries

**Sukesh Saini**  
*Proprietor*  
FCS No.: 11688  
CP No.: 12007  
UDIN : F011688F000709671  
PR Certificate No : 3473/2023

Place: 10/07/2024  
Date: New Delhi

# SECRETARIAL AUDIT REPORT

## ANNEXURE-4

### FORM-MR-3

#### SECRETARIAL AUDIT REPORT

**For the Financial Year ended on March 31, 2024**

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
 The Members  
**Indiabulls Asset Reconstruction Company Limited**  
 CIN: U67110MH2006PLC305312  
 One International Center, Tower – 1,  
 4th Floor, S. B. Marg, Elphinstone (W), Mumbai City  
 Mumbai – 400013, Maharashtra

We have conducted, the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the **Indiabulls Asset Reconstruction Company Limited** (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereupon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company, has during the audit period covering the financial year ended on March 31, 2024 complied with various statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions (including amendments) of the following:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder.
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder; Not Applicable
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder; Not Applicable
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; Not Applicable
- v. The Regulations prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) viz.:- Not Applicable
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
  - e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - g) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.
- vi. and other applicable laws like:
  - Reserve Bank of India Act, 1934 and circulars made thereunder;
  - The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;



## Board of Director (Contd.)

- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH);
- Labour and Social Security Laws - Employees State Insurance Act, 1948; Payment of Wages Act, 1936; Minimum Wages Act, 1948; Industrial Disputes Act, 1947; Payment of Bonus Act, 1965; Payment of Gratuity Act, 1972; Contract Labor (Regulation and Abolition) Act, 1970; Maternity Benefit Act, 1961, The Equal Remuneration Act 1976; Employees Provident Funds and Miscellaneous Act, 1952.

We have also examined compliance with the applicable clauses of Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Director and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

**We further report that** the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

Adequate notice given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board and Committees were carried with requisite majority.

**We further report that** based on the information provided and representations made by the Company, there were adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and

ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period under review, the following major activities took place in the Company in pursuance of the above referred laws, rules, regulations, guidelines etc.:

- In terms of authorisation of members of the Company dated September 11, 2023, the Company had increased its authorised share capital and accordingly altered the Memorandum of Association of the Company during the period under review. The Company has filed the requisite e-forms with the Ministry of Corporate Affairs ("MCA") for this purposes, wherever applicable during the period under report and paid the requisite fee.
- In terms of authorisation of members of the Company dated November 9, 2023, the Company bought back 2,42,38,227 fully paid-up equity shares of Rs. 10/- each for an aggregate consideration of Rs. 104.99 Crores. The Company has filed the requisite e-forms with the Ministry of Corporate Affairs ("MCA") for this purposes, wherever applicable during the period under report and paid the requisite fee.
- The Company had allotted 7,97,492 equity shares of face value of Rs. 10/- each fully paid to Dhani Services Limited (holding company of the Company) The Company has filed the requisite e-forms with the Ministry of Corporate Affairs ("MCA") for this purposes, wherever applicable during the period under report and paid the requisite fee.

For **Anshul Chhabra & Associates**  
Company Secretaries

**Anshul Chhabra**

M. No.: A37155

CP No.: 13935

UDIN: A037155F000546466

PR No: 1621/ 2021

Date: June 07, 2024

Place: New Delhi

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## Board of Director (Contd.)

## 'Annexure A'

To,  
The Members  
**Indiabulls Asset Reconstruction Company Limited**  
CIN: U67110MH2006PLC305312  
One International Center, Tower – 1,  
4th Floor, S. B. Marg, Elphinstone (W), Mumbai City  
Mumbai – 400013, Maharashtra

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The maximum liability of our firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

For **Anshul Chhabra & Associates,**  
*Company Secretaries*

**Anshul Chhabra**  
M. No.: A37155  
CP No.: 13935  
UDIN: A037155F000546466  
PR No: 1621/ 2021

Date: June 07, 2024  
Place: New Delhi

# SECRETARIAL AUDIT REPORT

## ANNEXURE-5

### FORM-MR-3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED ON 31STMARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**DHANI HEALTHCARE LIMITED**  
**CIN:U74110DL2009PLC197255**  
1/1E, First Floor, East Patel Nagar,  
New Delhi West Delhi-110008

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Dhani Healthcare Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2024** according to the provisions (including amendments) of the following to the extent these are applicable:

- i. The Companies Act, 2013(the Act)and the rules made thereunder.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; - **Not Applicable**
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder; - **Not Applicable**
- iv. Foreign Exchange Management Act,1999and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not Applicable**
- v. The Regulations prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act') viz.:- **Not Applicable**
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;-
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
  - e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
  - h) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - k) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.
- vi. There are no other Sector specific laws which are specifically applicable to the Company.

## Board of Director (Contd.)

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India w.r.t. Meetings of the Board of Directors (SS - 1) and General Meeting (SS – 2).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that** the Board of Directors of the Company is duly constituted. There is no change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board and Committees were carried with requisite majority.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **Sukesh & Co.**  
(Company Secretaries)

Sd/-  
**Sukesh Saini**  
FCS No. : F11688  
COP No.: 12007  
UDIN: F011688F000678761

Place: Gurgaon  
Date: 05/07/2024

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Board of Director (Contd.)

**'Annexure A'**

To,  
The Members,  
**DHANI HEALTHCARE LIMITED**  
**CIN:U74110DL2009PLC197255**  
1/1E, First Floor, East Patel Nagar,  
New Delhi West Delhi-110008

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The maximum liability of our firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

For **Sukesh & Co.**  
(Company Secretaries)

Sd/-

**Sukesh Saini**

FCS No. : F11688

COP No.: 12007

UDIN: F011688F000678761

Place: Gurgaon  
Date: 05/07/2024

# SECRETARIAL AUDIT REPORT

## ANNEXURE-6

### FORM-MR-3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
 The Members,  
**INDIABULLS DISTRIBUTION SERVICES LIMITED**  
**CIN:U68200DL2009PLC191143**  
 1/1E, First Floor, East Patel Nagar,  
 New Delhi -110008

We have conducted, the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Indiabulls Distribution Services Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024** complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2024** according to the provisions (including amendments) of the following:

- i. The Companies Act, 2013(the Act) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **Not Applicable**
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed there under; **Not Applicable**
- iv. Foreign Exchange Management Act,1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not Applicable**
- v. The Regulations prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act') viz.:- **Not Applicable**
- vi. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - c) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
  - d) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
  - g) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.
- vii. There are no other Sector specific laws which are specifically applicable to the Company.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company

## Board of Director (Contd.)

Secretaries of India w.r.t. Meetings of the Board of Directors (SS - 1) and General Meeting (SS – 2).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that** the Board of Directors of the Company is duly constituted. There is no changes in the composition of the Board of Directors during the year under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions of the Board and Committee were carried out with requisite majority.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that**, during the period under review;

- a) In terms of authorisation of members of the Company dated November 28, 2023, the Company bought back 73,145 equity shares of Rs. 10/- each for an aggregate consideration of Rs. 106.79 crore; and
- b) Company redeemed 10% 68,964 Optionally Convertible Debentures having face value of Rs. 10/- each.

For **Sukesh & Co.**  
(Company Secretaries)

**Sukesh Saini**  
FCS No. :11688  
COP No.: 12007  
UDIN: F011688F000694942

Place: New Delhi  
Date: 08/07/2024

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## Board of Director (Contd.)

## 'Annexure A'

To,  
The Members,  
**INDIABULLS DISTRIBUTION SERVICES LIMITED**  
**CIN:U68200DL2009PLC191143**  
1/1E, First Floor, East Patel Nagar,  
New Delhi West Delhi-110008

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The maximum liability of our firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

For **Sukesh & Co.**  
(Company Secretaries)

**Sukesh Saini**  
FCS No. :11688  
COP No.: 12007  
UDIN: F011688F000694942

Place: New Delhi  
Date: 08/07/2024



# SECRETARIAL AUDIT REPORT

## ANNEXURE-7

### FORM-MR-3

#### SECRETARIAL AUDIT REPORT

##### For the Financial Year ended on March 31, 2024

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**DHANI STOCKS LIMITED**  
**CIN: U74999DL2003PLC122874**  
1/1E, First Floor, East Patel Nagar,  
New Delhi West Delhi-110008

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Dhani Stocks Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024** complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2024** according to the provisions (including amendments) of the following to the extent these are applicable:

- i. The Companies Act, 2013(the Act) and the rules made thereunder.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder; the Bye laws and Business Rules of NSDL/CDSL;
- iv. Foreign Exchange Management Act,1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. Prevention of Money Laundering Act, 2002 and the Rules and Guidelines notified there under by SEBI / Regulatory Authorities;
- vi. Directives/ Circular/ Clarifications/ Guidelines issued by SEBI, the Government of India, Regulatory Bodies and NSDL/ CDSL, from time to time;
- vii. The Regulations prescribed under the Securities and Exchange Board of India Act,1992 ("SEBI Act") viz.-:
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;- Not Applicable
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;- Not Applicable
  - c) The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018;
  - d) The Securities and Exchange Board of India (Stock Brokers) Regulations, 1992;
  - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;- Not Applicable
  - f) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;- Not Applicable
  - g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;- Not Applicable
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;- Not Applicable
  - i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;- Not Applicable
  - j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - k) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;- Not Applicable

## Board of Director (Contd.)

- l) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - m) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;- Not Applicable
- viii. There are no other Sector specific laws which are specifically applicable to the Company.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India w.r.t. Meetings of the Board of Directors (SS - 1) and General Meeting (SS – 2).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Director and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

**We further report that** the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further

information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board and Committees were carried with requisite majority.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period under review;

- a) In terms of authorisation of members of the Company dated September 12, 2023, the Company bought back 34,25,000 equity shares of Rs. 10/- each for an aggregate consideration of Rs. 89.05 crore; and
- b) The Company had approved CSR expenditure of Rs. 35,93,000/- for FY 2023-24.

For **Sukesh & Co.**  
*(Company Secretaries)*

**(Sukesh Saini)**  
 FCS No. : F11688  
 COP No.: 12007  
 UDIN: F011688F000721540

Place: New Delhi  
 Date: 11/07/2024

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## Board of Director (Contd.)

### Annexure A'

To,  
The Members,  
**DHANI STOCKS LIMITED**  
**CIN: U74999DL2003PLC122874**  
1/1E, First Floor, East Patel Nagar,  
New Delhi West Delhi-110008

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The maximum liability of our firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

For **Sukesh & Co.**  
(Company Secretaries)

**(Sukesh Saini)**  
FCS No. : F11688  
COP No.: 12007  
UDIN: F011688F000721540

Place: New Delhi  
Date: 11/07/2024

# ANNUAL REPORT ON CSR ACTIVITIES

## Annexure -8

### Annual Report on CSR Activities

for Financial Year Ending 31st March 2024

#### 1. Brief outline on CSR Policy of the Company:

The Company firmly believes that for an organisation to succeed in long term, it is imperative to keep the overall well-being of the society at the core of its values and purpose. Our main objective in this regard is to do meaningful work with measurable output and maximum impact on the society. The Company's vision is to contribute towards a society where quality healthcare, education and livelihood opportunities converge to create an equitable future for all families and communities. Corporate Social Responsibility is not mere an obligation for us but we yearn to transform Bharat into a stronger and healthier nation.

Mata Krishnawanti Memorial Educational Society (Regd.), New Delhi (MKMES) was the CSR arm of the Company for FY 2023-24 to drive various social engagement initiatives on Education and related employment enhancing vocational skills of the marginalized communities and delivered viable solutions aimed at improving their livelihood standards.

The Company may also undertake such CSR projects of sudden criticality such as providing relief in areas stuck by natural disasters etc. The Company's CSR Policy is available at [https://www.dhani.com/services/wp-content/uploads/2020/12/csr-policy-isl\\_1564987829.pdf](https://www.dhani.com/services/wp-content/uploads/2020/12/csr-policy-isl_1564987829.pdf).

#### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Divyesh B. Shah	Chairman, Whole-time Director & CEO	1	1
2	Dr. Narendra Damodar Jadhav	Member, Independent Director	1	1
3	Ms. Swati Jain	Member, Independent Director	1	1
4	Mr. Aishwarya Katoch	Member, Independent Director	1	N.A.

#### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Composition of the CSR committee shared above and is available on the Company's website at [https://www.dhani.com/services/wp-content/uploads/2023/09/Board&Committees\\_DSL.pdf](https://www.dhani.com/services/wp-content/uploads/2023/09/Board&Committees_DSL.pdf) and Policy of the Company is available at [https://www.dhani.com/services/wp-content/uploads/2020/12/csr-policy-isl\\_1564987829.pdf](https://www.dhani.com/services/wp-content/uploads/2020/12/csr-policy-isl_1564987829.pdf).

#### 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not Applicable

#### 5. (a) Average net profit of the company as per section 135(5): Rs. 8,94,59,480/-

(b) Two percent of average net profit of the company as per section 135(5): Rs. 17,90,000/-

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 17,90,000/-

#### 6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : Rs. 17,90,000/-.

(b) Amount spent in Administrative Overheads: Nil

Board of Director (Contd.)

- (c) Amount spent on Impact Assessment, if applicable: N.A.  
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 17,90,000/-  
 (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
17,90,000/-	Nil	N.A.	N.A	N.A	N.A

- (f) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	17,90,000
(ii)	Total amount spent for the Financial Year	17,90,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

7. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under section 135(6) (in Rs.)	Amount spent in the Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
					Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	2020-21	Nil	N.A.	Nil	N.A	N.A	N.A	Nil
2.	2021-22	Nil	N.A	Nil	N.A	N.A	N.A	Nil
3.	2022-23	41,81,000	Nil	Nil	N.A	N.A	N.A	Nil
	<b>Total</b>	<b>41,81,000</b>	<b>Nil</b>	<b>Nil</b>	<b>N.A</b>	<b>N.A</b>	<b>N.A</b>	<b>Nil</b>

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No Asset created during the year.

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section 5 of section 135: N.A.

For Dhani Services Limited

Sd/-  
**Divyesh B. Shah**  
 Chairman – CSR Committee  
 DIN: 00010933

Sd/-  
**Swati Jain**  
 Member (Independent Director)  
 DIN: 09784228

Place: Mumbai  
 Date: May 30, 2024

# POLICY FOR DEALING WITH RELATED PARTY TRANSACTIONS

## ANNEXURE-9

### Policy for Dealing with Related Party Transactions

#### I. INTRODUCTION

Dhani Services Limited (the “Company” / “DSL”) is governed, amongst others, by the rules and regulations framed by Securities Exchange Board of India (“SEBI”). SEBI has mandated every listed company to formulate a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. Accordingly, Pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI LODR Regulations”), the Company has formulated this policy on materiality of related party transactions and on dealing with related party transactions.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 dated November 9, 2021, this Policy has been amended and approved by the Board of Directors of the Company, based on the recommendation of the Audit Committee, at its meeting held on February 14, 2022.

This policy aims at preventing and providing guidance in situations of potential conflict of interests in the implementation of transactions involving such related parties.

In accordance with the SEBI LODR Regulations, this Policy shall govern the Related Party Transactions by the Company and the subsidiaries of the Company to the extent applicable to them.

This Policy shall be effective from April 1, 2022.

#### II. DEFINITIONS

For the purposes of this Policy, the following definitions apply:

- a) **“Act”** means the Companies Act, 2013, for the time being in force and as amended from time to time.
- b) **“Applicable Law”** includes (a) the Act and rules made thereunder as amended from time to time; (b) the SEBI LODR Regulations, as amended from time to time; (c) Indian Accounting Standards; and (d) any other statute, law, standards, regulations or other governmental circulars, notifications or instructions (including circulars, notifications and guidance issued by the Securities and Exchange Board of India from time to time) relating to Related Party Transactions as may be applicable to the Company.
- c) **“SEBI LODR Regulations”** means the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the time being in force and as amended from time to time.
- d) **“Audit Committee”** means Committee of Board of Directors of the Company constituted under provisions of Section 177 of the Act and Regulation 18 of SEBI LODR Regulations.
- e) **“Board/Board of Directors”** means the board of directors of the Company/DSL.
- f) **“Related Party”** shall mean a person or entity that is related to the Company as defined under Section 2(76) of the Act or under Regulation 2(zb) of the SEBI LODR Regulations.
- g) **“Related Party Transaction”** shall mean all transactions as per Section 188 of the Act or under regulation 2(zc) of the SEBI LODR Regulations or as per applicable accounting standards, as may be amended from time to time.
- h) **“Material Transaction”** means transaction(s) defined as Material Related Party Transaction(s) under Regulation 23 of the SEBI LODR Regulations.
- i) **“Material Modification”** means any modifications to the related party transactions which were approved by the Audit Committee or Shareholders (in case of a material related party transaction) (i) where the variation exceeds 20% of the originally approved transaction, in case of any monetary modification; or (ii) which, in the opinion of the Audit Committee, significantly alters the nature or commercial terms of the transaction.
- j) **“Arm’s length transaction”** means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- k) **“Ordinary Course of Business”** - The transactions shall be in the ordinary course of business if - (a) the transaction is covered in the main objects or objects in furtherance of the main objects or (b) the transaction is usual as per industry practice or (c) the transaction is happening frequently over a period of time and is for the business purpose of the Company.

## Board of Director (Contd.)

- l) **“Annual Consolidated Turnover”** is defined as Total Income (including other income) of the last audited Consolidated Financial Statements of the Company.

All capitalized terms used in this Policy but not defined herein shall have the meaning assigned to such terms in the Act and the Rules thereunder and the SEBI LODR Regulations.

### III. POLICY

All RPTs must be in compliance of this Policy and subject to all applicable regulatory requirements.

### IV. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

#### Approval of Related Party Transactions:

##### A. Audit Committee:

- i. All the transactions which are identified as Related Party Transactions and subsequent Material Modifications should be pre-approved by the Audit Committee of the Company before entering into such transaction. The Audit Committee shall consider all relevant factors while deliberating the Related Party Transactions for its approval.
- ii. Only those members of the Audit Committee, who are independent directors, shall approve Related Party Transactions and subsequent Material Modifications. Any member of the Audit Committee who has a potential interest in any such Related Party Transaction will recuse himself/herself and shall not participate in discussion and voting on the approval of such Related Party Transactions.
- iii. All the Related Party Transactions to which the subsidiary of the Company is a party, but the Company is not a party should be pre-approved by the Audit Committee before entering into such transaction, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds threshold of:
  - a. 10 per cent of the annual consolidated turnover in accordance with the last audited financial statements of the Company.
  - b. 10 per cent of the annual standalone turnover in accordance with the last audited financial statements of the subsidiary (effective from 1 April 2023).

##### B. Board of Directors:

- i. In case any Related Party Transactions and subsequent Material Modifications are referred by the Audit Committee to the Board for its approval due to the transaction being (i) not in the ordinary course of business, and (ii) not at an arm's length price, the Board will consider such factors as, nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such transaction. On such consideration, the Board may approve the transaction or may require such modifications to transaction terms as it deems appropriate under the circumstances.
- ii. Any member of the Board who has any interest in any Related Party Transaction and subsequent Material Modifications will recuse himself/herself and shall not participate in discussion and voting on the approval of such Related Party Transaction.

##### C. Shareholders:

- i. All the Related Party Transactions which are Material Transactions as per Regulation 23 of the SEBI LODR Regulations and subsequent Material Modifications of such material transactions shall require shareholders' prior approval.
- ii. All the Related Party Transactions which are not in the ordinary course of business, or not at arm's length price and exceeds certain thresholds prescribed under the Act, it shall require shareholders' prior approval.
- iii. None of the related parties of the Company, whether or not such related party(ies) is a party to the Related Party Transactions, shall vote to approve material Related Party Transactions, unless permitted under Applicable Law.

### V. OMNIBUS APPROVAL BY AUDIT COMMITTEE FOR RELATED PARTY TRANSACTIONS

The Audit Committee may grant an omnibus approval for related party transactions which shall be valid for a period of 1 year. The conditions for according omnibus approvals will be as follows:

1. The Related Party Transactions are repetitive in nature or foreseeable and are in the interest of the Company;
2. The Related Party Transactions under the omnibus approval route shall be reported to the Audit Committee on a quarterly basis for its noting;

## Board of Director (Contd.)

3. Where the need for Related Party Transactions cannot be foreseen and the details thereof are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction per related party. Such transactions shall also be reported to the Audit Committee on a quarterly basis for its noting.

Notwithstanding the generality of foregoing, Audit Committee shall not grant omnibus approval for following transactions:

1. Transactions which are not in ordinary course of business or not on arm's length and covered under Section 188(1) of the Act;
2. Transactions in respect of selling or disposal of an undertaking of the Company;
3. Transactions which are not in the interest of the Company;
4. Such other transactions specified under Applicable Law from time to time.

### VI. THRESHOLD LIMITS FOR MATERIALITY OF RELATED PARTY TRANSACTIONS

The threshold limits for materiality of related party transactions shall be –

- (a) ₹ 1000 (Rupees One Thousand Crores), or
- (b) ten percent of the annual consolidated turnover, as per the last audited financial statements of the Company, whichever is lower.

### VII. DISCLOSURE OF THE POLICY

As mandated under the Applicable Law, the Company shall disclose this Policy on its website i.e. [www.dhani.com](http://www.dhani.com) and in the Annual Report. Disclosures regarding related party transactions will be made in accordance with and in the manner and format prescribed therein.

### VIII. POLICY REVIEW

This Policy is framed based on the provisions of Regulation 23 of the SEBI LODR Regulations. This Policy may be amended, modified or supplemented to ensure compliance with any modification, amendment or supplementation to the Applicable Law once in three years or as may be otherwise prescribed by the Audit Committee/ Board from time to time.

### IX. General

This Policy shall be subject to the SEBI LODR Regulations, wherever any one or more clauses of this Policy is repugnant to or in variance with the SEBI LODR Regulations, such clause/clauses shall be deemed to be replaced with the relevant SEBI LODR Regulations, in case of conflict between the provisions of Regulations/Applicable Law and this Policy, the provisions of Regulations/Applicable Law shall prevail, so as to be in consonance and harmony therewith.

Exceptions stipulated under Applicable Law for Related Party Transactions shall be exempted from the scope of this Policy unless the Audit Committee/ Board of Directors of the Company decide otherwise.



## DISCLOSURES ON MANAGERIAL REMUNERATION

### Annexure 10

#### Disclosures on Managerial Remuneration

Details of remuneration as required under Rule 5.1 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are as under:

#### Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY 2023-24

Designation	Ratio of remuneration to the median employees' remuneration
Whole time Director & CEO	10.29:1

The details of fee for attending Board meetings and other incentives, if any, paid to Independent and Non- Executive Directors have been disclosed in the Corporate Governance Report, forming part of this Annual Report.

No remuneration was paid to other Director(s) during the FY 2023-24 and hence, not forming part of this clause.

#### Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in FY 2023-2024

Designation	Increase in Remuneration (%)
Whole time Director & CEO	44%*
Chief Financial Officer	27%
Company Secretary	Nil

\* includes partial restoration of remuneration paid during FY 2023-24.

#### The percentage increase in the median remuneration of employees in the FY 2023-24

There has been an increase of NIL in the median remuneration of all the employees (including KMPs), in the FY 2023-24.

#### Number of permanent employees on the rolls of the Company.

The Company had 7 employees on its permanent rolls, as of March 31, 2024.

#### Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

There has been average percentile increase of 46% in the salaries of total employees other than the key managerial personnel in the FY 2023-24. The average increase in the remuneration of key managerial personnel is 27%.

The Company follows prudent remuneration practices under the guidance of the Board and Nomination & Remuneration Committee. The Company's approach to remuneration is intended to drive meritocracy and is linked to various parameters including its performance, growth, individual performance, peer comparison of other companies, within the framework of prudent Risk Management. There were no exceptional circumstances which warranted an increase in managerial remuneration, which was not justified.

## MANAGEMENT DISCUSSION AND ANALYSIS

### ABOUT THE COMPANY

Dhani is a comprehensive one-stop destination that offers a variety of services aimed at simplifying various aspects of life. We are a data-driven technology company catering to the diverse needs of customers, including Demat & Trading services, UPI and Credit facilities. Dhani's multifaceted approach reflects its commitment to enhancing user experiences through an array of accessible solutions.

### REAL ESTATE DEVELOPMENT

The frenzy of the real estate residential sector in 2023 is likely to continue its momentum in 2024 also. The sector's buoyancy will be sustained by both sales and new launches. Several other factors like rising household income, steady economic growth and renewed interest from investors will also fuel growth in the sector. As per CBRE Research Report on the Indian Residential Outlook 2024, developers acquired land to the tune of approximately USD 7 billion in 2022-2023, which is indicative of the type and nature of supply that will hit the markets in the coming years. Report further states that, Infrastructure supported by the Central Government's expected outlay of nearly USD 1.7 trillion until 2030, will be the other catalyst driving growth in the residential sector.

The Company, through its wholly owned subsidiary companies, had acquired 2 land parcels; a developable area of approximately 17 acres (estimated saleable area of 5mn sq.ft) in Gurugram & approximately 0.57 acres (estimated saleable area of 0.26mn sq.ft) in Mumbai. We have submitted building plans to the office of Directorate of Town & Country Planning (DTCP) for approvals of approximately 1.1mn sq ft of residential development saleable area in Sector 104, Gurugram, and for development of saleable area of approximately 0.26mn sq.ft. of office space in Worli, Mumbai. We will be launching these projects at an opportune time. Meanwhile we continue to scout for lucrative deals which will drive the impetus in this frenzied asset class.

### ABOUT DHANI PLATFORM

The Dhani platform, accessible through Android, iOS mobile applications along with the Web and Desktop based platforms, stands out as a comprehensive solution hub, with stock broking as its premier offering. Dhani Stocks empowers users with extensive trading options, allowing them to trade across various segments such as Equity, Derivatives, Commodity, and Currency. Additionally, customers can seamlessly invest in Mutual Funds, NFOs, IPOs, ETFs, and other bidding opportunities through our intuitive applications.

Alongside its robust stock broking services, Dhani also facilitates online transactions and UPI services, providing a holistic digital experience. This diverse platform is designed to cater to various financial and daily-life needs, demonstrating Dhani's commitment to comprehensive digital solutions.

### DHANI STOCKS

Dhani Stocks is a leading player in the Indian brokerage industry, distinguished by its customer-centric approach, innovative offerings, and versatile trading platforms. Our brokerage platform offers a comprehensive suite of trading services to customers through Dhani Stocks Mobile Apps, Web Apps, and desktop software, ensuring a seamless and efficient trading experience.

Dhani Stocks enables customers to trade across various segments, including Equity, Derivatives, Commodity, and Currency. This broad range of trading options allows investors to diversify their portfolios and take advantage of different market opportunities.

In addition to traditional trading, Dhani Stocks is dedicated to supporting active traders in the markets who require advanced tools for options and futures trading. Recognizing the rising trend of algorithmic trading, Dhani Stocks plans to introduce a comprehensive suite for algo traders, offering robust and sophisticated tools to design, test, and execute trading algorithms efficiently in the near future.

Furthermore, Dhani Stocks will soon offer seamless investment options in Mutual Funds and NFOs (New Fund Offers), in addition to the currently available IPOs (Initial Public Offerings), ETFs (Exchange Traded Funds), and other bidding opportunities. These products will be easily accessible through our applications, enabling investors to manage and grow their wealth with convenience and ease.

Our brokerage services are offered at competitive prices, featuring easy account opening, bracket and cover order facilities, margin trading, and the ability to perform certain calls and trades at zero cost. Dhani Stocks is dedicated to empowering every trader by providing an efficient, user-friendly trading experience across its platforms.

## Management Discussion And Analysis (Contd.)

### PAYMENTS AND SERVICES

Our digital payment solutions are led by UPI payments, ensuring a seamless and efficient user experience. Dhani UPI allows customers to send or receive money instantly, utilizing features like pay to any UPI VPA and Scan and Pay, covering both P2P and P2M transactions. This integration into the UPI ecosystem was achieved by certifying for UPI on PPI with NPCI in FY23, making Dhani UPI a key component of our digital payment services.

Complementing UPI, our Rupay Prepaid Cards offer versatility and convenience. These cards, certified for NCMC (National Common Mobility Card), provide an inter-operable transport card system conceived by the Ministry of Housing and Urban Affairs (MoHUA), allowing customers to use them as transit cards for metros and other NCMC-enabled transit points.

The digital wallet, branded as 'dhanipay,' supports a range of services including recharges (mobile, FASTag, TV), financial services (credit card bill payments, insurance, and loan repayments), and utility bill payments (electricity, broadband, gas bills, etc.). Upon successful completion of KYC, customers can access the digital wallet, which can be funded through multiple online methods including UPI, cards, and net banking. Customers with a digital wallet balance can use it seamlessly for transactions.

Transerv integrates with BBPS and non-BBPS billers, providing customers with a wide range of options for recharges and bill payments. This integration ensures that customers can manage their financial obligations with ease and convenience, making Dhani's digital payment solutions a comprehensive and user-friendly service.

### DHANI STORE

Dhani Store offered a convenient and hassle-free shopping experience to customers during the financial year. Operating on a marketplace-led model, it connected merchants with consumers, providing a diverse range of products at competitive prices. Originally Dhani Pharmacy, it expanded to include electronics, fashion goods, personal care items, daily household necessities, and groceries. Dhani Store aimed to be a one-stop-shop for customers, ensuring a seamless shopping experience with attractive prices and a wide array of products.

### KEY OPERATIONAL HIGHLIGHTS: FY 2024

- The Company earned a consolidated revenue of INR 4.79 Bn.
- Total active paid customers/clients were 0.073 million including 0.033 million clients traded on the exchange(s), through Dhani Stocks during FY 2023-24.
- 0.18 million clients were holding shares for an aggregate value of INR 52,596 Crores, with Dhani Stocks, as on March 31, 2024.

### ASSET LIABILITY MANAGEMENT

Given the short term maturity of its loan portfolio and adequate liquidity buffers enjoyed by the company, its Asset Liability Position is comfortable. The Company's capital requirements are assessed in order to maintain an efficient overall financing structure while avoiding excessive leverage. 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.

### ANALYTICS

As the world is increasingly moving towards a data-driven approach, data analytics play a crucial role in informed decision making to drive organizations towards better and improved efficiency and help achieving desired organizational objectives.

The company has made sizable investments in developing advanced data analytics capabilities to manage large customer data and help create customized offers/product for the customer for their respective needs, at the same time it also aids in risk management by monitoring the trends at customer segment level performance and help resultant proactive risk management strategies by segmenting delinquent borrowers. The Artificial Intelligence (AI) based data analysis helps predicting customer's preference and recommend proactive retention strategies to improve customer loyalty.

## Management Discussion And Analysis (Contd.)

### RISK MANAGEMENT

The Company is exposed to a variety of risks such as credit, interest rate, liquidity, operational, business, regulatory risks among others. Company's risk management framework is driven by the Board and its subcommittees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. The Company continues to invest in people, processes and technology to have an integrated approach towards Risk Management. The Company has a robust overall risk management framework which involves risk identification, assessment, monitoring, reporting and mitigation.

### BORROWINGS

Total borrowings of the group as on March 2024 were ₹ 6.54 Bn. compared to ₹ 9.54 bn. The borrowings (net) of the company have decreased by ₹ 3.00 Bn during the fiscal year due to repayments to its lenders during the fiscal year.

### REGULATORY GUIDELINES / AMENDMENTS

Dhani Loans & Services Limited, complies with Reserve Bank of India norms for NBFCs. In accordance with this, the Company is in compliance with all regulations pertaining to prudential norms for asset classification, income recognition, provisioning, capital adequacy and credit ratings.

### TRAINING AND HUMAN RESOURCES MANAGEMENT

Our vision is to create a cohesive work environment that encourages employees to pursue their professional and self-development goals in addition to building operational excellence and a sense of belongingness. We have re-engineered our recruitment process by development of Applicant tracking system in Recruitment process to bring more efficiency for hiring managers, reduce paper work and improve accuracy. We strongly believe that our employees play a pivotal role in the success of our Company and its initiatives. They are representatives of the Company for the customers and it is of utmost importance that our employees are skilled and well trained to attend to customer's needs in the best way possible. Our focus and belief lies in enabling and empowering our talent pool for the challenges of tomorrow by providing new learning avenues that are technology driven. Employee Stock Option Plans have been approved by the Compensation Committee in various years for retention and incentivising the employees. The Company also undertook various health-care and general initiatives promoting well-being to enhance employee engagement. In all the areas of work, the Human Resources firmly believes in confidentiality, accountability and trust. Human Resource department provides internal processes and services like talent management, administration benefits and many other services that are essential for organization.

The key focus is to find a right fit between the organization and the individual. Our constant endeavour is to select people who are able to match personal aspiration with the organization's growth plans. Agility is one of the key traits that we look for, as it is required to quickly adapt to the changing needs of the dynamic external environment. As a new age company, the focus is to build a robust team which is not only geared to face today's challenges but to also be prepared for the opportunities of tomorrow. The Company provides fast track growth for key performers in every department. The Human Resource team partnered with businesses to ensure that right talent is on-boarded for all roles. The leadership is engaged with all key performers and ensures that they have a defined career path within the organization. We have a competitive reward policy to keep the team motivated and engaged to achieve every milestone we set our eyes upon.

### IT SECURITY AND CUSTOMER PRIVACY

Information has become the critical asset for our organization encompassing sensitive customer information. Shielding such information along with its supporting IT Infrastructure from rapidly evolving cyber threats is one of our top business priorities which is being catered through careful monitoring and effective implementation of risk mitigation measures. Aiming to cater the Cyber Security challenges, we have outlined and espoused the comprehensive IT and IS Policies based on the industry best practices encompassing ISO 27001 Information Security Management Framework Standard. Our Information Technology Policy, Information Security Management System Framework, Cyber Security Policy and Data Privacy and Protection Policy include detailed directions to ensure the protection of business and customer information's at all levels. Effective and adequate security controls have been in-placed to ensure the business resilience in case of any adversity. Backup and restoration policy supported through industry best solution has been implemented to safeguard critical information. Periodic assessment of implemented controls has been carried out to ensure its effectiveness and improve them as needed.

## Management Discussion And Analysis (Contd.)

Our Company's "Privacy Policy" ensures the protection of customers' personal information. The Company explicitly discloses the manner in which customer information is collected, stored and used. The policy also ensures that the usage of customer information is in compliance with designated statutory and regulatory authorities' requirements.

### INTERNAL CONTROL SYSTEMS

The Company has adequate internal control systems, based on policies and guidelines, which ensure timely and accurate execution of responsibilities. Internal Control Systems evaluate operations, financial reporting, strategic investments and regulatory compliances to protect interests of the investors. The effectiveness and reliability of Internal Control Systems is reviewed periodically by the Audit Committee and the Board of Directors which gives its recommendations regarding improvements over existing control systems.

### SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

In compliance with the requirements of Schedule V of the SEBI LODR Amendment Regulations, 2018, significant changes (change of 25% or more from FY 2022-23 to FY 2023-24) in the key financial ratios applicable to the Company, are as under:

#### Debt Equity Ratio:

The debt equity ratio of the Company on a consolidated basis has reduced from 0.18 for FY 2022-23 to 0.13 for FY 2023-24 primarily due to repayment of borrowings in FY 2023-24.

#### Debt Service Coverage Ratio:

The Debt Service Coverage Ratio of the Company on a consolidated basis as on March 31, 2024 stood at (0.47) compared to (0.17) as on March 31, 2023. This is reduced due reduction in repayment of principal & interest in current year as compared to previous year.

#### Inventory turnover ratio:

The Inventory turnover ratio of the Company on a consolidated basis has increased from 0.89 for FY 2022-23 to 1.51 for FY 2023-24. This is mainly due to reduction in closing inventory.

#### Trade payables turnover ratio:

The Trade payable turnover ratio of the Company on a consolidated basis has reduced from (0.06) for FY 2022-23 to (0.32) for FY 2023-24. This is due to decline in average payable.

There has been no significant change in the other key financial ratios, as applicable to the Company.

### CAUTIONARY STATEMENT

The statements that are not historical facts presented in the Annual Report about Company are forward looking statements. These statements reflect the assumptions, views and expectations based on current market dynamics and future outlook. There might be deviations in expectations from those expressed in the Annual Report. It should not be assumed that the statements will be changed if there is new information or subsequent developments.

# REPORT ON CORPORATE GOVERNANCE

## 1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The fundamental principle of Corporate Governance is achieving sustained growth ethically and in the best interest of the Company ("Dhani"/"DSL") and all its stakeholders. It is not a mere compliance of laws, rules and regulations but a commitment to values, best management practices and adherence to the highest ethical principles in all its dealings to achieve the objects of the Company, enhance stakeholders value and discharge its social responsibility.

The Company is committed towards achieving the highest standards of Corporate Governance by emphasizing on a corporate culture of integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business. The Company believes that good governance brings sustained corporate growth and long-term benefits for all its stakeholders.

Dhani engages in a credible and transparent manner with all its stakeholders and clearly communicates its long-term business strategy. All its actions are governed by its values and principles, which are reinforced at all levels of the Company. This is the path to consistent, competitive, profitable and responsible growth, and for creating long-term value for its shareholders, its employees and business partners.

The Board of Directors ('the **Board**') is responsible for and is committed to sound principles of Corporate Governance of the Company and plays a crucial role in overseeing how the management serves the short and long-term interests of stakeholders. As you aware that the COVID-19 pandemic has caused an unprecedented health and economic crisis across the globe due to which the severity of its impact on business activity is still evolving. Your Company is nimble-footed and continuously evolving its strategies to deal with the emergent challenges with the help of depth experience of management team.

Dhani keeps its governance practices under continuous review and benchmark itself to best practices. This belief is reflected in its governance practices, under which it strives to maintain an effective, informed and independent Board.

The Company is in compliance with all the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["**SEBI LODR Regulations**"].

## 2. BOARD OF DIRECTORS (BOARD)

### (A) Composition and size of the Board

The Company's Board is constituted of highly experienced professionals from diverse backgrounds. The Board's constitution is in compliance with the Companies Act, 2013, SEBI LODR Regulations and Listing Agreement executed by the Company with the Stock Exchanges and is in accordance with the highest standards of Corporate Governance, which ensures an appropriate mix of Executive/Non-Executive, Woman Director and Independent Directors with demonstrated skill sets and relevant experience in diverse fields viz. finance, regulatory, public policy and administration etc., thereby bringing an enabling environment for value creation through sustainable business growth.

As on the date of this report, the Board consists of Six directors, two of whom namely Mr. Gurbans Singh, Chairman, Whole-time Director and Mr. Divyesh B. Shah, Whole-time Director & CEO are Executive Directors. Mr. Amit Ajit Gandhi is the Non-Executive, Non Independent Director. The remaining three Directors, namely, Mr. Aishwarya Katoch, Ms. Swati Jain and Mr. Prem Prakash Mirdha, are Non-Executive Independent Directors. The Chairman, Mr. Gurbans Singh, being an Executive Director, the number of Independent Non-Executive Directors on the Board is half of the total Board strength.

No Director is related to any other Director on the Board and Independent Directors are independent of the Management. The Board comprises of individuals as Directors that bring a wide range of skills, expertise and experience which enhance overall board effectiveness.

The Board has identified skills and domain expertize required by the Directors of the Company which includes Finance, Business Strategy, Corporate Governance, Corporate Social Responsibility, Human Resources, Marketing, Operations and Process Optimization, Policy Making, Recovery, Regulatory Compliances, Risk Management, Stakeholder Management, Taxation, Treasury and Value Creation. The Directors of the Company have mapped their skills based on the board skill matrix.

Details of Directors, directorship in listed companies, number of directorships held by them in other companies and also the number of their memberships and chairmanships on various Board constituted Committees, including skill sets/ expertise/ competencies/practical knowledge, as on March 31, 2024, are as under:

## Report on Corporate Governance (Contd.)

S. No.	Name of the Director	Nature of Office	Special Knowledge/ Practical Experience/ Skills/ Expertise/ Competencies	Names of the other listed entities where the person is a director	Category of directorship in other listed entities where the person is a director	No. of Directorships in other Listed Companies	No. of Directorships in other Companies*	No. of Memberships/ Chairmanship in Board Committees of various companies (including the Company)**	
								Member	Chairman
1.	Mr. Gurbans Singh (DIN: 06667127) (Please Refer Note)	Executive Chairman & Whole-time Director	Business Strategy, Taxation, Regulatory Compliances, Project management & supervision, Risk Management, Corporate Governance, Corporate Social Responsibility, Stakeholder Management, Operations and Process Optimization	N.A.	N.A.	NIL	4	Nil	Nil
2.	Mr. Divyesh B. Shah (DIN: 00010933) (Please Refer Note)	Whole-time Director, CEO & COO, Executive Non-Independent Director	Policy Making, Business Strategy, Risk Management and Corporate Governance	N.A.	N.A.	Nil	1	1	Nil
3.	Mr. Amit Ajit Gandhi (DIN: 07606699) (Please Refer Note)	Non-Executive Non Independent Director	Business Strategy, Collections, Risk, Channel Management, Digital Lending	Dhani Loans and Services Limited***	Non-Executive Non Independent Director	1	5	1	Nil
4.	Mr. Aishwarya Katoch (DIN: 00557488) (Please Refer Note)	Non-Executive Independent Director	Business Management, Marketing, Hospitality, Supply Chain Management, administration, Operations Process, Optimization	Yaari Digital Integrated Services Limited	Non-Executive- Independent Director	1	2	4	2
5.	Mr. Prem Prakash Mirdha (DIN: 01352748) (Please Refer Note)	Non-Executive Independent Director	Business and General Administration, Finance, Regulatory and Projects Execution	Yaari Digital Integrated Services Limited Indiabulls Enterprises Limited  Dhani Loans and Services Limited***	Non-Executive- Independent Director Non-Executive- Independent Director Non-Executive- Independent Director	3	4	5	2
6.	Ms. Swati Jain (DIN: 09784228) (Please Refer Note)	Non-Executive Independent Director	Finance, Taxation and Accountancy, organizational & interpersonal skills	N.A.	N.A	Nil	1	3	2

\*Includes directorship(s) held in foreign companies & private limited companies and Companies registered under section 8 of the Companies Act, 2013.

\*\* Only memberships / chairmanships of the Audit Committee and Stakeholders' Relationship Committee in various Listed/ public limited companies are considered, as per Regulation 26 of the SEBI LODR Regulations.

\*\*\*Only debt securities are listed on NSE & BSE.

## Report on Corporate Governance (Contd.)

### Note:

- *W.e.f. June 18, 2023, Mr. Gurbans Singh has been appointed as Whole-time Director & Key Managerial Personnel designated as Executive Chairman of the Company.*
- *W.e.f. April 1, 2024, Mr. Divyesh B.Shah, has been re-appointed as Whole Time Director & Key Managerial Personnel designated as Chief Executive Officer of the Company.*
- *W.e.f. January 1, 2023, Mr. Amit Ajit Gandhi and Mr. Aishwarya Katoch were appointed as Non-Executive Non-Independent Director and Non-Executive Independent Director, respectively.*
- *W.e.f. August 11, 2023, Mr. Prem Prakash Mirdha was appointed as Non-Executive Independent Director of the Company.*
- *W.e.f. November 11, 2023, Ms. Swati Jain has been re-appointed as Non-Executive Independent Director of the Company.*

The Board do hereby confirm that all the present Independent Directors of the Company fulfil the conditions specified in the SEBI LODR Regulations and are independent of the management of the Company.

The Board had accepted all recommendation of the Committees of the Board which are mandatorily required, during the financial year 2023-24.

The Shareholding of Non-Executive Directors of the Company are as under:

Mr. Amit Ajit Gandhi and Mr. Prem Prakash Mirdha is holding 47,001 Fully Paid-up Equity Shares and 20,000 Fully Paid-up Equity Shares, respectively.

The Company has familiarization programme for Independent Directors with regard to their roles, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. The familiarization programme along with details of the same imparted to the Independent Directors during the year are available on the website of the Company at <https://www.dhani.com/services/wp-content/uploads/2024/02/DSL-Board-Familiarisation-programmes-06.08.2021-to-09.02.2024.pdf>

The Company has a Directors' & Officers' liability insurance policy, which provides indemnity to its Directors and all Employees in respect of liabilities incurred as a result of their office.

### **(B) Number and Dates of Board Meetings held, attendance record of Directors thereat and at the last AGM held.**

The Board meetings of the Company are held in a highly professional manner, after giving proper notice, Board papers, agenda and other explanatory notes/ relevant information to each of the directors of the Company, well in advance. At least one meeting is held in every quarter, to review the quarterly performance and the financial results of the Company.

Senior management including the CFO was invited to attend the board meetings so as to provide additional inputs on the items being discussed by the Board. At the board meetings, the Executive Directors and senior management make presentations on various matters including the financial results, futuristic business plan, operations related issues, risk management, the economic and regulatory environment, compliance, investors' perceptions etc.

During the financial year 2023-24, the Board met 6 (Six) times. Meetings were held on May 26, 2023, June 17, 2023, June 27, 2023, August 11, 2023, November 10, 2023 and February 09, 2024. During the year, separate meetings of the Independent Directors was held on June 27, 2023 and March 30, 2024. All Independent Directors attended the said meetings. At the meeting held on March 30, 2024, the Independent Directors reviewed/assessed the performance of Non-Independent Directors and the Board, the quality, quantity and timeliness of the flow of information between the Company's management and the Board and the performance of the Chairperson of the Company, taking into account views of Executive Directors and Non-Executive Directors.

The last Annual General Meeting of the Company was held on September 27, 2023.



## Report on Corporate Governance (Contd.)

Attendance of Directors at the Board Meetings held during the FY 2023-24 and at the last Annual General Meeting are as under:

Sr. No.	Name of the Director	No. of board meetings attended during tenure	Attendance at the last AGM
1	Mr. Sameer Gehlaut ~ (DIN: 00060783)	0	NA
2	Mr. Gurbans Singh # (DIN: 06667127)	5	Yes
3	Mr. Divyesh B. Shah (DIN: 00010933)	6	Yes
4	Mr. Amit Ajit Gandhi (DIN: 07606699)	6	Yes
5	Ms. Swati Jain (DIN: 09784228)	6	Yes
6	Mr. Aishwarya Katoch (DIN: 00557488)	6	Yes
7	Mr. Prem Prakash Mirdha ^ (DIN: 01352748)	2	Yes
8	Dr. Narendra Damodar Jadhav@ (DIN: 02435444)	4	NA

~ Mr. Sameer Gehlaut could not attend the meetings held on May 26, 2023 due to pre-occupancy. He ceased to be director of the Company w.e.f. June 17, 2023.

# Mr. Gurbans Singh was appointed as Whole-time Director & Key Managerial Personnel designated as Executive Chairman of the Company w.e.f. June 18, 2023.

^ Mr. Prem Prakash Mirdha was appointed as Non-executive Independent Director on the board of Company w.e.f. August 11, 2023.

@ On completion of tenure, Dr. Narendra Damodar Jadhav had ceased to be Non-Executive Independent Director of the Company w.e.f. August 22, 2023.

The minutes of the board meetings of the unlisted subsidiary companies of the Company were placed in the board meetings of the Company on a quarterly basis.

### 3. COMMITTEES OF THE BOARD

The Board has constituted various Committees to take informed decisions in the best interest of the Company. These Committees monitor the activities falling within their terms of reference. Further, terms of reference are revised as and when required to align with the provisions of Companies Act, 2013, SEBI LODR Regulations.

The role and the composition of these Committees including number of meetings held during the financial year and participation of the members at the meetings of the committees, during the year are as under:

#### (A) Audit Committee

##### Composition

The Audit Committee comprises of three members, namely, Mr. Aishwarya Katoch as the Chairman and member, Ms. Swati Jain and Mr. Amit Ajit Gandhi as members. Out of three members comprising the Committee, two Members namely, Mr. Aishwarya Katoch and Ms. Swati Jain are Non-Executive Independent directors and other member namely, Mr. Amit Ajit Gandhi is Non-Executive Non Independent Director. Mr. Divyesh B. Shah, Whole-time Director & CEO is special invitee and Mr. Ram Mehar is the Secretary to the Audit Committee.

## Report on Corporate Governance (Contd.)

### Terms of reference

The terms of reference of Audit Committee, inter-alia, include:

- To oversee the financial reporting process and disclosure of financial information;
- To review with management, quarterly, half yearly and annual financial statements and ensure their accuracy and correctness before submission to the Board;
- To review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans/reports and reviewing the efficacy of their function, discussion and review of periodic audit reports including findings of internal investigations;
- To recommend the appointment of the internal and statutory auditors and their remuneration;
- To review and approve required provisions to be maintained as per IRAC norms and write off decisions;
- To hold discussions with the Statutory and Internal Auditors;
- Review and monitoring of the auditor's independence and performance, and effectiveness of audit process;
- Examination of the auditors' report on financial statements of the Company (in addition to the financial statements) before submission to the Board;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Monitoring the end use of funds raised through public offers and related matters as and when such funds are raised and also reviewing with the management the utilization of the funds so raised, for purposes other than those stated in the relevant offer document, if any and making appropriate recommendations to the Board in this regard;
- Reviewing the utilization of loans and/or advances and/or investment by the Company to its subsidiary companies, exceeding rupees Rs. 100 Crore or 10% of the assets size of the respective subsidiary companies, whichever is lower, including existing loans / advances / investments.
- Evaluation of the risk management systems (in addition to the internal control systems);
- Review and monitoring of the performance of the statutory auditors and effectiveness of the audit process;
- To hold post audit discussions with the auditors to ascertain any area of concern;
- To review the functioning of the whistle blower mechanism;
- Approval to the appointment of the CFO after assessing the qualifications, experience and background etc. of the candidate.

### Meetings and Attendance during the year

During the financial year ended March 31, 2024, the Committee met 5 (five) times i.e. on May 26, 2023, June 27, 2023, August 11, 2023, November 10, 2023 and February 09, 2024.

The attendance of the Committee members in these meetings is as under:

Name of the Member	No. of meetings attended
Mr. Aishwarya Katoch*	2
Dr. Narendra Damodar Jadhav**	3
Mr. Amit Ajit Gandhi	5
Ms. Swati Jain	5

\* Appointed as member and chairman of the Committee w.e.f August 11, 2023.

## Report on Corporate Governance (Contd.)

*\*\* ceased to be member of the Committee w.e.f August 11, 2023.*

The CFO, Statutory Auditors and Internal Auditors also attended the meetings as invitees.

### (B) Nomination & Remuneration Committee

#### Composition

The Nomination & Remuneration Committee (N&R) comprises of three members, namely Mr. Aishwarya Katoch as the Chairman and member, Ms. Swati Jain and Mr. Amit Ajit Gandhi as members. Out of three members comprising the Committee, two Members namely, Mr. Aishwarya Katoch and Ms. Swati Jain are Non-Executive Independent directors and other member namely, Mr. Amit Ajit Gandhi is Non-Executive Non Independent Director.

#### Terms of reference

The terms of reference of Nomination & Remuneration Committee, inter-alia, include:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- to recommend to the Board all remuneration, in whatever form, payable to senior management;
- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
  - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995; and
  - Perform such functions as are required to be performed by the Nomination & Remuneration Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

#### Meetings and Attendance during the year

During the financial year ended March 31, 2024, the Committee met three times i.e. June 17, 2023, August 11, 2023 and February 02, 2024.

The attendance of the Committee members in these meetings is as under:

Name of the Member	No. of meeting attended
Dr. Narendra Damodar Jadhav*	2
Mr. Aishwarya Katoch**	1
Mr. Amit Ajit Gandhi	3
Ms. Swati Jain	3

*\* ceased to be member of the Committee w.e.f August 11, 2023.*

*\*\* appointed as member and chairman of the Committee w.e.f August 11, 2023.*

## Report on Corporate Governance (Contd.)

### **Policy for selection and appointment of Directors**

The Nomination and Remuneration Committee (N&R Committee) has adopted a charter which, inter alia, deals with the manner of selection of the Board of Directors, senior management and their compensation. This Policy is accordingly derived from the said Charter.

- a. The incumbent for the positions of Executive Directors and/or at senior management, shall be the persons of high integrity, possesses relevant expertise, experience and leadership qualities, required for the position.
- b. The Non-Executive Directors shall be of high integrity, with relevant expertise and experience so as to have the diverse Board with Directors having expertise in diverse fields.
- c. In case of appointment of Independent Directors, the independent nature of the proposed appointee vis-a-vis the Company, shall be ensured.
- d. The N&R Committee shall consider qualification, experience, expertise of the incumbent, and shall also ensure that such other criteria with regard to age and other qualification etc., as laid down under the Companies Act, 2013 or other applicable laws are fulfilled, before recommending to the Board, for their appointment as Directors.
- e. In case of re-appointment, the Board shall take into consideration, the performance evaluation of the Director and his/her engagement level.

### **Remuneration Policy**

Company's Remuneration Policy is market led, based on the fundamental principles of payment for performance, potential and growth. It also takes into account the competitive circumstances of the business, so as to attract and retain best quality talent and leverage performance significantly. The N&R Committee recommends the remuneration payable to the Executive Directors and Key Managerial Personnel, for approval by Board of Directors of the Company, subject to the approval of its shareholders, wherever necessary. The Remuneration Policy is also available at the website of the Company at [https://www.dhani.com/services/wp-content/uploads/2020/12/ivl\\_remuneration-policy-0207168001567487819\\_1569586523.pdf](https://www.dhani.com/services/wp-content/uploads/2020/12/ivl_remuneration-policy-0207168001567487819_1569586523.pdf).

### **Evaluation of the Board and Directors**

The Independent directors play a key role in the decision-making process of the board as they approve the overall strategy of the Company and oversee performance of the management. The independent directors are committed to act in the best interest of the Company and its stakeholders. The Independent Directors bring a wide range of experience, knowledge and judgment. Their wide knowledge of both, their field of expertise and boardroom practices brings in varied, unbiased, independent and experienced outlook. All independent directors have committed and allocated sufficient time to perform their duties effectively. All the independent directors of the Company have confirmed that they have registered themselves in the databank created for independent directors, well within the stipulated time frame.

The framework, methodology and criteria established for evaluating the performance of the Board as a whole, including Board Committee(s), as well as performance of each director(s)/Chairman and existing evaluation parameters are in compliance with the requirements as per SEBI guidance note dated January 5, 2017 on Board evaluation. The parameter includes Leadership, Management Skills, Vision, Knowledge, Participation in Company's management, its operations and meetings. Basis these parameters, the NRC had reviewed at length the performance of each director individually and expressed satisfaction on the process of evaluation and the performance of each Director. The performance evaluation of the Board as a whole and its committees namely Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee as well as the performance of each director individually, including the Chairman was carried out by the entire Board of Directors. The performance evaluation of the Chairman, Executive Directors and Non-Executive Director was carried out by the Independent Directors in their meeting held on March 30, 2024. The Directors expressed their satisfaction with the evaluation process.

The Chairman of the Company, on a periodic basis, has had one-to-one discussion with the directors for their views on the functioning of the Board and the Company, including discussions on level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders and implementation of the suggestions offered by Directors either individually or collectively during different board/committee meetings.

## Report on Corporate Governance (Contd.)

### **Policy on Board Diversity**

The N&R Committee devises the policy to provide for having a broad experience and diversity on the Board.

### **Director's Remuneration:**

#### **(i) Remuneration of Executive Directors**

The Executive Director(s) are being paid remuneration as recommended by Nomination & Remuneration Committee and approved by the Board of Directors/Shareholders.

Details of remuneration paid to the Executive directors during the year under review are provided in the Annual Return as on March 31, 2024, which is available on the Company's website [https://www.dhani.com/services/wp-content/uploads/2024/08/MGT\\_7\\_Annual-Return\\_23-24.pdf](https://www.dhani.com/services/wp-content/uploads/2024/08/MGT_7_Annual-Return_23-24.pdf)

#### **(ii) Remuneration of Non-Executive Directors**

Though day-to-day management of the Company is delegated to its Executive Directors, the Non-Executive Directors also contribute significantly for laying down the policies and providing guidelines for conduct of Company's business. Considering the need for the enlarged role and active participation / contribution of Non-Executive Directors to achieve the growth in operations and profitability of the Company, it is appropriate that the services being rendered by them to the Company are recognized by it by way of payment of compensation, commensurate with their contributions, as permissible within the applicable regulations. The Company's non-executive directors between them have extensive entrepreneurial experience and deep experience in the fields of financial sector regulation and supervision, accounting, administration, and law enforcement etc. The non-executive directors both exercise effective oversight, and also guide the senior management team. Their experience and inputs have been invaluable. They also devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company. The Company is making payment of fee/ remuneration payable to its NEDs in accordance with the provisions of the Companies Act, 2013 and SEBI LODR Regulations. The Company has placed on its website at [https://www.dhani.com/services/wp-content/uploads/2020/12/ivl-criteria-for-making-payment-to-non-executive-directors\\_1564992340.pdf](https://www.dhani.com/services/wp-content/uploads/2020/12/ivl-criteria-for-making-payment-to-non-executive-directors_1564992340.pdf), criteria for making payment to Non- Executive Directors. During the Financial Year ended March 31, 2024, the Non- Executive Directors have been paid, sitting fees for attending the Board meetings of the Company, in term of the existing shareholders authorization, the details of which are available on [https://www.dhani.com/services/wp-content/uploads/2024/08/MGT\\_7\\_Annual-Return\\_23-24.pdf](https://www.dhani.com/services/wp-content/uploads/2024/08/MGT_7_Annual-Return_23-24.pdf)

The Non-Executive Directors of the Company do not have any pecuniary relationships or transactions with the Company or its directors, senior management, subsidiary or associate companies, other than in the normal course of business.

### **(C) Stakeholders Relationship Committee**

#### **Composition**

The Stakeholders Relationship Committee comprises of three members, namely, Ms. Swati Jain as the Chairperson and member, Mr. Prem Prakash Mirdha and Mr. Divyesh B Shah as the other two members. Two out of the three members of the Committee, namely, Ms. Swati Jain and Mr. Prem Prakash Mirdha are Independent Directors and Mr. Divyesh B. Shah is an Executive Director & CEO.

#### **Terms of reference**

- To approve requests for share transfers and transmissions.
- To approve the requests pertaining to remat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc.
- To oversee all matters encompassing the shareholders' / investors' related issues.
- Resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

## Report on Corporate Governance (Contd.)

- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

### Meetings and Attendance during the year

During the financial year ended March 31, 2024, the Committee met 1 (one) time i.e. on August 12, 2023.

The attendance of the Committee members in these meetings is as under:

Name of the Member	No. of meeting attended
Ms. Swati Jain	1
Mr. Prem Prakash Mirdha	1
Mr. Divyesh B shah	1

### Name and designation of Compliance Officer

Mr. Ram Mehar, Company Secretary is the Compliance Officer pursuant to Regulation 6(1) of SEBI LODR.

### Details of queries / complaints received and resolved pertaining to Equity Shares of the Company during the year 2023-24:

S I . No.	Particulars	Opening	Received	Disposed	Pending
1	Legal Cases / Cases before Consumer Forums	0	0	0	0
2	Letters from SEBI / Stock Exchange.	0	1	0	1*
3	Non-receipt of dividend	0	0	0	0
4	Non-receipt of annual report	0	0	0	0
5	Non-credit/receipt of shares in demat account	0	0	0	0
6	Non receipt of securities after transfer	0	0	0	0
7	Non-receipt of Refund order	0	0	0	0
8	Non receipt of Rights Issue CAF/Call Notice	0	0	0	0
9	Non receipt of allotment/call notice and request to issue the same	0	0	0	0
	Total	0	1	0	1*

\* The complaint was resolved post March 31, 2024.

## (D) Risk Management Committee

### Composition

The Risk Management Committee of the Board currently comprises of five members, namely, Mr. Divyesh B. Shah, Whole-time Director & CEO as its Chairman and member, Mr. Amit Ajit Gandhi, Non-Executive Director, Mr. Prem Prakash Mirdha, Independent Director, Mr. Rajeev Lochan Agrawal and Mr. Sunil Gupta as members.

### Terms of Reference

The Terms of reference of the Risk Management Committee inter-alia, include:

- To monitor and review the Risk Management Plan of the Company;
- To approve all functional policies of the Company;

## Report on Corporate Governance (Contd.)

- To ensure appropriate fraud control mechanism and cyber security in the system, while dealing with the customers etc.;
- Any other matter involving Risk to the asset / business of the Company.

### Meetings and Attendance during the year

During the financial year ended March 31, 2024, the Committee met 3 (three) times i.e on April 24, 2023, October 20, 2023 and March 15, 2024.

The attendance of Committee members in these meetings is as under:

Name of the Member	No. of meetings attended
Mr. Divyesh B. Shah	3
Mr. Amit Ajit Gandhi	3
Mr. Rajeev Lochan Agrawal	3
Mr. Prem Prakash Mirdha*	2
Mr. Sunil Gupta**	2
Dr. Narendra Jadhav***	1

\* appointed as member of the Committee w.e.f August 11, 2023.

\*\* appointed as member of the Committee w.e.f June 01, 2023.

\*\*\* ceased to be member of the Committee w.e.f August 11, 2023.

### (E) Corporate Social Responsibility (CSR) Committee

#### Composition

The Corporate Social Responsibility Committee of the Board comprises of three members, namely, Mr. Divyesh B. Shah, as the Chairman and Member, Mr. Aishwarya Katoch and Ms. Swati Jain, Independent Directors as other members.

#### Terms of Reference of the Corporate Social Responsibility Committee

The Terms of reference of the CSR Committee inter-alia, include:

- To recommend to the Board, the CSR activity to be undertaken by the Company;
- To approve the expenditure to be incurred on the CSR activity;
- To oversee and review the effective implementation of the CSR activity; and
- To ensure compliance of all related applicable regulatory requirements.

### Meetings and Attendance during the year

During the financial year ended March 31, 2024, the Committee met once on August 10, 2023.

The attendance of Committee members in these meetings is as under:

Name of the Member	No. of meetings attended
Mr. Divyesh B. Shah	1
Dr. Narendra Damodar Jadhav	1
Ms. Swati Jain	1
Mr. Aishwarya Katoch*	0

\* appointed as member of the Committee w.e.f August 11, 2023.

## Report on Corporate Governance (Contd.)

### 4. Senior Management

As on the date of this Report, the particulars of Senior Management Personnel (SMP) are as follows:

Name of SMP	Designation
Mr. Rajeev Lochan Agrawal	Chief Financial Officer
Mr. Ram Mehar	Company Secretary

### 5. GENERAL BODY MEETINGS

#### (A) Location and time of last three Annual General Meetings (AGMs) and number of special resolutions passed thereat:

Year	Meeting	Location	Date	Time	Number of special resolutions passed
2020-21	26th	Through VC/ OAVM	September 23, 2021	4:30 P.M.	5
2021-22	27th	Through VC/ OAVM	September 29, 2022	3:30 P.M.	6
2022-23	28th	Through VC/ OAVM	September 27, 2023	3:30 P.M.	2

#### (B) No Extraordinary General Meetings was convened during the FY 2023-24

#### (C) Postal Ballot during the Financial Year 2023-24

Two postal ballots were conducted during the financial year 2023-24. As per process defined in the postal ballot, 1 (One) Special resolution was passed through Postal Ballot notice dated April 21, 2023 results of which were declared on May 26, 2023 and 3 (Three) Special resolutions were passed through Postal Ballot notice dated August 11, 2023 results of which were declared on September 15, 2023. No Special Resolution requiring Postal Ballot is being proposed on or before the ensuing AGM of the Company.

### 6. MEANS OF COMMUNICATION

The Company has provided adequate and timely information to its member's inter-alia through the following means:

- Publication of Financial Results: The quarterly/ annual results of the Company are normally published in the leading newspapers viz. Financial Express (English) and Jansatta (Hindi).
- News, Release, etc.: The Company has its own website <https://www.dhani.com> and all vital information relating to the Company and its performance including financial results, press releases, if any, pertaining to important developments, performance updates and corporate presentations etc. are regularly posted on the website.
- Presentation to institutional investors or analysts: The presentations whenever made to the institutional investors or analysts, are uploaded on the website of the Company, and also sent to the Stock Exchange for dissemination as per regulatory requirements.
- Management's Discussion and Analysis Report has been included in the Annual Report, which forms a part of the Annual Report.

### 7. GENERAL SHAREHOLDERS' INFORMATION

#### (A) Company Registration Details

Post shifting of its registered office from NCT of Delhi to the State of Haryana, the Company is now registered in the State of Haryana, India. New Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74110HR1995PLC121209.

#### (B) Date, Time and Venue of Annual General Meeting (AGM)

The 29th AGM of the Company would be held on the day, date, time and venue as mentioned in the Notice convening the said AGM. The Company is conducting AGM through Video Conferencing /Other Audio Visual Mode in accordance with the relaxations granted by the Ministry of Corporate Affairs/SEBI.



## Report on Corporate Governance (Contd.)

### (C) Financial year:

The financial year of the Company is a period of twelve months beginning on 1st April every calendar year and ending on 31st March of the following calendar year.

### (D) Dividend Payment Date

No dividend was declared and paid during the Financial Year 2023-24.

### (E) Date of Book Closure

The dates of book closure are as mentioned in the notice convening the 29th AGM of the Company.

### (F) Listing on Stock Exchanges

The Company's fully paid up equity shares (FPS) and partly paid up equity shares (PPS) are listed at the following stock exchanges:

<b>Equity Shares (FPS &amp; PPS):</b> <b>BSE Limited (BSE)</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
<b>National Stock Exchange of India Limited (NSE)</b> "Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051

During the year under review, GDRs have been delisted from Luxembourg Stock Exchange.

The listing fees for the financial year 2024-25, have been paid to BSE and NSE.

### (G) Stock Code

BSE Limited	FPS: 532960, PPS: 890145
National Stock Exchange of India Ltd.	FPS: DHANI-EQ, PPS: DHANIPP
ISIN for Dematerialization	FPS: INE274G01010 PPS: IN9274G01034

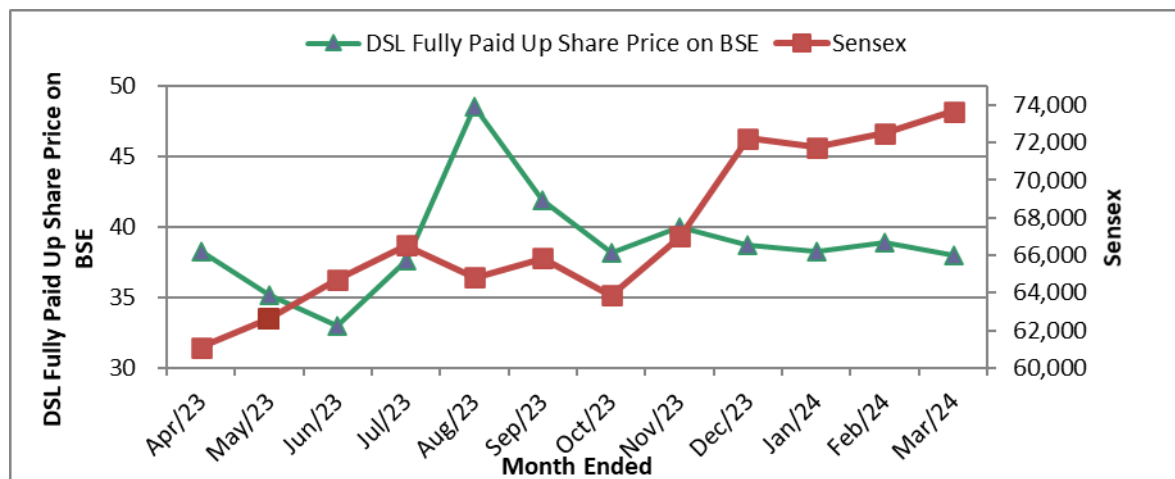
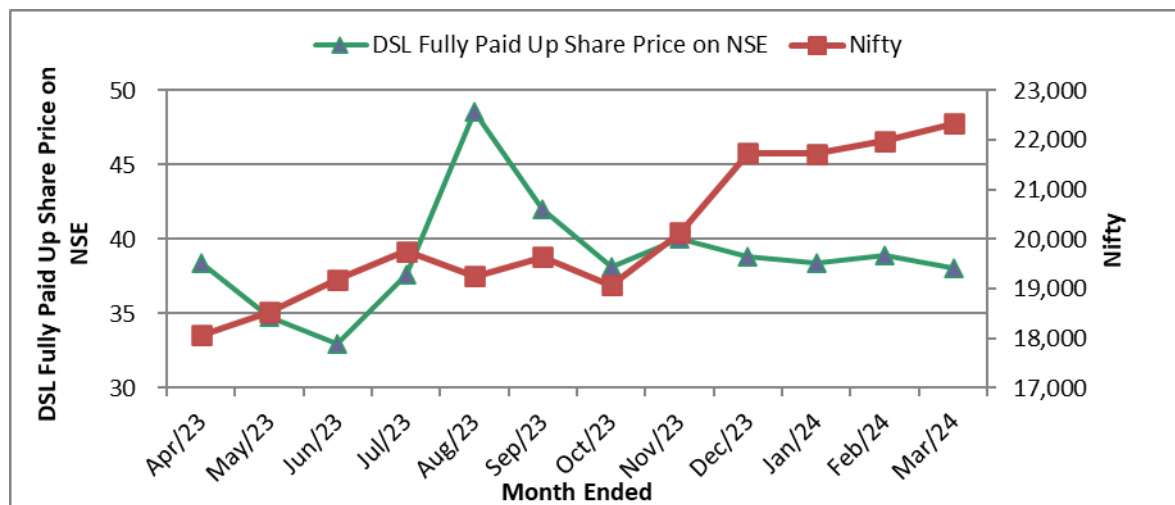
### (H) Stock Market Price at National Stock Exchange of India Ltd (NSE) and BSE Ltd (BSE)

(a) The monthly high and low market prices of Fully Paid-up Equity Shares of face value of Rs. 2/- each, at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year ended March 31, 2024 are as under:

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-23	42.90	26.55	42.82	26.59
May-23	41.50	32.55	41.50	32.75
Jun-23	35.60	32.85	35.59	32.86
Jul-23	42.20	29.90	42.19	29.85
Aug-23	49.10	37.65	49.13	37.66
Sep-23	49.00	40.00	48.60	40.00
Oct-23	44.65	35.70	44.50	35.70
Nov-23	42.55	37.55	42.50	37.25
Dec-23	44.50	38.15	44.50	38.50
Jan-24	43.00	36.80	43.00	37.00
Feb-24	45.90	35.10	45.89	35.40
Mar-24	42.90	33.25	42.85	33.30

## Report on Corporate Governance (Contd.)

- (b) The high and low market prices of Partly Paid-up Equity Shares of face value of Rs. 2/- each, at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year ended March 31, 2024 are not applicable due to suspension of trading in partly paid-up equity shares w.e.f October 13, 2021 on NSE & BSE in view of the record dates for payment of Third and Final call.

**(i) Performance of the Company in comparison to broad – based indices**

**(j) Registrar and Transfer Agents**

M/s Skyline Financial Services Pvt. Ltd are the Registrar and Transfer Agents of the Company for handling the share/ securities related matters both in physical and dematerialized mode and for other correspondence.

The contact details of RTA are as under:

**Skyline Financial Services Pvt. Ltd**

Unit: Dhani Services Limited  
 D-153 A 1st Floor Okhla Industrial Area Phase-1 New Delhi-110020  
 Tel: 011-40450193 TO 197, Fax: 011-26812682  
 E-mails: compliances@skylinerta.com, info@skylinerta.com  
 Website: www.skylinerta.com

## Report on Corporate Governance (Contd.)

### (K) Share Transfer System

The Board has delegated the authority for share transfers, transmissions; remat/demat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc. to the Board constituted Stakeholders' Relationship Committee. For any such action request is to be made to the RTA, which after scrutinizing all such requests, forwards it for approval by Stakeholders' Relationship Committee.

### (L) (i) (a) Distribution of shareholding of fully paid up equity shares of face value of Rs. 2/- each, as on March 31, 2024:

S. No	Category	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding	Amount (Face value) (Rs.)	% of Amount
1	Upto-5000	2,05,288	97.86	6,61,53,805	10.97	13,23,07,610.00	10.97
2	5001-10000	2,343	1.12	1,72,40,565	2.86	3,44,81,130.00	2.86
3	10001-20000	1,068	0.51	1,54,19,236	2.56	3,08,38,472.00	2.56
4	20001-30000	415	0.20	1,04,16,852	1.73	2,08,33,704.00	1.73
5	30001-40000	177	0.08	62,09,957	1.03	1,24,19,914.00	1.03
6	40001-50000	110	0.05	50,51,561	0.84	1,01,03,122.00	0.84
7	50001-100000	198	0.09	1,43,33,332	2.38	2,86,66,664.00	2.38
8	100001-and Above	185	0.09	46,84,34,078	77.63	93,68,68,156.00	77.63
	<b>Total</b>	<b>2,09,784</b>	<b>100.00</b>	<b>60,32,59,386</b>	<b>100.00</b>	<b>1,20,65,18,772.00</b>	<b>100.00</b>

### (i) (b) Distribution of shareholding of partly paid up equity shares of face value of Rs. 2/- each with paid up value of Rs. 1.10 each as on March 31, 2024: (Voting Rights i.r.o these partly paid-up shares are proportionate to the amount paid up on such shares):

Category	No of Shareholders	% of Shareholders	No of Shares	% of Shareholding	Amount (Face value) (Rs.)	% of Amount
Upto-5000	3,129	96.61	53,29,919	59.97	1,06,59,838.00	59.97
5001-10000	33	1.02	1,87,049	2.10	3,74,098.00	2.10
10001-20000	25	0.77	2,21,933	2.50	4,43,866.00	2.50
20001-30000	14	0.43	74,211	0.83	1,48,422.00	0.83
30001-40000	8	0.25	90,284	1.02	1,80,568.00	1.02
40001-50000	5	0.15	56,568	0.64	1,13,136.00	0.64
50001-100000	12	0.37	2,40,253	2.70	4,80,506.00	2.70
100001-and Above	13	0.40	26,88,307	30.24	53,76,614.00	30.24
<b>Total</b>	<b>3,239</b>	<b>100.00</b>	<b>88,88,524</b>	<b>100.00</b>	<b>1,77,77,048.00</b>	<b>100.00</b>

## Report on Corporate Governance (Contd.)

**(ii) Shareholding pattern as on March 31, 2024:**

Sr. No.	Category	No. of Shares			% holding
		Fully paid up equity shares	Partly Paid up equity shares *	Total No. of Shares	
1	Promoters	18,83,28,203#	0	18,83,28,203	30.77
2	Banks /Mutual Funds/Indian Financial Institutions/Alternate Investment Funds	89,63,047	0	89,63,047	1.46
3	FII/FPIs	8,95,70,928	0	8,95,70,928	14.63
4	Bodies Corporate	9,23,48,224	38,81,650	9,62,29,874	15.72
5	Indian Public (Employees/HUF/Public/Trusts/Directors)	21,14,74,514	49,96,346	21,64,70,860	35.36
6	NRIs	1,10,18,000	8,185	1,10,26,185	1.80
7	GDRs (Shares underlying)	0	0	0	0.00
8	Other foreign entities (Foreign companies)	10,79,883	0	10,79,883	0.18
9	NBFCs Registered with RBI	2,23,100	2343	2,25,443	0.04
10	Others (Clearing Members/IEPF)	2,53,487	0	2,53,487	0.04
<b>Total</b>		<b>60,32,59,386</b>	<b>88,88,524</b>	<b>61,21,47,910</b>	<b>100.00</b>

\* Voting Rights i.r.o partly paid-up shares are proportionate to the amount paid up on such shares.

# Promoter group entity namely Inuus Developers Limited had sold 1,00,00,000 fully paid up equity shares on March 28, 2024 which got settled on April 1, 2024. Requisite Disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 were duly made on April 2, 2024.

**(M) Dematerialization of shares and liquidity**

Equity Shares of the Company are traded under compulsory dematerialized mode and are available for trading under both the depositories i.e. NSDL and CDSL.

As on March 31, 2024, 99.99% equity shares of the Company representing 61,21,39,820 out of a total of 61,21,47,910 equity shares were held in dematerialized form and the balance 8,090 equity shares representing 0.001% of the total equity capital of the Company were held in physical form.

The Company obtains, from a Company Secretary in practice, yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI LODR Regulations and files a copy of the certificate with the Stock Exchanges.

**(N) Outstanding Convertible Instruments**

As on March 31, 2024, an aggregate of 94,28,400 Employees Stock options were in force. As and when these stock options are exercised, the paid-up equity share capital of the Company shall stand increased accordingly.

**(O) Commodity price risk or foreign exchange risk and hedging activities**

During FY 2023-24, the Company doesn't have Commodity price risk. Further, the Company has not borrowed any loans in foreign currency. The working capital of the Company doesn't comprise of any amount in foreign currency.

**(P) Plant Location: Not applicable**

## Report on Corporate Governance (Contd.)

### (Q) Address for Correspondence

#### (i) Registered Office:

5th Floor, Plot No. 108, IT Park, Udyog Vihar,  
Phase 1, Industrial Complex Dundahera,  
Gurgaon, Haryana- 122016  
E-mail: support@dhani.com,  
Tel: +91 124 6685800  
Website: www.dhani.com

#### (ii) Corporate Office:

1. One International Centre, Tower 1, 4th Floor, S. B. Marg, Elphinstone (W), Mumbai - 400013 T. +91 22 6189 9016 F. +91 22 6189 9001
2. 5th Floor, Plot No. 108, IT Park, Udyog Vihar, Phase 1, Gurugram – 122016, Haryana T. +91 124 6685800 F. +91 124 6681240

(R) Profiles of Directors seeking appointment/ re-appointment have been captured in the Notice convening the 29th Annual General Meeting of the Company.

(S) Credit Ratings: Not Applicable

### (T) Details of utilization of fund raised through preferential allotment or qualified institutions placement:

During the Financial Year 2023-24, the Company did not allot any shares through preferential allotment or qualified Institutional placement.

### (U) Fees paid to Statutory Auditors

Total fees for all services paid by the listed entity and its subsidiaries (excluding GST), for FY 2023-24, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:-

Particulars	Rs.
Audit Fee	53,50,000.00
Out of pocket expenses	2,60,000.00
<b>Total</b>	<b>56,10,000.00</b>

### 8. COMPLIANCE CERTIFICATE FROM THE PRACTICING COMPANY SECRETARY

A certificate from a Practicing Company Secretary certifying the Company's compliance with the provisions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule-V of the SEBI LODR Regulations, is annexed to and forms a part of this Report.

### 9. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Number of complaints filed during the financial year 2023-24	Number of complaints disposed of during the financial year 2023-24	Number of complaints pending at the end of financial year 2023-24
Nil	Nil	Nil

### 10. OTHER DISCLOSURES

#### (i) Subsidiary Companies

The Company has formulated a Policy for determining material subsidiaries, pursuant to the provisions of the SEBI LODR Regulations, which is available on the web link [https:// www.dhani.com/wpcontent/ uploads/2020/12/IVL\\_Policy\\_for\\_Determining\\_Material\\_Subsiary\\_1598077992.pdf](https://www.dhani.com/wpcontent/uploads/2020/12/IVL_Policy_for_Determining_Material_Subsiary_1598077992.pdf).

## Report on Corporate Governance (Contd.)

As on March 31, 2024, the Company had 26 subsidiaries. During the year under review, Dhani Loans and Services Limited (DLSL), Indiabulls Asset Reconstruction Company Limited (IBARC), Dhani Healthcare Limited, Indiabulls Distribution Services Limited and Dhani Stocks Limited were material subsidiaries of the Company, as per SEBI LODR Regulations. Other details of these subsidiary companies are as under:

Name of material subsidiary company	Date and Place of Incorporation	Name of Auditors	Date of appointment of Auditors
Dhani Loans and Services Limited	October 27, 1994 and New Delhi	Hem Sandeep & Co.	August 13, 2021
Indiabulls Asset Reconstruction Company Limited	November 02, 2006 and New Delhi	MRKS & Associates	November 18, 2021
Dhani Healthcare Limited	December 22, 2009 and New Delhi	Sumit Mohit & Co.	September 27, 2019
Indiabulls Distribution Services Limited	June 11, 2009 and New Delhi	Ajay Sardana & Associates	September 27, 2019
Dhani Stocks Limited	October 30, 2003 and New Delhi	Ajay Sardana & Associates	September 27, 2019

### (ii) Related Party Transactions

All the related party transactions, entered into by the Company, during the financial year, were in its ordinary course of business and on an arm's length basis. There are no materially significant related party transactions entered by the Company with its Key Management Personnel or other designated persons which may have potential conflict with the interest of the Company at large. The updated Policy on materiality of Related Party Transactions and also on dealing with such transactions is available on the website of the Company at [https://www.dhani.com/services/wp-content/uploads/2022/06/DSL\\_Policy\\_on\\_Related\\_Party\\_Transactions\\_01042022.pdf](https://www.dhani.com/services/wp-content/uploads/2022/06/DSL_Policy_on_Related_Party_Transactions_01042022.pdf).

### (iii) CEO / CFO Certification

- The Chief Executive Officer (CEO) and Chief Financial Officer (CFO) have issued certificate pursuant to the Regulation 33(2)(a) of SEBI LODR Regulations, certifying that the financial results do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.
- The CEO and CFO have also issued certificate pursuant to the provisions of Regulation 17(8) read with Part-B of Schedule-II of the SEBI LODR, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

### (iv) No Disqualification Certificate from Company Secretary in Practice

Certificate from Practising Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI, Ministry of Corporate Affairs or any such other Statutory Authority, as stipulated under Regulation 34(3) of the SEBI LODR, is attached to this Report.

### (v) Codes of the Company

#### (a) Code of Conduct and Ethics

The Company has laid down a Code of Conduct and Ethics (the "Code") for the Board Members and Senior Management personnel of the Company. The Code is available on the website of the Company at [https://www.dhani.com/wp-content/uploads/2020/12/code-of-conduct-for-board-members-and-senior-management\\_1564991994.pdf](https://www.dhani.com/wp-content/uploads/2020/12/code-of-conduct-for-board-members-and-senior-management_1564991994.pdf)

All Board Members and Senior Management personnel have affirmed compliance with the Code. A declaration signed by the Chief Executive Officer to this effect is enclosed at the end of this Report.

The Code seeks to ensure that the Board Members and Senior Management personnel observe a total commitment

## Report on Corporate Governance (Contd.)

to their duties and responsibilities while ensuring a complete adherence with the applicable statutes along with business values and ethics.

### **(b) Code of Conduct for Prevention of Insider Trading**

The Company has laid down a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Companies Act, 2013, with a view to regulate trading in Securities of the Company by its directors, designated persons and employees.

### **(vi) Whistle Blower Policy**

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company has implemented the Whistle Blower Policy ("the Policy"), to provide an avenue for employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy applies to all employees working for the Company and its subsidiaries. Pursuant to the Policy, the whistle blowers can raise concerns relating to matters such as breach of Company's Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, misappropriation of Company's funds / assets etc. A whistle-blowing or reporting mechanism, as set out in the Policy, invites all employees to act responsibly to uphold the reputation of the Company and its subsidiaries. The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices. The details of the Whistle Blower Policy are available on the website of the Company at <https://www.dhani.com/services/whistle-blower-policy/>.

### **(vii) Strictures and Penalties**

Except as mentioned in Annexure(s) to Board's Report forming part of Annual Report, during the last three financial years including the year under review, no penalty was imposed by BSE Limited and National Stock Exchange of India Limited.

### **(viii) Details of compliance with mandatory requirements and adoption of discretionary requirements pursuant to SEBI LODR Regulations**

The Company has complied with all the mandatory requirements pursuant to SEBI LODR Regulations in letter as well as in spirit. The details of these compliances have been given in the relevant sections of this Report. The status on compliance with the discretionary requirements is given at the end of the Report.

### **(ix) Agreements specified under Regulation 30A of SEBI LODR Regulations**

Except as mentioned in Board's Report forming part of Annual Report under "Scheme of Arrangement", there are no such subsisting agreements as specified under clause 5A of paragraph A of Part A of Schedule III of SEBI LODR Regulations.

## **11. DISCRETIONARY REQUIREMENTS**

### **(A) Non-Executive Chairman**

The Company has an Executive-Chairman and hence the requirements recommended as to a Non-Executive Chairman under the Regulation 27(1) Read with Clause A Part E Schedule II of SEBI (LODR) Regulations, 2015 are not required to be adopted by the Company.

### **(B) Shareholders Rights**

The Company would be getting its quarterly/half yearly and annual financial results published in leading newspapers with wide circulation across the country and regularly update the same on its public domain website. In view of the same individual communication of quarterly / annual financial results to the shareholders will not be made. Further, information pertaining to important developments in the Company shall be brought to the knowledge of the public at large and to the shareholders of the Company in particular, through communications sent to the stock exchanges where the shares of the Company are listed, through press releases in leading newspapers and through regular uploads made on the Company website.

### **(C) Unqualified Financial Statements**

## Report on Corporate Governance (Contd.)

The Auditors' Report on the audited annual accounts of the Company for FY 2023-24 does not contain any qualification from the Statutory Auditors and it shall be the endeavor of the Company to ensure complete adherence to the applicable accounting standards and practices obviating the possibility of the Auditors qualifying their report as to the audited accounts.

### **(D) Separate posts of chairperson and chief executive officer**

The Company has appointed separate persons as Executive Chairman and its chief Executive officer.

### **(E) Reporting of Internal Auditor**

The Internal Auditor of the Company reports to CFO and has direct access to the Audit Committee.

Except as set out above, the Company has not adopted the discretionary requirements as to any of the other matters recommended under Part E of Schedule II of Regulation 27(1) of SEBI LODR Regulations.

### **Unclaimed Shares lying in Demat Suspense Account**

The Company was not required to transfer any shares in Demat Suspense Account. Accordingly, the disclosure required to be made in terms of Regulation 34(3) read with Schedule V of the SEBI LODR Regulations, in respect of shares in the demat suspense account or unclaimed suspense account, is not applicable to the Company.

This Corporate Governance Report of the Company for the financial year ended March 31, 2024 is in compliance with the requirements as prescribed under Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI LODR Regulations, to the extent applicable to the Company.

### **ANNUAL DECLARATION BY CHIEF EXECUTIVE OFFICER PURSUANT TO REGULATION 34(3) READ WITH SCHEDULE-V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

I confirm that for the year under review, directors and senior management have affirmed their adherence to the provisions of the Code of Conduct.

Date: May 17, 2024

**Divyesh B. Shah**  
Chief Executive Officer



## Report on Corporate Governance (Contd.)

### CEO/CFO certification pursuant to regulation 17(8) read with Part-B of Schedule-II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
The Board of Directors  
**Dhani Services Limited (the Company)**

As required by Regulation 17(8) read with Part-B of Schedule-II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm to the Board that:

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2024 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee that:
- (1) There were no significant changes in internal control over financial reporting during the year;
  - (2) There were no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) There were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Divyesh B. Shah**  
Chief Executive Officer  
Date: May 17, 2024

**Rajeev Lochan Agrawal**  
Chief Financial Officer  
Date: May 17, 2024

## Report on Corporate Governance (Contd.)

**CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE**

To  
The Members of  
**Dhani Services Limited**  
5th Floor, Plot No. 108, IT Park, Udyog Vihar,  
Phase 1, Industrial Complex Dundahera,  
Gurgaon, Haryana- 122016

We have examined the compliance of conditions of Corporate Governance by **Dhani Services Limited** ("the Company"), for the year ended March 31, 2024, as prescribed in Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI LODR Regulations").

We state that the compliance of conditions of Corporate Governance is the responsibility of the Company's management and, our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI LODR Regulations for the financial year ended March 31, 2024.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Sukesh & Co,**  
Company Secretaries

**Sukesh Saini**  
Proprietor  
FCS No.: 11688  
CP No.: 12007  
UDIN: F011688F000831694  
PR Certificate No.: 3473/2023

Place: Gurugram  
Date: 26/07/2024

## Report on Corporate Governance (Contd.)

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members of  
**Dhani Services Limited**  
5th Floor, Plot No. 108, IT Park, Udyog Vihar,  
Phase 1, Industrial Complex Dundahera,  
Gurgaon, Haryana- 122016

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Dhani Services Limited** having CIN L74110HR1995PLC121209 and having registered office at 5th Floor, Plot No. 108, IT Park, Udyog Vihar, Phase 1, Industrial Complex Dundahera, Gurgaon, Haryana- 122016 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), as amended Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in the Company *	Date of Cessation in the Company
1.	Mr. Sameer Gehlaut	00060783	28/08/2017	17/06/2023
2.	Mr. Divyesh Bharatkumar Shah	00010933	09/03/2005	NA
3.	Dr. Narendra Damodar Jadhav	02435444	23/08/2020	22/08/2023
4.	Ms. Swati Jain	09784228	11/11/2022	NA
5.	Mr. Amit Ajit Gandhi	07606699	01/01/2023	NA
6.	Mr. Aishwarya Katoch	00557488	01/01/2023	NA
7.	Mr. Gurbans Singh	06667127	18/06/2023	NA
8.	Mr. Prem Prakash Mirdha	01352748	11/08/2023	NA

*\*the date of appointment is as per the MCA Portal.*

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Sukesh & Co.**  
Company Secretaries

**Sukesh Saini**  
Proprietor  
FCS No.: 11688  
P No.: 12007  
UDIN: F011688F000831738  
PR Certificate No.: 3473/2023

Place: Gurugram  
Date: 26/07/2024

# INDEPENDENT AUDITOR'S REPORT

To the members of DHANI SERVICES LIMITED

Report on the audit of the consolidated financial statements

## Opinion

We have audited the accompanying consolidated financial statements of Dhani Services Limited (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), as listed in Annexure I, which comprise the Consolidated balance sheet as at 31 March 2024, the Consolidated statement of profit and loss (including other comprehensive income), the Consolidated statement of cash flow and the Consolidated statement of changes in equity for the year then ended, and notes to consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on financial statements (separate/consolidated) of subsidiaries as was audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as “the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including and Indian Accounting Standards (“Ind AS”) prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, of consolidated state of affairs (financial position) of the Group as at 31 March 2024, the consolidated loss (financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year then ended.

## Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s responsibilities for the audit of the Consolidated Financial Statement section of our report. We are independent of the Group 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 consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditors referred to in “Other matters” paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

## Emphasis of matters

1. We draw attention to the Note 47 of the accompanying consolidated financial statement regarding the requirement of obtaining the Certificate of Registration (CoR) for the Company from the Reserve Bank of India (RBI) as a Non-Banking Financial Company (NBFC) under the category of Core Investment Company (CIC). The management is of the view that basis their present business operations and applicable financial criteria, the Holding Company qualifies to fall under the category of an unregistered CIC and has written to RBI for their view in this regard, response to which is awaited. The management is further of the view that the possible non-compliance with such requirement is not expected to have material impact on the accompanying Statement.
2. We reproduce hereunder the ‘Emphasis of Matter’ paragraph issued by the independent auditor of a subsidiary viz. Dhani Loans and Services Limited “DLSL” vide their respective audit report on the consolidated financial statements of DLSL, which also forms the ‘Emphasis of Matters’ paragraph in our audit report on the accompanying consolidated Ind AS financial statements of the Group.

“In respect of the subsidiary – Indiabulls Distribution Services Limited, as reported by the component auditor, we draw attention to Note 50 (i)A (b)(1) of the accompanying Consolidated Financial Statements which describes that the subsidiary company has recorded provisions for impairment due to expected credit losses on certain financial assets as at March 31, 2024 on an estimated basis, in respect of future 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 subsidiary company’s and its customers’ businesses. Our opinion is not modified in respect of this matter.

## Independent Auditor's Report (Contd.)

3. We draw attention to the Note 79 of the consolidated financial statement, the company's Board of Directors have approved a composite Scheme of Arrangement inter-alia involving Amalgamation of the Company along with its certain subsidiary companies with and into Yaari Digital Integrated Services Limited ("Amalgamated Company"/ "Resulting Company "Yaari"). This proposed arrangement scheme is subject to all applicable statutory and regulatory approvals, including approval from the stock exchanges, SEBI, shareholders and creditors of the company and the jurisdictional bench of the National Company Law Tribunal.

Our opinion is not modified in respect of these matters of emphasis.

### Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there is no key audit matter to communicate with respect to the Holding Company.

We have reproduced the key audit matter determined and communicated by the auditor of Dhani Loans and Services Limited (subsidiary company) in their audit report.

Key audit matter	Auditor's response
<p>"a) Impairment of Loans (expected credit loss - ECL) (Refer notes 6 and 49 to the Standalone Financial Statements)</p> <p>In accordance with the requirements of Ind AS 109, the Company is required to provide for impairment of its financial assets using the expected credit loss ('ECL') approach which involves an estimation of the probability of loss on the financial assets over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. In the process, a significant degree of judgement has been applied by the management in respect of following matters:</p> <p>(i) Classification and staging of loan portfolio, and estimation of behavioral life.</p> <p>(ii) Estimation of losses in respect of those classes of loans which had no or minimal historical defaults.</p> <p>(iii) Management overlay for macro-economic factors and estimation of their impact on the credit quality of the loans.</p> <p>(iv) In accordance with the guidance in Ind AS 109, the management overlay estimate takes into account reasonably and supportable information without incurring significant cost. The actual credit losses for the next 12 months could be significantly different than the ECL estimates prepared by the Company.</p> <p>(v) The disclosures (including disclosures prescribed by RBI) regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.</p>	<p>"Principal Audit Procedures</p> <ul style="list-style-type: none"> <li>• Read and assessed the Company's accounting policies for the process of estimation of impairment of financial assets and whether such policy was in accordance with the requirements of Ind AS 109 and the governance framework approved by the Board of Directors pursuant to the applicable Reserve Bank of India guidelines/directions.</li> <li>• Evaluated the appropriateness of the Company's assumptions used by the Company for grouping and staging of loan portfolio into various categories and default buckets and their appropriateness for determining the probability of default (PD) and loss-given default (LGD) rates.</li> <li>• Tested the operating effectiveness of the controls for application of the staging criteria of loans. Assessed the considerations applied by the Management for staging of loans.</li> <li>• Performed tests (on sample basis) to verify the staging of loans based on their past due status.</li> <li>• Performed appropriate inquiries with the Company's management and assessed assumptions used by the management in determination of ECL provision.</li> <li>• Tested the arithmetical accuracy of calculation of the provision for ECL performed by the Company.</li> <li>• Assessed the appropriateness and sufficiency of disclosures in the Financial Statements in respect of provision for ECL."</li> </ul>

## Independent Auditor's Report (Contd.)

Key audit matter	Auditor's response
<p>(vi) The Company has developed a financial model that derives key assumptions used within the provision calculation such as probability of default (PD) and loss given default (LGD). The output of such model is then applied to the calculation for the provision for expected credit loss calculation with other information including the exposure at default (EAD).</p> <p>Given the high degree of management's judgement involved in estimation of ECL, it is an area of material uncertainty and a key audit matter."</p>	

**Management's and Board of Director's responsibility for the consolidated financial statements**

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation and presentation of these consolidated financial statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS. The respective management and Board of Directors of the companies included in the consolidated financial statements are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements/ consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company 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.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each Company.

**Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- A. Identify and assess the risks of material misstatement of the consolidated 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.

## Independent Auditor's Report (Contd.)

- B. Obtain an understanding of internal control 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.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statement and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated 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 to cease to continue as a going concern.
- E. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other matters

- A. We did not audit the annual financial statements / financial information of 23 subsidiaries and 5 trusts included in the Statement, whose financial information reflect total assets of ₹ 6,87,571 lakhs as at 31 March, 2024, total revenue of ₹ 50,151 lakhs, total net loss after tax of ₹ 30,441 lakhs, other comprehensive income of ₹ 344 lakhs and cash outflow (net) of ₹ 3,244 lakhs for year ended on that date, as considered in the Statement. These annual financial statements / financial information have been audited by other respective auditors whose audit reports have been furnished to us by the Holding Company's management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit reports of such other auditors, and the procedures performed by us as stated in paragraph above.
- B. The consolidated financial statements include the annual financial statements/ financial information of 3 subsidiaries and 1 trust, which have not been audited, whose annual financial statements / financial information reflect total assets of ₹

## Independent Auditor's Report (Contd.)

18,302 lakhs as at 31 March 2024, total revenue of ₹ 390 lakhs, total net loss after tax of ₹ 709 lakhs, other comprehensive income of ₹ 284 Lakhs and cash outflow (net) of ₹ 719 lakhs for the year then ended, as considered in the Statement. These financial statements / financial information have been certified and furnished to us by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiaries and trust, is based solely on such unaudited financial statements / financial information. In our opinion, and according to the information and explanations given to us by the Holding Company's management, this financial statements/ financial information are not material to the Group.

- C. Further, these subsidiaries, are located outside India, whose annual financial statements / financial information have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's management has converted the annual financial statements / financial information of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Our opinion, in so far as it relates to the balances and affairs of these subsidiaries is based on such unaudited financial statements / financial information and the conversion adjustments prepared by the management of the Holding Company.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the other matter paragraph, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

### Report on other legal and regulatory requirements

1. As required by section 143 (3) of the Act, based on our audit and on the consideration of report of other auditors on financial statements (separate/consolidated) of such companies as was audited by them and as mentioned in the 'Other Matters' paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - B. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors.
  - C. The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated cash flow statement and consolidated statement of changes in equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - D. In our opinion, the aforesaid consolidated 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 of the Holding Company as on 31 March 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of subsidiary companies which are companies incorporated in India, none of the directors of the subsidiary companies which are companies incorporated in India, is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
  - F. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting.
  - G. With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group, which are companies incorporated in India, where applicable, to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - 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 (as amended), in our opinion and to the best of our information and according to



## Independent Auditor's Report (Contd.)

the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:

- i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 46 to the consolidated financial statements;
- ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except ₹ 0.50 (Axis Bank 915020051526884 Interim divi 15-16 -III) as mentioned in note 23(ii) to the consolidated financial statements.
- iv. Reporting on rule 11(e):
  - (a) the respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of its subsidiaries to or in any other person(s) or entity(ies), including foreign entity ("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 or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries refer note 62 (II) of Consolidated Financial Statements
  - (b) the respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and to the other auditors of such subsidiaries respectively, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of its subsidiaries from any person(s) or entity(ies), including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiaries 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 refer note 62 (II) of Consolidated Financial Statements.
  - (c) based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. During the year, the Holding Company and its subsidiary companies have not declared/paid any dividend. Accordingly, reporting under section 123 of the Act is not applicable;
- vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and these subsidiaries have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

## Independent Auditor's Report (Contd.)

2. As required by paragraph 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the management of the Holding Company, we report that in respect of those companies where audits have been completed under section 143 of the Act, there are no qualifications or adverse remarks, however we draw attention to the following points as mentioned by the respective auditors in the CARO reports of the said companies :

Name of the company	CIN	Holding Company/ Subsidiary Company	Clause number of the CARO report
Dhani Services Limited	L74110HR1995PLC121209	Holding Company	iii(b), iii(c)
Pushpanjali Finsolutions Limited	U67190HR2009PLC114957	Subsidiary Company	iii(c), iii(f)
Dhani Stocks Limited	U74999DL2003PLC122874	Subsidiary Company	iii(c)
Indiabulls Infra Resource Limited	U74999HR2017PLC114943	Subsidiary Company	iii(f)
Dhani Loans and Services Limited	U74999DL1994PLC062407	Subsidiary Company	iii(c), iii(d), xi(a)
Indiabulls Distribution Services Limited	U68200DL2009PLC191143	Subsidiary Company	xvi(a), xvi(b)
Indiabulls Investment Advisors Limited	U68200DL2008PLC182331	Subsidiary Company	xvi(a), xvi(b)
Indiabulls Alternate Investments Limited	U74999DL2016PLC290926	Subsidiary Company	xvii

For **Sharp & Tannan Associates**  
 Chartered Accountants  
 Firm's Registration no. 109983W  
 by the hand of

**CA Tirtharaj Khot**  
 Partner

Membership no.(F) 037457  
 UDIN: 24037457BKGEHH3768

Mumbai, 17 May 2024

## Independent Auditor's Report (Contd.)

# ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph (F) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

### Report on the Internal Financial Controls

Under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

#### Opinion

We have audited the Internal Financial Controls over Financial Reporting of Dhani Services Limited (hereinafter referred as "the Holding Company"), its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group"), as of 31 March 2024 in conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors referred to in other matters paragraph below, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

#### Management's and Board of Director's responsibility for internal financial controls

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

#### Auditor's responsibility

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

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

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

#### Other matter

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to these subsidiaries, which are companies incorporated in India, is solely based on corresponding reports of the auditors of such Companies.

## Independent Auditor's Report (Contd.)

### 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.

For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm's Registration no. 109983W  
by the hand of

**CA Tirtharaj Khot**  
Partner  
Membership no.(F) 037457  
UDIN: 24037457BKGEHH3768

Mumbai, 17 May 2024

## Independent Auditor's Report (Contd.)

### Annexure I to the Independent Auditor's Report on consolidated financial statements of Dhani Services Limited for the year ended 31 March 2024

Sr. No.	Name of the Company
1	Auxesia Soft Solutions Limited
2	Devata Tradelink Limited
3	Dhani Healthcare Limited
4	Dhani Limited Jersey
5	Dhani Limited UK
6	Dhani Loans and Services Limited
7	Dhani Stocks Limited
8	Euler Systems INC (USA)
9	Evinos Buildwell Limited
10	Evinos Developers Limited
11	Gyansagar Buildtech Limited
12	Indiabulls Alternate Investments Limited
13	Indiabulls ARC VII Trust
14	Indiabulls ARC-XXVIII Trust
15	Indiabulls ARC-XXIX Trust
16	Indiabulls ARC-XXX Trust
17	Indiabulls ARC-XXXI Trust *
18	Indiabulls ARC-XXXII Trust
19	Indiabulls Asset Reconstruction Company Limited
20	Indiabulls Consumer Products Limited
21	Indiabulls Distribution Services Limited (Subsidiary of Dhani Loans and Services Limited)
22	Indiabulls Infra Resources Limited
23	Indiabulls Investment Advisors Limited (Subsidiary of Dhani Loans and Services Limited)
24	Juventus Estate Limited
25	Jwala Technology Systems Private Limited
26	Krathis Buildcon Limited
27	Krathis Developers Limited
28	Mabon Properties Limited
29	Milky way Buildcon Limited
30	Pushpanjli Finsolutions Limited
31	Savren Medicare Limited
32	Transerv Limited

\* Note: The company has sold the stake of the trust as of 29 December 2023, therefore the financial statement includes profit until the date of the sale of trust.

# CONSOLIDATED BALANCE SHEET

as at 31 March 2024

(All amounts are in Indian Rupees in lakh unless stated otherwise)

	Notes	As at 31 March 2024	As at 31 March 2023
<b>I. ASSETS</b>			
<b>(1) Financial assets</b>			
(a) Cash and cash equivalents	6	19,935.62	25,692.14
(b) Bank balance other than cash and cash equivalents	7	44,393.71	43,007.26
(c) Receivables			
Trade receivables	8	8,659.97	11,922.19
Other receivables	9	737.17	748.13
(d) Loans	10	1,63,778.40	1,53,415.30
(e) Investments	11	5,489.48	51,010.44
(f) Other financial assets	12	28,226.33	33,047.39
<b>Total financial assets</b>		<b>2,71,220.68</b>	<b>3,18,842.85</b>
<b>(2) Non-financial assets</b>			
(a) Inventories	13	26,796.13	26,268.67
(b) Current tax assets (net)	14	10,496.92	21,429.22
(c) Deferred tax assets (net)	15	49,881.64	54,358.37
(d) Investment property	16A	605.85	767.65
(e) Property, plant and equipment	16B	6,273.27	8,279.93
(f) Capital work-in-progress	16C	9.44	-
(g) Right-of-use assets	16D	3,495.68	6,082.64
(h) Intangible assets under development	16E	-	351.64
(i) Goodwill	16F	6,797.16	6,797.16
(j) Other intangible assets	16G	8,006.54	9,984.92
(k) Other non-financial assets	17	68,729.13	78,663.02
<b>Total non-financial assets</b>		<b>1,81,091.76</b>	<b>2,12,983.22</b>
<b>TOTAL ASSETS</b>		<b>4,52,312.44</b>	<b>5,31,826.07</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>(1) Financial liabilities</b>			
(a) Payables			
Trade payables	18		
(i) total outstanding dues of micro enterprises and small enterprises		79.85	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,023.82	2,085.02
Other payables	19		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		6,950.83	6,915.31
(b) Debt securities	20	13,728.76	32,097.24
(c) Borrowings (other than debt securities)	21	51,618.84	63,294.91
(d) Lease liabilities	22	4,310.96	6,756.83
(e) Other financial liabilities	23	21,551.09	25,841.74
<b>Total financial liabilities</b>		<b>1,00,264.15</b>	<b>1,36,991.05</b>
<b>(2) Non-financial liabilities</b>			
(a) Current tax liabilities (net)	24	383.05	892.17
(b) Provisions	25	2,240.81	2,534.80
(c) Deferred tax liabilities (net)	26	237.19	419.62
(d) Other non-financial liabilities	27	3,132.47	4,041.40
<b>Total non-financial liabilities</b>		<b>5,993.52</b>	<b>7,887.99</b>
<b>(3) Equity</b>			
(a) Equity share capital	28	12,163.77	12,163.77
(b) Other equity	29	3,32,362.50	3,69,194.25
<b>Equity attributable to the owners of the Holding Company</b>		<b>3,44,526.27</b>	<b>3,81,358.02</b>
Non controlling interests		1,528.50	5,589.01
<b>Total equity</b>		<b>3,46,054.77</b>	<b>3,86,947.03</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>4,52,312.44</b>	<b>5,31,826.07</b>

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

This is the consolidated balance sheet referred to in our report of even date.

For **Sharp & Tannan Associates** For and on behalf of Dhani Services Limited  
 Chartered Accountants  
 Firm Registration No. 109983W

**Tirtharaj Khot**  
 Partner  
 Membership No.: (F) 037457

**Divyesh B. Shah**  
 Whole Time Director & CEO  
 DIN: 00010933

**Amit Ajit Gandhi**  
 Director  
 DIN: 07606699

**Rajeev Lochan Agrawal**  
 Chief Financial Officer

**Ram Mehar Garg**  
 Company Secretary

Place: Mumbai  
 Date: 17 May 2024

Place: Mumbai  
 Date: 17 May 2024

Place: Mumbai  
 Date: 17 May 2024

Place: Gurugram  
 Date: 17 May 2024

Place: Gurugram  
 Date: 17 May 2024

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakh unless stated otherwise)

	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>I. Revenue from operations</b>			
Interest income	30	22,930.27	23,583.52
Fees and commission income	31	17,099.21	31,437.03
Net gain on fair value changes	32	1,781.74	2,352.13
Net gain on derecognition of financial assets	33	6.19	-
Sale of products	34	467.39	3,479.86
<b>Total revenue from operations</b>		<b>42,284.80</b>	<b>60,852.54</b>
II. Other income	35	5,648.80	13,120.44
<b>III. Total income (I + II)</b>		<b>47,933.60</b>	<b>73,972.98</b>
<b>IV. Expenses</b>			
Finance costs	36	9,318.06	16,605.31
Fees and commission expense	37	10,335.19	10,799.32
Net loss on derecognition of financial assets	33	-	167.57
Impairment of financial assets	38	18,449.75	16,013.93
Purchases of Stock-in-trade (net of returns)		(679.34)	(406.93)
Changes in Inventories of stock-in- trade and others	39	3,487.98	6,563.29
Employee benefits expenses	40	21,218.02	34,811.74
Depreciation and amortisation	41	6,274.00	9,084.00
Other expenses	42	12,980.29	31,093.49
<b>Total expenses</b>		<b>81,383.95</b>	<b>1,24,731.72</b>
<b>V. Profit/(loss) before tax (III - IV)</b>		<b>(33,450.35)</b>	<b>(50,758.74)</b>
<b>VI. Tax expense:</b>	43		
Current tax		757.18	1,665.66
Income-tax of earlier years		(974.63)	3.53
Minimum alternate tax credit entitlement		-	(418.36)
Deferred tax (credit)/charge		4,161.38	(3,878.49)
		<b>3,943.93</b>	<b>(2,627.66)</b>
<b>VII. Profit/(loss) for the year (V - VI)</b>		<b>(37,394.28)</b>	<b>(48,131.08)</b>
<b>VIII. Other comprehensive income</b>			
(i) <b>Items that will not be reclassified to profit or loss</b>			
(a) Remeasurement (gain)/loss on defined benefit plans		383.29	1,096.14
(b) Equity instruments through other comprehensive income		-	(86.54)
(ii) <b>Income-tax relating to items that will not be reclassified to profit or loss</b>		(31.48)	(277.77)
(iii) <b>Items that will be reclassified to profit or loss</b>			
(a) Changes in fair valuation of financial assets		-	(28.29)
(b) Exchange differences on translation of foreign operations		284.47	112.16
(iv) <b>Income-tax relating to items that will be reclassified to profit or loss</b>		-	129.93
<b>Total other comprehensive income (net of taxes)</b>		<b>636.28</b>	<b>945.63</b>
<b>IX. Total comprehensive income for the year (VII + VIII)</b>		<b>(36,758.00)</b>	<b>(47,185.45)</b>
<b>Net profit after tax attributable to -</b>			
Owners of the Holding Company		(37,520.51)	(47,957.93)
Non controlling interests		126.23	(173.15)
		<b>(37,394.28)</b>	<b>(48,131.08)</b>
<b>Other comprehensive income attributable to -</b>			
Owners of the Holding Company		636.28	945.63
Non controlling interests		-	-
		<b>636.28</b>	<b>945.63</b>
<b>Total comprehensive income attributable to -</b>			
Owners of the Holding Company		(36,884.23)	(47,012.30)
Non controlling interests		126.23	(173.15)
		<b>(36,758.00)</b>	<b>(47,185.45)</b>
<b>X. Earnings per equity share (₹) :</b>	44		
Basic		(6.49)	(8.31)
Diluted		(6.49)	(8.31)
Face value per equity share (₹)		2.00	2.00

The accompanying notes form an integral part of these consolidated financial statements.  
This is consolidated statement of profit and loss referred to in our report of even date.

For **Sharp & Tannan Associates** For and on behalf of Dhani Services Limited  
Chartered Accountants  
Firm Registration No. 109983W

**Tirtharaj Khot**  
Partner  
Membership No.: (F) 037457

**Divyesh B. Shah**  
Whole Time Director & CEO  
DIN: 00010933

**Amit Ajit Gandhi**  
Director  
DIN: 07606699

**Rajeev Lochan Agrawal**  
Chief Financial Officer

**Ram Mehar Garg**  
Company Secretary

Place: Mumbai  
Date: 17 May 2024

Place: Mumbai  
Date: 17 May 2024

Place: Mumbai  
Date: 17 May 2024

Place: Gurugram  
Date: 17 May 2024

Place: Gurugram  
Date: 17 May 2024

## CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Cash flow from operating activities :</b>		
<b>Loss before tax</b>	(33,450.35)	(50,758.74)
<b>Adjustments for:</b>		
Depreciation, amortisation and impairment	6,274.00	9,084.00
Loss on sale of property, plant and equipment (net)	677.83	1,847.26
Profit on sale of Investment Property	(28.20)	-
Provision for employee benefits (net)	-	(229.52)
Impairment on financial assets	16,768.27	14,957.30
Gain on derecognition of financial assets	(311.85)	(1,440.88)
Excess provisions for expenses no longer required written back	(1,175.52)	(7,459.90)
Liabilities written back	(1,543.91)	(3,348.96)
Unrealised gain on foreign exchange fluctuations (net)	(10.83)	(32.29)
Interest expenses on leasing arrangement	531.09	1,276.60
Net gain on fair value changes	(1,781.74)	(13.04)
Share based payments expense	72.82	(6,586.64)
Loss on derecognition of financial assets	-	167.57
<b>Operating loss before working capital changes</b>	<b>(13,978.39)</b>	<b>(42,537.24)</b>
<b>Adjustments for Working Capital Changes:</b>		
(Increase)/decrease in trade receivables	(3,911.51)	(5,638.12)
(Increase)/decrease in other receivables	10.96	1,316.41
(Increase)/decrease in loans	(26,772.79)	1,62,241.26
(Increase)/decrease in Inventory	(527.46)	(15,083.08)
(Increase)/decrease in other financial assets	3,735.68	29,497.14
(Increase)/decrease in non financial assets	9,933.92	13,811.24
Increase/(decrease) in trade payable	18.65	(10,542.29)
Increase/(decrease) in other payable	1,211.04	3,018.51
Increase/(decrease) in other financial liabilities	(4,297.56)	(28,244.35)
Increase/(decrease) in provisions	89.30	-
Increase/(decrease) in non-financial liabilities	634.98	2,856.43
<b>Cash generated from/(used in) operating activities</b>	<b>(33,853.17)</b>	<b>1,10,695.91</b>
Less: Income tax paid / (refunds)	10,742.05	(25,940.07)
<b>Net cash (used in) / generated from operating activities</b>	<b>A (23,111.12)</b>	<b>84,755.84</b>
<b>Cash flows from investing activities :</b>		
Purchase of property, plant and equipment and other intangible assets (including intangible assets under developments and capital advances)	(1,351.29)	(4,926.76)
Proceeds from sale of property, plant and equipments and refund of capital advance	154.62	5,206.15
Proceeds from sale of investment property	190.00	-
Payment made on acquisition of subsidiary	(260.38)	(515.06)
Proceeds from/ to sale/ purchase of investments (net)	50,164.54	7,850.04
<b>Net cash generated from investing activities</b>	<b>B 48,897.49</b>	<b>7,614.38</b>



## CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Particulars		For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Cash flows from financing activities :</b>			
Proceeds/(utilisation) from/of equity shares (including securities premium)		-	156.71
Dividends paid (including amount transferred to investor education and protection fund)		-	(46.68)
Lease payments		(1,822.00)	(4,760.76)
Repayment of debt securities		(18,296.68)	(21,817.46)
Repayment of borrowings (other than debt securities)		(11,676.07)	(1,07,975.87)
Proceeds from borrowings (other than debt securities)		-	17,016.35
Proceeds from issue of equity shares including securities premium		-	596.40
<b>Net cash used in financing activities</b>	C	<b>(31,794.75)</b>	<b>(1,16,831.30)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	D	<b>(6,008.38)</b>	<b>(24,461.09)</b>
Currency translation reserve	E	284.47	-
Cash and cash equivalent of subsidiary acquired/(disposed)	F	(32.61)	81.23
Cash and cash equivalents at the beginning of the year	G	25,692.14	50,072.00
<b>Cash and cash equivalents at the end of the year (D+E+F+G)</b>		<b>19,935.62</b>	<b>25,692.14</b>

### Notes:

1. The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) -7 'Statement of Cash Flows' as specified under section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

2. Cash and cash equivalents as at the end of the year include:	As at 31 March 2024	As at 31 March 2023
Cash and cash equivalents (as per note - 6 to the financial statements) *	19,935.62	25,692.14
Less: Bank overdraft facilities (as per note - 21 to the financial statements)	-	-
	<b>19,935.62</b>	<b>25,692.14</b>

\*Refer note 7(i) for restriction of cash and cash equivalents

3. For disclosures relating to change in liabilities arising from financing activities refer note- 48.

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

This is consolidated statement of cash flows referred to in our report of even date.

For **Sharp & Tannan Associates** For and on behalf of Dhani Services Limited  
Chartered Accountants  
Firm Registration No. 109983W

**Tirtharaj Khot**  
Partner  
Membership No.: (F) 037457

**Divyesh B. Shah**  
Whole Time Director & CEO  
DIN: 00010933

**Amit Ajit Gandhi**  
Director  
DIN: 07606699

**Rajeev Lochan Agrawal**  
Chief Financial Officer

**Ram Mehar Garg**  
Company Secretary

Place: Mumbai  
Date: 17 May 2024

Place: Mumbai  
Date: 17 May 2024

Place: Mumbai  
Date: 17 May 2024

Place: Gurugram  
Date: 17 May 2024

Place: Gurugram  
Date: 17 May 2024

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Particulars	Balance as at 1 April 2022		Changes during the year		Restated balance as at 1 April 2023		Changes during the year		Balance as at 31 March 2024	
	12,119.22	44.55	12,163.77	-	12,163.77	-	12,163.77	-	12,163.77	
<b>A. Equity share capital (refer note - 28)</b>										
<b>Particulars</b>										
Equity share capital	747.31	5,834.51	8,990.87	13,270.00	4,197.55	21.17	(71,191.51)	1,444.62	(299.18)	4,94,199.40
	(46,127.67)	5,834.51	8,990.87	13,270.00	4,197.55	21.17	(71,191.51)	1,444.62	(299.18)	20,784.81
										5,14,984.21
<b>B. Other equity (refer note - 29)</b>										
<b>Particulars</b>										
Profit / (loss) for the year	-	-	-	-	-	-	(47,957.93)	-	-	(47,957.93)
Other comprehensive income (net of tax)	-	-	-	-	-	(21.17)	930.53	36.27	-	945.63
Adjustment on account of sale/ strike off subsidiary	-	(94.05)	-	-	-	-	105.05	-	-	11.00
Transfer to change in value of loan assets	-	-	-	-	-	-	-	-	-	-
Transfer from deferred employees reserve	-	-	-	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	-	-	-	-	-	-	(116.91)	-	112.01	(4.90)
Addition on account of acquisition of subsidiary	997.04	-	-	-	-	-	-	-	-	997.04
Issue of equity shares	-	551.86	-	-	-	-	-	-	-	551.86
Transfer to on account of sale of equity instrument	-	-	-	-	-	-	1,480.89	(1,480.89)	-	-
Transfer to Provision Account	-	(97,500.00)	-	-	-	-	-	-	-	(97,500.00)
Deferred tax on transfer to provision	-	24,538.80	-	-	-	-	-	-	-	24,538.80
Share based payment expense	-	-	(6,586.64)	-	-	-	-	-	-	(6,586.64)
Share Exercised	-	-	(348.07)	-	-	-	348.07	-	-	-
Share based options lapsed	-	-	(571.05)	-	-	-	571.05	-	-	-
Non-controlling interests on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	(15,022.66)
<b>Balance as at 31 March 2023</b>	<b>(46,127.67)</b>	<b>1,744.35</b>	<b>5,04,808.34</b>	<b>13,270.00</b>	<b>4,197.55</b>	<b>-</b>	<b>(1,15,830.76)</b>	<b>-</b>	<b>(187.17)</b>	<b>3,69,194.25</b>
										<b>5,589.01</b>
										<b>3,74,783.26</b>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Particulars	Treasury shares	Reserves and Surplus					Equity Instruments through Comprehensive Income	Exchange differences on translating the financial statements of a foreign operation	Total attributable to equity shareholders of the Holding Company	Total non-controlling interest	Total	
		Capital reserve	Securities premium reserve	Capital redemption reserve	Share options outstanding account	Reserve fund						General reserve
Balance as at 1 April 2023	(46,127.67)	1,744.35	5,04,808.34	5,834.51	1,485.11	13,270.00	4,197.55	-	(187.17)	3,69,194.25	5,589.01	3,74,783.26
Profit / (loss) for the year	-	-	-	-	-	-	-	(37,520.51)	-	(37,520.51)	126.23	(37,394.28)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	636.28	-	636.28	-	636.28
Transfer from retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from deferred employees reserve	-	-	-	-	(813.01)	-	-	813.01	-	-	-	-
Transfer on account of change of Minority interest	-	-	-	-	-	-	-	608.07	-	608.07	(608.07)	-
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	(284.47)	284.47	-	-	-
Share based payment expense	-	-	-	-	72.82	-	-	-	-	72.82	-	72.82
Addition/Utilisation on account of acquisition of subsidiary	-	(628.41)	-	-	-	-	-	-	-	(628.41)	-	(628.41)
Non-controlling interests on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	(3,578.67)	(3,578.67)
Balance as at 31 March 2024	(46,127.67)	1,115.94	5,04,808.34	5,834.51	744.92	13,270.00	4,197.55	(1,51,578.38)	97.30	3,32,362.50	1,528.50	3,33,891.00

(i) The Company has not paid any dividend during financial year ended 31 March 2024 (previous year: Nil).

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

This is consolidated statement of changes in equity referred to in our report of even date.

**For Sharp & Tannan Associates**  
Chartered Accountants  
Firm Registration No. 109983W

For and on behalf of Dhani Services Limited

**Tirtharaj Khot**  
Partner  
Membership No.: (F) 037457

**Divyesh B. Shah**  
Whole Time Director & CEO  
DIN: 00010933

**Amit Ajit Gandhi**  
Director  
DIN: 07606699

**Rajeev Lochan Agrawal**  
Chief Financial Officer

**Ram Mehar Garg**  
Company Secretary

Place: Mumbai  
Date: 17 May 2024

Place: Mumbai  
Date: 17 May 2024

Place: Mumbai  
Date: 17 May 2024

Place: Gurugram  
Date: 17 May 2024

Place: Gurugram  
Date: 17 May 2024

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 1

#### Group overview

Dhani Services Limited ('DSL', 'the Holding Company', 'the Company') along with its subsidiaries and associate, collectively referred to as 'the Group' in following notes. The Group's primary businesses are "Real Estate development and related activities", "Broking and Related activities", "Financing, Digital wallet services and related activities", "Asset Reconstruction and Related activities" and "E-Commerce and related activities". Broking and related activities include business as a stock broker on the National Stock Exchange of India Limited ('NSE') and the BSE Limited ('BSE'), business as a commodity broker on the Multi Commodity Exchange of India Limited and the National Commodity and Derivative Exchange Limited, business of cross selling of real estate and providing other ancillary services relating to broking activities. Financing and Related activities include personal loans, business instalment loans etc. Asset Reconstruction and Related activities include asset reconstruction business of stressed assets.

On 2 April 2008, the equity shares of the Holding Company were listed on the NSE and the BSE after the demerger of the Holding Company from Indiabulls Financial Services Limited (erstwhile holding company) vide Scheme of Arrangement. The Holding Company is domiciled in India and its registered office is situated at 1/1 E, First Floor, East Patel Nagar, New Delhi – 110008.

### Note - 2

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

These consolidated financial statements ('financial statements') have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Group has uniformly applied the accounting policies during the periods presented in this consolidated financial statements.

These consolidated financial statements for the year ended 31 March 2023 are the consolidated financial statements which has been prepared in accordance with Ind AS.

The consolidated financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 17 May 2024

### Note - 3

#### Basis of preparation

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the consolidated financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies. These consolidated financial statements of the Company are presented in Indian Rupees (INR) which is also the Company's functional currency.

### Note - 4

#### Basis of consolidation

##### Subsidiaries

The consolidated financial statements comprise financial statements of the Holding Company and its subsidiaries. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss [including other comprehensive income ('OCI')] of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance [including other comprehensive income ('OCI')] is attributed to the equity holders of the Holding Company and to the non-controlling interest basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

### Associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control those policies. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Interest in associates are accounted for using the equity method, after initially being recognized at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting principles and policies of the Group. The consolidated statement of profit and loss (including the other comprehensive income) includes the Group's share of the results of the operations of the investee. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interests in associates.

### Business combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values. Goodwill is measured as excess of the aggregate of the fair value of the consideration transferred, the amount recognized for non-controlling interests and fair value of any previous interest held, over the fair value of the net of identifiable assets acquired and liabilities assumed. If the fair value of the net of identifiable assets acquired and liabilities assumed is in excess of the aggregate mentioned above, the resulting gain on bargain purchase is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognize any new assets or liabilities.

### Note - 5

#### I Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

#### Significant management judgements

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

**Business model assessment** - The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Impairment of financial assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Expected credit loss ('ECL')** – The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Group makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

**Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

### Significant estimates

**Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

## II Summary of material accounting policies

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the consolidated financial statements, except where the Group has applied certain accounting policies and exemptions upon transition to Ind AS.

### a. Property, plant and equipment

#### Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in consolidated statement of profit and loss as incurred.

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives prescribed in Schedule II to the Companies Act 2013. Leasehold improvements are amortised over the duration of the lease.

Asset class	Useful life
Furniture and fixtures	10 years
Vehicles	8-10 years
Office equipment	5 years
Computer equipment	3 years
Server and Networks	6 years
Leasehold improvements	Lower of useful life of the asset or lease term

Property, plant and equipment individually costing up to INR 5,000 are fully depreciated in the year of acquisition. Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed.

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

### De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the consolidated statement of profit and loss, when the asset is derecognised.

## b. Intangible assets

### Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

### Subsequent measurement (amortisation method, useful lives and residual value)

Asset class	Useful life
Software	3 - 10 years
Licences	Over the period of license

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

The Company had developed a software that is used to enhance the company's business in e-wallet segment. Useful life of that software were estimated 4 year basis the expected economic benefit from the software . However, the company has reassessed the expected pattern of consumption of economic benefit basis technical estimate of the software and expect benefits will flow to the Company till 10 years.

## c. Intangible assets under development

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

- The development costs can be measured reliably;

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

- The project is technically and commercially feasible;
- The Group intends to and has sufficient resources to complete the project;
- The Group has the ability to use or sell the such intangible asset; and
- The asset will generate probable future economic benefits.

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

### d. Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

The Company recognises revenue from the following sources:

#### Interest income

Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. Interest income are recognised using the effective interest method ('EIR'). Calculation of the EIR includes all fees received or cost incurred that are incremental and directly attributable to the acquisition of a financial asset. Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets.

#### Income from assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS evaluated and adjusted for ECL and expected prepayment.

#### Interest on investments and deposits

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.



## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### **Brokerage income**

Income from services rendered as a broker is recognised upon rendering of the services on a trade date basis, in accordance with the terms of contract.

### **Management fee**

Management fee is recognised as revenue on accrual basis based on contractual arrangement, when there is no uncertainty in the ultimate realisation/collection.

### **Commission income**

Commissions / brokerage from distribution of financial products are recognised on accrual basis upon allotment of the securities to the applicant.

### **Revenue from Digital Wallet Service & Merchant Fee**

Revenue from digital services is recognized for providing payment gateway aggregation services and as a platform for merchant transactions executed through the wallets provided to customers through payment gateways, on a periodic basis as and when transactions are settled. Wallet maintenance fees in relation to facilitating wallet transactions and maintenance of related technical platforms is recognized on an accrual basis. Merchant fees from wallet transaction are recognized on the basis of successful pay-out of wallet usage to the respective merchants. The settlements are done daily for such transactions with the merchants. Revenue from banking correspondence services are recognised on accrual basis in accordance with the terms and conditions of the underlying mandates entered into with bank. The Group provides card enabled prepaid payment program management and remittance services. In such contracts, revenue is recognised as and when transactions are done through cards.

### **Depository account maintenance income**

Depository account maintenance income is recognised on accrual basis and as at the time when the right to receive is established by the reporting date.

### **Pharmaceutical Products**

In respect of sale of pharmaceutical products, where the performance obligation is satisfied at a point in time, revenue is recognised when the control of goods is transferred to the customer.

### **Consultation Income**

Revenue from consultation, is recognised as the underlying services has performed. Upfront non-refundable payments received under these arrangements are deferred and recognised as revenue over the expected period over which the related services are expected to be performed.

### **Net gain on fair value changes**

The Group designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Group recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

#### **e. Borrowing costs**

Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the consolidated statement of profit and loss as incurred basis the effective interest rate method.

#### **f. Taxation**

Tax expense recognized in consolidated statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside consolidated profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the consolidated statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside consolidated statement of profit and loss (either in other comprehensive income or in equity).

### g. Employee benefits

#### Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

#### Other long-term employee benefits

The Group also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to consolidated statement of profit and loss in the year in which such gains or losses are determined.

**Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:**

#### Defined contribution plans

The Group has a defined contribution plans namely provident fund, pension fund, labour welfare fund and employees state insurance scheme. The contribution made by the Group in respect of these plans are charged to the consolidated statement of profit and loss.

#### Defined benefit plans

The Group has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet

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for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

### h. Share based payments

The Holding Company has formulated various Employees Stock Option Schemes. The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in other equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in consolidated statement of profit and loss, with a corresponding adjustment to equity.

### i. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. For cash flow statement purposes, cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

### j. Provisions, contingent assets and contingent liabilities

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 at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

#### Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- 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 neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

### k. 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 entity.

#### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. However trade receivables that do not contain a significant financing component are measured at transaction price. Subsequent measurement of financial assets and financial liabilities is described below.

#### Subsequent measurement

- i. **Financial assets carried at amortised cost** – a financial asset is measured at the amortised 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.

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After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

- ii. **Investments in equity instruments** – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Group makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

- iii. **Investments in mutual funds** – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a nonfinancial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

**Level 1 financial instruments:** Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

**Level 2 financial instruments:** Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

**Level 3 financial instruments:** Those that include one or more unobservable input that is significant to the measurement as whole. Based on the Group's business model for managing the investments, the Group has classified its investments and securities for trade at FVTPL. Financial liabilities are carried at amortised cost using the effective interest rate method. For trade and other payables the carrying amount approximates the fair value due to short maturity of these instruments.

### De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Group's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Group has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

### Financial liabilities

#### Subsequent measurement

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method.

#### De-recognition of financial liabilities

A financial liability is de-recognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

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### Convertible debentures

Convertible debentures are separated into liability and equity components basis the terms of the contract. On issuance of the convertible debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as financial liability measured at amortised cost until it is extinguished on conversion. The remainder of the proceeds is recognised in equity since conversion option meets the fixed for fixed criteria.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### I. Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Group factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### Loan assets

The Group follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 (1-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 (31-60 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

**Probability of Default (PD)** - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

**Loss Given Default (LGD)** – LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

**Exposure at Default (EAD)** – EAD is based on the amounts the Group expects to be owed at the time of default. For a revolving commitment, the Group includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

#### Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

#### Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

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When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

### **Write-offs**

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument in consolidated statement of profit and loss.

### **m. Impairment of non-financial assets**

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. Recoverable amount is 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 recognised in the consolidated statement of profit and loss. If at the reporting 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.

### **n. Earnings per equity share**

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per equity share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### **o. Segment reporting**

The Group identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly reviewed by the CODM ('chief operating decision maker') in deciding how to allocate resources and in assessing performance.

### **p. Foreign currency**

#### **Functional and presentation currency**

Items included in the financial statement of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements have been prepared and presented in Indian Rupees (INR), which is the Holding Company's functional and presentation currency.

#### **Transactions and balances**

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the consolidated statement of profit and loss in the year in which they arise.

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### q. Investment property

Investment properties are land and buildings that are held for long term lease rental yields and/or for capital appreciation. Investment properties are initially recognised at cost including transaction costs. Subsequently investment properties comprising buildings are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on buildings is provided over the estimated useful lives of 60 years. The residual values, estimated useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each reporting date. The effects of any revision are included in the Statement of Profit and Loss when the changes arise.

An investment property is de-recognised when either the investment property has been disposed of or do not meet the criteria of investment property i.e. when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

### r. Classification of leases –

The Group enters into leasing arrangements for various premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

#### Leases

Upto 31 March 2019, assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

For any new contracts entered into on or after 1 April 2019, the Group considers whether a contract is, or contains a lease (the transition approach has been explained and disclosed in Note 48). A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

#### Classification of leases

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

#### Recognition and initial measurement

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

#### Subsequent measurement

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Groups incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification,

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or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

### s. Treasury shares

The Company had created "Indiabulls Ventures Limited - Employee Welfare Trust" ('Trust') for the implementation of schemes namely employees stock options plans, employees stock purchase plan and stock appreciation rights plan. During the year ended 31 March 2021, name of the Trust has been changed to "Udaan Employee Welfare Trust" ("Udaan-EWT"). The Company treats Udaan-EWT as its extension and the Company's own shares held by Udaan-EWT are treated as treasury shares. Treasury shares are presented as a deduction from other equity. The original cost of treasury shares and the proceeds of any subsequent sale are presented as movements in equity.

### t. Dividend

Provision is made for the amount of any dividend declared on or before the end of the reporting period but not distributed at the end of the reporting period, being appropriately authorised and no longer at the discretion of the Company. The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### u. Inventory

Items of Inventories are valued at lower of cost or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on Weighted Average basis. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. Net Realizable Value represents the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

### v. Recent Accounting Pronouncements

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. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



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<b>Note - 6</b>	<b>As at</b>	<b>As at</b>
<b>Cash and cash equivalents</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
<b>Cash on hand</b>	0.23	0.36
Cheques on hand	145.54	310.90
Balance with banks:		
- in current accounts	6,526.98	16,125.09
- Fixed deposit having a maturity of three months or less (including interest accrued) (refer 7(i))	13,262.87	9,255.79
	<b>19,935.62</b>	<b>25,692.14</b>
<b>Note - 7</b>	<b>As at</b>	<b>As at</b>
<b>Bank balance other than cash and cash equivalents</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
Fixed deposits having a maturity of more than three months (including interest accrued) (refer 7(i) below)	42,757.01	40,514.95
In earmarked balances:		
- Earmarked accounts	1,551.49	2,397.15
- Unpaid dividend accounts	85.21	95.16
	<b>44,393.71</b>	<b>43,007.26</b>
<b>7(i) Bank deposits include:</b>		
<b>Particulars</b>	<b>As at</b>	<b>As at</b>
	<b>31 March 2024</b>	<b>31 March 2023</b>
a) Deposits pledged with the National Stock Exchange of India, BSE Limited, NSE Clearing Limited, Multi Commodity Exchange of India Limited and National Commodity and Derivative Exchange Limited for the purpose of base capital and additional base capital.	34,989.25	29,060.25
b) Deposits pledged with banks for overdraft facilities availed by the Group.	8,718.23	4,642.00
c) Deposits pledged with bank against bank guarantees issued in favour of Unique Identification Authority of India.	50.18	25.00
d) Deposits pledged with bank against bank guarantees issued in favour of National Stock Exchange of India Limited for right issue of the Holding Company.	1,700.00	1,700.00
e) Deposits pledged for arbitration matters.	47.57	47.19
f) Deposits pledged with State Commission, New Delhi for appeal filed in a consumer dispute matter.	0.25	0.25
g) Deposits pledged with Value added tax/ Sales tax authorities	-	1.90
h) Deposits pledged with bank against corporate credit cards	298.50	65.44
i) Deposits pledged for securitisations	-	-
j) Deposits pledged with bank against bank guarantees issued in favour of Director, Town & Country Planning, Haryana	1,345.99	845.99
k) Deposits pledged for District Consumer Disputes Redressal Commission	0.03	-

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<b>Note - 8</b>	<b>As at</b>	<b>As at</b>
<b>Trade receivables</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
Receivables considered good (unsecured)	8,659.97	11,922.19
Receivables which have significant increase in credit risk	6,807.99	5,347.72
<b>Total - gross</b>	<b>15,467.96</b>	<b>17,269.91</b>
Less: Impairment loss allowance	(6,807.99)	(5,347.72)
<b>Total - net</b>	<b>8,659.97</b>	<b>11,922.19</b>
Outstanding for following periods from due date of payment and where no due date of payment is specified in that case disclosure shall be from the date of the transaction.		
<b>Trade receivables includes:</b>		
Debts due by directors or other officers	-	-
Due from others	15,467.96	17,269.91

**Trade Receivables ageing schedule as at 31 March 2024**

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	5,781.24	884.36	168.42	206.47	1,619.48	8,659.97
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	11.21	497.96	198.25	1,107.03	2,225.21	4,039.66
(iii) Undisputed Trade Receivables - credit impaired	(11.21)	(497.96)	(198.25)	(1,107.03)	(2,225.21)	(4,039.66)
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	4.51	340.33	55.67	501.60	1,866.22	2,768.33
(vi) Disputed Trade Receivables - credit impaired	(4.51)	(340.33)	(55.67)	(501.60)	(1,866.22)	(2,768.33)

**Trade Receivables ageing schedule as at 31 March 2023**

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	5,827.33	369.70	697.41	1,624.02	3,403.73	11,922.19
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	15.06	99.72	201.44	224.58	2,950.10	3,490.90
(iii) Undisputed Trade Receivables - credit impaired	(15.06)	(99.72)	(201.44)	(224.58)	(2,950.10)	(3,490.90)
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	7.46	69.35	204.83	105.36	1,469.82	1,856.82
(vi) Disputed Trade Receivables - credit impaired	(7.46)	(69.35)	(204.83)	(105.36)	(1,469.82)	(1,856.82)

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<b>Note - 9</b>	<b>As at</b>	<b>As at</b>
<b>Other receivables</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
Receivables considered good (unsecured)	737.17	748.13
Receivables which have significant increase in credit risk	2,848.84	2,837.88
<b>Total - gross</b>	<b>3,586.01</b>	<b>3,586.01</b>
Less: Impairment loss allowance	(2,848.84)	(2,837.88)
<b>Total - net</b>	<b>737.17</b>	<b>748.13</b>
Other receivables includes:		
Debts due by directors or other officers	-	-
Due from others	3,586.01	3,586.01

<b>Note - 10</b>	<b>As at 31 March 2024</b>		
	<b>At amortised cost</b>	<b>At fair value through other comprehensive income</b>	<b>Total</b>
<b>Loans</b>			
(a) Loans			
- Secured	79,427.70	-	79,427.70
- Unsecured	89,998.26	-	89,998.26
(b) Margin funding loan receivables (secured, considered good)	8,485.42	-	8,485.42
Less: Margin received	(891.27)	-	(891.27)
<b>Total Gross</b>	<b>1,77,020.11</b>	-	<b>1,77,020.11</b>
Less: Impairment loss allowance	(13,241.71)	-	(13,241.71)
<b>Total net</b>	<b>1,63,778.40</b>	-	<b>1,63,778.40</b>
(i) Secured by tangible assets	87,021.85	-	87,021.85
(ii) Secured by other assets	-	-	-
(iii) Unsecured	89,998.26	-	89,998.26
<b>Total gross</b>	<b>1,77,020.11</b>	-	<b>1,77,020.11</b>
Less: Impairment loss allowance	(13,241.71)	-	(13,241.71)
<b>Total net</b>	<b>1,63,778.40</b>	-	<b>1,63,778.40</b>
<b>Loans in India</b>			
(i) Public sector	-	-	-
(ii) Others	1,77,020.11	-	1,77,020.11
<b>Total gross</b>	<b>1,77,020.11</b>	-	<b>1,77,020.11</b>
Less: Impairment loss allowance	(13,241.71)	-	(13,241.71)
<b>Total net</b>	<b>1,63,778.40</b>	-	<b>1,63,778.40</b>

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	As at 31 March 2023		
	At amortised cost	At fair value through other comprehensive income	Total
<b>(a) Loans</b>			
- Secured	1,00,793.68	-	1,00,793.68
- Unsecured	74,461.68	-	74,461.68
<b>(b) Margin funding loan receivables (secured, considered good)</b>	2,908.31	-	2,908.31
Less: Margin received	(673.41)	-	(673.41)
<b>Total gross</b>	<b>1,77,490.26</b>	-	<b>1,77,490.26</b>
<b>Total Gross</b>	<b>1,77,490.26</b>	-	<b>1,77,490.26</b>
Less: Impairment loss allowance	(24,074.96)	-	(24,074.96)
<b>Total net</b>	<b>1,53,415.30</b>	-	<b>1,53,415.30</b>
(i) Secured by tangible assets	1,03,028.58	-	1,03,028.58
(ii) Secured by other assets	-	-	-
(iii) Unsecured	74,461.68	-	74,461.68
<b>Total gross</b>	<b>1,77,490.26</b>	-	<b>1,77,490.26</b>
Less: Impairment loss allowance	(24,074.96)	-	(24,074.96)
<b>Total net</b>	<b>1,53,415.30</b>	-	<b>1,53,415.30</b>
<b>Loans in India</b>			
(i) Public sector	-	-	-
(ii) Others	1,77,490.26	-	1,77,490.26
<b>Total gross</b>	<b>1,77,490.26</b>	-	<b>1,77,490.26</b>
Less: Impairment loss allowance	(24,074.96)	-	(24,074.96)
<b>Total net</b>	<b>1,53,415.30</b>	-	<b>1,53,415.30</b>

Summary of material accounting policies and other explanatory information  
for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

**Note - 11**

**Investments**

Investments	As at 31 March 2024			
	At fair value through other comprehensive income	At fair value through profit or loss	At cost	Total
Mutual funds & Alternative Funds	-	2,947.19	-	2,947.19
Investment in SR	-	2,542.29	-	2,542.29
<b>Total (A)</b>	-	<b>5,489.48</b>	-	<b>5,489.48</b>
(i) Investments outside India	-	-	-	-
(ii) Investments in India	-	5,489.48	-	5,489.48
<b>Total (B)</b>	-	<b>5,489.48</b>	-	<b>5,489.48</b>
Less: Allowance for Impairment loss ( C)	-	-	-	-
<b>Total (D) = (A)-(C)</b>	-	<b>5,489.48</b>	-	<b>5,489.48</b>

Investments	As at 31 March 2023			
	At fair value through other comprehensive income	At fair value through profit or loss	At cost	Total
Mutual funds & Alternative Funds	-	532.25	-	532.25
Investment in security receipts, etc.	-	50,478.19	-	50,478.19
<b>Total (A)</b>	-	<b>51,010.44</b>	-	<b>51,010.44</b>
(i) Investments in India	-	51,010.44	-	51,010.44
(ii) Investments outside India	-	-	-	-
<b>Total (B)</b>	-	<b>51,010.44</b>	-	<b>51,010.44</b>
Less: Allowance for Impairment loss ( C)	-	-	-	-
<b>Total (D) = (A)-(C)</b>	-	<b>51,010.44</b>	-	<b>51,010.44</b>

Summary of material accounting policies and other explanatory information  
 for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

<b>Note - 12</b>	<b>As at</b>	<b>As at</b>
<b>Other financial assets</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
(a) Loan to employees	90.79	118.92
Less: Impairment loss allowance	(14.92)	-
Net Advance to Employees	75.87	118.92
(b) Security deposits		
<b>Unsecured, considered good</b>		
(i) Deposits (including margin money) with stock exchanges	2,942.24	5,381.09
(ii) Deposits for underwriting/distribution of real estate projects	24,255.70	27,006.27
(iii) Deposit for others	767.91	225.02
<b>Unsecured, considered Doubtful</b>		
(i) Deposits for underwriting/distribution of real estate projects, etc	14,508.54	4,459.32
	42,474.39	37,071.70
Less: Impairment loss allowance	(14,508.55)	(4,569.75)
	<b>27,965.84</b>	<b>32,501.95</b>
(c) Receivable on assigned loans	-	111.99
Less: Impairment loss allowance	-	(1.79)
	-	110.20
(d) Others recoverable	332.72	316.32
Less: Impairment loss allowance	(148.10)	-
	<b>184.62</b>	<b>316.32</b>
	<b>28,226.33</b>	<b>33,047.39</b>
<b>Note - 13</b>	<b>As at</b>	<b>As at</b>
<b>Inventories</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
(a) Stock-in-Trade	499.03	4,107.25
(b) Others:		
Real Estate	26,297.10	22,161.42
	<b>26,796.13</b>	<b>26,268.67</b>
<b>Note - 14</b>	<b>As at</b>	<b>As at</b>
<b>Current tax assets (net)</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
Advance Income-tax (including tax deducted at source)	10,496.92	21,429.22
(Net of provision for taxation)	10,496.92	21,429.22

Summary of material accounting policies and other explanatory information  
for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

<b>Note - 15</b> <b>Deferred tax assets (net)</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
<b>Deferred tax assets:</b>		
Provision for doubtful debts, advances and security deposits	270.63	301.13
Provision for contingencies	-	0.01
Impairment loss allowance	5,019.02	2,645.85
Disallowances u/s. 40A(7) of the Income-tax Act, 1961	173.26	434.19
Disallowances u/s. 43B of the Income-tax Act, 1961	54.07	194.47
Financial liabilities measured at amortised cost	18.63	-
Financial assets measured at fair value through other comprehensive income	-	10.55
Difference between tax balance and book balance of Property, plant and equipment and other intangible assets	73.32	104.85
Tax losses carried forward	43,211.92	47,089.92
Financial assets measured at amortised cost	188.64	2,060.01
Financial assets measured at fair value through profit and loss	38.61	-
Share based payments	167.40	166.33
Minimum alternate tax credit entitlement	732.68	1,881.75
Leases liabilities	19.56	19.54
Others	-	270.96
<b>Deferred tax assets (A):</b>	<b>49,967.74</b>	<b>55,179.56</b>
<b>Deferred tax liability:</b>		
Difference between book balance and tax balance of fixed assets	110.07	584.25
Derecognition of financial instruments measured under amortised cost category	-	(103.52)
Financial liabilities measured at amortised cost	(23.97)	340.46
<b>Deferred tax liability (B):</b>	<b>86.10</b>	<b>821.19</b>
<b>Deferred tax assets (net) C = (A) - (B)</b>	<b>49,881.64</b>	<b>54,358.37</b>

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

**Note - 15**
**Deferred tax assets (net) (Continued)**

Movement in deferred tax assets (net)	Balance as at 1 April 2023	Recognised in profit and loss	Recognised in other comprehensive income	Recognised in other equity	Balance as at 31 March 2024
<b>Deferred tax assets:</b>					
Provision for doubtful debts, advances and security deposits	301.13	(30.50)	-	-	270.63
Provision for contingencies	0.01	(0.01)	-	-	-
Impairment loss allowance	2,645.85	2,373.17	-	-	5,019.02
Disallowances u/s. 40A(7) of the Income-tax Act, 1961	434.19	(260.93)	-	-	173.26
Disallowances u/s. 43B of the Income-tax Act, 1961	194.47	(108.92)	(31.48)	-	54.07
Financial liabilities measured at amortised cost	-	18.63	-	-	18.63
Financial assets measured at fair value through other comprehensive income	10.55	(10.55)	-	-	-
Difference between tax balance and book balance of fixed assets	104.85	(31.53)	-	-	73.32
Tax losses carried forward	47,089.92	(3,878.00)	-	-	43,211.92
Financial assets measured at amortised cost	2,060.01	(1,871.37)	-	-	188.64
Financial assets measured at fair value through profit and loss	-	38.61	-	-	38.61
Share based payments	166.33	1.07	-	-	167.40
Minimum alternate tax credit entitlement*	1,881.75	(1,149.07)	-	-	732.68
Leases liabilities	19.54	0.02	-	-	19.56
Others	270.96	(270.96)	-	-	-
<b>Deferred tax assets (A):</b>	<b>55,179.56</b>	<b>(5,180.34)</b>	<b>(31.48)</b>	<b>-</b>	<b>49,967.74</b>
	-	-	-	-	-
<b>Deferred tax liabilities:</b>					
Financial assets measured at fair value through profit and loss	-	-	-	-	-
Difference between book balance and tax balance of fixed assets	584.25	(474.18)	-	-	110.07
On account of impairment allowances	-	-	-	-	-
Derecognition of financial instruments measured under amortised cost category	(103.52)	103.52	-	-	-
Financial liabilities measured at amortised cost	340.46	(364.43)	-	-	(23.97)
Others	-	-	-	-	-
	<b>821.19</b>	<b>(735.09)</b>	<b>-</b>	<b>-</b>	<b>86.10</b>
<b>Deferred tax liabilities (B):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred tax assets (net) C = (A) - (B)</b>	<b>54,358.37</b>	<b>(4,445.25)</b>	<b>(31.48)</b>	<b>-</b>	<b>49,881.64</b>



Summary of material accounting policies and other explanatory information  
for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

**Note - 15**

**Deferred tax assets (net) (Continued)**

<b>Movement in deferred tax assets (net)</b>	<b>Balance as at 1 April 2022</b>	<b>Recognised in profit and loss</b>	<b>Recognised in other comprehensive income</b>	<b>Recognised in other equity</b>	<b>Balance as at 31 March 2023</b>
<b>Deferred tax assets:</b>					
Provision for doubtful debts, advances and security deposits	280.52	20.61	-	-	301.13
Provision for contingencies	0.11	(0.10)	-	-	0.01
Impairment loss allowance	10,339.68	(7,693.83)	-	-	2,645.85
Disallowances u/s. 40A(7) of the Income-tax Act, 1961	511.18	(76.99)	-	-	434.19
Disallowances u/s. 43B of the Income-tax Act, 1961	158.30	94.10	(57.93)	-	194.47
Financial assets measured at fair value through other comprehensive income	-	10.55	-	-	10.55
Difference between tax balance and book balance of fixed assets	142.14	(37.29)	-	-	104.85
Tax losses carried forward	11,139.77	35,950.15	-	-	47,089.92
Financial assets measured at amortised cost	1,145.10	914.91	-	-	2,060.01
Financial assets measured at fair value through profit and loss	6.38	(6.38)	-	-	-
Share based payments	1,987.59	(1,821.26)	-	-	166.33
Minimum alternate tax credit entitlement	1,568.46	313.29	-	-	1,881.75
Leases liabilities	17.60	1.94	-	-	19.54
Effect of reversal of financing component from revenue	5.45	(5.45)	-	-	-
Others	578.37	(354.16)	46.75	-	270.96
<b>Deferred tax assets (A):</b>	<b>27,880.65</b>	<b>27,310.09</b>	<b>(11.18)</b>	-	<b>55,179.56</b>
<b>Deferred tax liabilities:</b>					
Financial assets measured at fair value through other comprehensive income	-	-	-	-	-
Difference between book balance and tax balance of fixed assets	129.93	454.32	-	-	584.25
Financial assets measured at fair value through other comprehensive income	1,320.66	(1,320.66)	-	-	-
On account of impairment allowances	-	-	-	-	-
Derecognition of financial instruments measured under amortised cost category	279.93	(383.45)	-	-	(103.52)
Financial assets measured at amortised cost	-	-	-	-	-
Financial liabilities measured at amortised cost	33.38	307.08	-	-	340.46
Others	-	-	-	-	-
<b>Deferred tax liabilities (B):</b>	<b>1,763.90</b>	<b>(942.71)</b>	-	-	<b>821.19</b>
<b>Deferred tax assets (net) C = (A) - (B)</b>	<b>26,116.75</b>	<b>28,252.80</b>	<b>(11.18)</b>	-	<b>54,358.37</b>

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Note - 16A Investment Property	Land	Building	Total
<b>Gross block (at cost)</b>			
<b>As at 1 April 2022</b>	-	767.65	767.65
Additions during the year	-	-	-
Sales/adjustment during the year	-	-	-
<b>As at 31 March 2023</b>	-	<b>767.65</b>	<b>767.65</b>
Additions during the year	-	-	-
Sales/adjustment during the year	-	161.80	161.80
<b>As at 31 March 2024</b>	-	<b>605.85</b>	<b>605.85</b>
Accumulated depreciation			
<b>As at 1 April 2022</b>	-	-	-
Depreciation during the year	-	-	-
Sales/adjustment during the year	-	-	-
<b>As at 31 March 2023</b>	-	-	-
Depreciation during the year	-	-	-
Sales/adjustment during the year	-	-	-
<b>As at 31 March 2024</b>	-	-	-
<b>Net Block as at 31 March 2023</b>	-	767.65	767.65
<b>Net Block as at 31 March 2024</b>	-	605.85	605.85

### Notes:

#### Disclosures relating to fair valuation of investment property:

Fair value of the above investment property as at 31 March 2024 is ₹ 945.00 lakhs lakh based on circle rate of the area in which property is situated.

The Group has not earned any rental income on the above properties.

Note - 16B Property, plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Server and networks	Leasehold improvements	Freehold land	Total
<b>Gross block (at cost)</b>								
<b>As at 1 April 2022</b>	5,678.00	502.82	2,274.43	8,396.73	953.66	850.75	12.98	18,669.37
Addition on acquisition of subsidiary	-	61.84	-	1.21	-	-	-	63.05
Additions during the year	634.87	30.20	547.39	230.06	208.16	851.24	-	2,501.92
Sales/adjustment during the year	789.22	83.97	405.43	2,527.22	21.26	770.16	-	4,597.26
<b>As at 31 March 2023</b>	<b>5,523.65</b>	<b>510.89</b>	<b>2,416.39</b>	<b>6,100.78</b>	<b>1,140.56</b>	<b>931.83</b>	<b>12.98</b>	<b>16,637.08</b>
Addition on acquisition of subsidiary	-	-	-	-	-	-	-	-
Additions during the year	18.97	725.64	14.25	17.56	3.52	356.20	-	1,136.14
Sales/adjustment during the year	576.47	12.34	201.58	341.46	-	317.55	-	1,449.40
<b>As at 31 March 2024</b>	<b>4,966.15</b>	<b>1,224.19</b>	<b>2,229.06</b>	<b>5,776.88</b>	<b>1,144.08</b>	<b>970.48</b>	<b>12.98</b>	<b>16,323.82</b>
Accumulated depreciation								
<b>As at 1 April 2022</b>	1,161.52	335.36	890.56	4,456.90	195.58	236.15	-	7,276.07
Addition on acquisition of subsidiary	-	26.90	-	-	-	-	-	26.90
Depreciation during the year	599.00	62.58	511.63	1,452.70	176.46	177.65	-	2,980.02
Sales/adjustment during the year	160.38	61.60	131.97	1,406.80	7.57	157.52	-	1,925.84
<b>As at 31 March 2023</b>	<b>1,600.14</b>	<b>363.24</b>	<b>1,270.22</b>	<b>4,502.80</b>	<b>364.47</b>	<b>256.28</b>	-	<b>8,357.15</b>
Addition on acquisition of subsidiary	-	-	-	-	-	-	-	-
Depreciation during the year	525.78	138.15	385.96	960.25	189.82	122.11	-	2,322.07
Sales/adjustment during the year	145.95	9.51	94.58	320.37	-	58.26	-	628.67
<b>As at 31 March 2024</b>	<b>1,979.97</b>	<b>491.88</b>	<b>1,561.60</b>	<b>5,142.68</b>	<b>554.29</b>	<b>320.13</b>	-	<b>10,050.55</b>
<b>Net Block as at 31 March 2023</b>	<b>3,923.51</b>	<b>147.65</b>	<b>1,146.17</b>	<b>1,597.98</b>	<b>776.09</b>	<b>675.55</b>	<b>12.98</b>	<b>8,279.93</b>
<b>Net Block as at 31 March 2024</b>	<b>2,986.18</b>	<b>732.31</b>	<b>667.46</b>	<b>634.20</b>	<b>589.79</b>	<b>650.35</b>	<b>12.98</b>	<b>6,273.27</b>

Summary of material accounting policies and other explanatory information  
for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

**Note - 16C**

**Capital work-in-progress**

<b>As at 1 April 2023</b>	-
Additions during the year	9.44
Deletion during the year	-
<b>As at 31 March 2024</b>	<b>9.44</b>

**Note - 16D**

**Right-of-use assets**

**Building office premises**

<b>Gross block (at cost)</b>	
<b>As at 1 April 2022</b>	<b>33,112.23</b>
Additions during the year	629.08
Deletion during the year	(16,900.55)
<b>As at 31 March 2023</b>	<b>16,840.76</b>
Additions during the year	1,671.89
Deletion during the year	(4,601.76)
<b>As at 31 March 2024</b>	<b>13,910.89</b>
<b>Accumulated depreciation</b>	
<b>As at 1 April 2022</b>	<b>11,137.32</b>
Additions during the year	2,892.16
Deletion during the year	(3,271.36)
<b>As at 31 March 2023</b>	<b>10,758.12</b>
Additions during the year	1,432.00
Deletion during the year	(1,774.91)
<b>As at 31 March 2024</b>	<b>10,415.21</b>
<b>Net Block as at 31 March 2023</b>	<b>6,082.64</b>
<b>Net Block as at 31 March 2024</b>	<b>3,495.68</b>

**Note - 16E**

**Intangible assets under development**

<b>As at 1 April 2022</b>	<b>696.11</b>
Addition on acquisition of subsidiary	-
Additions during the year	1,765.75
Capitalised during the year	2,110.22
<b>As at 31 March 2023</b>	<b>351.64</b>
Addition on acquisition of subsidiary	-
Additions during the year	43.23
Capitalised during the year	394.87
<b>As at 31 March 2024</b>	<b>-</b>
<b>Net Block as at 31 March 2023</b>	<b>351.64</b>
<b>Net Block as at 31 March 2024</b>	<b>-</b>

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

<b>Note - 16F</b>				<b>Goodwill</b>
<b>Goodwill on consolidation</b>				
<b>As at 1 April 2022</b>				<b>6,797.16</b>
Add: Adjustment on acquisition				-
Less: Adjustment on disposal of subsidiary				-
<b>As at 31 March 2023</b>				<b>6,797.16</b>
Add: Adjustment on acquisition/disposal of subsidiary(ies)				-
Less: Adjustment on disposal of subsidiary				-
<b>As at 31 March 2024</b>				<b>6,797.16</b>
<b>As at 31 March 2023</b>				<b>6,797.16</b>
<b>As at 31 March 2024</b>				<b>6,797.16</b>
<b>Note - 16G</b>				
<b>Other intangible assets</b>				
<b>Gross block (at cost)</b>	<b>Software</b>	<b>Licence</b>	<b>Total</b>	
<b>As at 1 April 2022</b>	<b>26,937.69</b>	<b>26.37</b>	<b>26,964.06</b>	
Addition on acquisition of subsidiary	-	-	-	
Additions during the year	474.11	-	474.11	
Sales/adjustment during the year	-	25.58	25.58	
<b>As at 31 March 2023</b>	<b>27,411.80</b>	<b>0.79</b>	<b>27,412.59</b>	
Addition on acquisition of subsidiary	-	-	-	
Additions during the year	550.84	-	550.84	
Sales/adjustment during the year	9.42	-	9.42	
<b>As at 31 March 2024</b>	<b>27,953.22</b>	<b>0.79</b>	<b>27,954.01</b>	
Accumulated amortisation				
<b>As at 1 April 2022</b>	<b>14,217.12</b>	<b>5.47</b>	<b>14,222.59</b>	
Addition on acquisition of subsidiary	-	-	-	
Amortisation during the year	3,206.77	1.47	3,208.24	
Impairment during the year	3.58	-	3.58	
Sales/adjustment during the year	-	6.74	6.74	
<b>As at 31 March 2023</b>	<b>17,427.47</b>	<b>0.20</b>	<b>17,427.67</b>	
Addition on acquisition of subsidiary	-	-	-	
Amortisation during the year	2,519.93	-	2,519.93	
Impairment during the year	-	-	-	
Sales/adjustment during the year	0.14	-	0.14	
<b>As at 31 March 2024</b>	<b>19,947.26</b>	<b>0.20</b>	<b>19,947.46</b>	
<b>As at 31 March 2023</b>	<b>9,984.33</b>	<b>0.59</b>	<b>9,984.92</b>	
<b>As at 31 March 2024</b>	<b>8,005.95</b>	<b>0.59</b>	<b>8,006.54</b>	

Summary of material accounting policies and other explanatory information  
for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

<b>Note - 17</b> <b>Other non-financial assets</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
(a) Capital advances	34,415.17	34,872.88
(b) Prepaid expenses	807.78	1,075.85
(c) Balance with government authorities	11,454.28	11,524.30
(d) Advances to suppliers	1,192.19	980.20
(e) Unamortised Customer and Card acquisition cost	20,114.00	29,224.53
(g) Others (net)	749.79	985.26
Less: Impairment loss allowance	(4.08)	-
	<b>68,729.13</b>	<b>78,663.02</b>

<b>Note - 18</b> <b>Trade payables</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
(a) Total outstanding due to micro enterprises and small enterprises (i)	79.85	-
(b) Total outstanding due to creditors other than micro enterprises and small enterprises	2,023.82	2,085.02
	<b>2,103.67</b>	<b>2,085.02</b>

**Trade Payables ageing schedule**

Particulars	As at 31 March 2024				
	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	79.85	-	-	-	79.85
(ii) Others	682.07	1,149.05	125.53	67.17	2,023.82
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Particulars	As at 31 March 2023				
	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	1,509.15	503.21	67.41	5.25	2,085.02
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

- (i) Based on and to the extent of the information received by the Group from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year end are furnished below:

	As at 31 March 2024	As at 31 March 2023
Principal amount remaining unpaid to any supplier and service provider at the end of each reporting year	79.85	-
Interest due thereon	-	-
Interest paid by the Group 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 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 accrued and remaining unpaid as at end of the period / year	-	-
<b>Note - 19</b>		
<b>Other payables</b>	As at 31 March 2024	As at 31 March 2023
(a) Total outstanding due to micro enterprises and small enterprises (i)	-	-
(b) Total outstanding due to creditors other than micro enterprises and small enterprises	6,950.83	6,915.31
	6,950.83	6,915.31

- (i) Based on and to the extent of the information received by the Group from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year end are furnished below:

	As at 31 March 2024	As at 31 March 2023
Principal amount remaining unpaid to any supplier and service provider at the end of each reporting year	-	-
Interest due thereon	-	-
Interest paid by the Group 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 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 accrued and remaining unpaid as at end of the period / year	-	-
<b>Note - 20</b>		
<b>Debt securities (at amortised cost)</b>	As at 31 March 2024	As at 31 March 2023
<b>Secured</b>		
Non-convertible debentures (refer 'a' below)	13,728.76	32,097.24
<b>Total</b>	<b>13,728.76</b>	<b>32,097.24</b>
<b>Debt securities in India</b>	13,728.76	32,097.24
Debt securities outside India	-	-
<b>Total</b>	<b>13,728.76</b>	<b>32,097.24</b>

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Non-convertible debentures are secured by way of first ranking pari-passu charge on the current assets (including investments) of the Company, both present and future; and on present and future loan assets of the Company, including all monies receivable for the principal amount and interest thereon to the extent as stated in the respective information memorandum/offering documents/prospectus. Further, the Company has maintained asset cover as stated in the respective information memorandum/offering documents/prospectus.

### (a) Secured redeemable non convertible debentures (payable at par unless otherwise stated) issued by subsidiary company (Dhani Loans and Services Limited):

Interest yield	rate/Effective	Face value (Amount in ₹)	Issue date	Redemption date	As at 31 March 2024			
					Number of NCDs	Amount	Impact of interest accrued and Ind AS NCDs	Total outstanding amount
10.50%		1,000.00	17-May-2022	17-May-2024	17,125	171.25	6.28	177.53
10.50%(Effective yield)		1,000.00	17-May-2022	17-May-2024	11,847	118.47	24.10	142.57
10.03%		1,000.00	17-May-2022	17-May-2024	42,615	426.15	0.66	426.81
10.13%		1,000.00	27-Jun-2019	27-Jun-2024	1,56,425	1,564.25	0.56	1,564.81
10.61%		1,000.00	27-Jun-2019	27-Jun-2024	1,26,043	1,260.43	99.37	1,359.80
10.60% (Effective yield)		1,000.00	27-Jun-2019	27-Jun-2024	41,232	412.32	252.32	664.64
10.04%		1,000.00	6-Sep-2019	6-Sep-2024	37,907	379.07	2.44	381.51
10.52%		1,000.00	6-Sep-2019	6-Sep-2024	1,18,087	1,180.87	69.03	1,249.90
10.50% (Effective yield)		1,000.00	6-Sep-2019	6-Sep-2024	9,656	96.56	55.60	152.16
11.00%		1,000.00	2-Feb-2022	31-Jan-2025	1,13,954	1,139.54	11.85	1,151.39
11.00 % (Effective yield)		1,000.00	2-Feb-2022	31-Jan-2025	90,192	901.92	221.26	1,123.18
10.49%		1,000.00	2-Feb-2022	31-Jan-2025	2,56,028	2,560.28	3.28	2,563.56
11.00%		1,000.00	17-May-2022	16-May-2025	71,492	714.92	58.95	773.87
11.01%(Effective yield)		1,000.00	17-May-2022	16-May-2025	38,482	384.82	77.56	462.38
10.49%		1,000.00	17-May-2022	16-May-2025	1,54,835	1,548.35	(13.70)	1,534.65
<b>Total</b>					<b>12,85,920.00</b>	<b>12,859.20</b>	<b>869.56</b>	<b>13,728.76</b>

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Interest yield	rate/Effective	Face value (Amount in ₹)	Issue date	Redemption date	As at 31 March 2023			
					Number of NCDs	Amount	Impact of interest accrued and Ind AS	Total outstanding amount
10.00 % (Effective yield)		1,000.00	17-May-2022	22-May-2023	2,69,344	2,693.44	219.67	2,913.11
10.50%		1,000.00	2-Feb-2022	2-Feb-2024	38,820	388.20	3.48	391.68
10.50 % (Effective yield)		1,000.00	2-Feb-2022	2-Feb-2024	47,849	478.49	53.05	531.54
10.03%		1,000.00	2-Feb-2022	2-Feb-2024	70,965	709.65	(5.47)	704.18
10.50%		1,000.00	8-Mar-2019	8-Mar-2024	4,70,084	4,700.84	34.48	4,735.32
11.00%		1,000.00	8-Mar-2019	8-Mar-2024	2,60,712	2,607.12	19.97	2,627.09
11.00% (Effective yield)		1,000.00	8-Mar-2019	8-Mar-2024	1,93,776	1,937.76	1,017.80	2,955.56
10.50%		1,000.00	17-May-2022	17-May-2024	3,67,125	3,671.25	276.62	3,947.87
10.50% (Effective yield)		1,000.00	17-May-2022	17-May-2024	11,967	119.67	8.46	128.13
10.03%		1,000.00	17-May-2022	17-May-2024	42,615	426.15	(5.24)	420.91
10.13%		1,000.00	27-Jun-2019	27-Jun-2024	1,56,425	1,564.25	(14.86)	1,549.39
10.61%		1,000.00	27-Jun-2019	27-Jun-2024	1,28,003	1,280.03	89.51	1,369.54
10.60% (Effective yield)		1,000.00	27-Jun-2019	27-Jun-2024	43,856	438.56	195.66	634.22
10.04%		1,000.00	6-Sep-2019	6-Sep-2024	37,907	379.07	(0.25)	378.82
10.52%		1,000.00	6-Sep-2019	6-Sep-2024	1,18,099	1,180.99	69.69	1,250.68
10.50% (Effective yield)		1,000.00	6-Sep-2019	6-Sep-2024	10,362	103.62	43.87	147.49
11.00%		1,000.00	2-Feb-2022	31-Jan-2025	1,13,954	1,139.54	5.16	1,144.70
11.00 % (Effective yield)		1,000.00	2-Feb-2022	31-Jan-2025	91,679	916.79	102.46	1,019.25
10.49%		1,000.00	2-Feb-2022	31-Jan-2025	2,56,028	2,560.28	(33.17)	2,527.11
11.00%		1,000.00	17-May-2022	16-May-2025	71,492	714.92	53.29	768.21
11.01% (Effective yield)		1,000.00	17-May-2022	16-May-2025	40,270	402.70	28.15	430.85
10.49%		1,000.00	17-May-2022	16-May-2025	1,54,835	1,548.35	(26.76)	1,521.59
<b>Total</b>					<b>29,96,167.00</b>	<b>29,961.67</b>	<b>2,135.57</b>	<b>32,097.24</b>

Non-convertible debentures is secured by way of first ranking pari-passu charge on the current assets (including investments) of the issuer Company, both present and future; and on present and future loan assets of the issuer Company, including all monies receivable for the principal amount and interest thereon.



## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

<b>Note - 21</b>	<b>As at</b>	<b>As at</b>
<b>Borrowings (other than debt securities) (at amortised cost)</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
(a) Secured		
Other Loans		
- Liability against securitised assets (refer 'i' below and note 56)	3,768.84	6,294.91
(b) Unsecured		
- From others	-	900.00
- Term loan (refer 'ii' below)	47,850.00	56,100.00
<b>Total</b>	<b>51,618.84</b>	<b>63,294.91</b>
Borrowings in India	51,618.84	63,294.91
Borrowings outside India	-	-
<b>Total</b>	<b>51,618.84</b>	<b>63,294.91</b>

### i) Securitisation liabilities :

In the course of its finance activity, the Company makes transfers of financial assets, where legal rights to the cash flows from the asset are passed to the counterparty and where the Company retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty. Securitisation liabilities includes following arrangements:

<b>Name of Counter Party</b>	<b>As at</b>	<b>As at</b>
	<b>31 March 2024</b>	<b>31 March 2023</b>
India Retail Pool Opportunities Trust 2	3,768.84	6,294.91
<b>Total</b>	<b>3,768.84</b>	<b>6,294.91</b>

(a) Interest rate on securitisation liabilities is at a floating rate of 13.50% per annum which equal to long term reference rate of Aditya Birla Finance Limited less the spread of 6.95%. (31 March 2023: 13.30%).

(b) The above mentioned amount of Securitisation liabilities is considered after netting off investment (Minimum retention amount) of ₹ 1,688.07 lakhs made by the Company in the Securitisation deal.

ii) Unsecured term loans carry rate of interest of 10% per annum (31 March 2023 : 10%) and are repayable within 36 to 60 months from the date of disbursement of respective loans.

<b>Note - 22</b>	<b>As at</b>	<b>As at</b>
<b>Lease liabilities</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
Lease liabilities (refer note - 45)	4,310.96	6,756.83
	<b>4,310.96</b>	<b>6,756.83</b>

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

<b>Note - 23</b> <b>Other financial liabilities</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Interest accrued on borrowings (other than debt securities)	1,289.14	1,684.95
Unpaid dividends (refer 'i & ii' below)	85.21	95.16
<b>Others:</b>		
Margin from customers	13,453.70	11,065.92
Unpaid matured debentures and interest accrued	83.88	-
Temporary overdrawn bank balances as per books (refer 'iii' below)	-	116.66
Interest accrued on assigned loan	189.44	905.29
Expenses payable	2,263.11	4,113.97
Amount held on behalf of merchants from digital wallet business	13.45	50.36
Creditor for capital purchase	24.43	42.70
Amount payable on assigned/securitised loans (refer 'iv' below)	2,729.97	6,181.07
Amounts held on behalf of customers in digital wallets	1,252.30	1,508.39
Other payable	166.46	77.27
	<b>21,551.09</b>	<b>25,841.74</b>

- (i) In respect of amounts mentioned under Section 124 (5) of the Companies Act, 2013, the Company has credited ₹ Nil (31 March 2023: ₹ 46.67 lakh) to the Investor Education and Protection Fund.
- (ii) There has been an outstanding amount of Rs 0.50 in the dividend account related to Financial year 2015-16 which was payable to the investor. The Group has paid the same to the investor by Demand draft ("DD") but the investor has not deposited the DD in his account and the amount remained outstanding as on 31 March 2024.
- (iii) Temporary overdraft as per books represent cheques issued in excess of funds in the bank
- (iv) Amount payable on assigned/securitised loans represent the amount collected on sale down portfolio where cash flows are require to pass to the counterparty either through direct assignment or pass through credit.

<b>Note - 24</b> <b>Current tax liabilities (net)</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Provision for taxation (Net of advance tax and tax deducted at source)	383.05	892.17
	<b>383.05</b>	<b>892.17</b>

<b>Note - 25</b> <b>Provisions</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Provision for employee benefits:		
Provision for gratuity (refer refer note - 49)	1,544.66	1,770.33
Provision for compensated absences	696.15	764.47
Provision for others	-	-
	<b>2,240.81</b>	<b>2,534.80</b>

<b>Note - 26</b> <b>Deferred tax liabilities</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Deferred tax liabilities	237.19	419.62
	<b>237.19</b>	<b>419.62</b>

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Movement in deferred tax assets (net)	Balance as at 1 April 2023	Recognised in profit and loss	Recognised in other comprehensive income	Recognised in goodwill	Balance as at 31 March 2024
Difference between tax balance and book balance of fixed assets	419.62	(182.43)	-	-	237.19
	419.62	(182.43)	-	-	237.19

Movement in deferred tax assets (net)	Balance as at 1 April 2022	Recognised in profit and loss	Recognised in other comprehensive income	Recognised in goodwill	Balance as at 31 March 2023
Difference between tax balance and book balance of fixed assets	443.11	(23.49)	-	-	419.62
Deferred tax liabilities	443.11	(23.49)	-	-	419.62

Note - 27 Other non-financial liabilities	As at 31 March 2024	As at 31 March 2023
Revenue received in advance (refer note 'a' below)	33.47	28.33
Advance from customers	2,210.05	1,558.14
Statutory dues payables	888.95	2,454.93
	<b>3,132.47</b>	<b>4,041.40</b>
<b>(a) Reconciliation of revenue received in advance</b>		
Opening balance	28.33	45.12
Add: Advances received during the year	85.62	171.65
Less: Revenue recognised during the year	(80.48)	(188.44)
Closing balance	<b>33.47</b>	<b>28.33</b>

Note - 28 Equity share capital	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
<b>(i) Authorised</b>				
Equity shares of face value of ₹ 2 each	1,00,00,00,000	1,00,00,00,000.00	1,00,00,00,000.00	1,00,00,00,000.00
	<b>1,00,00,00,000</b>	<b>1,00,00,00,000.00</b>	<b>1,00,00,00,000.00</b>	<b>1,00,00,00,000.00</b>
<b>(ii) Issued</b>				
Equity shares of face value of ₹ 2 each	60,32,59,386	12,065.19	60,32,59,386	12,065.19
Equity shares of face value of ₹ 2 each (partly paid up, ₹ 1.10 paid up)	88,88,524	97.78	88,88,524	97.78
	<b>61,21,47,910</b>	<b>12,162.97</b>	<b>61,21,47,910</b>	<b>12,162.97</b>
<b>(iii) Subscribed and paid up</b>				
Equity shares of face value of ₹ 2 each fully paid up	60,32,59,386	12,065.19	60,32,59,386	12,065.19
Equity shares of face value of ₹ 2 each (partly paid up, ₹ 1.10 paid up)	88,88,524	97.78	88,88,524	97.78
Equity shares of face value of ₹ 2 each (partly paid up, ₹ 0.80 paid up)	-	-	-	-
Amount paid up on shares forfeited	-	0.80	-	0.80
	<b>61,21,47,910</b>	<b>12,163.77</b>	<b>61,21,47,910</b>	<b>12,163.77</b>

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### (iv) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the financial year :

Equity shares, fully paid-up	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	60,32,59,386	12,065.19	60,09,99,104.00	12,019.98
Add: Partly up shares converted into fully paid up shares	-	-	60,282.00	1.21
Add: Shares issued by exercise of employee stock option plan	-	-	22,00,000.00	44.00
Add: Shares issued on conversion of CCDs	-	-	-	-
Balance at the end of the year	<b>60,32,59,386</b>	<b>12,065.19</b>	<b>60,32,59,386.00</b>	<b>12,065.19</b>

Equity shares, partly paid-up	As at 31 March 2024		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	88,88,524	97.78	89,48,806.00	98.44
Add: Amount received on 2nd call at ₹ 0.30 per share	-	-	-	0.55
Less: Shares converted into fully paid up shares	-	-	(60,282.00)	(1.21)
Balance at the end of the year	<b>88,88,524</b>	<b>97.78</b>	<b>88,88,524.00</b>	<b>97.78</b>

### (v) Rights, preferences and restrictions attached to the equity shares

The Company has only one class of equity shares having a face value of ₹ 2 per share. Each holder of fully paid up equity share is entitled to one vote per share. Voting rights of each holder of partly paid up equity share is proportionate to the paid up amount of such share. The final dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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.

Holders of Global Depository Receipts ('GDRs') will be entitled to receive dividends, subject to the terms of the deposit agreement, to the same extent as the holders of equity shares, less the fees and expenses payable under such deposit agreement and any Indian tax applicable to such dividends. Holders of GDRs don't have voting rights with respect to the deposited shares. The GDRs can not be transferred to any person located in India including Indian residents or ineligible investors except as permitted by Indian laws and regulations.

### (vi) Shares held by shareholders each holding more than 5% shares:

	As at 31 March 2024		As at 31 March 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sameer Gehlaut	3,42,52,493	5.60%	3,42,52,493	5.60%
Orthia Properties Private Limited	-	0%	4,72,48,080	7.72%
Orthia Constructions Private Limited	-	0%	3,70,74,335	6.06%
Zelkova Builders Private Limited	-	0%	4,89,33,258	7.99%
Inuus Developers Private Limited	14,40,75,710	23.54%	1,68,00,000	2.74%

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### (vii) Shares reserved for issue under options:

94,28,400 equity shares (As at 31 March 2023: 15,284,800 equity shares) of face value of ₹ 2 each are reserved under various option schemes of the Company (Refer note -50)

(viii) The Group has not issued any bonus shares during the current year and five years immediately preceding current year.

### (ix) Shareholding of Promoters

#### Shares held by promoters at the end of the year

Promoter name	No. of Shares	% of total shares	% Change during the year
Sameer Gehlaut	3,42,52,493	5.60	-
Inuus Developers Private Limited	14,40,75,710	23.54	20.80
<b>Total</b>	<b>17,83,28,203</b>		

(x) Nil shares (31 March 2023: 54,433 shares) of face value of ₹ 2 per share represent the shares underlying GDRs. Each GDR represents one underlying equity share.

Note - 29 Other equity	As at 31 March 2024	As at 31 March 2023
Treasury shares	(46,127.67)	(46,127.67)
Reserve fund	13,270.00	13,270.00
Capital reserve	1,115.94	1,744.35
Securities premium	5,04,808.34	5,04,808.34
Capital redemption reserve	5,834.51	5,834.51
General reserve	4,197.55	4,197.55
Share options outstanding account	744.92	1,485.10
Retained earnings	(1,51,578.38)	(1,15,830.76)
Equity instruments through other comprehensive income	-	-
Currency Translation Reserve	97.30	(187.17)
<b>Total attributable to equity shareholders of the Holding Company</b>	<b>3,32,362.50</b>	<b>3,69,194.25</b>
<b>Total non- controlling interest</b>	<b>1,528.50</b>	<b>5,589.01</b>
<b>Total other equity</b>	<b>3,33,891.00</b>	<b>3,74,783.26</b>

### Nature and purpose of other reserves:

#### Treasury shares

This reserve represents Group's own equity shares held by the Udaan Employees Welfare Trust which is created under Dhani Services Limited - Employee Stock Benefit Scheme 2019 (ESBS 2019) and Dhani Services Limited - Employee Stock Benefit Scheme 2020 (ESBS 2020) and Dhani Services Limited Employee Benefit Scheme 2021 (ESBS 2021). Treasury shares are acquired for the purpose of issuing equity shares to employees under Group's ESBS 2019 ,ESBS 2020 and ESBS 2021.

#### Statutory reserves

The reserve is created as per the provision of Section 45(IC) of Reserve Bank of India Act, 1934. This is a restricted reserve and no appropriation can be made from this reserve fund except for the purpose as may be prescribed by Reserve Bank of India.

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### **Nature and purpose of other reserves:**

#### **Capital reserve**

Capital reserve represents reserves created pursuant to the business combination upto year end.

#### **Securities premium**

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

During the year ended 31 March 2023, Dhani Loans and Services Limited ("DLSL") which is 100% subsidiary of DSL, has utilised/applied an amount of Rs. 72,961.20 lakhs (net of deferred tax) from the outstanding balance in the securities premium account for creating a provision for impairment losses on its financial instruments, instead of debiting the same to its Standalone Statement of Profit and Loss, which is not in strict accordance with the applicable provisions of Indian Accounting Standards and other applicable regulations. The Reserve Bank of India had issued a communication to the Industry dated June 20, 2022 which impacts one of the DLSL's products/services offered to its customers. Consequently, DLSL, on a conservative basis, has created the above mentioned provision in respect of any future, unanticipated losses which may arise on account of the impact of the above RBI communication.

#### **Capital redemption reserve**

The same had been created in accordance with provision of the Act on account of redemption of preference shares and buy-back of equity shares.

#### **General reserve**

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

#### **Share option outstanding account**

The reserve is used to recognise the fair value of the options issued to employees of the Group under Group's employee stock option plan.

#### **Retained earnings**

Retained earnings represents surplus / accumulated earning of the Group and are available for distribution to shareholders

#### **Change in fair value of loan assets through other comprehensive income**

This reserve has been created against change in business model for loan against property ("LAP"), business instalments loan and personal loan from "hold to collect" to "hold to collect and sale".

#### **Equity instruments through other comprehensive income**

This represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income. The balance of the reserve represents such changes recognised net of amounts reclassified to retained earnings on disposal of such investments.

#### **Currency Translation Reserve**

The exchange differences arising from the translation of financial statements of foreign subsidiaries with functional currency other than the Indian rupee is recognized in other comprehensive income and is presented within equity.

Summary of material accounting policies and other explanatory information  
for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

<b>Note - 30</b> <b>Interest income</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
On financial assets measured at amortised cost -		
Interest on loans		
- Interest from financing activities	17,830.34	15,597.13
- Interest on margin funding/delayed payments	1,461.55	1,399.32
- Interest on inter-corporate loans	43.89	2,652.99
Interest on deposits with banks		
- Interest on bank deposit	3,233.94	3,001.87
Other interest income		
- Unwinding of interest income	360.55	815.61
On financial assets measured at fair value through profit or loss -		
Interest income from investments		
- Interest on bonds	-	116.60
<b>Total</b>	<b>22,930.27</b>	<b>23,583.52</b>
<b>Note - 31</b> <b>Fees and commission income</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
Brokerage and other related income	14,769.77	17,583.54
Surplus realisation of financial assets	-	4.44
Management fee	575.67	1,260.50
Subscription Fee and Processing Fees	902.30	10,914.37
Income from depository services	592.14	397.66
Remittance and merchant program	-	3.34
Digital wallet program	253.57	1,273.18
Recovery incentive	5.76	-
<b>Total</b>	<b>17,099.21</b>	<b>31,437.03</b>

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Note - 32</b>		
<b>Net gain on fair value changes</b>		
<b>On financial instruments at fair value through profit and loss:</b>		
- Investments	904.88	1,818.94
- Gain on redemption of security receipts	876.86	533.19
<b>Total net (loss) / gain on fair value changes</b>	<b>1,781.74</b>	<b>2,352.13</b>
	-	-
<b>Fair value changes</b>		
- Realised	1,919.66	2,339.09
- Unrealised	(137.92)	13.04
<b>Total net (loss) / gain on fair value changes</b>	<b>1,781.74</b>	<b>2,352.13</b>
<b>Note - 33</b>		
<b>Net gain on derecognition of financial instruments under amortised cost category</b>		
Gain on derecognition of financial assets	6.19	(167.57)
	<b>6.19</b>	<b>(167.57)</b>
<b>Note - 34</b>		
<b>Sale of products</b>		
Sale of e-commerce products	467.39	3,479.86
	<b>467.39</b>	<b>3,479.86</b>
<b>Note - 35</b>		
<b>Other income</b>		
Excess provisions written back	1,175.52	7,459.90
Interest on Income Tax Refund	2,527.87	326.63
Profit on sale of investment property	28.20	-
Profit on sale of property, plant and equipment (net)	-	21.09
Liabilities written back	1,543.91	3,348.96
Gain on foreign exchange fluctuations	10.83	32.72
Gain on foreign exchange fluctuations- Realised (Refer note 29)	-	34.29
Gain on modification/derecognition of financial assets (net)	305.66	1,608.45
Miscellaneous income	56.81	288.40
<b>Total</b>	<b>5,648.80</b>	<b>13,120.44</b>



Summary of material accounting policies and other explanatory information  
for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Note - 36</b>		
<b>Finance costs</b>		
<b>On financial liabilities measured at amortised cost -</b>		
Interest on borrowings		
- Term loans	5,163.69	9,602.67
- Inter-corporate loans	24.49	13.91
- Bank overdraft	7.54	251.76
- Vehicle loan	-	0.01
Interest on debt securities		-
- Non-convertible debentures	2,885.06	5,169.72
Other interest expense		
- Liability against securitised assets	658.82	39.37
- Liability against leases	531.09	1,276.60
- Taxes	19.08	175.89
Other borrowing costs	28.29	75.38
<b>Total</b>	<b>9,318.06</b>	<b>16,605.31</b>
<b>Note - 37</b>		
<b>Fees and commission expense</b>		
Transaction charges	464.06	540.10
Management and collection fee	267.78	74.12
Commission expense	1.47	-
Membership, depository and stock exchange fee	9,601.88	10,185.10
<b>Total</b>	<b>10,335.19</b>	<b>10,799.32</b>
<b>Note - 38</b>		
<b>Impairment on financial instruments</b>		
Measured at amortised cost		
Impairment allowances on loans	10,739.12	18,746.01
Impairment allowances on trade receivables and others	7,173.73	6,526.00
Impairment allowances on interest spread on assigned assets	(1.79)	(22.64)
Loan, trade receivables and other assets write off (net of bad debt recovered)	538.69	(10,292.07)
Measured at cost	-	-
Investments written off	-	1,056.63
<b>Total</b>	<b>18,449.75</b>	<b>16,013.93</b>
<b>Note - 39</b>		
<b>Changes in Inventories of stock-in- trade and others</b>		
<b>Opening Inventory</b>		
- Stock-in-trade	3,987.01	10,550.30
<b>Closing Inventory</b>		
- Stock-in-trade	(499.03)	(3,987.01)
	<b>3,487.98</b>	<b>6,563.29</b>
<b>Note - 40</b>		
<b>Employee benefits expense</b>		
Salaries and wages	20,525.74	40,227.45
Contribution to provident fund and other funds	536.20	1,013.48
Share-based payments to employees	72.82	(6,586.64)
Staff welfare expenses	83.26	157.45
<b>Total</b>	<b>21,218.02</b>	<b>34,811.74</b>

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

<b>Note - 41</b>	<b>For the year ended</b>	<b>For the year ended</b>
<b>Depreciation and amortisation expense</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
Depreciation on property, plant and equipment (refer note 16B)	2,322.07	2,980.02
Amortisation of other intangible assets (refer note 16G)	2,519.93	3,208.24
Impairment of intangible assets (refer note 16G)	-	3.58
Depreciation on right of use assets (refer note 16D)	1,432.00	2,892.16
<b>Total</b>	<b>6,274.00</b>	<b>9,084.00</b>
<b>Note - 42</b>	<b>For the year ended</b>	<b>For the year ended</b>
<b>Other expenses</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
Lease rent (refer note 45)	498.89	910.40
Rates and taxes	491.08	1,677.10
Office maintenance	364.07	913.68
Repairs and maintenance - others	158.69	532.79
Logistics & Delivery charges	430.77	2,845.26
Travelling and conveyance	226.77	687.56
Communication costs	222.64	485.36
Leased line expenses	232.15	253.71
Printing and stationery	59.47	172.20
Software expenses	2,114.60	6,101.69
Electricity expenses	284.65	496.34
Directors' sitting fee	48.85	28.00
Diagnostic Expenses	-	0.19
Payment to statutory auditors	159.74	153.34
Legal and professional charges	4,541.86	5,464.25
Bank charges	117.98	405.59
Insurance	4.77	8.68
Stamp duty	13.38	16.45
Web hosting expenses	134.41	140.54
Recruitment expenses	298.75	256.14
Manpower hiring charges	53.71	329.32
Business promotion	1,330.48	6,634.68
Corporate social responsibility expenses (refer note - 61)	141.60	172.54
Loss on modification/derecognition of financial assets	-	21.20
Provision for capital advances	4.08	-
Recovery incentive expense	10.91	340.40
Loss on sale/scrapping of property, plant and equipment	677.83	1,847.26
Loss on Foreign exchange fluctuation	-	0.43
Damage Cost	19.67	11.85
Donation	-	0.18
Old Balance Written off	7.14	7.17
Customer incentive and other charges	-	2.90
Merchant Settlement Fees	0.92	15.71
Customer settlement and other charges	214.37	-
Miscellaneous expenses	116.06	160.58
<b>Total</b>	<b>12,980.29</b>	<b>31,093.49</b>

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

<b>Note - 43</b> <b>Tax expense</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
<b>Current tax</b>		
Income-tax for current year	757.18	1,665.66
Income-tax for earlier years	(974.63)	3.53
<b>Deferred tax</b>		
Minimum alternate tax credit entitlement	-	(418.36)
Deferred tax charge/(credit)	4,161.38	(3,878.49)
<b>Income-tax expense reported in the statement of profit and loss</b>	<b>3,943.93</b>	<b>(2,627.66)</b>

The major components of Income-tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Group at 25.17% (31 March 2023: 25.17%) and the reported tax expense in profit or loss are as follows:

	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2024</b>
Reconciliation of effective tax rate		
Accounting profit before tax expense	(33,450.35)	(50,758.74)
Income-tax rate	25.17%	25.17%
Expected tax credit	(8,418.78)	(12,774.96)
Tax effect of adjustments to reconcile expected Income-tax expense to reported Income-tax expense:		
Tax impact on items exempt under Income-tax	14.47	(85.93)
Tax impact on deductions allowed under Income-tax	(251.22)	(539.25)
Tax impact of expenses which will never be allowed	1,144.38	1,225.58
Income chargeable under capital gain (difference of tax rates)	45.00	(431.60)
Earlier years tax adjustments (net)	(556.45)	13.32
Tax losses for which no deferred tax was recognised	9,833.77	9,014.18
Tax impact of difference in tax rate on certain items	-	(1.94)
Others	2,132.76	952.94
<b>Income-tax expense/(credit)</b>	<b>3,943.93</b>	<b>(2,627.66)</b>

### Note - 44

#### Earnings per equity share (EPS)

##### Disclosure in respect of Indian Accounting Standard – 33 'Earnings Per Share':

The basic earnings per equity share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. Partly paid-up equity shares are treated as a fraction of an equity share to the extent they are entitled to participate in dividend relative to a fully paid-up equity share during the reporting period. Compulsory convertible debentures are treated as equivalent of equity share for the purpose of basic earnings per equity share. Treasury shares are adjusted for computation of weighted average equity shares. Diluted earnings per equity share is computed by considering the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of equity shares and potential dilutive equity shares are adjusted for the potential dilutive effect of employee stock option plan and warrants as appropriate.

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Profit available for equity shareholders</b>	<b>(37,520.51)</b>	<b>(47,957.93)</b>
<b>Basic/diluted earnings per equity share:</b>		
Weighted average number of equity shares used for computing basic earnings per equity share	<b>57,84,48,074</b>	<b>57,71,69,530</b>
<b>Effect of dilution:</b>		
Add: Potential number of equity shares that could arise on exercise of employee stock options	14,28,205	37,47,818
Add: Potential number of equity shares that could arise on exercise of warrants	-	-
Weighted average number of equity shares used in computing diluted earnings per equity share	<b>57,98,76,279</b>	<b>58,09,17,348</b>
Face value of equity share (₹)	2	2
Earnings per equity share -		
- Basic (₹)	(6.49)	(8.31)
- Diluted (₹)	(6.49)	(8.31)

### Note - 45

#### Leases

The Group has leases for office buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset "ROU" and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group is required to pay maintenance fees in accordance with the lease contracts.

#### A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	For the Year ended 31 March 2024	For the Year ended 31 March 2023
Short-term leases	498.89	910.40
Leases of low value assets	-	-
Variable lease payments	-	-

B Total cash outflow for leases for the year ended 31 March 2024 was ₹ 1822 lakh (31 March 2023: ₹ 4,760.76 lakh).

C The Group has total commitment for short-term leases of ₹ Nil as at 31 March 2024 (as at 31 March 2023: ₹ Nil).

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March 2024	Minimum lease payment due						Total
	Within 1 year	1 - 2 Years	2 - 3 Years	3 - 4 Years	4 - 5 Years	More than 5 years	
Lease Payment	1,352.44	1,311.06	1,081.85	683.72	517.11	632.38	5,578.56
Interest Expense	411.13	327.98	232.14	144.48	90.91	60.96	1,267.60
<b>Net Present Value</b>	<b>941.30</b>	<b>983.08</b>	<b>849.71</b>	<b>539.25</b>	<b>426.20</b>	<b>571.42</b>	<b>4,310.96</b>

31 March 2023	Minimum lease payment due						Total
	Within 1 year	1 - 2 Years	2 - 3 Years	3 - 4 Years	4 - 5 Years	More than 5 years	
Lease Payment	1,951.36	1,520.12	1,489.57	1,469.61	719.16	1,700.31	8,850.13
Interest Expense	596.25	477.51	375.10	305.75	143.87	194.82	2,093.30
<b>Net Present Value</b>	<b>1,355.11</b>	<b>1,042.61</b>	<b>1,114.47</b>	<b>1,163.86</b>	<b>575.29</b>	<b>1,505.49</b>	<b>6,756.83</b>

E Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31 March 2024 is of ₹ Nil (as at 31 March 2023: ₹ Nil).

F The table below describe the nature of the company's lease activities by type of right of use asset recognised on balance sheet:

Year	Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
As at 31 March 2024	Office Building	95	3 Month to 88 Month	45.58 Months	-	-	95
As at 31 March 2023	Office Building	128	6 Month to 108 Month	50.34 Months	-	-	128

G The total future cash outflows as at 31 March 2024 for leases that had not yet commenced is Nil (31 March 2023: ₹ 0.4 lakh).

H The following is the movement in lease liabilities during the year:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening balance	6,756.83	23,241.10
Adjustment on account of Ind AS 116	-	1,289.84
Additions	2,370.53	629.18
Finance cost accrued during the period	531.09	1,276.60
Deletion	(3,525.49)	(14,919.13)
Payment of lease liabilities	(1,822.00)	(4,760.76)
<b>Closing balance</b>	<b>4,310.96</b>	<b>6,756.83</b>

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 46

#### A. Contingent liabilities not provided for in respect of:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Claims against the group not acknowledged as debts in respect of -</b>		
- Cases under Arbitration and Conciliation Act, 1996 (refer note (i) below)	118.43	120.93
- Cases under Income-tax Act, 1961 (refer note (ii) to (iii) below)	4,173.64	4,227.69
- Guarantee provided by the bank (secured by way of fixed deposit of the company)	845.99	845.99
- Cases under GST (refer note (iv) below)	3,016.27	2,459.48
<b>Total</b>	<b>8,154.33</b>	<b>7,654.09</b>

(i) The Group is involved in various legal proceedings as respondents/ defendants for various claims including those related to conduct of its business. In respect of these claims, the Group believes, these claims do not constitute material litigation matters and with its meritorious defences the ultimate disposition of these matters will not have material adverse effect on its financial statements/ position.

#### (ii) Demand pending u/s 143(3) read with section 153A of the Income-tax Act, 1961:-

	Financial Years	Authority	As at 31 March 2024	As at 31 March 2023
Disallowance under Income Tax Act, 1961	2011-12	ITAT	-	33.02
Disallowance under Income Tax Act, 1961	2012-13	ITAT	18.83	4.21
Disallowance under Income Tax Act, 1961	2013-14	ITAT	37.91	43.33
Disallowance under Income Tax Act, 1961	2014-15	ITAT	35.38	40.66
Disallowance under Income Tax Act, 1961	2015-16	ITAT	17.40	-
Disallowance under Income Tax Act, 1961	2016-17	ITAT	62.47	67.17

#### (iii) Demand pending u/s 143(3) of the Income Tax Act, 1961

	Financial Year	Authority	As at 31 March 2024	As at 31 March 2023
Disallowance under Income Tax Act, 1961	2010-11	High Court	313.58	313.58
Disallowance under Income Tax Act, 1961	2011-12	High Court	1,032.11	1,032.11
Disallowance under Income Tax Act, 1961	2012-13	ITAT *	-	17.37
Disallowance under Income Tax Act, 1961	2013-14	CIT (Appeals)	95.04	95.04
Disallowance under Income Tax Act, 1961	2017-18	CIT (Appeals)	-	56.72
Disallowance under Income Tax Act, 1961	2017-18	CIT (Appeals)	1.54	-
Disallowance under Income Tax Act, 1961	2017-18	CIT (Appeals)	2,524.48	2,524.48
Disallowance under Income Tax Act, 1961	2018-19	CIT (Appeal)	7.06	-
Disallowance under Income Tax Act, 1961	2020-21	CIT (Appeal)	0.25	-
Disallowance under Income Tax Act, 1961	2021-22	CIT (Appeals)	26.99	-
Disallowance under Income Tax Act, 1961	2022-23	CIT (Appeal)	0.60	-

Summary of material accounting policies and other explanatory information  
for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

(iv) **Notice of Demand pending under GST Act, 2017**

Nature of dues	Financial Year	Authority	As at 31 March 2024	As at 31 March 2023
CGST, SGST & IGST	2017-18	Deputy Commissioner	287.40	-
CGST, SGST & IGST	2018-19	Deputy Commissioner	157.52	-
CGST, SGST & IGST	2018-19	Deputy Commissioner	85.42	-
CGST, SGST & IGST	2018-19	Assistant Commissioner	8.16	-
CGST, SGST & IGST	2019-20	Deputy Commissioner	6.41	-
CGST, SGST & IGST	2019-20	Deputy Commissioner	11.88	-
CGST, SGST & IGST	2021-22	Assistant Commissioner	2,459.48	2,459.48

\* Income tax department has filed an appeal against the order of CIT(A).

**B. Commitments:**

Particulars	As at 31 March 2024	As at 31 March 2023
Capital commitments for purchase of property, plant and equipment (net of capital advances paid)	-	55.34

**Note - 47**

The Holding Company was carrying on the business of stock broking which was demerged during the financial year 2019-20. Accordingly, as at and during the year ended 31 March 2024 and 31 March 2023, the financial assets of the Holding Company were more than fifty percent of its total assets and income from financial assets was more than fifty percent of the gross income. The Holding Company's present business activities consists of providing loans and making investments in group companies, consequentially, the Holding Company may be required to apply and obtain the Certificate of Registration (CoR) from Reserve Bank of India (RBI) as a Non-Banking Financial Company (NBFC) under the category of Core Investment Company (CIC). The management is of the view that basis of their present business operations and financials, the Holding Company qualifies to fall under the category of an unregistered CIC and has written to RBI for their views in this regard, response to which is still awaited. The management is also of the view that the possible non-compliance with such requirement is not expected to have a material impact on the accompanying financial results.

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note- 48

#### Reconciliation of liabilities arising from financing activities

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

Particulars	Debt securities	Borrowings (other than debt securities)	Lease Liabilities	Total
<b>Balance as at 1 April 2022</b>	<b>54,506.34</b>	<b>1,70,437.87</b>	<b>23,241.10</b>	<b>2,48,185.31</b>
Adjustment on account of Ind AS 116	-	-	-	-
<b>Cash flows:</b>				
- Repayment	(32,019.33)	(1,07,975.87)	(4,760.76)	(1,44,755.96)
- Proceeds	9,576.48	17,016.35	-	26,592.83
<b>Non cash:</b>				
- Amortisation of upfront fees	(128.97)	(124.69)	-	(253.66)
- Accrued Interest	-	(1,875.50)	1,276.60	(598.90)
- Addition during the year (net)	162.73	-	(14,289.95)	(14,127.22)
- Others	-	(14,183.26)	1,289.84	(12,893.42)
<b>Balance as at 31 March 2023</b>	<b>32,097.25</b>	<b>63,294.91</b>	<b>6,756.83</b>	<b>1,02,148.99</b>
<b>Cash flows:</b>				
- Repayment	(17,102.47)	(11,676.07)	(1,822.00)	(30,600.54)
- Proceeds	-	-	-	-
<b>Non cash:</b>				
- Amortisation of upfront fees	(799.76)	-	-	(799.76)
- Accrued Interest	-	-	531.09	531.09
- Addition/(deletion) during the year (net)	(466.26)	-	(1,154.96)	(1,621.22)
- Others	-	-	-	-
<b>Balance as at 31 March 2024</b>	<b>13,728.76</b>	<b>51,618.84</b>	<b>4,310.96</b>	<b>69,658.56</b>

### Note - 49

#### Employee benefits

##### (i) Defined contribution plans:

During the year, the Group has recognized the following amounts in the statement of profit and loss in respect of defined contribution plans:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contribution made to employees' provident fund organisation	405.60	395.94
Contribution made to employees' state insurance corporation	89.31	568.07
Contribution to labour welfare fund	2.16	9.11
Contribution to employees' national pension scheme	39.13	40.36
<b>Total</b>	<b>536.20</b>	<b>1,013.48</b>



## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### (ii) Defined benefit plans:

The Group operates unfunded gratuity plan which provides lump sum benefits linked to the qualifying salary and completed years of service with the Group at the time of separation. Every employee who has completed 5 years of continuous service is entitled to receive gratuity at the time of his retirement or separation from the organisation, whichever is earlier. The gratuity benefit that is payable to any employee, is computed in accordance with the provisions of "The Payment of Gratuity Act, 1972".

#### Risks associated with plan provisions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Based on the actuarial valuation report, the following table sets out the status of the gratuity plan and the amounts recognized in the Group's financial statements as at balance sheet date:

#### a.) Amount recognised in the balance sheet is as under:

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of obligation	1,544.66	1,770.33
Fair value of plan assets	-	-
<b>Net obligation recognised in balance sheet as provision</b>	<b>1,544.66</b>	<b>1,770.33</b>

#### b.) Reconciliation of present value of defined benefit obligation:

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	1,770.33	2,728.28
Current service cost	384.43	492.31
Interest cost	122.15	171.91
Past service cost	-	-
Actuarial loss recognised in other comprehensive income :		
- Demographic assumptions	-	-
- Financial assumptions	29.68	(58.13)
- Experience adjustment	(412.97)	(1,038.43)
Benefits paid	(377.32)	(545.61)
Acquisition adjustments on acquisition of subsidiary/ transfer of employees	28.36	20.00
<b>Balance at the end of the year</b>	<b>1,544.66</b>	<b>1,770.33</b>

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### c.) Expense recognised in profit or loss:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	384.43	492.31
Interest cost	122.15	171.91
Past service cost	-	-
<b>Total</b>	<b>506.58</b>	<b>664.22</b>

### d.) Remeasurement recognised in other comprehensive income:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial loss on defined benefit obligations	(383.29)	(1,096.56)
<b>Total</b>	<b>(383.29)</b>	<b>(1,096.56)</b>

### e.) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting dates:

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	7.22% - 7.33%	6.79%
Salary escalation rate	5.00%	5.00%
Retirement age (years)	60	60
Withdrawal rate		
Up to 30 Years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%
Weighted average duration	8.16 - 20.96	15.26

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

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

Mortality rates inclusive of provision for disability -100% of IALM (2012-14) (previous year: 100% of IALM (2012-14)).

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

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### f.) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at 31 March 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(97.09)	106.67	(120.65)	133.02
Salary escalation rate (0.5% movement)	108.01	(99.06)	134.67	(115.22)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated.

Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

### g.) Expected maturity analysis of the defined benefit plans in future years

Particulars	As at 31 March 2024	As at 31 March 2023
Less than 1 year	35.08	27.64
Between 1-2 years	46.62	25.42
Between 2-5 years	111.92	133.82
Over 5 years	1,351.04	1,583.45
<b>Total</b>	<b>1,544.66</b>	<b>1,770.33</b>
Expected contribution for the next annual reporting period	190.58	630.91

### (iii) Other long term employee benefit plans

The company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The scheme is unfunded and liability for the same is recognized on the basis of actuarial valuation. A provision of ₹ 68.32 lakhs has been reversed (31 March 2023: ₹ 173.84 lakhs) for the year on the basis of actuarial valuation at the year end and credit to the statement of profit and loss.

#### Note -50

##### Employee stock option schemes:

The Company has issued various Employees stock options scheme (ESOP / ESOS) for the benefit of the employees of the Company and its subsidiary companies.

The Group has established the "Udaan Employee Welfare Trust" ("Udaan – EWT") ("Trust") for the implementation and management of its employees benefit scheme viz. the "Dhani Services Limited - Employee Stock Benefit Scheme – 2008 & 2009" (Scheme) for the benefit of the employees of the Company and its subsidiaries.

#### A. Grants during the year:

There has been no new grant during the year (Previous year 1,16,00,000 shares).

Summary of material accounting policies and other explanatory information  
 for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

**B. Employees Stock Options Schemes:**
**(i) Employees Stock Option Scheme - 2008 (DSL ESOP - 2008)**

Total options under the scheme (Nos.)	DSL ESOP - 2008			
	2,00,00,000			
<b>Options granted (Nos.)</b>	<b>97,00,000</b>	<b>8,80,600</b>	<b>18,00,000</b>	<b>18,00,000</b>
	<b>(Regrant)</b>	<b>(Regrant)</b>	<b>(Regrant)</b>	<b>(Regrant)</b>
Vesting period and percentage	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
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 (₹)	24.15	254.85	30	68
<b>Outstanding at the beginning of 1 April 2022 (Nos.)</b>	<b>45,94,800</b>	<b>27,400</b>	-	<b>18,00,000</b>
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 regrant during the year (Nos.)	-	-	-	-
<b>Outstanding as at 31 March 2023 (Nos.)</b>	<b>18,44,400</b>	-	<b>18,00,000</b>	-
Vested and exercisable as at 31 March 2022 (Nos.)	18,44,400	-	-	-
Remaining contractual life (weighted months)	30	-	87	-
<b>Outstanding at the beginning of 1 April 2023 (Nos.)</b>	<b>18,44,400</b>	-	<b>18,00,000</b>	-
Granted/ regranted during the year (Nos.)	-	-	-	-
Forfeited during the year (Nos.)	6,94,400	-	9,00,000	-
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Surrendered and eligible for regrant during the year (Nos.)	-	-	-	-
<b>Outstanding as at 31 March 2024 (Nos.)</b>	<b>11,50,000</b>	-	<b>9,00,000</b>	-
Vested and exercisable as at 31 March 2024 (Nos.)	11,50,000	-	1,80,000	-
Remaining contractual life (weighted months)	19	-	75	-

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Weighted average exercise price of share during the year ended 31 March 2024: Nil (31 March 2023: 24.15).

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

DSL ESOP - 2009				
Total options under the Scheme (Nos.)	2,00,00,000			
Options granted (Nos.)	20,50,000	95,00,000	98,00,000	1,00,00,000
		(Regrant)	(Regrant)	(Regrant)
Vesting period and percentage	Ten years, 10% each year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year
Vesting date	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
<b>Outstanding at the beginning of 1 April 2022 (Nos.)</b>	<b>50,000</b>	<b>25,01,600</b>	-	<b>12,96,800</b>
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.)	-	-	-	-
<b>Outstanding as at 31 March 2023 (Nos.)</b>	<b>50,000</b>	<b>17,90,400</b>	<b>98,00,000</b>	-
Vested and exercisable as at 31 March 2023 (Nos.)	50,000	17,90,400	-	-
Remaining contractual life (Weighted Months)	24	31	87	-
<b>Outstanding at the beginning of 1 April 2023 (Nos.)</b>	<b>50,000</b>	<b>17,90,400</b>	<b>98,00,000</b>	-
Granted/ regranted during the year (Nos.)	-	-	-	-
Forfeited during the year (Nos.)	-	1,62,000	41,00,000	-
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-	-
<b>Outstanding as at 31 March 2024 (Nos.)</b>	<b>50,000</b>	<b>16,28,400</b>	<b>57,00,000</b>	-
Vested and exercisable as at 31 March 2024 (Nos.)	50,000	16,28,400	57,00,000	-
Remaining contractual life (Weighted Months)	12	19	75	-

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

	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, 20% each year	(Regrant) Five years, 20% each year
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
<b>Outstanding at the beginning of 1 April 2022 (Nos.)</b>	<b>98,00,000</b>	-
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.)	-	-
<b>Outstanding as at 31 March 2023 (Nos.)</b>	-	-
Vested and exercisable as at 31 March 2023 (Nos.)	-	-
Remaining contractual life (Weighted Months)	-	-
<b>Outstanding at the beginning of 1 April 2023 (Nos.)</b>	-	-
Granted/ regranted 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.)	-	-
<b>Outstanding as at 31 March 2024 (Nos.)</b>	-	-
Vested and exercisable as at 31 March 2024 (Nos.)	-	-
Remaining contractual life (Weighted Months)	-	-

Weighted average exercise price of share during the year ended 31 March 2024: Nil (31 March 2023: 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 Company at its meeting held on 22 October 2019; and (b) a special resolution of the shareholders' of the 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")

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SBEBS Regulations"), the Group 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 "SBEBS 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 Company as on the date of approval of shareholders, from the secondary market. The Company had appropriated 10,400,000 fully paid up equity shares of the Company purchased by the Trust under the Scheme.

	<b>DSL-ESBS 2019</b>
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
<b>Outstanding at the beginning of 1 April 2022 (Nos.)</b>	<b>1,04,00,000</b>
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.)	1,04,00,000
<b>Outstanding as at 31 March 2023 (Nos.)</b>	<b>-</b>
Vested and exercisable as at 31 March 2023 (Nos.)	-
Remaining contractual life (Weighted Months)	-
<b>Outstanding at the beginning of 1 April 2023 (Nos.)</b>	<b>-</b>
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.)	-
<b>Outstanding as at 31 March 2024 (Nos.)</b>	<b>-</b>
Vested and exercisable as at 31 March 2024 (Nos.)	-
Remaining contractual life (Weighted Months)	-

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

The Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of the Company at its meeting held on 23 January 2020; and (b) a special resolution of the shareholders' of the 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 "SBEBS

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Regulations”), the Group has set up "Udaan - Employees Welfare Trust" (Trust) for the purpose of implementation of the Scheme as per the terms of the respective Schemes as aforesaid. The Trust, in compliance with the “SBEBS Regulations”, is authorised to purchase upto an aggregate of 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 Company as on the date of approval of shareholders, from the secondary market. The Company had appropriated 93,00,000 fully paid up equity shares of the Company purchased by the Trust under the Scheme.

	<b>DSL-ESBS 2020</b>
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
Note -50 continued	
<b>Outstanding as at 1 April 2022 (Nos.)</b>	<b>93,00,000</b>
Granted/ regranted during the year (Nos.)	-
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Surrendered and eligible for re-grant during the year (Nos.)	93,00,000
<b>Outstanding as at 31 March 2023 (Nos.)</b>	<b>-</b>
Vested and exercisable as at 31 March 2023 (Nos.)	-
Remaining contractual life (Weighted Months)	-
Remaining contractual life (Weighted Months)	-
<b>Outstanding as at 1 April 2023 (Nos.)</b>	<b>-</b>
Granted/ regranted during the year (Nos.)	-
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Surrendered during the year (Nos.)	-
<b>Outstanding as at 31 March 2024 (Nos.)</b>	<b>-</b>
Vested and exercisable as at 31 March 2024 (Nos.)	-
Remaining contractual life (Weighted Months)	-
Remaining contractual life (Weighted Months)	-

### (v) 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 Company at its meeting held on 06 March 2021; and (b) a special resolution of the shareholders’ of the 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”)



## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SBEBS Regulations"), the Company has set up "Udaan - Employees Welfare Trust" (Trust) for the purpose of implementation of the Scheme as per the terms of the respective Schemes as aforesaid. The Trust, in compliance with the "SBEBS Regulations", is authorised to purchase upto an aggregate of 1,05,00,000 (One Crore Five lakh) fully paid-up equity shares, being not more than 2% (Two percent) of the fully paid-up equity share capital of the Company as on the date of approval of shareholders, from the secondary market. The Company has not granted any options/ SARs under the said Scheme as at 31 March 2024.

### 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	8,80,600	18,00,000
	Options Re granted	Options Re granted	Options Re granted
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	95,00,000	1,00,00,000
	Options	Options Re granted	Options Re granted
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	93,00,000	1,04,00,000
	Options	SARs	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.

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

		DSL ESOP - 2008 & 2009				
		18,00,000 and 98,00,000				
		Options				
		28-Jun-23	28-Jun-24	28-Jun-25	28-Jun-26	28-Jun-27
1.	Vesting Date	28-Jun-23	28-Jun-24	28-Jun-25	28-Jun-26	28-Jun-27
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:

The Company has provided for Share based payments expensed to employees of ₹ 72.82 lakh (31 March 2023: ₹ (6,586.64) lakh reversal) in the statement of Profit and loss for the year ended 31 March 2024 as follows:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Share based payments (reversal) / expense	72.82	(6,586.64)
	72.82	(6,586.64)

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 51 Segment reporting: Segment information for the year ended 31 March 2024 as per Indian Accounting Standard 108 - 'Segment Reporting': (A) Primary segment information (by business segments):

Particulars	For the year ended 31 March 2024						Total		
	Broking and related activities	Financing and related activities	Asset reconstruction and related activities	E-Commerce and related activities	Real Estate	Other operations		Inter-segment revenue	Inter-segment revenue
(i) Segment revenue	11,437.61	27,489.75	7,896.67	719.60	93.11	581.30	(5,933.24)	42,284.80	60,852.54
(ii) Segment results	(2,604.71)	(1,965.94)	(7,582.29)	(13,751.87)	(476.41)	-	-	(26,381.22)	(44,130.31)
Unallocated income net of other unallocated expenditure								(1,782.35)	(683.93)
Interest expenditure								(5,286.78)	(5,934.50)
Profit before tax								(33,450.35)	(50,758.74)
Tax expense								3,943.93	(2,627.66)
Profit after tax								(37,394.28)	(48,131.08)
Total other comprehensive income								636.28	945.63
Total comprehensive income for the year								(36,758.00)	(47,185.45)
(iii) Segment assets	94,248.59	1,92,333.76	61,519.60	21,458.97	61,443.59	-	-	4,31,004.51	5,05,892.67
Unallocated corporate assets								21,307.93	25,933.40
Total assets								4,52,312.44	5,31,826.07
(iv) Segment liabilities	15,383.52	32,383.78	3,443.47	3,280.38	1,749.62	-	-	56,240.77	85,403.17
Unallocated corporate liabilities								50,016.90	59,475.87
Total liabilities								1,06,257.67	1,44,879.04
(v) Capital expenditure including capital advances given (net)								1,351.29	4,926.76
Unallocated capital expenditure including capital advances									
Total capital expenditure including capital advances								1,351.29	4,926.76
(vi) Depreciation and amortisation	792.37	4,165.11	32.24	1,250.04	8.73	-	-	6,248.49	7,745.41
Unallocated depreciation and amortisation								25.51	1,338.59
Total depreciation and amortisation								6,274.00	9,084.00
(vii) Capital employed (segment assets - segment liabilities)	78,865.07	1,59,949.98	58,076.13	18,178.59	59,693.97	-	-	3,74,763.74	4,20,489.50
Unallocated capital employed								(28,708.97)	(33,542.47)
(viii) Non cash expenditure other than depreciation								3,46,054.77	3,86,947.03
Unallocated non cash expenditure other than depreciation								16,768.27	14,727.78
Non cash expenditure other than depreciation								16,768.27	14,727.78

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### (B) Geographic information

Revenue from external customers	For the year ended March 31, 2024	For the year ended March 31, 2023
India	41,895.10	60,829.97
Outside India	389.70	22.57
<b>Total</b>	<b>42,284.80</b>	<b>60,852.54</b>

Non-current operating assets	As at March 31, 2024	As at March 31, 2023
India	17,783.18	24,699.13
Outside India	1.75	-
<b>Total</b>	<b>17,784.93</b>	<b>24,699.13</b>

Non-current assets for this purpose consist of property, plant and equipment, Capital work-in-progress, right-of-use assets, Intangible assets under development, investment property and other intangible assets.

- (C) The Group's primary business segments are reflected based on principal business activities carried on by the Holding Company and its subsidiary companies. The Group's primary businesses are 'Broking and Related activities', 'Financing and Related activities' and 'E-Commerce and Related activities'. Broking and related activities include business as a stock broker on the National Stock Exchange of India Limited and the BSE Limited, business as a commodity broker on the Multi Commodity Exchange of India Limited and the National Commodity and Derivative Exchange Limited, brokerage on cross-selling of real estate, and other ancillary services relating to broking activities. Financing and related activities include business of financing loans and other ancillary services. Asset reconstructions and related activities include business of asset reconstruction and securitisation and other ancillary services. E-Commerce related activities includes sale of goods from online portal.
- (D) Segment revenue, results, assets and liabilities include amounts identifiable to each segment and amounts allocated on a reasonable basis.
- (E) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as disclosed in Note 3.

Summary of material accounting policies and other explanatory information  
for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

**Note - 52**

**Related party disclosures :**

Nature of relationship	Name of the party
<b>(a) Detail of related parties :</b>	
<b>Key management personnel</b>	<ul style="list-style-type: none"> <li>: Mr. Sameer Gehlaut, Non-Executive Chairman (till 16 June 2023)</li> <li>: Mr. Divyesh B. Shah, Whole Time Director &amp; Chief Executive Officer#</li> <li>: Mr. Pinank Jayant Shah, Whole Time Director (till 1 January 2023)</li> <li>: Mr. Anish Ernest Williams, Non-executive Director (till 23 September 2022)</li> <li>: Mr. Praveen Kumar Tripathi (till 15 September 2022)</li> <li>: Dr. Narendra Damodar Jadhav, Independent Director (till 21 August 2023)</li> <li>: Mrs. Fantry Mein Jaswal, Independent Director (till 22 August 2022)</li> <li>: Mr. Rakesh Mohan Garg, Independent Director (till 24 November 2022)</li> <li>: Mr. Vijay Chug, Independent Director (till 20 December 2022)</li> <li>: Mr. Sandeep Narkhar Kadam, Non-Executive Director (till 1 January 2023)</li> <li>: Mr. Prof. Mohanbir Singh Sawhney, Independent Director (till 6 October 2022)</li> <li>: Ms. Swati Jain, Independent Director (w.e.f 11 November 2022)</li> <li>: Mr. Amit Ajit Gandhi, Non-Executive Director (w.e.f 1 January 2023)</li> <li>: Mr. Rajeev Lochan Agrawal (Chief Financial Officer)</li> <li>: Mr. Ram Mehar Garg (Company Secretary w.e.f 30 December 2022)</li> <li>: Mr. Vikas Khandelwal (Company Secretary w.e.f 17 August 2022 till 30 December 2022)</li> <li>: Mr. Lalit Sharma (Company Secretary till 17 August 2022)</li> <li>: Mr. Aishwarya Katoch, Independent Director (w.e.f 1 January 2023)</li> </ul>
<b>Person exercising significant influence</b>	<ul style="list-style-type: none"> <li>: Mr. Sameer Gehlaut (Promoter)</li> </ul>

# During the previous year, Mr. Divyesh B. Shah has been redesignated as Chief Executive Officer w.e.f. 31 March 2023.

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

**(b) Transactions with related parties :**

Nature of transactions	Key management personnel		Person exercising significant influence		Total	
	For the year ended		For the year ended		For the year ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Expenses</b>						
Compensation to key management personnels:						
- Short term employee benefits	345.99	519.33	-	-	345.99	519.33
Mr. Divyesh B. Shah	345.99	89.33	-	-	345.99	89.33
Mr. Pinank Shah	-	126.60	-	-	-	126.60
Mr. Anish Ernest Williams	-	41.65	-	-	-	41.65
Mr. Sandeep Kadam	-	150.00	-	-	-	150.00
Mr. Amit Ajit Gandhi	-	89.75	-	-	-	89.75
Mr. Narendra Jadhav	-	22.00	-	-	-	22.00
- Post employment benefits - gratuity	17.58	31.35	-	-	17.58	31.35
Mr. Divyesh B. Shah	17.58	-	-	-	17.58	-
Mr. Pinank Shah	-	31.35	-	-	-	31.35
- Other long-term employee benefits - compensated absences	27.36	(4.49)	-	-	27.36	(4.49)
Mr. Divyesh B. Shah	27.36	-	-	-	27.36	-
Mr. Pinank Shah	-	(4.49)	-	-	-	(4.49)
- Share based expenses	-	(1,055.64)	-	-	-	(1,055.64)
Mr. Pinank Shah	-	(1,055.64)	-	-	-	(1,055.64)
- Remuneration	87.18	69.07	-	-	87.18	69.07
- Mr. Rajeev Lochan Agrawal	52.78	45.31	-	-	52.78	45.31
- Mr. Lalit Sharma	-	20.85	-	-	-	20.85
- Mr. Ram Mehar Garg	34.40	2.91	-	-	34.40	2.91
- Others (Director sitting fees)	21.00	23.00	-	-	21.00	23.00
Aishwarya Katoch	7.00	3.00	-	-	7.00	3.00
Swati Jain	7.00	3.00	-	-	7.00	3.00
Mr. Praveen Kumar Tripathi	-	2.00	-	-	-	2.00
Mr. Prem Prakash Mirdha	2.00	-	-	-	2.00	-
Mr. Narendra Jadhav	5.00	6.00	-	-	5.00	6.00
Mrs. Fantry Mein Jaswal	-	2.00	-	-	-	2.00
Mr. Vijay Chugh	-	2.00	-	-	-	2.00
Mr. Rakesh Mohan Garg	-	3.00	-	-	-	3.00
Mr. Mohan Sawhney	-	2.00	-	-	-	2.00

**(c) Balance outstanding at the end of the period : NIL**

Note 1: Related party relationships as given above are as identified by the Group.

Note 2: The Company has been disclosing the detailed transactions of related parties of the group with BSE Limited &amp; National Stock Exchange of India Limited in compliance with Regulation 23(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 53 Financial instruments

#### A. Financial assets and liabilities

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

Particulars	Note	As at 31 March 2024	As at 31 March 2023
<b>Financial assets measured at fair value</b>			
Investments measured at -			
- Fair value through profit and loss	Note - 11	5,489.48	51,010.44
- Fair value through other comprehensive income	Note - 11	-	-
<b>Loans measured at -</b>			
- Fair value through other comprehensive income	Note - 10	-	-
<b>Financial assets measured at amortised cost</b>			
Cash and cash equivalents	Note - 6	19,935.62	25,692.14
Bank balance other than cash and cash equivalents	Note - 7	44,393.71	43,007.26
Receivables -			
(i) Trade receivables	Note - 8	8,659.97	11,922.19
(ii) Other receivables	Note - 9	737.17	748.13
Loans	Note - 10	1,63,778.40	1,53,415.30
Other financial assets	Note - 12	28,226.33	33,047.39
<b>Total</b>		<b>2,71,220.68</b>	<b>3,18,842.85</b>
<b>Financial liabilities measured at amortised cost</b>			
Trade payables	Note - 18	2,103.67	2,085.02
Other payables	Note - 19	6,950.83	6,915.31
Debt securities (including interest accrued)	Note - 20	13,728.76	32,097.24
Borrowings (other than debt securities)	Note - 21	51,618.84	63,294.91
Lease liabilities	Note - 22	4,310.96	6,756.83
Other financial liabilities	Note - 23	21,551.09	25,841.74
<b>Total</b>		<b>1,00,264.15</b>	<b>1,36,991.05</b>

#### B. Fair values hierarchy

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 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).

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2024	Level 1	Level 2	Level 3	Total
Financial assets				
<b>Investments at fair value through profit and loss</b>				
Mutual funds and other funds	2,947.19	-	-	2,947.19
Unquoted security receipts	-	-	2,542.29	2,542.29
<b>Investments at fair value through other comprehensive income</b>				
Quoted equity instruments	-	-	-	-
Loans	-	-	-	-

As at 31 March 2023	Level 1	Level 2	Level 3	Total
Financial assets				
<b>Investments at fair value through profit and loss</b>				
Mutual funds and other funds	532.25	-	-	532.25
Unquoted security receipts	-	32,878.38	17,599.81	50,478.19
<b>Investments at fair value through other comprehensive income</b>				
Quoted equity instruments	-	-	-	-
Loans	-	-	-	-

#### Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices for quoted equity instruments and debt securities.
- for unquoted security receipts, adjusted discounted cash flow method (income approach) has been used.
- the use of net asset value for certificate of deposits and mutual funds on the basis of the statement received from investee party.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Particulars	Fair value		Significant unobservable inputs
	As at 31 March 2024	As at 31 March 2023	
Unquoted security receipts	2,542.29	17,599.81	Estimated cash flows and discount rate



## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Sensitivity analysis		
Description	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Impact on fair value if change in internal rate of return - 'Unquoted security receipts'</b>		
- Impact due to increase of 0.5%	(8.73)	(60.41)
- Impact due to decrease of 0.5%	8.73	60.41

The following table presents the changes in level 3 items for the periods ended 31 March 2024 and 31 March 2023:

Particulars	Loans	Unquoted security receipts
<b>As at 31 March 2022</b>	<b>1,976.97</b>	<b>3,793.51</b>
Add: Addition during the year	-	42,519.89
Less: Disposal/ redeemed during the year	(1,976.97)	(28,713.59)
Add: Gain recognised in statement of profit and loss	-	-
<b>As at 31 March 2023</b>	<b>-</b>	<b>17,599.81</b>
Add: Addition during the year	-	1,027.50
Less: Disposal/ redeemed during the year	-	(16,075.29)
Add: Gain recognised in statement of profit and loss	-	(9.73)
<b>As at 31 March 2024</b>	<b>-</b>	<b>2,542.29</b>

### B.2 Fair value of instruments measured at amortised cost

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Cash and cash equivalents	19,935.62	19,935.62	25,692.14	25,692.14
Bank balance other than cash and cash equivalents	44,393.71	44,393.71	43,007.26	43,007.26
Receivables -				
(i) Trade receivables	8,659.97	8,659.97	11,922.19	11,922.19
(ii) Other receivables	737.17	737.17	748.13	748.13
Loans	1,63,778.40	1,63,778.40	1,53,415.30	1,53,415.30
Other financial assets	28,226.33	28,226.33	33,047.39	33,047.39
<b>Total</b>	<b>2,65,731.20</b>	<b>2,65,731.20</b>	<b>2,67,832.41</b>	<b>2,67,832.41</b>
<b>Financial liabilities</b>				
Trade payables	2,103.67	2,103.67	2,085.02	2,085.02
Other payables	6,950.83	6,950.83	6,915.31	6,915.31
Debt securities	13,728.76	13,728.76	32,097.24	32,097.24
Borrowings (other than debt securities)	51,618.84	51,618.84	63,294.91	63,294.91
Lease Liabilities	4,310.96	4,310.96	6,756.83	6,756.83
Other financial liabilities	21,551.09	21,551.09	25,841.74	25,841.74
<b>Total</b>	<b>1,00,264.15</b>	<b>1,00,264.15</b>	<b>1,36,991.05</b>	<b>1,36,991.05</b>

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

The management assessed that fair values of cash and cash equivalents, other financial assets and other financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Financial instruments measured at fair value and fair value of financial instruments carried at amortized cost

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable inputs and fair value and sensitivity
Financial assets and liabilities measured at amortized cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates	Not applicable	Not applicable
Financial assets measured at FVTPL	NAV based method.	Not applicable	Not applicable
Financial assets measured at FVOCI	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates	The discount rate is the average lending rate at which the loans are disbursed	There is an inverse correlation. Higher the discount rate i.e average lending rate for the disbursed loans, lower the fair value of the assets

### Note - 54

#### Financial risk management

##### i. Risk Management

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

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, bank balance other than cash and cash equivalents, investments, loans, trade receivables and other financial assets	Ageing analysis	Highly rated bank deposits and diversification of asset base and collaterals taken for assets
Liquidity risk	Borrowings, debt securities, trade payables, other payables and other financial liabilities	Cash flow forecasts	Committed borrowing and other credit facilities and sale of loan assets (whenever required)
Market risk - foreign exchange	Financial assets and liabilities not denominated in Indian rupee (INR)	Sensitivity analysis	Forward contract/hedging, if required
Market risk - interest rate	Variable rates borrowings and debt securities	Sensitivity analysis	Negotiation of terms that reflect the market factors
Market risk - security price	Investments in equity and debt securities, mutual funds	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

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

### A) Credit risk

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

#### a) Credit risk management

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Group 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 Group 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 Group provides for expected credit loss based on the following:

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

Assets are written off when there is no reasonable expectation of recovery. The Group 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.

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Financial assets that expose the entity to credit risk\*

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(i) Low credit risk</b>		
Cash and cash equivalents	19,935.62	25,692.14
Bank balance other than cash and cash equivalents	44,393.71	43,007.26
Trade receivables	8,659.97	11,922.19
Other receivables	737.17	748.13
Loans	1,56,002.84	1,48,096.33
Investments	5,489.48	51,010.44
Security deposits	27,965.84	32,501.95
Other financial assets	260.49	545.44
<b>(ii) Moderate credit risk</b>		
Trade receivables	-	-
Loans	7,775.56	5,318.97
<b>(iii) High credit risk</b>		
Loans	13,241.71	24,074.96
Other receivables	2,848.84	2,837.88
Trade receivables	6,807.99	5,347.72
Other financial assets	163.02	1.79
Security deposits	14,508.55	4,569.75

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

### Cash and cash equivalents and bank deposits

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

### Trade and other receivables

Credit risk related to trade and other receivables are managed by monitoring the recoverability of such amounts continuously.

### Loans

The Group closely monitors the credit-worthiness of the borrower's through internal systems and project appraisal process (wherever applicable) to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Group assesses increase in credit risk on an ongoing basis for amounts loan assets that become past due and default is considered to have occurred when amounts receivable become one year past due.

The major guidelines for selection of the client includes:

- The client's income and indebtedness levels
- The client must possess the required KYC documents
- Client must agree to follow the rules and regulations of the Group

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

- Credit bureau check – In order to deal with the problem of over extension of credit and indebtedness of the client, the Group undertakes credit bureau checks for every client. The credit bureau check helps the Group in identifying clients with poor repayment histories and multiple loans.

Category*	Inputs	Assumptions
Corporate borrowers	1. Historical data as per Industry trends 2. Supplemental external information that could affect the borrowers behaviour	1. Recoverability assumptions for stage 3 loan assets and related assessment with value of collateral
Retail borrowers	3. Discount rate is based on internal rate of return on the loan	2. Management judgement is applied to determine the economic scenarios and the application of probability weights

\* The Group has used forward looking information in form of GDP growth rate and unemployment rate specific to the sector.

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.

### Other financial assets measured at amortized cost

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

### b) Credit risk exposure

#### i) Expected credit losses for financial assets other than loans

As at 31 March 2024	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	19,935.62	-	19,935.62
Bank balance other than cash and cash equivalents	44,393.71	-	44,393.71
Investments	5,489.48	-	5,489.48
Trade receivables	15,467.96	(6,807.99)	8,659.97
Other receivables	3,586.01	(2,848.84)	737.17
Margin funding loans	8,485.42	(891.27)	7,594.15
Other financial assets	42,897.90	(14,671.57)	28,226.33
As at 31 March 2023	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	25,692.14	-	25,692.14
Bank balance other than cash and cash equivalents	43,007.26	-	43,007.26
Investments	51,010.44	-	51,010.44
Trade receivables	17,269.91	(5,347.72)	11,922.19
Other receivables	3,586.01	(2,837.88)	748.13
Margin funding loans	2,908.31	(673.41)	2,234.90
Other financial assets	37,618.93	(4,571.54)	33,047.39

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Reconciliation of loss allowance provision from beginning to end of reporting period:

Reconciliation of loss allowance	Trade receivables	Other receivables	Other financial assets
<b>Loss allowance on 31 March 2022</b>	<b>4,706.78</b>	<b>3,153.35</b>	<b>37.76</b>
Impairment loss recognised during the year	1,540.90	539.10	-
Loss allowance written back	(899.96)	(854.57)	4,533.78
Write - offs	-	-	-
<b>Total Loss allowance on 31 March 2023</b>	<b>5,347.72</b>	<b>2,837.88</b>	<b>4,571.54</b>
Impairment loss recognised during the year	3,964.27	10.96	-
Loss allowance written back	-	-	10,100.03
Write - offs	(2,504.00)	-	-
<b>Loss allowance on 31 March 2024</b>	<b>6,807.99</b>	<b>2,848.84</b>	<b>14,671.57</b>

### Concentration of financial assets excluding loans

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

#### ii) Expected credit losses for loans

##### Definition of default:

The Group considers default in all cases when the borrower becomes 90 days past due on its contractual payments. The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of default, Exposure at default and Loss given default.

### Changes in the gross carrying amount in relation to loans given from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
<b>Gross carrying amount as at 1 April 2022</b>	<b>1,79,728.64</b>	<b>1,35,959.33</b>	<b>2,31,291.30</b>
Assets originated and acquired	74,491.97	-	-
Net transfer between stages	(1,65,071.60)	(1,30,121.59)	17,097.85
Assets derecognised (excluding write offs)	(4.61)	(9.85)	(1,65,871.18)
<b>Gross carrying amount as at 31 March 2023</b>	<b>89,144.40</b>	<b>5,827.89</b>	<b>82,517.97</b>
Assets originated and acquired	84,779.30	-	56,156.96
Net transfer between stages	(1,22,321.55)	2,122.26	(2,619.20)
Assets derecognised (excluding write offs)	-	-	2.01
<b>Gross carrying amount as at 31 March 2024</b>	<b>51,602.15</b>	<b>7,950.15</b>	<b>1,36,057.74</b>

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

<b>Reconciliation of loss allowance provision from beginning to end of reporting period:</b>			
<b>Reconciliation of loss allowance</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>
<b>Loss allowance on 1 April 2022</b>	<b>1,873.56</b>	<b>12,071.27</b>	<b>41,205.56</b>
Increase of provision due to assets originated and purchased during the year	845.91	-	-
Net transfer between stages and write back	(2,173.77)	(11,561.37)	(51,660.02)
Created through Securities Premium Account (Refer Note 29)	-	-	97,500.00
Loss allowance written back	(0.07)	(0.98)	(64,025.13)
<b>Loss allowance on 31 March 2023</b>	<b>545.63</b>	<b>508.92</b>	<b>23,020.41</b>
Increase of provision due to assets originated and purchased during the year	608.31	-	8,371.39
Impairment loss recognised during the year	317.57	(334.33)	(1,204.25)
Net transfer between stages and write back	-	-	(2.01)
Loss allowance written back	-	-	-
<b>Loss allowance on 31 March 2024</b>	<b>1,471.51</b>	<b>174.59</b>	<b>30,185.54</b>

### c) Concentration of loans

Prudent risk management involves the minimisation of concentration risk by diversifying the loan portfolio. Setting up exposure limit for particular industry, sector, geographical area, product, etc. is essential to reduce the concentration of the loan portfolio.

<b>Particulars</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Retail borrowers	88,877.55	93,483.47
Borrowers other than retail borrowers	88,142.56	84,006.79
<b>Total</b>	<b>1,77,020.11</b>	<b>1,77,490.26</b>

### Loans secured against collateral

Group's secured portfolio has security base as follows:

<b>Particulars</b>	<b>Value of loans</b>	
	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Secured by tangible assets	87,021.85	1,03,028.58
Secured by other assets	-	-

Wherever required, the Group holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, pledge of securities, guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts, etc.

The Group does not physically possess properties or other assets in its normal course of business but makes efforts toward recovery of outstanding amounts on delinquent loans. Once contractual loan repayments are more than 90 days past due, possession of property may be initiated. Possessed property is disposed of in the manner prescribed under the regulatory guidance to recover outstanding debt.

### B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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.

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

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

### i) Financing arrangements

The Group had access to the following funding facilities:

As at 31 March 2024	Total facility	Drawn	Undrawn
- Expiring within one year	15,790.00	-	15,790.00
- Expiring beyond one year	60,650.00	47,850.00	12,800.00
<b>Total</b>	<b>76,440.00</b>	<b>47,850.00</b>	<b>28,590.00</b>

As at 31 March 2023	Total facility	Drawn	Undrawn
- Expiring within one year	26,450.00	24,300.00	2,150.00
- Expiring beyond one year	40,000.00	32,700.00	7,300.00
<b>Total</b>	<b>66,450.00</b>	<b>57,000.00</b>	<b>9,450.00</b>

### ii) Maturities of financial assets and liabilities

The tables below analyse the Group 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 2024	Less than 1 year	1-3 years	More than 3 years	Total
Cash and cash equivalent	19,935.62	-	-	19,935.62
Bank balances other than cash and cash equivalent	44,393.71	-	-	44,393.71
Trade receivables	8,659.97	-	-	8,659.97
Other receivable	737.17	-	-	737.17
Loans	48,910.54	74,100.56	40,767.30	1,63,778.40
Investments	4,468.67	893.21	127.60	5,489.48
Other financial assets	24,101.44	3,588.39	536.50	28,226.33
<b>Total undiscounted financial assets</b>	<b>1,51,207.12</b>	<b>78,582.16</b>	<b>41,431.40</b>	<b>2,71,220.68</b>
Debt securities	11,045.00	2,683.76	-	13,728.76
Borrowings (other than debt securities)	1,393.68	17,525.16	32,700.00	51,618.84
Trade payables	2,103.67	-	-	2,103.67
Other payables	6,950.83	-	-	6,950.83
Lease Liabilities	941.31	1,832.79	1,536.86	4,310.96
Other financial liabilities	21,551.09	-	-	21,551.09
<b>Total undiscounted financial liabilities</b>	<b>43,985.58</b>	<b>22,041.71</b>	<b>34,236.86</b>	<b>1,00,264.15</b>



## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

As at 31 March 2023	Less than 1 year	1-3 years	More than 3 years	Total
Cash and cash equivalent	25,692.14	-	-	25,692.14
Bank balances other than cash and cash equivalent	43,007.26	-	-	43,007.26
Trade receivables	9,190.40	2,521.72	210.07	11,922.19
Other receivable	748.13	-	-	748.13
Loans	1,49,843.19	3,085.14	486.97	1,53,415.30
Investments	49,133.54	1,091.89	785.01	51,010.44
Other financial assets	29,130.85	2,760.13	1,156.41	33,047.39
<b>Total undiscounted financial assets</b>	<b>3,06,745.51</b>	<b>9,458.88</b>	<b>2,638.46</b>	<b>3,18,842.85</b>
Debt securities	14,689.08	17,408.16	-	32,097.24
Borrowings (other than debt securities)	21,671.48	38,880.14	2,743.29	63,294.91
Trade payables	2,085.02	-	-	2,085.02
Other payables	6,915.31	-	-	6,915.31
Lease Liabilities	1,901.12	2,053.56	2,802.15	6,756.83
Other financial liabilities	24,151.72	808.58	881.44	25,841.74
<b>Total undiscounted financial liabilities</b>	<b>71,413.73</b>	<b>59,150.44</b>	<b>6,426.88</b>	<b>1,36,991.05</b>

### C) Market risk

#### a) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Group. To mitigate the Group's exposure to foreign currency risk, non-rupee cash flows are monitored and forward exchange contracts are entered into in accordance with the Group's risk management policies. The Group has not hedged its foreign currency receivables and payables.

#### (i) Foreign currency risk exposure in USD:

Particulars	As at	Foreign currency	Exchange rate	Amount in Foreign Currency	Amount
<b>Financial assets</b>					
Loan notes and escrow receivable	31 March 2024	USD	83.37	-	-
Loan	31 March 2024	USD	83.37	5.10	425.52
<b>Financial liabilities</b>					
Loan notes and escrow receivable	31 March 2023	USD	82.22	-	-
Loan	31 March 2023	USD	82.22	5.10	419.62

#### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>USD sensitivity</b>		
INR/USD- increase by 2.49% (31 March 2023: 6.03%)*	10.60	25.30
INR/USD- increase by 2.49% (31 March 2023: 6.03%)*	(10.60)	(25.30)

\* Holding all other variables constant

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### b) Interest rate risk

#### i) Liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2024, the Group is exposed to changes in market interest rates through debt securities and other borrowings at variable interest rates.

#### Interest rate risk exposure

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

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Variable rate liabilities</b>		
Borrowings (other than debt securities)	3,768.84	6,294.91
<b>Fixed rate liabilities</b>		
Debt securities	13,728.76	31,342.88
Borrowings (other than debt securities)	47,850.00	57,000.00

#### Sensitivity

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

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest sensitivity on borrowings (other than debt securities)*		
Interest rates – increase by 0.50% (31 March 2023: 0.50%)	18.84	31.47
Interest rates – decrease by 0.50%(31 March 2022: 0.50%)	(18.84)	(31.47)

\* Holding all other variables constant

#### ii) Assets

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

### c) Price risk

#### i) Exposure

The Group'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 Group diversifies its portfolio of assets.

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### ii) Sensitivity

The table below summarises the impact of increases/decreases of the index on the Group's equity:

<b>Impact on profit after tax</b>		
<b>Particulars</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
<b>Mutual funds</b>		
Net assets value – increase by 5%	147.36	26.61
Net assets value – decrease by 5%	(147.36)	(26.61)
<b>Impact on other comprehensive income</b>		
<b>Particulars</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
Quoted equity instruments		
Value per share – increase by 26% (31 March 2022: 26%)	-	-
Value per share – decrease by 26% (31 March 2022: 26%)	-	-

### Note - 55

#### Capital Management

The Group's capital management objectives are

- to ensure the Group's ability to continue as a going concern
- to comply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

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

<b>Particulars</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Debt securities (including interest accrued)	13,728.76	32,097.24
Borrowings (other than debt securities) (including interest accrued)	52,907.98	64,979.86
<b>Total debt</b>	<b>66,636.74</b>	<b>97,077.10</b>
Less : Cash and cash equivalents	(19,935.62)	(25,692.14)
<b>Net debt</b>	<b>46,701.12</b>	<b>71,384.96</b>
Equity attributable to the owners of the parent	3,46,054.77	3,86,947.03
<b>Net debt to equity ratio</b>	<b>0.13</b>	<b>0.18</b>

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 56

#### Transferred financial assets

##### A) Securitisation

In the course of its business, the Group makes transfers of financial assets, where legal rights to the cash flows from the asset are passed to the counterparty and where the Group retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty.

The Group has securitized its loan assets to an unrelated and unconsolidated entity. As per the terms of the agreement with counterparty, the Group is exposed to first loss default guarantee and cash collateral at 13.50% (31 March 2023: 13.30%) of the amount securitised and therefore continues to be exposed to significant risk and rewards relating to the underlying receivables. Hence, these loan assets are not derecognised and proceeds received are presented as other financial liabilities.

The table below outlines the carrying amounts and fair values of financial assets transferred that are not derecognised in their entirety and their associated liabilities:

Securitisations	As at 31 March 2024	As at 31 March 2023
Gross carrying amount of securitised assets (at amortised cost)	6,526.62	8,165.96
Gross carrying amount of associated liabilities	3,768.84	6,294.91
Carrying value and fair value of securitised assets	6,493.07	8,126.00
Carrying value and fair value of associated liabilities	3,768.84	6,294.91
<b>Net position</b>	<b>2,724.23</b>	<b>1,831.09</b>

##### B) Assignment

During the year ended March 31, 2024, the Company has sold certain loans by way of direct bilateral assignment, as a source of finance. As per the terms of such deals, since the derecognition criteria as per Ind AS 109 are met, (including transfer of substantial risks and rewards) relating to assets being transferred to the buyer, the assets have been derecognised from the books of the Company.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition.

Particulars	As at 31 March 2024	As at 31 March 2023
Carrying amount of de-recognised financial asset	3,526.35	-
Gain on sale of the de-recognised financial asset	-	-

Since the Company has derecognized the above loan assets in entirety (100% assigned and Sold), and as per the agreement there was no interest spread as on the date of derecognition, hence there was no profit/loss on derecognition of financial assets.

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 57

#### Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products.

	As at 31 March 2024		As at 31 March 2023	
	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash and cash equivalents	19,935.62	-	25,692.14	-
Bank balance other than cash and cash equivalents	44,393.71	-	43,007.26	-
Receivables				
Trade receivables	8,585.68	74.29	11,546.28	375.91
Other receivables	737.17	-	748.13	-
Loans	48,910.54	1,14,867.86	69,546.24	83,869.06
Investments	4,468.67	1,020.81	35,499.87	15,510.57
Other financial assets	24,101.44	4,124.89	28,353.58	4,693.81
<b>Total Financial Assets</b>	<b>1,51,132.83</b>	<b>1,20,087.85</b>	<b>2,14,393.50</b>	<b>1,04,449.35</b>
<b>Non-financial assets</b>				
Inventories	26,796.13	-	26,268.67	-
Current tax assets (net)	7,330.36	3,166.56	18,468.02	2,961.20
Deferred tax assets	-	49,881.64	-	54,358.37
Investment property	-	605.85	-	767.65
Property, plant and equipment	-	6,273.27	-	8,279.93
Capital work-in-progress	-	9.44	-	-
Right-of-use assets	1,432.00	2,063.68	1,020.19	5,062.45
Intangible assets under development	-	-	-	351.64
Goodwill	-	6,797.16	-	6,797.16
Other intangible assets	-	8,006.54	-	9,984.92
Other non-financial assets	8,654.98	60,074.15	21,268.17	57,394.85
<b>Total non-financial Asset</b>	<b>44,213.47</b>	<b>1,36,878.29</b>	<b>67,025.05</b>	<b>1,45,958.17</b>
<b>TOTAL ASSETS (A)</b>	<b>1,95,346.29</b>	<b>2,56,966.15</b>	<b>2,81,418.55</b>	<b>2,50,407.52</b>
<b>LIABILITIES</b>				
<b>Financial liabilities</b>				
Payables				
Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	79.85	-	-	-

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

	As at 31 March 2024		As at 31 March 2023	
	Within 12 months	After 12 months	Within 12 months	After 12 months
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,023.82	-	2,085.02	-
<b>Other payables</b>				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6,950.83	-	6,915.31	-
Debt securities	11,045.00	2,683.76	15,523.26	16,573.98
Borrowings (other than debt securities)	1,393.68	50,225.16	7,193.13	56,101.78
Lease liabilities	941.30	3,369.66	1,355.11	5,401.72
Other financial liabilities	21,551.09	-	24,151.72	1,690.02
<b>Total Financial Liabilities</b>	<b>43,985.57</b>	<b>56,278.58</b>	<b>57,223.55</b>	<b>79,767.50</b>
<b>Non-financial Liabilities</b>				
Current tax liabilities (net)	383.05	-	892.17	-
Provisions	102.74	2,138.07	49.59	2,485.21
Deferred tax liabilities (net)	-	237.19	-	419.62
Other non-financial liabilities	3,132.47	-	4,004.68	36.72
	<b>3,618.26</b>	<b>2,375.26</b>	<b>4,946.44</b>	<b>2,941.55</b>
<b>TOTAL LIABILITIES (B)</b>	<b>47,603.83</b>	<b>58,653.84</b>	<b>62,169.99</b>	<b>82,709.05</b>
<b>NET (A-B)</b>	<b>1,47,742.47</b>	<b>1,98,312.30</b>	<b>2,19,248.56</b>	<b>1,67,698.47</b>

Summary of material accounting policies and other explanatory information  
for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

**Note - 58**  
**Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013:**

Name of the entity	As at 31 March 2024					
	Net Assets, i.e., total assets minus total liabilities	Share in profit or loss	Amount	Share in other comprehensive income	Amount	Share in total comprehensive income
	As % of consolidated net assets	As % of consolidated profit or loss	As % of consolidated comprehensive income	As % of total comprehensive income	As % of total comprehensive income	As % of total comprehensive income
<b>Parent Company</b>						
Dhani Services Limited	(13.59%)	20.28%	(7,584.57)	1.24%	7.89	20.61%
<b>Subsidiaries (Indian)</b>						
Dhani Loans and Services Limited	41.62%	1.43%	(533.02)	22.50%	143.17	1.06%
Indiabulls Investment Advisors Limited	1.53%	(0.26%)	98.77	3.07%	19.54	(0.32%)
Indiabulls Distribution Services Limited	7.46%	14.70%	(5,498.56)	0.00%	-	14.96%
Dhani Stock Limited	13.81%	(5.39%)	2,015.97	(11.02%)	(70.14)	(5.29%)
Devata Tradelink Limited	0.02%	0.00%	1.54	0.00%	-	0.00%
Indiabulls Alternate Investments Limited	0.18%	0.84%	(314.13)	0.00%	-	0.85%
Indiabulls Consumer Products Limited	0.00%	0.00%	(1.39)	0.00%	-	0.00%
Indiabulls Asset Reconstruction Company Limited	0.42%	5.45%	(2,036.48)	38.14%	242.69	4.88%
Indiabulls Infra Resources Limited	0.00%	0.04%	(16.57)	0.00%	-	0.05%
Auxesia Soft Solutions Limited	0.00%	0.01%	(2.09)	0.00%	-	0.01%
Pushpanjali Finsolutions Limited	0.03%	0.10%	(37.52)	0.00%	-	0.10%
Gyansagar Buildtech Limited	0.12%	0.01%	(2.32)	0.00%	-	0.01%
Dhani Healthcare Limited	5.25%	35.22%	(13,171.47)	2.68%	17.05	35.79%
Evinos Buildwell Limited	9.43%	0.01%	(2.70)	0.00%	-	0.01%
Evinos Developers Limited	0.00%	0.01%	(2.34)	0.00%	-	0.01%
Krathis Buildcon Limited	0.13%	0.00%	(1.02)	0.00%	-	0.00%
Savren Medicare Limited	0.01%	0.08%	(31.34)	0.00%	-	0.09%
Krathis Developers Limited	0.05%	(0.07%)	27.36	0.00%	-	(0.07%)
Transerv Limited	6.47%	10.40%	(3,887.42)	(0.59%)	(3.75)	10.59%
Jwala Technology Systems Private Limited	0.00%	0.11%	(42.90)	0.00%	-	0.12%
Juventus Estate Limited	8.35%	1.33%	(497.42)	(0.73%)	(4.64)	1.37%
Miabon Properties Limited	0.00%	0.00%	(0.60)	0.00%	-	0.00%
Milky Way Buildcon Limited	0.06%	0.00%	(1.26)	0.00%	-	0.00%
Indiabulls ARC - VII Trust	0.46%	(0.44%)	164.39	0.00%	-	(0.45%)
Indiabulls ARC - XXVIII Trust	7.96%	18.36%	(6,867.07)	0.00%	-	18.68%
Indiabulls ARC - XXIX Trust	2.79%	(2.24%)	836.80	0.00%	-	(2.28%)
Indiabulls ARC - XXX Trust	0.65%	(1.63%)	609.33	0.00%	-	(1.66%)
Indiabulls ARC - XXXI Trust	0.00%	0.09%	(33.13)	0.00%	-	0.09%
Indiabulls ARC - XXXII Trust	4.14%	0.27%	(100.08)	0.00%	-	0.27%
<b>Subsidiaries (Foreign)</b>						
Euler Systems, Inc (USA)	0.01%	0.00%	(0.37)	(0.99%)	(6.29)	0.02%
Dhani Limited, Jersey	0.00%	0.01%	(5.51)	0.02%	0.10	0.01%
Dhani Limited, UK	2.22%	1.61%	(603.39)	45.68%	290.66	0.85%
Non controlling interest in all subsidiaries	0.44%	(0.34%)	126.23	0.00%	-	(0.34%)
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>(37,394.28)</b>	<b>100.00%</b>	<b>636.28</b>	<b>100.0%</b>
						<b>(36,758.00)</b>

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 59

#### Group information

- A. The consolidated financial statements include the financial statements of Group and its subsidiaries. Dhani Services Limited is the ultimate holding of the Group.

Name of subsidiaries	Country of incorporation	% of holding and voting power either directly or indirectly through subsidiary	
		As at 31 March 2024	As at 31 March 2023
Dhani Loans and Services Limited	India	100.00%	100.00%
Indiabulls Investment Advisors Limited	India	100.00%	100.00%
Indiabulls Distribution Services Limited	India	100.00%	100.00%
Dhani Stock Limited	India	100.00%	100.00%
Devata Tradelink Limited	India	100.00%	100.00%
Indiabulls Alternate Investments Limited	India	100.00%	100.00%
Indiabulls Consumer Products Limited	India	100.00%	100.00%
Indiabulls Asset Reconstruction Company Limited	India	100.00%	100.00%
Indiabulls Infra Resources Limited	India	100.00%	100.00%
Auxesia Soft Solutions Limited	India	100.00%	100.00%
Pushpanjali Finsolutions Limited	India	100.00%	100.00%
Gyansagar Buildtech Limited	India	100.00%	100.00%
Dhani Healthcare Limited	India	100.00%	100.00%
Transerv Limited	India	100.00%	100.00%
Indiabulls ARC - VII Trust	India	51.00%	51.00%
Indiabulls ARC - XXVIII Trust	India	100.00%	90.00%
Indiabulls ARC - XXIX Trust	India	100.00%	100.00%
Indiabulls ARC - XXX Trust	India	100.00%	0.00%
Indiabulls ARC - XXXI* Trust	India	100.00%	0.00%
Indiabulls ARC - XXXII Trust	India	100.00%	0.00%
Evinos Developers Limited	India	100.00%	100.00%
Evinos Buildwell Limited	India	100.00%	100.00%
Krathis Buildcon Limited	India	100.00%	100.00%
Krathis Developers Limited	India	100.00%	100.00%
Savren Medicare Limited	India	100.00%	100.00%
Jwala Technology Systems Private Limited	India	100.00%	100.00%
Euler Systems, Inc (USA)	USA	100.00%	100.00%
Dhani Limited, Jersey	Jersey	100.00%	100.00%
Dhani Limited, UK	UK	100.00%	100.00%
Juvenntus Estate Limited	India	100.00%	100.00%
Mabon Properties Limited	India	100.00%	100.00%
Milky Way Buildcon Limited	India	100.00%	100.00%

\* The Company has sold the stake of the trust as of 29 December 2023, therefore the financial statement includes profit until the date of the trust sale.



## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### B. Subsidiary with material non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Name of entity	Principal activities	Proportion of ownership interests and voting rights held by NCI	
		As at 31 March 2024	As at 31 March 2023
Indiabulls ARC - VII Trust		49.00%	49.00%
Indiabulls ARC - XXVIII Trust		0.00%	10.00%

Summarised financial information for Indiabulls ARC - VII Trust is set out below:

Particulars	As at 31 March 2024	As at 31 March 2023
Financial assets	3,268.54	3,052.67
Non-financial assets	24.53	13.41
<b>Total assets</b>	<b>3,293.07</b>	<b>3,066.08</b>
Financial liabilities	173.54	268.97
Non-financial Liabilities	0.15	(0.05)
<b>Total liabilities</b>	<b>173.69</b>	<b>268.92</b>
Equity attributable to the owners of the holding company	1,590.88	1,426.55
Non-controlling interests	1,528.50	1,370.61

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Total revenue	382.68	356.62
Total comprehensive income attributable to the owners of the holding company	164.39	127.11
Total comprehensive income attributable to non-controlling interest	157.94	122.13
<b>Total comprehensive income</b>	<b>322.33</b>	<b>249.24</b>

Summarised cash flow	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash used in operating activities	322.33	207.40
Cash flows from investing activities	-	-
Cash flows from financing activities	(322.33)	(207.44)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>-</b>	<b>(0.04)</b>

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Summarised financial information for Indiabulls ARC - XXVIII Trust is set out below:

Particulars	As at 31 March 2024	As at 31 March 2023
Financial assets	-	39,783.87
Non-financial assets	-	-
<b>Total assets</b>	-	<b>39,783.87</b>
Financial liabilities	-	4.91
Non-financial Liabilities	-	1.42
<b>Total liabilities</b>	-	<b>6.33</b>
Equity attributable to the owners of the holding company	-	35,799.79
Non-controlling interests	-	3,977.75

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Total revenue	-	3,290.09
Total comprehensive income attributable to the owners of the holding company	-	(108.04)
Total comprehensive income attributable to non-controlling interest	-	(12.00)
<b>Total comprehensive income</b>	-	<b>(120.05)</b>

Summarised cash flow	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash used in operating activities	-	(35,976.05)
Cash flows from investing activities	-	-
Cash flows from financing activities	-	35,983.77
<b>Net increase / (decrease) in cash and cash equivalents</b>	-	<b>7.72</b>

## Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Particulars	As at 31 March 2024		As at 31 March 2023		Variance (%)*		
	Numerator	Denominator	Ratio	Ratio			
Current Ratio	1,39,245.85	36,361.92	3.83	1,62,115.00	42,730.06	3.79	1%
[Current Assets/ Current Liabilities]							
Debt-Equity Ratio	46,701.12	3,46,054.77	0.13	71,384.96	3,86,947.03	0.18	-27%
[Debt/ Equity]							
Debt Service Coverage Ratio	(17,858.29)	38,053.53	(0.47)	(25,069.43)	1,44,831.40	(0.17)	171%
[PBIT+ exceptional items] / (Interest+ Principal repayment)							
Return on Equity Ratio	(37,394.28)	3,66,500.90	-10.20%	(48,131.08)	4,57,025.23	-10.53%	-3%
[(PAT + exceptional items)/(Total op. Equity+Total cl. Equity)]/2]							
Inventory turnover ratio	3,487.98	2,303.14	1.51	6,563.29	7,388.89	0.89	70%
[Consumption / (op. Inventory+cl. Inventory)]/2]							
Trade Receivables turnover ratio	42,284.80	10,291.08	4.11	60,852.54	12,366.13	4.92	-17%
[Sales / (op. receivable+cl. Receivables)]/2]							
Trade payables turnover ratio	(679.34)	2,094.35	(0.32)	(406.93)	7,356.11	(0.06)	486%
Purchase/(op.payables+cl. Payables)]/2]							
Net capital turnover ratio	42,284.80	1,02,883.93	0.41	60,852.54	1,19,384.94	0.51	-19%
[Total Operational Revenue/Working Capital]							
Net profit ratio	(37,394.28)	42,284.80	-88.43%	(48,131.08)	60,852.54	-79.09%	12%
[PAT before exceptional items/Revenue from Operation]							
Return on Capital employed	(24,132.29)	3,61,757.92	(0.07)	(34,153.43)	4,28,400.43	(0.08)	-16%
[PBIT before exceptional items/Total capital employed (NW-DTA+debt+DTL)]							
Return on investment	-	-	-	-	-	-	-
[ROI=Income received on Investment/ Investment outside the group]							

\*Reason of variances:

Note - 60

Accounting Ratio

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

**Debt-Equity Ratio:** This is due to repayment of borrowing during the year.

**Debt Service Coverage Ratio:** This is reduced due reduction in repayment of principal & interest in current year as compared to previous year.

**Inventory turnover ratio:** This is mainly due to reduction in closing inventory.

**Trade payables turnover ratio:** This is due to decline in average payable.

### Note - 61

#### Disclosure with regard to CSR activities pursuant to MCA notification 24th March 2021.

In accordance with the provisions of section 135 of the Companies Act 2013, the Board of Directors of the Company in the group had constituted a Corporate Social Responsibility (CSR) Committee for the Companies. In terms with the provisions of the said Act, the group was to spend a sum of ₹ 141.6 lakh (previous year ₹ 172.54 lakh) towards CSR activities during the year ended 31 March 2024. The details of amount actually spent by the group are:

	For the year ended	
	31 March 2024	31 March 2023
(i) Gross amount required to be spent by the Company	141.60	172.54
(ii) Amount spent on		
- Construction/acquisition of any asset	-	-
- Any other purpose other than above *	141.60	-
- Yet to be spent**	-	172.54
	<b>141.60</b>	<b>172.54</b>

\*Contribution towards donation paid to Mata Krishnavanti Memorial Educational Society (REGD).

\*\*During the year ended March 31, 2023 the Group had contributed Rs. 172.54 lakhs, being the amount required to be spent by the Group towards Corporate Social Responsibility expenses to a Trust, known as Indiabulls Foundation ("Trust"). The said amount was not utilised/spent for the intended CSR activity by the Trust till March 31, 2024. The unspent amount of CSR expenses has been deposited in Unspent CSR account on 2nd May 2023. Banks remained closed on the last date of the deposit i.e. 30th April 2023 (Sunday). Further, bank also remained closed on 1st May 2023 on account of holiday. The amount was deposited on next working day of the last due date considering section 10 of the General Clauses Act, 1897.

### Note - 62

#### (I) Benami Property

No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

#### (II) Guarantee, security or the like on behalf of the Ultimate Beneficiaries

- (i) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary:
- 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 to or on behalf of the Ultimate Beneficiaries.

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

- (ii) The Company has not received any fund from any person(s) or entity(is), 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 Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (III) The group does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

### Note - 63

#### Code on Social Security, 2020:

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

### Note - 64

The Group has not entered into any derivative instruments during the period. There are no foreign currency exposures with respect to derivative instruments as at 31 March 2024 (Previous year Rs.Nil).

### Note - 65

There are no borrowing costs to be capitalized as at 31 March 2024 (Previous year: Rs. Nil).

### Note - 66

There are no any bank or financial institution or other lender declared to Company a wilful defaulter during the year (Previous year Rs. Nil).

### Note - 67

The Group has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2024.

### Note - 68

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

### Note - 69

The Group has not traded or invested in crypto currency or virtual currency during the financial year ended March 31, 2024.

### Note - 70

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

### Note - 71

The Group have not taken any borrowings from banks or financial institutions on the basis of security of current assets during the year ended March 31, 2024.

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 72

In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at 31 March 2024, have a value on realization in the ordinary course of the Group's business at least equal to the amount at which they are stated in the balance sheet after appropriate provision. In the opinion of the Board of Directors, no provision is required to be made against the recoverability of such balances, other than as already provided in the financial statements.

### Note - 73

Details in respect of Utilization of Borrowed funds and securities premium:

Particulars	Description
Transactions where an entity has provided any advance, loan, or invested funds to any other person (s) or entity/ entities, including foreign entities.	No such transaction has taken place during the year
Transactions where an entity has received any fund from any person (s) or entity/ entities, including foreign entity.	No such transaction has taken place during the year

### Note - 74

#### Compliance with number of layers of companies:

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 and no layers of companies has been established beyond the limit prescribed as per above said section / rules during the year ended 31 March 2024 and 31 March 2023.

### Note - 75

#### Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer 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 Group presents revenues net of indirect taxes in its statement of profit and loss.

### Note - 76

In respect of Indiabulls Distribution Services Limited, a subsidiary Company - The subsidiary company has recorded provisions for impairment due to expected credit losses of Rs. 5,250.00 lakhs on certain financial assets as at March 31, 2024 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 subsidiary company's business. The effect thereof on the subsidiary company's operations may be different from that estimated as at the date of approval of these financial statements. Accordingly, the subsidiary company will continue to closely assess and evaluate the future conditions and their impact on its estimates for impairment due to expected credit losses losses and its financial statements.

### Note - 77

The Registered Office of the Company has been shifted, from Delhi to Haryana i.e. from '1/1 E, First Floor, East Patel Nagar, New Delhi-110008' to '5th Floor, Plot No. 108, IT Park, Udyog Vihar, Phase 1, Industrial Complex Dundahera, Industrial Complex Dundahera, Gurgaon- 122016, Haryana', with effect from 1st May 2024.

## Summary of material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 78

During the year ended 31 March 2023, the Company has (a) appropriated Rs. 65,10,456 received on 60,282 partly paid up shares (PPS) as third and final call money of Rs. 108/- per PPS, towards face value (Re. 0.90 per share) and share premium (Rs. 107.10) per share. With this 60,282 PPS stand converted into equivalent number of fully paid up equity shares having face value of Rs. 2 each, which ranks pari passu with the existing fully paid up equity shares of the Company and (b) issued and allotted 22,00,000 (Twenty Two Lacs) fully paid up equity shares of face value INR 2/- each, to eligible employees upon exercise of options vested in their favour under 'Dhani Services Limited Employees Stock Option Scheme – 2008' of the Company. Consequently, the paid-up Equity Share Capital stand increased to Rs. 121,62,96,148.40 divided into 60,32,59,386 fully paid up equity shares of face value Rs. 2/- each and 88,88,524 partly paid-up equity shares of face value of Rs. 2 each, paid up Rs. 1.10 each.

### Note - 79

In line with the long term business objectives of the Group to further accelerate the scaling up of the operations and to provide synergy of consolidated business operations and management and to streamline the operations of the Group and /or its identified subsidiaries to have a simplified and streamlined holding structure with pooled resources, the Board of Directors of the Holding Company, subject to all applicable statutory and regulatory approvals, including approval from the stock exchanges, SEBI, shareholders and creditors of the Holding Company and the jurisdictional bench of the NCLT, has approved a composite Scheme of Arrangement inter-alia involving Amalgamation of the Holding Company along with its certain subsidiary companies with and into Yaari Digital Integrated Services Limited ("Amalgamated Company" / "Resulting Company "Yaari") (the "Scheme"). Under the Scheme Savren Medicare Limited, Auxesia Soft Solutions Limited, Gyansagar Buildtech Limited, Pushpanjali Finsolutions Limited, Devata Tradelink Limited, Evinos Developers Limited, Milky Way Buildcon Limited, Indiabulls Consumer Products Limited, Indiabulls Infra Resources Limited, Jwala Technology Systems Private Limited, Mabon Properties Limited and Juventus Estate Limited, subsidiaries of the Company will get amalgamated with Yaari. During the year under audit, the Competition Commission of India has approved the Scheme of Arrangement on Dec 19, 2023. The Holding Company has received No Observation Letters from BSE Limited and National Stock Exchange of India Limited on March 01, 2024 and March 04, 2024, respectively. The First Motion Application has been filed with National Company Law Tribunal, Chandigarh Bench on April 10, 2024.

### Note - 80

The company and it's Indian subsidiaries incorporated in India have accounting software to manage its books of account, incorporating an audit trail (edit log) feature. This feature is consistently utilized throughout the year for all transactions recorded in the software, database level and backup is taken periodically of these transactions. Additionally, measures are in place to establish necessary controls aimed at preventing or identifying any tampering with the audit trail feature.

### Note - 81

Previous year's figures have been regrouped / rearranged where ever considered necessary to confirm current year grouping.

In terms of our report of even date

For **Sharp & Tannan Associates** For and on behalf of Dhani Services Limited

Chartered Accountants  
Firm Registration No. 109983W

**Tirtharaj Khot**  
Partner  
Membership No.: (F) 037457

**Divyesh B. Shah**  
Whole Time Director & CEO  
DIN: 00010933

**Amit Ajit Gandhi**  
Director  
DIN: 07606699

**Rajeev Lochan Agrawal**  
Chief Financial Officer

**Ram Mehar Garg**  
Company Secretary

Place: Mumbai  
Date: 17 May 2024

Place: Mumbai  
Date: 17 May 2024

Place: Mumbai  
Date: 17 May 2024

Place: Gurugram  
Date: 17 May 2024

Place: Gurugram  
Date: 17 May 2024

## INDEPENDENT AUDITOR'S REPORT

To the members of Dhani Services Limited

Report on the audit of the standalone financial statements

### Opinion

We have audited the accompanying standalone financial statements of Dhani Services Limited (hereinafter referred as "the Company"), which comprise the balance sheet as at 31 March 2024, the statement of profit and loss (including other comprehensive income), the statement of cash flow and the statement of changes in equity for the year then ended and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (hereinafter referred as "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 (hereinafter referred as "Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31 March 2024, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (hereinafter referred as "SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's responsibilities for the audit of the standalone 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 standalone financial statements.

### Emphasis of matter

We draw attention to the note 42 of the standalone financial statement regarding the requirement of obtaining the Certificate of registration (CoR) for the Company from the Reserve Bank of India (RBI) as a Non-Banking Financial Company (NBFC) under the Category of Core Investment Company (CIC). The management is of the view that basis their present business operations and applicable financial criteria, the Company qualifies to fall under the category of an unregistered CIC and has written to RBI for their view in this regard, response to which is awaited.

The management is further of the view that the possible non-compliance with such requirement is not expected to have material impact on the accompanying Statement.

As per the details outlined in note 54 of the standalone financial statement, the company's Board of Directors have approved a composite Scheme of Arrangement inter-alia involving Amalgamation of the Company along with its certain subsidiary companies with and into Yaari Digital Integrated Services Limited ("Amalgamated Company"/ "Resulting Company "Yaari"). This proposed arrangement scheme is subject to all applicable statutory and regulatory approvals, including approval from the stock exchanges, SEBI, shareholders and creditors of the company and the jurisdictional bench of the NCLT.

Our opinion is not modified in respect of these matter of emphasis.

### Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

### Information other than the standalone financial statements and auditor's report thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the Board's report and management discussion and analysis included in the annual report but does not



## Independent Auditor's Report (Contd.)

include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

### **Managements and Board of Directors responsibilities for the standalone financial statements**

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Company's Management and Board of Directors are 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.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the standalone financial statements**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- A. Identify and assess the risks of material misstatement of the standalone 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.
- B. Obtain an understanding of internal control 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
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. 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 standalone financial statements or, if such disclosures are

## Independent Auditor's Report (Contd.)

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.

- E. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters, if any, that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### 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 Act, 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 and based on our audit, 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), statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone 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 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 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 and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
  - g) With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
  - 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

## Independent Auditor's Report (Contd.)

given to us:

- i. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - refer note 37 to the standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except ₹ 0.50 (Axis Bank 915020051526884 Interim divi 15-16 -III) as mentioned in note 18(ii) to the standalone financial statement.
- iv. Reporting on rule 11(e):
  - (a) The Management has represented that, to the best of its knowledge and belief, as stated in note no. 50(i), no funds (which are material either individually or in the aggregate) 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, as stated in note no. 50(ii), no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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
  - (c) Based on the audit procedures that has been 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 (i) and (ii) of rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. During the year, the Company has not declared/paid dividend. Accordingly, reporting under section 123 of the Act is not applicable.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tempered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm's Registration no. 109983W  
by the hand of

**CA Tirtharaj Khot**  
Partner

Membership no.(F) 037457  
UDIN:24037457BKGEHG2323

Mumbai, 17 May 2024

## Independent Auditor's Report (Contd.)

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under the heading, "Report on Other Legal and Regulatory Requirements" of our report on even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) During the year, the Property, Plant and Equipment were physically verified by the management at regular intervals based on the programme of verification in a phased manner which in our opinion is reasonable. No material discrepancies were noticed during such physical verification conducted by the Company during the year.
- (c) The company does not hold any immovable properties. Accordingly, reporting under paragraph 3(i)(c) of the order is not applicable.
- (d) The Company has neither revalued its Property, Plant and Equipment (including Right of Use assets) nor intangible assets during the year. Accordingly, reporting under paragraph 3(i)(d) of the Order is not applicable.
- (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under paragraph 3(i)(e) of the Order is not applicable.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under paragraph 3(ii)(a) of the Order is not applicable.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions. Accordingly, reporting under paragraph 3(ii)(b) of the Order is not applicable.
- (iii) During the year, the Company has made investments in certain companies and has granted intercompany loans however has not provided any guarantee or security to companies/ other parties. Requisite information is stated below. The Company has not granted any loans, or provided advances in the nature of loans, or stood guarantee, or provided security to parties other than subsidiary, joint venture and associate.
- (a) During the year, the Company has granted intercompany loans to its subsidiaries as stated below:

Particulars	Loans (Intercompany deposits) (₹ in Lakhs)	
	Provided during the year	Balance outstanding as at 31 Mar 2024 (Including interest Accrued)
Aggregate amount during the year	75,309.32	42,179.29
- Subsidiaries		
- Parties other than subsidiaries, associates and joint venture	-	-

- (b) The investments made and the terms and conditions of all intercompany loans, are prima facie, not prejudicial to the Company's interest. In one case, loan including interest thereon is repayable on demand.
- (c) Intercompany loans are repayable on demand. Accordingly, we are unable to comment on its regularity. Interest repayments except as mentioned above are regular.
- (d) There is no overdue amount for more than ninety days in respect of intercompany loans given. Accordingly, the reporting under para 3(iii)(d) is not applicable.
- (e) Apart from the intercompany loans, there is no loan which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (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.

## Independent Auditor's Report (Contd.)

- (iv) The Company has complied with provisions of section 185 and section 186 of the Act.
- (v) The Company has not accepted deposits or deemed deposits to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules framed there under, are applicable. Accordingly, reporting under para 3(v) is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act, for the business activities carried out by the Company. Accordingly, reporting under paragraph 3 (vi) of the Order is not applicable.

(vii) In respect of statutory dues:

- (a) The Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues, as applicable, to the appropriate authorities. Based on the verification carried out by us on test basis, there are no arrears of statutory dues outstanding as on the last day of the financial year concerned for a period of more than six months from the date, they became payable except disclosed below:

Name of Statute	Nature of dues	Amount in ₹ Lakhs	Period to which the amount relates	Remarks if any
Tamil Nadu Urban Local Bodies Act (Amended) 1998	Profession Tax	0.01	2022-23	Cheque not realised so unpaid

- (b) The dues outstanding in respect of income-tax and GST on account of any dispute, are as follows:

Nature of Statute	Nature of Dues	Amount in ₹ Lakhs	Amount paid under protest (₹ Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	18.83	4.26	AY 2013-14	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	37.91	7.58	AY 2014-15	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	35.38	8.13	AY 2015-16	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	17.40	3.66	AY 2016-17	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	62.47	13.43	AY 2017-18	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	2,524.48	-	AY 2018-19	Commissioner of Income Tax (Appeals)
Goods and Services Tax Act, 2017	Goods and Services Tax	287.40	-	AY 2018-19	Deputy Commissioner (GST)
Nature of Statute	Nature of Dues	Amount in ₹ Lakhs	Amount paid under protest (₹ Lakhs)	Period to which the amount relates	Forum where dispute is pending
Goods and Services Tax Act, 2017	Goods and Services Tax	157.52	-	AY 2019-20	Deputy Commissioner (GST)
Goods and Services Tax Act, 2017	Goods and Services Tax	6.41	-	AY 2020-21	Deputy Commissioner (GST)

- (viii) There are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, reporting under para 3(viii) is not applicable.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Accordingly, reporting under para 3(ix)(a) is not applicable.
- (b) The company has not been declared as willful defaulter by any bank or financial institution or other lender. Accordingly, reporting under para 3(ix)(b) is not applicable.
- (c) The term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained.

## Independent Auditor's Report (Contd.)

- (d) Funds raised on short term basis have not been utilised for long term purposes. Accordingly, reporting under para 3(ix)(d) is not applicable.
- (e) We report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, reporting under para 3(ix)(e) is not applicable.
- (f) We report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, reporting under para 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting on para 3(x)(a) is not applicable.
  - (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting on para 3(x)(b) is not applicable.
- (xi) (a) No fraud by the Company or any material fraud on the Company by its officers or employees has been noticed or reported during the year.
  - (b) During the year, no report under sub-section (12) of section 143 of the Companies 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) During the year, we have taken into consideration the whistle blower complaints received by the company during the year while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a Nidhi Company. Accordingly, reporting on para 3(xii) of the order is not applicable.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable, and the details have been disclosed in the financial statements as required by the applicable IND AS.
- (xiv) (a) The company has an internal audit system commensurate with the size and nature of its business.
  - (b) We have considered, the internal audit reports issued during the year and pertaining to the year under audit.
- (xv) 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. Accordingly, reporting on para 3(xv) of the order is not applicable.
- (xvi) Our comments below to be read with our emphasis of matter w.r.t. requirement of obtaining the Certificate of Registration (CoR) for the Company from the Reserve Bank of India (RBI):
  - a) The Company has not been registered under Section 45-IA of the Reserve Bank of India Act, 1934.
  - b) The company has conducted Non-Banking Financial activities however is not required to be registered with RBI.
  - c) The company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India however is not required to be registered with RBI.
  - d) The group does not have CIC as part of the group. Accordingly, reporting on para 3(xvi)(d) of the order is not applicable.
- (xvii) The Company has not incurred cash loss in the current financial year and incurred cash loss in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting on para 3(xviii) of the order is not applicable.
- (xix) 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, our knowledge of the Board of Directors and management plans 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 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

## Independent Auditor's Report (Contd.)

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) (a) There is no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects which required a transfer to a Fund specified in Schedule VII to the companies Act in compliance with second proviso to sub section (5) of section 135 of the Act. Accordingly, reporting on para 3(xx)(a) of the order is not applicable.
- (b) There is no unspent amount towards Corporate Social Responsibility (CSR) in respect of ongoing projects requiring a transfer to a special account in compliance with sub-section (6) of section 135 of the Act. Accordingly, reporting on para 3(xx)(b) of the order is not applicable.

For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm's Registration no. 109983W  
by the hand of

**CA Tirtharaj Khot**  
Partner  
Membership no.(F) 037457  
UDIN: 24037457BKGEHG2323

Mumbai, 17 May 2024

## Independent Auditor's Report (Contd.)

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 2 (f) under the heading, "Report on other legal and regulatory requirements" of our report on even date:

**Report on the Internal Financial Controls**

**[under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")]**

**Opinion**

We have audited the internal financial controls over financial reporting of Dhani Services Limited (hereinafter referred as "the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal financial 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 (hereinafter referred as "the guidance note") issued by the Institute of Chartered Accountants of India (hereinafter referred as "ICAI").

**Managements and Board of Directors responsibility for internal financial controls**

The Company's Management and Board of Directors are 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 system over financial reporting.

**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 standalone 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



## Independent Auditor's Report (Contd.)

to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone 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.

For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm's Registration no. 109983W  
by the hand of

**CA Tirtharaj Khot**  
Partner

Membership no.(F) 037457  
UDIN: 24037457BKGEHG2323

Mumbai, 17 May 2024

# STANDALONE BALANCE SHEET

as at 31 March 2024

(All amounts are in Indian Rupees in lakh unless stated otherwise)

	Notes	As at 31 March 2024	As at 31 March 2023	
<b>I. ASSETS</b>				
<b>(1) Financial assets</b>				
(a)	Cash and cash equivalents	5	205.85	1,999.94
(b)	Other bank balances	6	2,064.42	2,034.68
(c)	Loans	7	42,179.29	1,38,436.20
(d)	Investments	8	5,77,636.15	4,88,302.54
(e)	Other financial assets	9	308.02	327.53
			<b>6,22,393.73</b>	<b>6,31,100.89</b>
<b>(2) Non-financial assets</b>				
(a)	Current tax assets (net)	10	2,873.83	2,676.47
(b)	Deferred tax assets (net)	11	-	1,592.45
(c)	Property, plant and equipment	12	29.75	48.17
(d)	Other intangible assets	13	1.11	4.86
(e)	Other non-financial assets	14	95.02	88.43
			<b>2,999.71</b>	<b>4,410.38</b>
	<b>TOTAL ASSETS</b>		<b>6,25,393.44</b>	<b>6,35,511.27</b>
<b>II. LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>(1) Financial liabilities</b>				
(a)	Payables			
(I)	Trade payables	15		
(i)	total outstanding dues of micro enterprises and small enterprises		-	-
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises		7.16	7.73
(II)	Other payables	16		
(i)	total outstanding dues of micro enterprises and small enterprises		-	-
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises		131.64	200.22
(b)	Borrowings other than debt securities	17	49,139.14	57,784.95
(c)	Other financial liabilities	18	85.21	95.16
			<b>49,363.15</b>	<b>58,088.06</b>
<b>(2) Non-financial Liabilities</b>				
(a)	Current tax liabilities (net)	19	0.54	174.15
(b)	Deferred tax liabilities (net)	11	237.19	-
(c)	Provisions	20	101.58	94.18
(d)	Other non-financial liabilities	21	168.54	275.13
			<b>507.84</b>	<b>543.46</b>
<b>(3) Equity</b>				
(a)	Equity share capital	22	12,163.77	12,163.77
(b)	Other equity	23	5,63,358.68	5,64,715.98
			<b>5,75,522.45</b>	<b>5,76,879.75</b>
	<b>TOTAL LIABILITIES AND EQUITY</b>		<b>6,25,393.44</b>	<b>6,35,511.27</b>

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

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

For **Sharp & Tannan Associates** For and on behalf of Dhani Services Limited  
 Chartered Accountants  
 Firm Registration No. 109983W

**Tirtharaj Khot**  
 Partner  
 Membership No.: (F) 037457

**Divyesh B. Shah**  
 Whole Time Director & CEO  
 DIN: 00010933

**Amit Ajit Gandhi**  
 Director  
 DIN: 07606699

**Rajeev Lochan Agrawal**  
 Chief Financial Officer

**Ram Mehar Garg**  
 Company Secretary

Place: Mumbai  
 Date: 17 May 2024

Place: Mumbai  
 Date: 17 May 2024

Place: Mumbai  
 Date: 17 May 2024

Place: Gurugram  
 Date: 17 May 2024

Place: Gurugram  
 Date: 17 May 2024

## STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakh unless stated otherwise)

	Note No.	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>I. Revenue from operations</b>			
Interest income	24	9,179.74	10,623.00
Net gain on fair value changes	25	94.08	40.18
<b>Total revenue from operations</b>		<b>9,273.82</b>	<b>10,663.18</b>
II. Other income	26	268.09	266.11
<b>III. Total income (I + II)</b>		<b>9,541.91</b>	<b>10,929.29</b>
<b>IV. Expenses</b>			
Finance costs	27	5,176.87	5,441.31
Fees and commission expense	28	34.77	23.51
Impairment on financial assets	29	627.32	-
Employee benefits expenses	30	601.45	(453.34)
Depreciation and amortisation expense	31	21.51	22.43
Other expenses	32	354.65	413.66
<b>Total expenses</b>		<b>6,816.57</b>	<b>5,447.57</b>
V. Profit/(loss) before exceptional items and tax (III-IV)		2,725.34	5,481.72
VI. Exceptional items	33	2,267.08	-
<b>VII. Profit before tax (V-VI)</b>		<b>458.26</b>	<b>5,481.72</b>
<b>VIII. Tax expense:</b>			
Current tax	34	158.24	-
Income tax for earlier years		(88.96)	3.53
Deferred tax	11	1,826.99	2,964.36
		1,896.27	2,967.89
<b>IX. Profit/(loss) for the year (VII-VIII)</b>		<b>(1,438.01)</b>	<b>2,513.83</b>
<b>X. Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement gain on defined benefit plans		10.54	(1.30)
(b) Fair value of equity instruments		-	(86.54)
(ii) Income-tax relating to items that will not be reclassified to profit or loss		(2.65)	123.13
<b>Total other comprehensive income for the year (net of taxes)</b>		<b>7.89</b>	<b>35.29</b>
<b>XI. Total comprehensive income for the year (IX+X)</b>		<b>(1,430.12)</b>	<b>2,549.12</b>
XI. Earnings per equity share (in ₹):	35		
Basic		(0.25)	0.44
Diluted		(0.25)	0.43
Face value per equity share (₹)		2.00	2.00

The accompanying notes are an integral part of these standalone financial statements.  
This is Standalone Statement of Profit and Loss referred to in our report of even date.

For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm Registration No. 109983W

For and on behalf of Dhani Services Limited

**Tirtharaj Khot**  
Partner  
Membership No.: (F) 037457

**Divyesh B. Shah**  
Whole Time Director & CEO  
DIN: 00010933

**Amit Ajit Gandhi**  
Director  
DIN: 07606699

**Rajeev Lochan Agrawal**  
Chief Financial Officer

**Ram Mehar Garg**  
Company Secretary

Place: Mumbai  
Date: 17 May 2024

Place: Mumbai  
Date: 17 May 2024

Place: Mumbai  
Date: 17 May 2024

Place: Gurugram  
Date: 17 May 2024

Place: Gurugram  
Date: 17 May 2024

## STANDALONE CASH FLOW STATEMENT

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A Cash flows from operating activities :</b>		
<b>Profit/ (loss) before tax</b>	458.26	5,481.72
Adjustments for :		
Depreciation and amortisation	21.51	22.43
Loss on sale of property, plant and equipment (net)	0.13	2.12
Provision for employee benefits (net)	17.93	26.44
Impairment on financial assets	627.32	-
Loss on buy back of equity shares	2,267.08	-
Sundry credit balances written back	(29.73)	(55.55)
Unrealised loss/(gain) on foreign exchange fluctuations	(7.28)	(32.72)
Gain on fair valuation of financial assets	(94.08)	(40.18)
Share based payment expense	19.07	(765.16)
Income from financial guarantees	-	(103.86)
	<b>2,821.95</b>	<b>(946.48)</b>
<b>Operating Profit/ (loss) before working capital changes</b>	3,280.21	4,535.24
Adjustments for:		
Decrease/(increase) in other financial assets	(10.23)	10.47
Decrease/(increase) in other non-financial assets	(6.59)	12.89
Increase/(decrease) in trade payables	18.62	17.74
Increase/(decrease) in other payables	(58.04)	(94.82)
Increase/(decrease) in other financial liabilities	(395.81)	1,681.20
Increase/(decrease) in Provisions	-	(17.17)
Increase/(decrease) in other non financial liabilities	(106.59)	113.93
	<b>(558.64)</b>	<b>1,724.24</b>
<b>Cash generated from / (used in) operating activities</b>	2,721.57	6,259.48
Income-tax (paid)/ refund received (net)	(440.25)	(192.48)
<b>Net cash generated from operating activities</b>	<b>2,281.32</b>	<b>6,067.00</b>
<b>B Cash flows from investing activities :</b>		
Proceeds from sale of property, plant and equipment	0.53	2.76
Proceeds from redemption of Mutual fund (net)	94.08	40.18
Proceeds from sale of investments	-	1,480.97
Investment in equity shares of subsidiaries	(1,157.93)	(515.05)
Proceeds from Buyback of Shares from subsidiaries	19,404.99	-
Inter-corporate deposits given to subsidiaries (net of repayments)	(14,157.13)	(13,256.15)
<b>Net cash generated from investing activities</b>	<b>4,184.54</b>	<b>(12,247.29)</b>

## STANDALONE CASH FLOW STATEMENT

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>C Cash flows from financing activities</b>		
Dividends paid (including amount transferred to investor education and protection fund)	(9.95)	(5.95)
Amount transferred to investor education and protection fund	-	(40.72)
Proceeds from borrowings (other than debt securities)	20,650.00	3,600.00
Repayment of borrowings (other than debt securities)	(28,900.00)	-
Proceeds from issue of equity shares (including securities premium) (net of share issue expenses)	-	596.41
<b>Net cash utilised in financing activities</b>	<b>(8,259.95)</b>	<b>4,149.74</b>
D Net Increase in cash and cash equivalents (A+B+C)	(1,794.09)	(2,030.55)
E Cash and cash equivalents at the beginning of the year	1,999.94	4,030.49
F Cash and cash equivalents at the end of the year (D+E) (Refer Note - 2 below)	205.85	1,999.94

### Notes:

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

2 Cash and cash equivalents at the end of the year include:

	As at 31 March 2024	As at 31 March 2023
Cash and cash equivalents (as per note 5 to the financial statements)	205.85	1,999.94
<b>Total cash and cash equivalents for statement of cash flows</b> (refer accounting policies for cash and cash equivalents)	<b>205.85</b>	<b>1,999.94</b>

3 For disclosures relating to changes in liabilities arising from financing activities, refer note - 38.

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

This is the Statement of Cash Flow referred to in our report of even date  
For **Sharp & Tannan Associates** For and on behalf of Dhani Services Limited  
Chartered Accountants  
Firm Registration No. 109983W

**Tirtharaj Khot**  
Partner  
Membership No.: (F) 037457

**Divyesh B. Shah**  
Whole Time Director & CEO  
DIN: 00010933

**Amit Ajit Gandhi**  
Director  
DIN: 07606699

**Rajeev Lochan Agrawal**  
Chief Financial Officer

**Ram Mehar Garg**  
Company Secretary

Place: Mumbai  
Date: 17 May 2024

Place: Mumbai  
Date: 17 May 2024

Place: Mumbai  
Date: 17 May 2024

Place: Gurugram  
Date: 17 May 2024

Place: Gurugram  
Date: 17 May 2024

# STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Particulars	Balance as at 1 April 2023		Changes in Equity Share Capital due to prior period errors		Restated balance as at 1 April 2023		Changes during the year		Balance as at 31 March 2024	
	12,163.77	-	-	-	12,163.77	-	-	-	12,163.77	-
<b>Equity share capital</b>										
<b>Particulars</b>										
<b>Equity share capital</b>										
<b>Balance as at 1 April 2022</b>	12,119.22	-	-	-	12,119.22	-	-	44.55	12,163.77	-
<b>Other equity (refer note - 23)</b>										
<b>Particulars</b>										
	Treasury shares	Reserves and surplus		Equity instruments through other comprehensive income		Total				
		Capital redemption reserve	Securities premium	General reserve	Share options outstanding account	Retained earnings				
<b>Balance as at 1 April 2022</b>	(46,127.67)	4,933.69	5,77,592.95	3,381.78	9,025.03	17,951.24	1,444.61	5,68,201.63		
Profit for the year	-	-	-	-	-	2,513.83	-	2,513.83		
Other comprehensive income (net of tax)	-	-	-	-	-	(0.97)	36.27	35.30		
Issue of equity shares	-	-	551.86	-	-	-	-	551.86		
Share based options for employees of subsidiaries	-	-	-	-	(5,821.48)	-	-	(5,821.48)		
Transfer to retained earnings	-	-	-	-	-	1,480.88	(1,480.88)	-		
Share based options lapsed	-	-	-	-	-	-	-	-		
Share based payment expense	-	-	-	-	(765.16)	-	-	(765.16)		
<b>Balance as at 31 March 2023</b>	(46,127.67)	4,933.69	5,78,144.81	3,381.78	2,438.39	21,944.98	-	5,64,715.98		
Other equity (refer note - 23) (Continued)										

# STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakh unless stated otherwise)

Particulars	Treasury shares	Reserves and surplus				Share options outstanding account	Retained earnings	Equity instruments through other comprehensive income	Total
		Capital redemption reserve	Securities premium	General reserve					
<b>Balance as at 1 April 2023</b>	<b>(46,127.67)</b>	<b>4,933.69</b>	<b>5,78,144.81</b>	<b>3,381.78</b>	<b>2,438.39</b>	<b>21,944.98</b>	<b>-</b>	<b>5,64,715.98</b>	
Profit for the year	-	-	-	-	-	(1,438.01)	-	(1,438.01)	
Other comprehensive income (net of tax)	-	-	-	-	-	7.89	-	7.89	
Issue of equity shares	-	-	-	-	(94.75)	-	-	(94.75)	
Share based options for employees of subsidiaries	-	-	-	-	53.75	-	-	53.75	
Transfer to retained earnings	-	-	-	-	-	-	-	-	
Share based options lapsed	-	-	-	-	(1,671.56)	1,766.31	-	94.75	
Share based payment expense	-	-	-	-	19.07	-	-	19.07	
<b>Balance as at 31 March 2024</b>	<b>(46,127.67)</b>	<b>4,933.69</b>	<b>5,78,144.81</b>	<b>3,381.78</b>	<b>744.90</b>	<b>22,281.17</b>	<b>-</b>	<b>5,63,358.68</b>	

(i) Dividend paid during the year ended 31 March 2024 is ₹ Nil per share (31 March 2023: ₹ Nil per share).

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

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

**For Sharp & Tannan Associates**  
Chartered Accountants  
Firm Registration No. 109983W

For and on behalf of Dhani Services Limited

**Tirtharaj Khot**  
Partner  
Membership No.: (F) 037457

Place: Mumbai  
Date: 17 May 2024

**Divyesh B. Shah**  
Whole Time Director & CEO  
DIN: 00010933

Place: Mumbai  
Date: 17 May 2024

**Amit Ajit Gandhi**  
Director  
DIN: 07606699

Place: Mumbai  
Date: 17 May 2024

**Rajeev Lochan Agrawal**  
Chief Financial Officer

Place: Gurugram  
Date: 17 May 2024

**Ram Mehar Garg**  
Company Secretary

Place: Gurugram  
Date: 17 May 2024

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 1

#### Nature of principal activities

Dhani Services Limited ('DSL' or 'the Company', CIN: L74110DL1995PLC069631) had carried business as stock broker on the National Stock Exchange of India Limited ('NSE') and the BSE Limited ('BSE'); depository participants and renders other related ancillary services until 20th February 2020. The Company has transferred its stock broking business, including depository and other related ancillary services, through slump sale on going concern basis to its wholly owned subsidiary company Dhani Stocks Limited w.e.f. 21st February 2020. Post slump sale, the Company has assets in the form of loans given to subsidiary companies and investments made in subsidiary companies. Further, since the Company was a Non-Banking Financial Company as defined under Rule 2(g) of the Companies (Indian Accounting Standards) Rules, 2015 issued under Section 133 of the Companies Act, 2013 till 20 February 2020 and having regard to the nature of the continuing operations of the Group, the Management has continued to present the standalone financial statements using Division III of Schedule III to the Companies Act, 2013.

On 2 April 2008 the Equity shares of the Company got listed on the NSE and the BSE after the demerger of the Company from Indiabulls Financial Services Limited (erstwhile holding Company) vide Scheme of Arrangement. The Company is domiciled in India and its registered office is situated at 1/1 E, First Floor, East Patel Nagar, New Delhi – 110008.

### Note - 2

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

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

The standalone financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 17 May 2024.

### Note - 3

#### Basis of preparation

The standalone financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the standalone financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies. These standalone financial statements of the Company are presented in Indian Rupees (INR) which is also the Company's functional currency.

### Note - 4

#### I Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

##### Significant management judgements

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Impairment of financial assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.



## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Significant estimates

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management’s estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

## II Summary of material accounting policies

The standalone financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the standalone financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

### a) Property, plant and equipment

#### Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

#### Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives prescribed in Schedule II to the Act. Leasehold Improvements are amortised over the duration of the lease.

Asset class	Useful life
Leasehold improvements	Over the period of lease
Vehicles	8-10 years
Office equipment	3-5 years
Computers	3 years

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

#### De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognised.

### b) Intangible assets

#### Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Subsequent measurement (amortisation)

Intangible assets consisting of software are amortised on a straight line basis over a period of 4 years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

### c) Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

The Company recognises revenue from the following sources:

#### Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

#### Commission income

Commissions / brokerage from distribution of financial products are recognised upon allotment of the securities to the applicant.

#### Depository account maintenance income

Depository account maintenance income is recognised on accrual basis and as at the time when the right to receive is established by the reporting date.

#### Dividend income

Dividend income is recognised when the right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

### d) Borrowing costs

All other borrowing costs are charged to the statement of profit and loss as incurred basis the effective interest rate method. Borrowing cost consist of interest and other cost that the company incurred in connection with the borrowing of funds.

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### e) Taxation

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current Income-tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

### f) Employee benefits

#### Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

#### Defined contribution plans

The Company has a defined contribution plans namely provident fund, pension fund, labour welfare fund and employees state insurance scheme. The contribution made by the Company in respect of these plans are charged to the statement of profit and loss.

#### Defined benefit plans

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

#### Other long-term employee benefits

The Company also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after one year from the Balance Sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### g) Share based payments

The Company has formulated various Employees Stock Option Schemes. The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in other equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

### h) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. For cash flow statement purposes, cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

### i) Equity investment in subsidiaries

Investment in subsidiaries is recognised at cost and are not adjusted to fair value at the end of each reporting period as allowed by Ind AS 27 'Separate financial statement'. Cost of investment represents amount paid for acquisition of the said investment and a proportionate recognition of the fair value of shares granted to employees of subsidiary under a group share based payment arrangement.

#### Impairment of Investments

The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

### j) Provisions and contingent liabilities

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 at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- a) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- b) 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 neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

### k) Financial instruments

#### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. However, trade receivables that do not contain a significant financing component are measured at transaction price. Subsequent measurement of financial assets and financial liabilities is described below.

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Financial assets

#### Subsequent measurement

- i. Financial assets carried at amortised cost – a financial asset is measured at the amortised 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 amortised cost using the effective interest rate (EIR) method.

- ii. Investments in equity instruments – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.
- iii. Investments in mutual funds – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a nonfinancial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

**Level 1 financial instruments:** Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

**Level 2 financial instruments:** Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

**Level 3 financial instruments:** Those that include one or more unobservable input that is significant to the measurement as whole. Based on the Company's business model for managing the investments, the Company has classified its investments and securities for trade at FVTPL.

Financial liabilities are carried at amortised cost using the effective interest rate method. For trade and other payables the carrying amount approximates the fair value due to short maturity of these instruments.

#### De-recognition of financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Financial liabilities

#### Subsequent measurement

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method.

#### De-recognition of financial liabilities

A financial liability is de-recognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### l) 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 for financial assets. The Company factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

#### Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

#### Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument in the statement of profit and loss.

### m) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue. Partly paid-up equity shares are treated as a fraction of an equity share to the extent they are entitled to participate in dividend relative to a fully paid-up equity share during the reporting period. Compulsory convertible debentures are treated as equivalent of equity share for the purpose of basic earnings per equity share. Treasury shares are adjusted for computation of weighted average equity shares.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### n) Segment reporting

The Company identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly reviewed by the CODM ('chief operating decision maker') in deciding how to allocate resources and in assessing performance.

### o) Foreign currency

#### Functional and presentation currency

Items included in the standalone financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements have been prepared and presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

#### Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

### p) Treasury shares

The Company had created "Udaan Employee Welfare Trust" ("Udaan – EWT") ('Trust') for the implementation of schemes namely employees stock options plans, employees stock purchase plan and stock appreciation rights plan. The Company treats UEWT as its extension and the Company's own shares held by UEWT are treated as treasury shares. Treasury shares are presented as a deduction from other equity. The original cost of treasury shares and the proceeds of any subsequent sale are presented as movements in equity.

### q) Dividend

Provision is made for the amount of any dividend declared on or before the end of the reporting period but not distributed at the end of the reporting period, being appropriately authorised and no longer at the discretion of the Company. The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### r) Recent Accounting Pronouncements

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. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

**Material accounting policies and other explanatory information**

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

<b>Note - 5</b>	<b>As at</b>	<b>As at</b>
<b>Cash and cash equivalents</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
<b>Cash on hand</b>	-	-
Balance with banks		
- in current accounts	105.02	1,899.30
- in bank deposits with original maturity of less than 3 months, including interest accrued	100.83	100.64
<b>Total</b>	<b>205.85</b>	<b>1,999.94</b>
<b>Note - 6</b>	<b>As at</b>	<b>As at</b>
<b>Other bank balances</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
Bank deposits with original maturity of more than 3 months (i)	1,979.21	1,939.52
In earmarked accounts:		
Unpaid dividend accounts	85.21	95.16
<b>Total</b>	<b>2,064.42</b>	<b>2,034.68</b>
<b>(i) Bank deposits include:</b>	<b>As at</b>	<b>As at</b>
	<b>31 March 2024</b>	<b>31 March 2023</b>
a. Deposits pledged with banks for overdraft facilities availed by the Company.	100.00	-
b. Deposits pledged with banks for credit card facilities availed by the Company.	228.96	-
c. Deposits pledged with bank against bank guarantees issued in favor of National Stock Exchange of India Limited for right issue of the Company.	1,700.00	1,700.00
<b>Total</b>	<b>2,028.96</b>	<b>1,700.00</b>
<b>Note - 7</b>	<b>As at</b>	<b>As at</b>
<b>Loans (at amortised cost)</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
<b>(i) Loans</b>		
Loan to related parties (a)	42,179.29	1,38,436.20
<b>Total - Gross</b>	<b>42,179.29</b>	<b>1,38,436.20</b>
Less: Impairment loss allowance	-	-
<b>Total - Net</b>	<b>42,179.29</b>	<b>1,38,436.20</b>
<b>(I) Loans in India</b>		
(i) Public Sector	-	-
(ii) Others	41,685.65	1,37,984.79
<b>Total - Gross</b>	<b>41,685.65</b>	<b>1,37,984.79</b>
Less: Impairment loss allowance	-	-
<b>Total (I) - Net</b>	<b>41,685.65</b>	<b>1,37,984.79</b>
<b>(II) Loans outside India</b>	493.64	451.41
Less: Impairment loss allowance	-	-
<b>Total (II) - Net</b>	<b>493.64</b>	<b>451.41</b>
<b>Total (I + II)</b>	<b>42,179.29</b>	<b>1,38,436.20</b>

(a) The inter corporate deposits given by the Company to its wholly owned subsidiaries are for the general/corporate business purpose.



## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Note - 8 Investments	Face value per share (₹)	As at 31 March 2024		As at 31 March 2023	
		No. of shares	Amount	No. of shares	Amount
<b>(At cost)*</b>					
<b>In equity instruments (in subsidiaries)</b>					
Dhani Loans and Services Limited	₹ 10.00	6,11,88,000	3,85,629.83	6,11,88,000	3,85,715.37
Indiabulls Asset Reconstruction Company Limited	₹ 10.00	7,40,59,265	40,189.10	9,75,00,000	52,500.00
Dhani Stocks Limited	₹ 10.00	1,02,75,000	25,724.62	1,37,00,000	34,200.92
Dhani Limited, Jersey	£ 1.00	1,10,70,002	11,371.40	1,10,70,002	11,371.40
Pushpanjali Finsolutions Limited	₹ 10.00	60,10,000	2,115.52	60,10,000	2,115.52
Dhani Healthcare Limited	₹ 10.00	40,10,000	1,111.26	40,10,000	1,076.48
Transerv Limited	NA	-	420.62	-	404.31
Indiabulls Infra Resources Limited	₹ 10.00	30,00,000	300.00	30,00,000	300.00
Juventus Estate Limited	₹ 10.00	98,039	615.24	98,039	254.80
Gyansagar Buildtech Limited	₹ 10.00	1,10,000	105.05	1,10,000	105.05
Indiabulls Distribution Services Limited	₹ 10.00	50,000	66.56	50,000	66.56
Indiabulls Investment Advisors Limited	NA	-	15.87	-	15.87
Indiabulls Consumer Products Limited	₹ 10.00	50,000	5.00	50,000	5.00
Auxesia Soft Solutions Limited	₹ 10.00	50,000	5.00	50,000	5.00
Evinos Developers Limited	₹ 10.00	50,000	5.00	50,000	5.00
Krathis Buildcon Limited	₹ 10.00	50,000	5.00	50,000	5.00
Krathis Developers Limited	₹ 10.00	50,000	5.00	50,000	5.00
Evinos Buildwell Limited	₹ 10.00	50,000	5.00	50,000	5.00
Devata Tradelink Limited	₹ 10.00	50,000	5.00	50,000	5.00
Mabon Properties Limited	₹ 10.00	50,000	5.00	50,000	5.00
Jwala Technology Systems Private Limited	₹ 10.00	10,000	1.00	10,000	1.00
Euler Systems Inc.	\$ 0.00001	80,00,000	0.06	80,00,000	0.06
Indiabulls Alternate Investment Limited	NA	-	0.82	-	-
<b>In Compulsory Convertible Debentures</b>					
In Compulsory Convertible Debentures of Dhani Healthcare Limited			96,900.00		-
<b>In Compulsory Convertible Debentures</b>					
In Compulsory Convertible Debentures of Evinos Buildwell Limited			12,900.00		-
<b>In Compulsory Convertible Debentures</b>					
In Compulsory Convertible Debentures of Juventus Estate Limited			110.00		110.00
<b>In Optionally Convertible Debentures</b>					
In Optionally Convertible Debentures of Juventus Estate Limited			109.69		109.69

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Note - 8 Investments	Face value per share (₹)	As at 31 March 2024		As at 31 March 2023	
		No. of shares	Amount	No. of shares	Amount
<b>In Convertible, redeemable preference shares</b>					
Compulsory convertible Preference Shares of Juventus Estate Limited			35.56		35.56
<b>Total gross (A)</b>			<b>5,77,762.20</b>		<b>4,88,422.59</b>
Less: Impairment loss allowance (B)			(126.05)		(120.05)
<b>Total net C= (A) +(B)</b>			<b>5,77,636.15</b>		<b>4,88,302.54</b>
Investments in India			5,66,390.74		4,77,051.13
Investments outside India			11,371.46		11,371.46
<b>Total Gross</b>			<b>5,77,762.20</b>		<b>4,88,422.59</b>
Less: Impairment loss allowance			(126.05)		(120.05)
<b>Total Net</b>			<b>5,77,636.15</b>		<b>4,88,302.54</b>

Name of subsidiary Companies	Principle place of business	Ownership interest	
		As at 31 March 2024	As at 31 March 2023
Dhani Stocks Limited	India	100%	100%
Indiabulls Distribution Services Limited	India	17.50% **	14% **
Indiabulls Consumer Products Limited	India	100%	100%
Indiabulls Asset Reconstruction Company Limited	India	100%	100%
Indiabulls Infra Resources Limited	India	100%	100%
Dhani Loans and Services Limited	India	100%	100%
Pushpanjali Finsolutions Limited	India	100%	100%
Dhani Healthcare Limited	India	100%	100%
Gyansagar Buildtech Limited	India	100%	100%
Arbutus Constructions Limited	India	100%	100%
Auxesia Soft Solutions Limited	India	100%	100%
Evinos Developers Limited	India	100%	100%
Savren Medicare Limited	India	100%	100%
Krathis Buildcon Limited	India	100%	100%
Krathis Developers Limited	India	100%	100%
Evinos Buildwell Limited	India	100%	100%
Jwala Technology Systems Private Limited	India	100%	100%
Devata Tradelink Limited	India	100%	100%
Euler Systems Inc.	USA	100%	100%
Dhani Limited, Jersey	Jersey	100%	100%
Juventus Estate Limited	India	100%	100%
Mabon Properties Limited	India	100%	100%

\* Equity investments in subsidiaries are measured at cost as per the provisions of Ind AS 27 on 'Separate Financial Statements'.

\*\* Dhani Loans and Services Limited, a wholly owned subsidiary of the Company, is holding remaining 82.50% shares in Indiabulls Distribution Services Limited, hence it becomes the step down subsidiary of the Company.

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

- (i) The Company has not traded or invested in Crypto currency or Virtual Currency during the current as well as in previous financial year.
- (ii) The Company issues stock options/share appreciation rights to employees of its subsidiaries as well as provides guarantees to counter parties in favour of the subsidiaries. The fair value of the employee stock options/share appreciation rights granted to the employees of the subsidiaries and the fair value of such financial guarantees is added to the cost of investments in subsidiaries. The following are the amounts that have been added to the cost of investments in respective subsidiaries:

Name of subsidiary Companies	As at 31 March 2024	As at 31 March 2023
Indiabulls Distribution Services Limited	61.56	61.56
Dhani Loans and Services Limited	6,365.21	6,450.75
Indiabulls Investment Advisors Limited	15.87	15.87
Dhani Stocks Limited	134.58	80.92
Dhani Healthcare Limited	710.26	675.48
Indiabulls Alternate Investments Limited	0.82	-
Indiabulls Asset Reconstruction Company Limited	33.72	-
Transerv Limited	420.62	404.31
<b>Total</b>	<b>7,742.64</b>	<b>7,688.89</b>

- (iii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction with the number of Layers) rules, 2017.

Note - 9 Other financial assets	As at 31 March 2024	As at 31 March 2023
(a) Advance to employees	8.02	13.53
(b) Security deposits		
<b>Unsecured</b>		
Deposits with stock exchanges, (unsecured, considered good)	300.00	300.00
	<b>300.00</b>	<b>300.00</b>
Less: Impairment loss allowance	-	-
	300.00	300.00
(c) Other	-	14.00
<b>Total</b>	<b>308.02</b>	<b>327.53</b>

Note - 10 Current tax assets (net)	As at 31 March 2024	As at 31 March 2023
Advance Income-tax (including tax deducted at source) (net of provision for income-tax)	2,873.83	2,676.47
<b>Total</b>	<b>2,873.83</b>	<b>2,676.47</b>

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

<b>Note - 11</b>	<b>As at</b>	<b>As at</b>
<b>Deferred tax assets (net)</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
<b>Deferred tax assets:</b>		
Disallowance under section 43(B) of the Income Tax Act, 1961	10.48	8.17
Disallowance under section 40A(7) of the Income Tax Act, 1961	15.09	15.54
Depreciation and amortisation	46.65	51.37
Financial assets measured at amortised cost	(11.93)	(10.10)
Impairment loss allowance	0.07	0.07
Share based payments	42.85	38.05
Tax losses carried forward	-	1,829.75
<b>Total (A)</b>	<b>103.21</b>	<b>1,932.85</b>
<b>Deferred tax liability:</b>		
Financial liabilities measured at amortised cost	(340.40)	(340.40)
<b>Total (B)</b>	<b>(340.40)</b>	<b>(340.40)</b>
<b>Deferred tax assets/(liabilities) (net) C=(A)-(B)</b>	<b>(237.19)</b>	<b>1,592.45</b>

**Movement in deferred tax assets (net) for the year ended 31 March 2024**

<b>Particulars</b>	<b>As at</b>	<b>Charged/</b>	<b>Charged/</b>	<b>Charged/</b>	<b>As at</b>
	<b>31 March 2023</b>	<b>(credited) to</b>	<b>(credited) to other</b>	<b>(credited)</b>	<b>31 March 2024</b>
		<b>statement of</b>	<b>comprehensive</b>	<b>to equity</b>	
		<b>profit or loss</b>	<b>income</b>		
Disallowance under section 43(B) of the Income-tax Act, 1961	8.16	(2.32)	-	-	10.48
Disallowance under section 40A(7) of the Income-tax Act, 1961	15.54	(2.20)	(2.65)	-	15.09
Depreciation and amortisation	51.37	4.72	-	-	46.65
Financial assets measured at amortised cost	(10.10)	1.83	-	-	(11.93)
Impairment loss allowance	0.07	-	-	-	0.07
Share based payments	38.05	(4.80)	-	-	42.85
Tax losses carried forward	1,829.75	1,829.75	-	-	-
Financial liabilities measured at amortised cost	(340.40)	-	-	-	(340.40)
<b>Total (net)</b>	<b>1,592.45</b>	<b>1,826.98</b>	<b>(2.65)</b>	<b>-</b>	<b>(237.19)</b>

## Material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Movement in deferred tax assets (net) for the year ended 31 March 2023

Particulars	As at 1 April 2022	Charged/ (credited) to statement of profit or loss	Charged/ (credited) to other comprehensive income	Charged/ (credited) to equity	As at 31 March 2023
Disallowance under section 43(B) of the Income-tax Act, 1961	4.73	(3.43)	-	-	8.16
Disallowance under section 40A(7) of the Income-tax Act, 1961	16.31	1.09	0.32	-	15.54
Depreciation and amortisation	57.61	6.24	-	-	51.37
Financial assets measured at amortised cost	(1.86)	8.24	-	-	(10.10)
Impairment loss allowance	0.07	-	-	-	0.07
Share based payments	230.63	192.58	-	-	38.05
Tax losses carried forward	4,565.20	2,735.45	-	-	1,829.75
Equity instruments through other comprehensive income	(122.81)	-	122.81	-	-
Financial liabilities measured at amortised cost	(316.21)	24.19	-	-	(340.40)
<b>Total (net)</b>	<b>4,433.67</b>	<b>2,964.36</b>	<b>123.13</b>	<b>-</b>	<b>1,592.45</b>

### Note - 12 Property, plant and equipment

	Vehicles	Office equipment	Computers	Total
<b>Gross block</b>				
Balance as at 1 April 2022	119.57	0.84	13.93	134.34
Additions	-	-	-	-
Sales/adjustment	(11.67)	-	(0.48)	(12.15)
Transferred to discontinued operations	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>107.90</b>	<b>0.84</b>	<b>13.45</b>	<b>122.19</b>
Additions	-	-	-	-
Sales/adjustment	-	-	(3.25)	(3.25)
<b>Balance as at 31 March 2024</b>	<b>107.90</b>	<b>0.84</b>	<b>10.20</b>	<b>118.94</b>
<b>Accumulated Depreciation</b>				
Balance as at 1 April 2022	57.52	0.84	4.25	62.61
Depreciation	14.78	-	3.90	18.68
Sales/adjustment	(6.79)	-	(0.48)	(7.27)
<b>Balance as at 31 March 2023</b>	<b>65.51</b>	<b>0.84</b>	<b>7.67</b>	<b>74.02</b>
Depreciation	14.06	-	3.70	17.76
Sales/adjustment	-	-	(2.59)	(2.59)
<b>Balance as at 31 March 2024</b>	<b>79.57</b>	<b>0.84</b>	<b>8.78</b>	<b>89.19</b>
<b>Net block as at 31 March 2023</b>	<b>42.39</b>	<b>-</b>	<b>5.78</b>	<b>48.17</b>
<b>Net block as at 31 March 2024</b>	<b>28.33</b>	<b>-</b>	<b>1.42</b>	<b>29.75</b>

#### Notes:

- There is no immovable property in the company at the end of 31 March 2024 and 31 March 2023.
- Company has not revalued any property, plant and equipment during the FY 2023-24 and FY 2022-23
- There is no CWIP in the Company and no project which has been suspended during the financial year ended 31 March 2024 and 31 March 2023.

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

	Software	Total
<b>Note - 13</b>		
<b>Intangible assets</b>		
<b>Gross block</b>		
Balance as at 1 April 2022	15.01	15.01
Additions	-	-
Sales/adjustment	-	-
<b>Balance as at 31 March 2023</b>	<b>15.01</b>	<b>15.01</b>
Additions	-	-
Sales/adjustment	-	-
<b>Balance as at 31 March 2024</b>	<b>15.01</b>	<b>15.01</b>
<b>Accumulated amortisation</b>		
Balance as at 1 April 2022	6.40	6.40
Amortisation	3.75	3.75
<b>Balance as at 31 March 2023</b>	<b>10.15</b>	<b>10.15</b>
Amortisation	3.75	3.75
<b>Balance as at 31 March 2024</b>	<b>13.90</b>	<b>13.90</b>
<b>Net block as at 31 March 2023</b>	<b>4.86</b>	<b>4.86</b>
<b>Net block as at 31 March 2024</b>	<b>1.11</b>	<b>1.11</b>
<b>Note - 14</b>		
<b>Other non-financial assets</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Prepaid expenses	2.81	6.24
Balance with government authorities	91.21	72.28
Advance to suppliers	0.17	9.53
Others	0.83	0.38
<b>Total</b>	<b>95.02</b>	<b>88.43</b>
<b>Note - 15</b>		
<b>Trade payables</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
(a) Total outstanding due to micro enterprises and small enterprises(i)	-	-
(b) Total outstanding due to creditors other than micro enterprises and small enterprises	7.16	7.73
<b>Total</b>	<b>7.16</b>	<b>7.73</b>

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Trade Payables aging schedule					
Particulars	As at 31 March 2024				
	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	7.16	-	-	-	7.16
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Particulars	As at 31 March 2023				
	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	1.81	5.92	-	-	7.73
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

- (i) Based on and to the extent of the information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at the year end are furnished below:

	As at 31 March 2024	As at 31 March 2023
(a) Principal amount remaining unpaid to any supplier and service provider at the end of each reporting year	-	-
(b) Interest due thereon	-	-
(c) 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 year	-	-
(d) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
(e) Interest accrued and remaining unpaid as at end of the year	-	-

	As at 31 March 2024	As at 31 March 2023
<b>Note - 16</b>		
<b>Other payables</b>		
(a) Total outstanding due to micro enterprises and small enterprises(i)	-	-
(b) Total outstanding due to creditors other than micro enterprises and small enterprises	131.64	200.22
<b>Total</b>	<b>131.64</b>	<b>200.22</b>

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

- (i) Based on and to the extent of the information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at the year end are furnished below:

	As at 31 March 2024	As at 31 March 2023
(a) Principal amount remaining unpaid to any supplier and service provider at the end of each reporting year	-	-
(b) Interest due thereon	-	-
(c) 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 year	-	-
(d) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
(e) Interest accrued and remaining unpaid as at end of the year	-	-

<b>Note - 17</b> <b>Borrowings other than debt securities (at amortised cost)</b>	As at 31 March 2024	As at 31 March 2023
<b>Unsecured</b>		
Term loans		
- from others (i)	49,139.14	57,784.95
<b>Total</b>	<b>49,139.14</b>	<b>57,784.95</b>
Borrowings in India	49,139.14	57,784.95
Borrowings outside India	-	-
<b>Total</b>	<b>49,139.14</b>	<b>57,784.95</b>

- (i) Unsecured term loans carry rate of interest of 10% per annum (31 March 2023 : 10%) and are repayable within 36 months & 60 months from the date of disbursement of respective loans.
- (ii) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- (iii) The company has utilized borrowed funds for the purpose for which same are availed.

<b>Note - 18</b> <b>Other financial liabilities</b>	As at 31 March 2024	As at 31 March 2023
Unpaid dividends	85.21	95.16
<b>Total</b>	<b>85.21</b>	<b>95.16</b>

- (i) In respect of amounts mentioned under Section 124 (5) of the Companies Act, 2013, the Company has credited ₹ Nil (31 March 2023: ₹ 46.67 lakh) to the Investor Education and Protection Fund.
- (ii) There has been an outstanding amount of Rs 0.50 in the dividend account related to Financial year 2015-16 which was payable to the investor. The company has paid the same to the investor by Demand draft ("DD") but the investor has not deposited the DD in his account and the amount remained outstanding as on 31 March 2024.



## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

<b>Note - 19</b> <b>Current tax liabilities (net)</b>	<b>As at</b> <b>31 March 2024</b>	<b>As at</b> <b>31 March 2023</b>
Provision for taxation	0.54	174.15
<b>Total</b>	<b>0.54</b>	<b>174.15</b>

<b>Note - 20</b> <b>Provisions</b>	<b>As at</b> <b>31 March 2024</b>	<b>As at</b> <b>31 March 2023</b>
<b>For employee benefits</b>		
Provision for gratuity (refer Note - 40)	59.95	61.75
Provision for compensated absences	41.63	32.43
<b>Total</b>	<b>101.58</b>	<b>94.18</b>

<b>Note - 21</b> <b>Other non-financial liabilities</b>	<b>As at</b> <b>31 March 2024</b>	<b>As at</b> <b>31 March 2023</b>
Statutory dues payables	168.54	275.13
<b>Total</b>	<b>168.54</b>	<b>275.13</b>

<b>Note - 22</b> <b>Equity share capital</b>	<b>As at 31 March 2024</b>		<b>As at 31 March 2023</b>	
	<b>No. of shares</b>	<b>Amount</b>	<b>No. of shares</b>	<b>Amount</b>
<b>i. Authorised</b>				
Equity shares of face value of ₹ 2 each	1,00,00,00,000	20,000.00	1,00,00,00,000	20,000.00
		<b>20,000.00</b>		<b>20,000.00</b>
<b>ii. Issued</b>				
Equity shares of face value of ₹ 2 each	60,32,59,386	12,065.19	60,32,59,386	12,065.19
Equity shares of face value of ₹ 2 each (partly paid up, ₹ 1.10 paid up)	88,88,524	97.77	88,88,524	97.77
	<b>61,21,47,910</b>	<b>12,162.96</b>	<b>61,21,47,910</b>	<b>12,162.96</b>
<b>iii. Subscribed and paid up</b>				
Equity shares of face value of ₹ 2 each fully paid up	60,32,59,386	12,065.19	60,32,59,386	12,065.19
Equity shares of face value of ₹ 2 each (partly paid up, ₹ 1.10 paid up)	88,88,524	97.77	88,88,524	97.77
Share forfeiture account	-	0.81	-	0.81
	<b>61,21,47,910</b>	<b>12,163.77</b>	<b>61,21,47,910</b>	<b>12,163.77</b>

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

**Material accounting policies and other explanatory information**

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Equity shares, fully paid-up	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	60,32,59,386	12,065.19	60,09,99,104	12,019.98
Add: Partly paid up share converted into fully paid up shares	-	-	60,282	1.21
Add: ESOP issued	-	-	22,00,000	44.00
Balance at the end of the year	60,32,59,386	12,065.19	60,32,59,386	12,065.19

Equity shares, partly paid-up	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	88,88,524	97.77	89,48,806	98.44
Add: Amount received on 2nd and final call	-	-		0.54
Less: Shares converted into fully paid up shares	-	-	(60,282)	(1.21)
Balance at the end of the year	88,88,524	97.77	88,88,524	97.77

**v. Rights, preferences and restrictions attached to the equity shares**

- The Company has only one class of equity shares having a face value of ₹ 2 per share. Each holder of fully paid up equity share is entitled to one vote per share. Voting rights of each holder of partly paid up equity share is proportionate to the paid up amount of such share. The final dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.
  - 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.
  - Holders of Global Depository Receipts ('GDRs') will be entitled to receive dividends, subject to the terms of the deposit agreement, to the same extent as the holders of equity shares, less the fees and expenses payable under such deposit agreement and any Indian tax applicable to such dividends. Holders of GDRs don't have voting rights with respect to the deposited shares. The GDRs can not be transferred to any person located in India including Indian residents or ineligible investors except as permitted by Indian laws and regulations.
- vi. Shares held by Shareholders each holding more than 5% shares:

Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sameer Gehlaut	3,42,52,493	5.60%	3,42,52,493	5.60%
Orthia Properties Private Limited	-	0.00%	4,72,48,080	7.72%
Orthia Constructions Private Limited	-	0.00%	3,70,74,335	6.06%
Zelkova Builders Private Limited	-	0.00%	4,89,33,258	7.99%
Inuus Developers Private Limited	14,40,75,710	23.54%	1,68,00,000	2.74%

**vii. Shares reserved for issue under options:**

94,28,400 equity shares (As at 31 March 2023: 15,284,800 equity shares) of face value of ₹ 2 each are reserved under various option schemes of the Company (Refer note -43)

**viii. The Company has not issued any bonus shares during the current year and five years immediately preceding current year.**
**ix. Shareholding of Promoters**

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Shares held by promoters at the end of the year		No. of Shares	% of total shares	% Change during the year
S. No	Promoter name			
1	Sameer Gehlaut	3,42,52,493	5.60	-
2	Inuus Developers Private Limited	14,40,75,710	23.54	20.80
<b>Total</b>		<b>17,83,28,203</b>		

- x. Nil shares (31 March 2023: 54,433 shares) of face value of ₹ 2 per share represent the shares underlying GDRs. Each GDR represents one underlying equity share.

Note - 23 Other equity	As at 31 March 2024	As at 31 March 2023
Capital Redemption Reserve	4,933.69	4,933.69
Securities Premium	5,78,144.81	5,78,144.81
General Reserve	3,381.78	3,381.78
Share options outstanding account	744.90	2,438.39
Retained earnings	22,281.17	21,944.98
Treasury shares	(46,127.67)	(46,127.67)
	<b>5,63,358.68</b>	<b>5,64,715.98</b>

### Nature and purpose of other reserve

#### Capital redemption reserve

The same had been created in accordance with provision of the Act on account of redemption of preference shares and buy-back of equity shares.

#### Securities premium

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

#### Foreign currency monetary item translation difference account

Pursuant to the notification dated 29 December 2011 issued by the Ministry of Corporate Affairs amending Accounting Standard 11 - 'Accounting for the Effects of Changes in Foreign Exchange Rates' the Company has exercised the option as per Paragraph 46A inserted in the said Accounting Standard for amortisation of foreign exchange gain/loss on long-term monetary items over the remaining life of the concerned monetary items.

#### General reserve

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

#### Share options outstanding account

The reserve is used to recognise the fair value of the options issued to employees of the Company and subsidiary companies under Company's employee stock option plan.

#### Retained earnings

Retained earnings represents surplus / accumulated earning of the Company and are available for distribution to shareholders.

#### Equity instruments through other comprehensive income

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

This represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income. The balance of the reserve represents such changes recognised net of amounts reclassified to retained earnings on disposal of such investments.

### Treasury shares

This reserve represents Company's own equity shares held by the Udaan Employee Welfare Trust (formerly Indiabulls Ventures Limited - Employees Welfare Trust) which is created under Dhani Services Limited - Employee Stock Benefit Scheme 2019 (ESBS 2019) (formerly Indiabulls Ventures Limited - Employee Stock Benefit Scheme 2019), Dhani Services Limited - Employee Stock Benefit Scheme 2020 (ESBS 2020) (formerly Indiabulls Ventures Limited - Employee Stock Benefit Scheme 2020) and Dhani Services Limited - Employee Stock Benefit Scheme 2021 (ESBS 2021). Treasury shares are acquired for the purpose of issuing equity shares to employees under Company's ESBS 2019, ESBS 2020 and ESBS 2021.

<b>Note - 24</b> <b>Interest income (on financial assets measured at amortised cost)</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
Interest income on inter-corporate loans	9,037.55	10,515.68
Interest income on fixed and other deposits	141.91	107.32
Interest income on Compulsory Convertible Debentures	0.28	-
<b>Total</b>	<b>9,179.74</b>	<b>10,623.00</b>
<b>Note - 25</b> <b>Net gain on fair value changes</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
Net gain on financial instruments at fair value through profit or loss		
Gain on sale of investment in mutual funds	94.08	40.18
<b>Total net gain on fair value changes</b>	<b>94.08</b>	<b>40.18</b>
Fair value changes		
- Realised	94.08	40.18
- Unrealised	-	-
<b>Total net gain on fair value changes</b>	<b>94.08</b>	<b>40.18</b>
<b>Note - 26</b> <b>Other income</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
Income from financial guarantees	-	103.86
Gain on foreign exchange fluctuations-unrealised	7.28	32.72
Gain on foreign exchange fluctuations- Realised	-	34.29
Excess provision for expenses written back	19.19	26.56
Sundry credit balances written back	10.54	28.99
Interest income from income tax refund	221.48	39.26
Miscellaneous income	9.60	0.43
<b>Total</b>	<b>268.09</b>	<b>266.11</b>

The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

<b>Note - 27</b> <b>Finance costs (on financial liabilities measured at amortised cost)</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
Interest on borrowings		
Term loans	5,163.69	5,428.08
Interest on taxes	0.44	0.78
Other borrowing costs	12.74	12.45
<b>Total</b>	<b>5,176.87</b>	<b>5,441.31</b>
<b>Note - 28</b> <b>Fees and commission expense</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
Depository fees	23.78	12.73
Membership fees	10.99	10.78
<b>Total</b>	<b>34.77</b>	<b>23.51</b>
<b>Note - 29</b> <b>Impairment on financial assets</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
Provision for impairment on investments	6.00	-
Impairment of loans	618.13	-
Provision for doubtful advance	3.19	-
<b>Total</b>	<b>627.32</b>	<b>-</b>
<b>Note - 30</b> <b>Employee benefits expenses</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
Salaries and wages	560.00	298.39
Contribution to provident and other funds	22.31	13.43
Share based payments to employees	19.07	(765.16)
Staff welfare expenses	0.07	-
<b>Total</b>	<b>601.45</b>	<b>(453.34)</b>
<b>Note - 31</b> <b>Depreciation and amortisation expense</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
Depreciation on property, plant and equipment	17.76	18.68
Amortisation of intangible assets	3.75	3.75
<b>Total</b>	<b>21.51</b>	<b>22.43</b>

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

<b>Note - 32</b> <b>Other expenses</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
Rates and taxes	50.42	3.74
Repairs and maintenance	0.66	1.39
Communication costs	5.25	3.56
Printing and stationery	9.75	3.72
Director's sitting fee	21.00	23.00
Legal and professional charges	152.01	254.07
Software expenses	0.29	0.29
Rent (i)	1.80	1.80
Electricity expenses (i)	0.60	0.60
Travelling and conveyance	30.35	10.90
Business promotion	0.14	3.49
Corporate social responsibility expenses	17.90	41.81
Loss on sale/scraping of fixed assets	0.13	2.12
Auditor's remuneration (ii)	56.10	53.50
Miscellaneous expenses	8.25	9.67
<b>Total</b>	<b>354.65</b>	<b>413.66</b>

**(i) Expenses apportioned by Dhani Loans and Services Limited (a wholly owned subsidiary company) to the Company (excluding goods and services tax):**

	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
Rent	1.80	1.80
Electricity expenses	0.60	0.60
<b>Total</b>	<b>2.40</b>	<b>2.40</b>

**(ii) Auditor's remuneration (excluding goods and services tax):**

	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
As auditor	53.50	53.50
For reimbursement of expenses	2.60	3.28
<b>Total</b>	<b>56.10</b>	<b>56.78</b>

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Note - 33 Exceptional items	For the year ended 31 March 2024	For the year ended 31 March 2023
Loss on buyback of investment in subsidiaries	2,267.08	-
<b>Total Net loss on fair value changes</b>	<b>2,267.08</b>	

Note - 34 Tax expense	For the year ended 31 March 2024	For the year ended 31 March 2023
Tax expense		
Current tax	158.24	-
Income tax for earlier years	(88.96)	3.53
Deferred tax	1,826.99	2,964.36
Income-tax expense reported in the statement of profit and loss	1,896.27	2,967.89

The major components of Income-tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.17% (31 March 2023: 25.17%) and the reported tax expense in profit or loss are as follows:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Accounting profit before tax expense	458.26	5,481.72
Income-tax rate	25.17%	25.17%
Expected tax expense	115.33	1,379.64
Tax effect of adjustments to reconcile expected Income-tax expense to reported Income-tax expense:		
Tax impact on deductions allowed under Income-tax	-	(9.63)
Tax impact of expenses which will never be allowed	1,299.95	1,371.91
Earlier years tax adjustments (net)	(88.96)	3.53
Impact of difference in tax rate on certain items	-	(1.94)
Others	569.95	224.38
<b>Total</b>	<b>1,896.27</b>	<b>2,967.89</b>

### (i) Detail of unused tax losses:

Expiry assessment year (as per Income-tax Act, 1961)	As at 31 March 2024	As at 31 March 2023
Tax losses (Including unabsorbed depreciation)		
1 April 2028 - 31 March 2029	-	5,402.35
1 April 2029 - 31 March 2030	-	1,859.21

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 35 Earnings per equity share (EPS)

Disclosure in respect of Indian Accounting Standard – 33 'Earnings Per Share' :

The basic earnings per equity share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. Partly paid-up equity shares are treated as a fraction of an equity share to the extent they are entitled to participate in dividend relative to a fully paid-up equity share during the reporting period. Compulsory convertible debentures are treated as equivalent of equity share for the purpose of basic earnings per equity share. Treasury shares are adjusted for computation of weighted average equity shares. Diluted earnings per equity share is computed by considering the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The number of equity shares and potential dilutive equity shares are adjusted for the potential dilutive effect of employee stock option plan and warrants as appropriate.

	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit available for equity shareholders (₹ in lakh)	(1,438.01)	2,513.83
Basic/diluted earnings per equity share:		
Weighted-average number of equity shares for basic earnings per share	57,84,48,074	57,71,69,530
Effect of dilution:		
Add: Potential number of equity shares that could arise on exercise of employee stock options	14,28,205	37,47,818
Add: Potential number of equity shares that could arise on exercise of warrants	-	-
Weighted-average number of equity shares for diluted earnings per share	57,98,76,279	58,09,17,348
Face value of equity share (₹)	2.00	2.00
Earnings per equity share - basic (₹)	(0.25)	0.44
Earnings per equity share - diluted (₹)*	(0.25)	0.43

\* Anti-dilutive since loss decreasing per equity share

### Note - 36 Leases

The Company had leases for office building, with the exceptions of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company reclassifies its right-of-use assets in a consistent manner to its property, plant and equipment.

#### A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Short-term leases	1.80	1.80
Leases of low value assets	-	-
Variable lease payments	-	-

B Total cash outflow for leases for the year ended 31 March 2024 was ₹ 1.80 lakh (previous year ₹ 1.80 lakh).

C The Company has total commitment for short-term leases of ₹ Nil as at 31 March 2024 (as at 31 March 2023: ₹ Nil).



## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

D Future minimum lease payments of the Company is ₹ Nil.

E Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31 March 2024 is of ₹ Nil (as at 31 March 2023: Nil).

### Note - 37

#### A. Contingent liabilities not provided for in respect of:

			As at 31 March 2024	As at 31 March 2023
- Claims against the Company not acknowledged as debts in respect of:				
Cases under Income-tax Act, 1961 (i) & (ii)			2,696.47	2,730.24
Cases under GST (iii) & (iv)			451.33	-
(i) Demand pending u/s 143(3) read with section 153A of the Income-tax Act, 1961:-				
	Financial Years	Authority	As at 31 March 2024	As at 31 March 2023
Disallowance under Income Tax Act, 1961	2011-12	ITAT	-	33.02
Disallowance under Income Tax Act, 1961	2012-13	ITAT	18.83	4.21
Disallowance under Income Tax Act, 1961	2013-14	ITAT	37.91	43.33
Disallowance under Income Tax Act, 1961	2014-15	ITAT	35.38	40.66
Disallowance under Income Tax Act, 1961	2015-16	ITAT	17.40	-
Disallowance under Income Tax Act, 1961	2016-17	ITAT	62.47	67.17
(ii) Demand pending u/s 143(3) of the Income Tax Act, 1961				
	Financial Year	Authority	As at 31 March 2024	As at 31 March 2023
Disallowance under Income Tax Act, 1961	2012-13	ITAT *	-	17.37
Disallowance under Income Tax Act, 1961	2017-18	CIT (Appeal)	2,524.48	2,524.48
* Income tax department has filed an appeal against the order of CIT(A).				
(iii) Demands pending u/s 61 of the GST Act, 2017				
	Financial Year	Authority	As at 31 March 2024	As at 31 March 2023
Demand & recovery under GST Act, 2017	2018-19	Deputy Commissioner (GST)	70.32	-
(iv) Demands pending u/s 73 of the GST Act, 2017				
	Financial Year	Authority	As at 31 March 2024	As at 31 March 2023
Demand & recovery under GST Act, 2017	2017-18	Deputy Commissioner (GST)	287.40	-
Demand & recovery under GST Act, 2017	2018-19	Deputy Commissioner (GST)	87.20	-
Demand & recovery under GST Act, 2017	2019-20	Deputy Commissioner (GST)	6.41	-

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 38

#### Reconciliation of liabilities arising from financing activities

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

Particulars	Debt securities	Borrowings (other than debt securities)	Lease liabilities	Total
<b>Balance as at 1 April 2022</b>	-	52,500.00	-	52,500.00
<b>Cash flows:</b>				
- Proceeds	-	1,00,900.00	-	1,00,900.00
- Repayment	-	(97,300.00)	-	(97,300.00)
<b>Non cash:</b>				
- Amortisation of upfront fees	-	-	-	-
- Others	-	-	-	-
<b>Balance as at 31 March 2023</b>	-	<b>56,100.00</b>	-	<b>56,100.00</b>
<b>Cash flows:</b>				
- Proceeds	-	41,300.00	-	41,300.00
- Repayment	-	(49,550.00)	-	(49,550.00)
<b>Non cash:</b>				
- Amortisation of upfront fees	-	-	-	-
- Others	-	-	-	-
<b>Balance as at 31 March 2024</b>	-	<b>47,850.00</b>	-	<b>47,850.00</b>

### Note - 39

#### Operating segments

The Company's operations and business activities fall within a single business segment of financing and making strategic investments and as such no separate information is required to be furnished in terms of Ind-AS 108, Operating Segments. Further, the Company is operating in India which is considered as a single geographical segment.

### Note - 40

#### Employee benefits

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

##### Defined contribution plans

##### Provident fund

The Company pays fixed contribution to provident fund at predetermined rates to a registered provident fund administered by the Government of India, which invests the funds in permitted securities. Both the Company and employees make predetermined contributions to the Provident Fund. The contributions are normally based on a certain proportion of the employee's salary. During the year, the Company has recognized the following amounts in the Statement of Profit and Loss in respect of defined contribution plans and included in "Employee benefits expense".

	For the year ended 31 March 2024	For the year ended 31 March 2023
Contribution made to Employees' Provident Fund Organisation	9.13	6.39
Contribution to Labour Welfare Fund	-	-
Contribution to Employees' National Pension Scheme	13.18	7.04
<b>Total</b>	<b>22.31</b>	<b>13.43</b>

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Defined benefit plans

#### Gratuity

The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The liability of Gratuity is recognized on the basis of actuarial valuation.

#### Risks associated with plan provisions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary rate assumption in future valuations will also increase the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.
Investment Risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

Amount recognised in the balance sheet is as under:

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of obligation	59.95	61.75
Fair value of plan assets	-	-
<b>Net obligation recognised in balance sheet as provision</b>	<b>59.95</b>	<b>61.75</b>
<b>Expected contribution for the next Annual reporting period</b>	<b>8.28</b>	<b>8.88</b>

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

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	4.07	3.81
Past service cost including curtailment gains/(losses)	-	-
Interest cost on defined benefit obligation	4.66	4.36
Interest income on plan assets	-	-
<b>Net impact on profit/ (loss) before tax</b>	<b>8.73</b>	<b>8.17</b>

Amount recognised in the other comprehensive income:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial gain/ (loss) recognised during the year	10.54	(1.30)

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

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

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of defined benefit obligation as at the beginning of year	61.75	64.80
Current service cost	4.07	3.81
Interest cost	4.66	4.36
Acquisition adjustment	-	20.00
Past service cost including curtailment gains/(losses)	-	-
Benefits paid	-	(32.52)
Actuarial loss/(gain) on obligation	-	-
Actuarial gain on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	0.78	(0.93)
Actuarial gain on arising from experience adjustment	(11.31)	2.22
Present value of defined benefit obligation as at the end of the year	59.95	61.75

Actuarial assumptions

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Discounting rate	7.22%	7.36%
Future salary increase	5.00%	5.00%
Retirement age (years)	60	60
Withdrawal rate		
Up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Weighted average duration (years)	13.03	15.26

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

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

Sensitivity analysis for gratuity liability

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	59.95	61.75
- Impact due to increase of 0.50 %	(2.60)	(3.01)
- Impact due to decrease of 0.50 %	2.75	3.21
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	59.95	61.75
- Impact due to increase of 0.50 %	2.80	3.27
- Impact due to decrease of 0.50 %	(2.66)	(3.09)

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated.

Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

Maturity profile of defined benefit obligation (years)	As at 31 March 2024	As at 31 March 2023
0 to 1 year	1.05	1.16
1 to 2 year	0.93	0.97
2 to 3 year	0.96	0.98
3 to 4 year	0.97	1.00
4 to 5 year	0.99	1.01
5 to 6 year	1.01	1.03
6 year onwards	54.04	55.60

### Other long-term employee benefits

The Company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The scheme is unfunded and liability for the same is recognized on the basis of actuarial valuation. Expense of provision of ₹ 9.20 lakh (previous year provision of ₹ 18.27 lakh) for the year have been done on the basis of actuarial valuation at the year end and debited to the statement of profit and loss.

### Note - 41

#### Corporate Social Responsibility

In accordance with the provisions of section 135 of the Companies Act 2013, the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms with the provisions of the said Act, the Company was to spend a sum of ₹ 17.90 lakh (previous year ₹ 41.81 lakh) towards CSR activities during the year ended 31 March 2024. The details of amount actually spent by the Company are:

	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) Gross amount required to be spent by the Company	17.90	41.81
(b) Amount spent on		
- Construction/acquisition of any asset	-	-
- Any other purpose other than above *	17.90	-
- Yet to be paid**	-	41.81
	17.90	41.81

\*Contribution towards donation/corpus fund paid to Mata Krishnawanti Memorial Educational Society (REGD)

\*\* The unspent amount of CSR expenses has been deposited in Unspent CSR account no. 10101111339 of IDFC First Bank on 2nd May 2023. Banks remained closed on the last date of the deposit i.e. 30th April 2023 (Sunday). Further, bank also remained closed on 1st May 2023 on account of holiday. The amount was deposited on next working day of the last due date considering section 10 of the General Clauses Act, 1897. Subsequently the unspent amount was spent during the year ended 31 March 2024.

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 42

The Company was carrying on the business of stock broking which was demerged during the financial year 2019-20. Accordingly, as at and during the financial year ended 31 March 2023 and 31 March 2024, the financial assets of the Company were more than fifty percent of its total assets and income from financial assets was more than fifty percent of the gross income. The Company's present business activities consists of providing loans and making investments in group companies, consequentially, the Company may be required to apply and obtain the Certificate of Registration (CoR) from Reserve Bank of India (RBI) as a Non-Banking Financial Company (NBFC) under the category of Core Investment Company (CIC). The management is of the view that basis of their present business operations and financials, the Company qualifies to fall under the category of an unregistered CIC and has written to RBI for their views in this regard, response to which is still awaited. The management is also of the view that the possible non-compliance with such requirement is not expected to have a material impact on the accompanying financial statement.

### Note -43

#### Employee stock option schemes:

The Company has issued various Employees stock options scheme (ESOP / ESOS) for the benefit of the employees of the Company and its subsidiary companies.

The Company has established the "Udaan Employee Welfare Trust" ("Udaan – EWT") ("Trust") for the implementation and management of its employees benefit scheme viz. the "Dhani Services Limited - Employee Stock Benefit Scheme – 2008 & 2009" (Scheme) for the benefit of the employees of the Company and its subsidiaries.

#### A. Grants during the year:

There have been no new grants during the year (Previous year 1,16,00,000 shares).

#### B. Employees Stock Options Schemes:

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

Total options under the scheme (Nos.)	DSL ESOP - 2008			
	2,00,00,000			
Options granted (Nos.)	97,00,000	8,80,600	18,00,000	18,00,000
	(Regrant)	(Regrant)	(Regrant)	(Regrant)
Vesting period and percentage	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
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 (₹)	24.15	254.85	30	68
<b>Outstanding at the beginning of 1 April 2022 (Nos.)</b>	<b>45,94,800</b>	<b>27,400</b>	<b>-</b>	<b>18,00,000</b>
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.)	-	-	-	-

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

	DSL ESOP - 2008			
	2,00,00,000			
<b>Total options under the scheme (Nos.)</b>				
<b>Outstanding as at 31 March 2023 (Nos.)</b>	<b>18,44,400</b>	-	<b>18,00,000</b>	-
Vested and exercisable as at 31 March 2023 (Nos.)	18,44,400	-	-	-
Remaining contractual life (weighted months)	30	-	87	-
<b>Outstanding at the beginning of 1 April 2023 (Nos.)</b>	<b>18,44,400</b>	-	<b>18,00,000</b>	-
Granted/ regranted during the year (Nos.)	-	-	-	-
Forfeited during the year (Nos.)	6,94,400	-	9,00,000	-
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-	-
<b>Outstanding as at 31 March 2024 (Nos.)</b>	<b>11,50,000</b>	-	<b>9,00,000</b>	-
Vested and exercisable as at 31 March 2024 (Nos.)	11,50,000	-	1,80,000	-
Remaining contractual life (weighted months)	19	-	75	-

Weighted average exercise price of share during the year ended 31 March 2024: Nil (31 March 2023: 24.15).

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

	DSL ESOP - 2009			
	2,00,00,000			
<b>Total options under the Scheme (Nos.)</b>				
Options granted (Nos.)	20,50,000	95,00,000	98,00,000	1,00,00,000
		(Regrant)	(Regrant)	(Regrant)
Vesting period and percentage	Ten years, 10% each year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year
Vesting date	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
<b>Outstanding at the beginning of 1 April 2022 (Nos.)</b>	<b>50,000</b>	<b>25,01,600</b>	-	<b>12,96,800</b>
Granted/ regranted during the year (Nos.)	-	-	98,00,000	-
Forfeited during the year (Nos.)	-	7,11,200	-	12,96,800

**Material accounting policies and other explanatory information**

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

	DSL ESOP - 2009			
	2,00,00,000			
<b>Total options under the Scheme (Nos.)</b>				
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-	-
<b>Outstanding as at 31 March 2023 (Nos.)</b>	<b>50,000</b>	<b>17,90,400</b>	<b>98,00,000</b>	-
Vested and exercisable as at 31 March 2023 (Nos.)	50,000	17,90,400	-	-
Remaining contractual life (Weighted Months)	24	31	87	-
<b>Outstanding at the beginning of 1 April 2023 (Nos.)</b>	<b>50,000</b>	<b>17,90,400</b>	<b>98,00,000</b>	-
Granted/ regranted during the year (Nos.)	-	-	-	-
Forfeited during the year (Nos.)	-	1,62,000	41,00,000	-
Exercised during the year (Nos.)	-	-	-	-
Expired during the year (Nos.)	-	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-	-
<b>Outstanding as at 31 March 2024 (Nos.)</b>	<b>50,000</b>	<b>16,28,400</b>	<b>57,00,000</b>	-
Vested and exercisable as at 31 March 2024 (Nos.)	50,000	16,28,400	11,40,000	-
Remaining contractual life (Weighted Months)	12	19	75	-

	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
	(Regrant)	(Regrant)
Vesting period and percentage	Five years, 20% each year	Five years, 20% each year
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
<b>Outstanding at the beginning of 1 April 2022 (Nos.)</b>	-	-
Granted/ regranted during the year (Nos.)	98,00,000	-
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.)	-	-
<b>Outstanding as at 31 March 2023 (Nos.)</b>	-	-



## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

	DSL ESOP - 2009	DSL ESOP - 2009
Vested and exercisable as at 31 March 2023 (Nos.)	-	-
Remaining contractual life (Weighted Months)	-	-
Outstanding at the beginning of 1 April 2023 (Nos.)	-	-
Granted/ regranted 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.)	-	-
<b>Outstanding as at 31 March 2024 (Nos.)</b>	-	-
Vested and exercisable as at 31 March 2024 (Nos.)	-	-
Remaining contractual life (Weighted Months)	-	-

Weighted average exercise price of share during the year ended 31 March 2024: Nil (31 March 2023: 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 Company at its meeting held on 22 October 2019; and (b) a special resolution of the shareholders' of the Company passed through postal ballot on 4 December 2019, result of which were declared on 5 December 2019.

This Scheme comprises:

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

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

	DSL-ESBS 2019
Total options under the Scheme (Nos.)	1,05,00,000
Options granted (Nos.)	1,04,00,000
Vesting period and percentage	Three years, 33.33% each year
Vesting date	17th August each year, commencing 17 August 2021
Exercisable period	5 years from each vesting date
Exercise price (₹)	250

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

	DSL-ESBS 2019
<b>Outstanding at the beginning of 1 April 2022 (Nos.)</b>	<b>1,04,00,000</b>
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.)	1,04,00,000
<b>Outstanding as at 31 March 2023 (Nos.)</b>	<b>-</b>
Vested and exercisable as at 31 March 2023 (Nos.)	-
Remaining contractual life (Weighted Months)	-
<b>Outstanding at the beginning of 1 April 2023 (Nos.)</b>	<b>-</b>
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.)	-
<b>Outstanding as at 31 March 2024 (Nos.)</b>	<b>-</b>
Vested and exercisable as at 31 March 2024 (Nos.)	-
Remaining contractual life (Weighted Months)	-

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

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

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

	DSL-ESBS 2020
Total options under the Scheme (Nos.)	93,00,000
Options granted (Nos.)	93,00,000
Vesting period and percentage	Three years, 33.33% each year
Vesting date	7th April each year, commencing 7 April 2021
Exercisable period	5 years from each vesting date
Exercise price (₹)	250
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 and eligible for re-grant 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)	-
Outstanding as at 1 April 2023 (Nos.)	-
Granted/ regranted during the year (Nos.)	-
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Surrendered during the year (Nos.)	-
Outstanding as at 31 March 2024 (Nos.)	-
Vested and exercisable as at 31 March 2024 (Nos.)	-
Remaining contractual life (Weighted Months)	-
Remaining contractual life (Weighted Months)	-

**(v) 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 Company at its meeting held on 06 March 2021; and (b) a special resolution of the shareholders' of the Company passed through postal ballot on 15 April 2021, result of which were declared on 16 April 2021.

This Scheme comprises:

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

## Material accounting policies and other explanatory information

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(All amounts in Indian Rupees in lakh unless stated otherwise)

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

### C. Fair Valuation:

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

	DSL ESOP - 2008		
	97,00,000	8,80,600	18,00,000
	Options Regranted	Options Regranted	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	95,00,000	1,00,00,000
	Options	Options Regranted	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	93,00,000	1,04,00,000
	Options	SARs	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.

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

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

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

### D. Share based payment expense:

The Company has provided for Share based payments expensed to employees of ₹ 19.07 lakh (31 March 2023: ₹ (765.16) lakh reversal) in the statement of Profit and loss for the year ended 31 March 2024 as follows:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Share based payments expenses/(reversal)	19.07	(765.16)
	<b>19.07</b>	<b>(765.16)</b>

### Note - 44

#### Disclosures in respect of Related Parties as per Indian Accounting Standard (Ind-AS) – 24 'Related Party Disclosures':

The Company's related parties primarily consist of its subsidiaries including step down subsidiaries. The Company routinely enters into transactions with these related parties in the ordinary course of business on the terms equivalent to those that prevail in arm length transactions.

Nature of relationship	Name of the party
<b>(a) Related parties where control exists:</b>	
Subsidiary companies	Dhani Stocks Limited
(including step-down subsidiaries)	Devata Tradelink Limited
	Indiabulls Investment Advisors Limited
	Indiabulls Infra Resources Limited
	Indiabulls Consumer Products Limited
	Indiabulls Distribution Services Limited
	Auxesia Soft Solutions Limited
	Pushpanjli Finsolutions Limited
	Gyansagar Buildtech Limited
	Dhani Loans and Services Limited
	Dhani Healthcare Limited

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Nature of relationship	Name of the party
	Indiabulls Assets Reconstruction Company Limited Group
	Indiabulls Alternate Investments Limited
	Evinos Buildwell Limited
	Evinos Developers Limited
	Savren Medicare Limited
	Krathis Buildcon Limited
	Krathis Developers Limited
	Transerv Limited
	Jwala Technology Systems Private Limited
	Euler Systems Inc. (Incorporated in USA)
	Dhani Limited (Incorporated in Jersey)
	Dhani LTD (Incorporated in United Kingdom)
	Juventus Estate Limited (from 23 December 2022)
	Mabon Properties Limited (from 23 December 2022)
	Milky Way Buildcon Limited (from 23 December 2022)

The Company has not entered into any transactions with deregistered Company under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

### (b) Other related parties:

(i) Key management personnel	Mr. Sameer Gehlaut, Non-Executive Chairman (till 16 June 2023)	
	Mr. Divyesh B. Shah, Whole Time Director & Chief Executive Officer	
	Mr. Gurbans Singh, Whole Time Director (w.e.f 18 June 2023)	
	Mr. Prem Prakash Mirdha, Independent Director (w.e.f 11 August 2023)	
	Dr. Narendra Damodar Jadhav, Independent Director (till 21 August 2023)	
	Ms. Swati Jain, Independent Director (w.e.f 11 November 2022)	
	Mr. Amit Ajit Gandhi, Non-Executive Director (w.e.f 1 January 2023)	
	Mr. Rajeev Lochan Agrawal (Chief Financial Officer)	
	Mr. Ram Mehar Garg (Company Secretary w.e.f 30 December 2022)	
	Mr. Aishwarya Katoch, Independent Director(w.e.f 1 January 2023)	
	(ii) Person exercising significant influence	Mr. Sameer Gehlaut (Promoter)

Material accounting policies and other explanatory information  
for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

(c) Transactions with related parties during the year	Subsidiary companies		Key management personnel		Person exercising significant influence		Total	
	For the year ended		For the year ended		For the year ended		For the year ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Income</b>								
i. Interest income on inter corporate loans	9,037.55	10,515.68	-	-	-	-	9,037.55	10,515.68
ii. Income from Financial Guarantee	-	103.86	-	-	-	-	-	103.86
<b>Expenses</b>								
i. Reimbursement of expenses paid	2.40	2.40	-	-	-	-	2.40	2.40
ii. Compensation to Key Management Personnel								
- Short term employee benefits	-	-	345.99	89.33	-	-	345.99	89.33
- Post employment benefits- gratuity	-	-	17.58	-	-	-	17.58	-
- Other long-term employee benefits- compensated absences	-	-	27.36	-	-	-	27.36	-
- Remuneration	-	-	87.18	52.07	-	-	87.18	52.07
- Sitting fees	-	-	21.00	23.00	-	-	21.00	23.00
<b>Finance</b>								
i. Inter corporate loans given (Maximum balance outstanding during the year)	1,67,733.26	1,60,133.65	-	-	-	-	1,67,733.26	1,60,133.65
<b>Investment</b>								
i. Investment in equity shares of subsidiary companies	1,157.93	259.80	-	-	-	-	1,157.93	259.80
ii. Buyback of equity shares of subsidiary companies	19,405.00	-	-	-	-	-	19,405.00	-
<b>(d) Balance outstanding as at 31 March 2024:</b>								
Inter-corporate loans given (unsecured)	42,111.16	1,38,404.41	-	-	-	-	42,111.16	1,38,404.41
Accrued Interest	68.12	31.79	-	-	-	-	68.12	31.79
Amount presented in brackets represent liabilities.								
<b>(e) Loans and advances to specified persons as at 31 March 2024:</b>								
<b>Type of Borrower</b>	<b>As at 31 March 2024</b>		<b>As at 31 March 2023</b>		<b>Percentage to the total advance in the nature of Loans and Advances in the nature of outstanding</b>		<b>Percentage to the total Loans and Advances in the nature of outstanding</b>	
Related Parties	42,179.28	100%	1,38,436.20	100%	1,38,436.20	100%	1,38,436.20	100%

**Material accounting policies and other explanatory information**  
 for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

	Subsidiary companies		Key management personnel		Person exercising significant influence		Total	
	For the year ended		For the year ended		For the year ended		For the year ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Income</b>								
<b>i. Interest income on inter corporate loans</b>								
- Indiabulls Distribution Services Limited	-	25.73	-	-	-	-	-	25.73
- Dhani Stock Limited	118.94	22.02	-	-	-	-	118.94	22.02
- Savren Medicare Limited	19.83	9.27	-	-	-	-	19.83	9.27
- Indiabulls Investment Advisors Limited	0.16	-	-	-	-	-	0.16	-
- Dhani Healthcare Limited	5,822.84	8,120.74	-	-	-	-	5,822.84	8,120.74
- Jwala Technology Systems Private Limited	14.72	15.59	-	-	-	-	14.72	15.59
- Euler Systems, Inc	34.96	67.11	-	-	-	-	34.96	67.11
- Krathis Buildcon Limited	39.49	36.47	-	-	-	-	39.49	36.47
- Krathis Developers Limited	18.66	26.56	-	-	-	-	18.66	26.56
- Transerv Limited	703.10	1,657.40	-	-	-	-	703.10	1,657.40
- Juventus Estate Limited	2,125.58	531.54	-	-	-	-	2,125.58	531.54
- Auxesia Soft Solutions Limited	24.42	1.46	-	-	-	-	24.42	1.46
- Milkyway Buildcon Limited	0.22	-	-	-	-	-	0.22	-
- Mabon Properties Limited	4.81	-	-	-	-	-	4.81	-
- Evinos Buildwell Limited	49.95	-	-	-	-	-	49.95	-
- Gyansagar Buildtech Limited	59.87	1.79	-	-	-	-	59.87	1.79
	<b>9,037.55</b>	<b>10,515.68</b>					<b>9,037.55</b>	<b>10,515.68</b>
<b>ii. Income from Financial Guarantee</b>								
- Dhani Loans and Services Ltd.	-	103.86	-	-	-	-	-	103.86
<b>Expenses</b>								
<b>i. Reimbursement of expenses paid</b>								
- Dhani Loans and Services Ltd.	2.40	2.40	-	-	-	-	2.40	2.40
	<b>2.40</b>	<b>2.40</b>					<b>2.40</b>	<b>2.40</b>



## Material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

	Subsidiary companies		Key management personnel		Person exercising significant influence		Total	
	For the year ended		For the year ended		For the year ended		For the year ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>Expenses</b>								
i. Compensation to Key Management Personnel								
- Short term employee benefits								
- Mr. Divyesh B. Shah	-	-	345.99	89.33	-	-	345.99	89.33
	-	-	<b>345.99</b>	<b>89.33</b>	-	-	<b>345.99</b>	<b>89.33</b>
- Post employment benefits- gratuity								
- Mr. Divyesh B. Shah	-	-	17.58	-	-	-	17.58	-
- Other long-term employee benefits- compensated absences								
- Mr. Divyesh B. Shah	-	-	27.36	-	-	-	27.36	-
- Remuneration								
- Mr. Rajeev Lochan Agrawal	-	-	52.78	45.31	-	-	52.78	45.31
- Mr. Lalit Sharma	-	-	-	3.85	-	-	-	3.85
- Mr. Ram Mehar Garg	-	-	34.40	2.91	-	-	34.40	2.91
	-	-	<b>87.18</b>	<b>52.07</b>	-	-	<b>87.18</b>	<b>52.07</b>
- Sitting fees								
- Aishwarya Katoch	-	-	7.00	3.00	-	-	7.00	3.00
- Mr. Prem Prakash Miridha	-	-	2.00	-	-	-	2.00	-
- Mr. Praveen Kumar Tripathi	-	-	-	2.00	-	-	-	2.00
- Swati Jain	-	-	7.00	3.00	-	-	7.00	3.00
- Mr. Narendra Jadhav	-	-	5.00	6.00	-	-	5.00	6.00
- Mrs. Fantry Mein Jaswal	-	-	-	2.00	-	-	-	2.00
- Mr. Mohan Sawhney	-	-	-	2.00	-	-	-	2.00
- Mr. Vijay Chugh	-	-	-	2.00	-	-	-	2.00
- Mr. Rakesh Mohan Garg	-	-	-	3.00	-	-	-	3.00
	-	-	<b>21.00</b>	<b>23.00</b>	-	-	<b>21.00</b>	<b>23.00</b>
<b>Finance</b>								
i. Inter corporate loans given								
(Maximum balance outstanding during the year)								
- Indiabulls Distribution Services Limited	-	1,545.00	-	-	-	-	-	1,545.00
- Krathis Builcon Limited	519.00	474.25	-	-	-	-	519.00	474.25
- Krathis Developers Limited	348.40	345.40	-	-	-	-	348.40	345.40
- Transerv Limited	19,461.00	22,250.00	-	-	-	-	19,461.00	22,250.00

**Material accounting policies and other explanatory information**

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

	Subsidiary companies		Key management personnel		Person exercising significant influence		Total	
	For the year ended		For the year ended		For the year ended		For the year ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
- Pushpanjli Finsolutions Limited	-	-	-	-	-	-	-	-
- Dhani Stocks Limited	5,700.00	2,700.00	-	-	-	-	5,700.00	2,700.00
- Jwala Technology Systems Private Limited	194.00	188.70	-	-	-	-	194.00	188.70
- Euler Systems, Inc	425.52	827.86	-	-	-	-	425.52	827.86
- Dhani Healthcare Limited	97,021.50	1,06,038.00	-	-	-	-	97,021.50	1,06,038.00
- Sevren Medicare Limited	261.00	233.00	-	-	-	-	261.00	233.00
- Indiabulls Investment Advisors Limited	15.00	15.00	-	-	-	-	15.00	15.00
- Juventus Estate Limited	28,572.94	24,209.94	-	-	-	-	28,572.94	24,209.94
- Auxesia Soft Solutions Limited	593.70	587.50	-	-	-	-	593.70	587.50
- Indiabulls Consumer Products Limited	1.20	-	-	-	-	-	1.20	-
- Mabon Properties Limited	273.00	-	-	-	-	-	273.00	-
- Milkyway Buildcon Limited	5.00	-	-	-	-	-	5.00	-
- Evinos Buildwell Limited	13,556.00	-	-	-	-	-	13,556.00	-
- Gyansagar Buildtech Limited	786.00	719.00	-	-	-	-	786.00	719.00
	<b>1,67,733.26</b>	<b>1,60,133.65</b>	-	-	-	-	<b>1,67,733.26</b>	<b>1,60,133.65</b>
<b>Investment</b>								
<b>i. Investment in equity shares of subsidiary companies</b>								
- Juventus Estate Limited	360.44	254.80	-	-	-	-	360.44	254.80
- Mabon Properties Limited	-	5.00	-	-	-	-	-	5.00
- Indiabulls Asset Reconstructions Company Limited	797.49	-	-	-	-	-	797.49	-
	<b>1,157.93</b>	<b>259.80</b>	-	-	-	-	<b>1,157.93</b>	<b>259.80</b>
<b>Buyback</b>								
<b>ii. Buyback of equity shares of subsidiary companies</b>								
- Dhani Stocks Limited	8,905.00	-	-	-	-	-	8,905.00	-
- Indiabulls Asset Reconstructions Company Limited	10,500.00	-	-	-	-	-	10,500.00	-
	<b>19,405.00</b>	-	-	-	-	-	<b>19,405.00</b>	-

Material accounting policies and other explanatory information  
for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

(g) Balance outstanding as at 31 March 2024	Subsidiary companies		Key management personnel		Person exercising significant influence		Total	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Inter-corporate loans given								
Dhani Healthcare Limited	11,338.50	91,812.00	-	-	-	-	11,338.50	91,812.00
Dhani Stocks Limited	1,766.00	-	-	-	-	-	1,766.00	-
Krathis Buildcon Ltd.	519.00	474.25	-	-	-	-	519.00	474.25
Krathis Developers Ltd.	179.00	345.40	-	-	-	-	179.00	345.40
Transerv Ltd.	-	19,400.00	-	-	-	-	-	19,400.00
Jwala Technology Systems Private Limited	194.00	188.70	-	-	-	-	194.00	188.70
Juventus Estate Limited	26,362.94	24,209.94	-	-	-	-	26,362.94	24,209.94
Auxesia Soft Solutions Limited	-	587.50	-	-	-	-	-	587.50
Gyansagar Buildtech Limited	786.00	719.00	-	-	-	-	786.00	719.00
Savren Medicare Limited	261.00	233.00	-	-	-	-	261.00	233.00
Mabon Properties Limited	273.00	-	-	-	-	-	273.00	-
Milkyway Buildcon Limited	5.00	-	-	-	-	-	5.00	-
Indiabulls Consumer Products Limited	1.20	-	-	-	-	-	1.20	-
Indiabulls Investment Advisors Limited	-	15.00	-	-	-	-	-	15.00
Euler Systems, Inc	425.52	419.62	-	-	-	-	425.52	419.62
	42,111.16	1,38,404.41	-	-	-	-	42,111.16	1,38,404.41
Accrued interest								
Accrued interest (Euler Systems, Inc)	68.12	31.79	-	-	-	-	68.12	31.79

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 45

#### Financial instruments

##### A Financial assets and liabilities

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

Particulars	Note	As at 31 March 2024	As at 31 March 2023
<b>Financial assets measured at amortised cost</b>			
Cash and cash equivalents	Note - 5	205.85	1,999.94
Bank balance other than cash and cash equivalents	Note - 6	2,064.42	2,034.68
Loans (including interest accrued)	Note - 7	42,179.29	1,38,436.20
Security deposits	Note - 9	300.00	300.00
Other financial assets	Note - 9	8.02	27.53
<b>Total</b>		<b>44,757.58</b>	<b>1,42,798.35</b>
<b>Financial liabilities measured at amortised cost</b>			
Trade payables	Note - 15	7.16	7.73
Other payables	Note - 16	131.64	200.22
Borrowings (other than debt securities)	Note - 17	49,139.14	57,784.95
Other financial liabilities	Note - 18	85.21	95.16
<b>Total</b>		<b>49,363.15</b>	<b>58,088.06</b>

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

##### B Fair values hierarchy

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 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 Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	Period	Level 1	Level 2	Level 3	Total
<b>Assets</b>					
Investments at fair value through other comprehensive income					
Quoted equity investment in BSE Limited	31 March 2024	-	-	-	-
	31 March 2023	-	-	-	-

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### B.2 Fair value of instruments measured at amortised cost

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Cash and cash equivalents	205.85	205.85	1,999.94	1,999.94
Bank balance other than cash and cash equivalents	2,064.42	2,064.42	2,034.68	2,034.68
Loans	42,179.29	42,179.29	1,38,436.20	1,38,436.20
Security deposits	300.00	300.00	300.00	300.00
Other financial assets	8.02	8.02	27.53	27.53
<b>Total</b>	<b>44,757.58</b>	<b>44,757.58</b>	<b>1,42,798.35</b>	<b>1,42,798.35</b>
<b>Financial liabilities</b>				
Trade payables	7.16	7.16	7.73	7.73
Other payables	131.64	131.64	200.22	200.22
Debt securities (including interest accrued)	-	-	-	-
Borrowings (other than debt securities) (including interest accrued)	49,139.14	49,139.14	57,784.95	57,784.95
Other financial liabilities	85.21	85.21	95.16	95.16
<b>Total</b>	<b>49,363.15</b>	<b>49,363.15</b>	<b>58,088.06</b>	<b>58,088.06</b>

The management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables, loans, trade payables, other payables and other financial liabilities approximate their respective carrying amounts, largely due to the short-term maturities of these instruments. The following methods and assumptions were used to estimate the fair values for other assets and liabilities:

- (i) The fair values of the Company's fixed interest bearing security deposits, loan notes and escrow account 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.
- (ii) The fair values of the Company's 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. For variable rate interest-bearing debt securities and borrowings carrying value represent best estimate of their fair value as these are subject to changes in underlying interest rate indices as and when the changes happen.

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Financial risk management

#### i) Risk Management

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

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	Ageing analysis	Highly rated bank deposits and diversification of asset base and collaterals taken for assets
Liquidity risk	Borrowings, debt securities, trade payables, other payables and other financial liabilities	Cash flow forecasts	Committed borrowing and other credit facilities (whenever required)
Market risk - foreign exchange	Financial assets and liabilities not denominated in Indian rupee	Sensitivity analysis	Forward contract/hedging, if required
Market risk - interest rate	Variable rates borrowings and debt securities	Sensitivity analysis	Negotiation of terms that reflect the market factors
Market risk - security price	Investments in equity securities	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

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

#### A) Credit risk

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

##### a) Credit risk management

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

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

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

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

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

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

Financial assets that expose the entity to credit risk\*

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(i) Low credit risk</b>		
Cash and cash equivalents	205.85	1,999.94
Other bank balances	2,064.42	2,034.68
Loans	42,179.29	1,38,436.20
Investments	-	-
Security deposits	300.00	300.00
Other financial assets	8.02	27.53
<b>(ii) Moderate credit risk</b>		
Trade receivables	-	-

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

### Cash and cash equivalents and bank deposits

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

### Trade receivables

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

### Other financial assets measured at amortized cost

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

## b) Credit risk exposure

### i) Expected credit losses for financial assets

As at 31 March 2024	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	205.85	-	205.85
Other bank balances	2,064.42	-	2,064.42
Loans	42,179.29	-	42,179.29
Security deposits	300.00	-	300.00
Other financial assets	8.02	-	8.02

As at 31 March 2023	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,999.94	-	1,999.94
Other bank balances	2,034.68	-	2,034.68
Loans	1,38,436.20	-	1,38,436.20
Security deposits	300.00	-	300.00
Other financial assets	27.53	-	27.53

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Reconciliation of loss allowance provision from beginning to end of reporting period:	
Reconciliation of loss allowance	Trade receivables
<b>Loss allowance on 1 April 2022</b>	-
Impairment loss recognised during the year	-
Write - offs	-
<b>Loss allowance on 31 March 2023</b>	-
Impairment loss recognised during the year	-
Write - offs	-
<b>Loss allowance on 31 March 2024</b>	-

### c) Concentration of financial assets

Loans and financial assets majorly represents loans to subsidiaries and deposits given for business purposes.

### B) Liquidity risk

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

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

#### (i) Financing arrangements

The Company had access to the following funding facilities:

As at 31 March 2024	Total facility	Drawn	Undrawn
- Expiring within one year	20,650.00	15,150.00	5,500.00
- Expiring beyond one year	40,000.00	32,700.00	7,300.00
<b>Total</b>	<b>60,650.00</b>	<b>47,850.00</b>	<b>12,800.00</b>

As at 31 March 2023	Total facility	Drawn	Undrawn
- Expiring within one year	25,000.00	23,400.00	1,600.00
- Expiring beyond one year	40,000.00	32,700.00	7,300.00
<b>Total</b>	<b>65,000.00</b>	<b>56,100.00</b>	<b>8,900.00</b>



## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### (ii) Maturities of financial assets and liabilities

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

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

As at 31 March 2024	Less than 1 year	1-3 years	More than 3 years	Total
<b>Non-derivatives</b>				
Cash and cash equivalent	205.85	-	-	205.85
Other bank balances	2,064.42	-	-	2,064.42
Loans	42,179.29	-	-	42,179.29
Investments	-	-	5,77,636.15	5,77,636.15
Other financial assets	8.02	300.00	-	308.02
<b>Total undiscounted financial assets (A)</b>	<b>44,457.58</b>	<b>300.00</b>	<b>5,77,636.15</b>	<b>6,22,393.73</b>
<b>Non-derivatives</b>				
Debt Securities	-	-	-	-
Borrowings (other than debt securities)	1,289.14	15,150.00	32,700.00	49,139.14
Trade payables	7.16	-	-	7.16
Other payables	131.64	-	-	131.64
Other financial liabilities	85.21	-	-	85.21
<b>Total undiscounted financial liabilities (B)</b>	<b>1,513.15</b>	<b>15,150.00</b>	<b>32,700.00</b>	<b>49,363.15</b>
<b>Net undiscounted financial assets/(liabilities) (A) - (B)</b>	<b>42,944.43</b>	<b>(14,850.00)</b>	<b>5,44,936.15</b>	<b>5,73,030.58</b>

As at 31 March 2023	Less than 1 year	1-3 years	More than 3 years	Total
<b>Non-derivatives</b>				
Cash and cash equivalent	1,999.94	-	-	1,999.94
Other bank balances	2,034.68	-	-	2,034.68
Loans	1,38,436.20	-	-	1,38,436.20
Investments	-	-	4,88,302.54	4,88,302.54
Other financial assets	27.53	300.00	-	327.53
<b>Total undiscounted financial assets (A)</b>	<b>1,42,498.35</b>	<b>300.00</b>	<b>4,88,302.54</b>	<b>6,31,100.89</b>
<b>Non-derivatives</b>				
Borrowings (other than debt securities)	25,084.95	-	32,700.00	57,784.95
Trade payables	7.73	-	-	7.73
Other payables	200.22	-	-	200.22
Other financial liabilities	95.16	-	-	95.16
<b>Total undiscounted financial liabilities (B)</b>	<b>25,388.06</b>	<b>-</b>	<b>32,700.00</b>	<b>58,088.06</b>
<b>Net undiscounted financial assets/(liabilities) (A) - (B)</b>	<b>1,17,110.29</b>	<b>300.00</b>	<b>4,55,602.54</b>	<b>5,73,012.83</b>

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### C) Market risk

#### a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. To mitigate the Company's exposure to foreign currency risk, non-rupee cash flows are monitored and forward exchange contracts are entered into in accordance with the Company's risk management policies. The Company has not hedged its foreign currency receivables and payables.

##### (i) Foreign currency risk exposure in USD:

The Company exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows:

Particulars	As at	Foreign currency	Exchange rate	Amount in Foreign Currency	Amount
Financial assets					
Loans to foreign subsidiary company	31 March 2024	USD	83.37	5.10	425.52
Loans to foreign subsidiary company	31 March 2023	USD	82.22	5.10	419.62

#### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
USD sensitivity		
INR/USD- increase by 2.49% (31 March 2023: 6.03%)*	10.60	25.30
INR/USD- decrease by 2.49% (31 March 2023: 6.03%)*	(10.60)	(25.30)

\* Holding all other variables constant

#### b) Interest rate risk

##### i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2024, the Company is exposed to variable interest rates.

#### Interest rate risk exposure

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

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Variable rate liabilities</b>		
Borrowings (other than debt securities)	-	-
Fixed rate liabilities		
Debt securities	-	-
Borrowings (other than debt securities)	49,139.14	57,784.95
<b>Total</b>	<b>49,139.14</b>	<b>57,784.95</b>

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Sensitivity

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

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest sensitivity*		
Interest rates – increase by 1%	-	-
Interest rates – decrease by 1%	-	-

\* Holding all other variables constant

### ii) Assets

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

### c) Price risk

#### i) Exposure

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.

#### ii) Sensitivity

The table below summarises the impact of increases/decreases of the index on the Company's equity:

Particulars	As at 31 March 2024	As at 31 March 2023
Impact on other comprehensive income		
Quoted equity instruments		
Value per share – increase by Nil (31 March 2023: Nil)	-	-
Value per share – decrease by Nil (31 March 2023: Nil)	-	-

### Note - 46

#### Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to comply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

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

Particulars	As at 31 March 2024	As at 31 March 2023
Net debt*	48,933.29	55,785.00
Total equity	5,75,522.45	5,76,879.75
Debt to equity ratio	0.09	0.10

\* Net debt includes debt securities + Borrowings (other than debt securities) + interest accrued-cash and cash equivalents

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 47

#### Accounting Ratios

Particulars	As at 31 March 2024			As at 31 March 2023			Variance (%)*
	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	
Current Ratio [Current Assets/ Current Liabilities]	5,152.12	731.85	7.04	6,738.62	846.57	7.96	(11.56)
Debt-Equity Ratio [Debt/ Equity]	48,933.29	5,75,522.45	0.09	55,785.00	5,76,879.75	0.10	(12.08)
Debt Service Coverage Ratio [Net Profit + Depreciation + Interest on long term loans) / Total amount of interest & principal of long term loan payable or paid during the year]	6,027.45	5,176.87	1.16	7,977.57	5,441.31	1.47	(20.59)
Return on Equity Ratio [(PAT + exceptional items)/(Total op. Equity+Total cl. Equity)/2]	829.07	5,76,201.10	0.001	2,513.83	5,78,600.30	0.004	(66.88)
Inventory turnover ratio [Consumption / (op. Inventory+cl. Inventory)/2]	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Trade Receivables turnover ratio [Sales / (op. receivable+cl. Receivables)/2]	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Trade payables turnover ratio [Consumption/(op.payables+cl. Payables)]	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Net capital turnover ratio [Total Operational Revenue/Working Capital]	9,273.82	4,720.27	1.96	10,663.18	6,192.05	1.72	14.09
Net profit ratio [PAT before exceptional items/Revenue from Operation]	829.07	9,273.82	0.089	2,513.83	10,663.18	0.236	(62.08)
Return on Capital employed [PBIT before exceptional items/Total capital employed (NW-DTA+debt+DTL)]	7,902.21	6,24,898.78	0.013	10,923.03	6,33,072.25	0.017	(26.71)

\*Reason for variance over 25%

Return on Equity Ratio: This is due to decrease in profit in comparison to last financial year.

Net profit Ratio: This is due to decrease in profit in current financial year.

Return on Capital employed: This is due to decrease in profit in current financial year with reduced capital employed.

## Material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 48

#### Maturity analysis of assets and liabilities

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

ASSETS	As at 31 March 2024		As at 31 March 2023	
	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>Financial assets</b>				
Cash and cash equivalents	205.85	-	1,999.94	-
Other bank balances	2,061.42	3.00	2,034.68	-
Loans	42,179.29	-	1,38,436.20	-
Investments	-	5,77,636.15	-	4,88,302.54
Other financial assets	8.02	300.00	27.53	300.00
	<b>44,454.58</b>	<b>5,77,939.15</b>	<b>1,42,498.35</b>	<b>4,88,602.54</b>
<b>Non-financial assets</b>				
Current tax assets (net)	-	2,873.83	-	2,676.47
Deferred tax assets (net)	-	-	-	1,592.45
Property, plant and equipment	-	29.75	-	48.17
Other intangible assets	-	1.11	-	4.86
Other non-financial assets	95.02	-	88.43	-
	<b>95.02</b>	<b>2,904.69</b>	<b>88.43</b>	<b>4,321.95</b>
<b>TOTAL ASSETS (A)</b>	<b>44,549.60</b>	<b>5,80,843.84</b>	<b>1,42,586.78</b>	<b>4,92,924.49</b>
<b>LIABILITIES</b>				
<b>Financial liabilities</b>				
Payables				
Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	7.16	-	7.73	-
<b>Other payables</b>				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	131.64	-	200.22	-
Borrowings (other than debt securities)	1,289.14	47,850.00	25,084.95	32,700.00
Other financial liabilities	85.21	-	95.16	-
	<b>1,513.15</b>	<b>47,850.00</b>	<b>25,388.06</b>	<b>32,700.00</b>
<b>Non-financial liabilities</b>				
Current tax liabilities (net)	0.54	-	174.15	-
Deferred tax liabilities	-	237.19	-	-
Provisions	1.83	99.75	1.77	92.41
Other non-financial liabilities	168.54	-	238.41	36.72
	<b>170.91</b>	<b>336.94</b>	<b>414.33</b>	<b>129.13</b>
<b>TOTAL LIABILITIES (B)</b>	<b>1,684.06</b>	<b>48,186.94</b>	<b>25,802.39</b>	<b>32,829.13</b>
<b>Net (A-B)</b>	<b>42,865.54</b>	<b>5,32,656.90</b>	<b>1,16,784.39</b>	<b>4,60,095.36</b>

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 49

#### Benami Property

No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

### Note - 50

#### Guarantee, security or the like on behalf of the Ultimate Beneficiaries

- (i) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary:
- 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 to or on behalf of the Ultimate Beneficiaries.
- (ii) The Company has not received any fund 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:
- 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.

### Note - 51

Disclosure as per Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186(4) of the Act.

#### (i) Loans and advances in the nature of loans given to subsidiaries:

Name of the Subsidiaries	Maximum balance outstanding during the year		Balance outstanding as at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Indiabulls Distribution Services Limited	-	1,545.00	-	-
Krathis Bulcon Limited	519.00	474.25	519.00	474.25
Krathis Developers Limited	348.40	345.40	179.00	345.40
Transerv Limited	19,461.00	22,250.00	-	19,400.00
Dhani Stocks Limited	5,700.00	2,700.00	1,766.00	-
Jwala Technology Systems Private Limited	194.00	188.70	194.00	188.70
Euler Systems, Inc	425.52	827.86	425.52	419.62
Dhani Healthcare Limited	97,021.50	1,06,038.00	11,338.50	91,812.00
Sevren Medicare Limited	261.00	233.00	261.00	233.00
Indiabulls Investment Advisors Limited	15.00	15.00	-	15.00
Juventus Estate Limited	28,572.94	24,209.94	26,362.94	24,209.94
Auxesia Soft Solutions Limited	593.70	587.50	-	587.50
Indiabulls Consumer Products Limited	1.20	-	1.20	-
Mabon Properties Limited	273.00	-	273.00	-
Milkyway Buildcon Limited	5.00	-	5.00	-
Evinos Buildwell Limited	13,556.00	-	-	-
Gyansagar Buildtech Limited	786.00	719.00	786.00	719.00

All above loans have been given for business purpose.

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### (ii) Investments in subsidiaries:

Details of investments made are given in note - 8

#### Note - 52

The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

#### Note - 53

The Company have accounting software to manage its books of account, incorporating an audit trail (edit log) feature. This feature is consistently utilized throughout the year for all transactions recorded in the software, database level and backup is taken periodically of these transactions. Additionally, measures are in place to establish necessary controls aimed at preventing or identifying any tampering with the audit trail feature.

#### Note - 54

In line with the long term business objectives of the Company to further accelerate the scaling up of the operations and to provide synergy of consolidated business operations and management and to streamline the operations of the Company and /or its identified subsidiaries to have a simplified and streamlined holding structure with pooled resources, the Board of Directors of the Company, subject to all applicable statutory and regulatory approvals, including approval from the stock exchanges, SEBI, shareholders and creditors of the company and the jurisdictional bench of the NCLT, has approved a composite Scheme of Arrangement inter-alia involving Amalgamation of the Company along with its certain subsidiary companies with and into Yaari Digital Integrated Services Limited ("Amalgamated Company" / "Resulting Company "Yaari") (the "Scheme"). Under the Scheme Savren Medicare Limited, Auxesia Soft Solutions Limited, Gyansagar Buildtech Limited, Pushpanjali Finsolutions Limited, Devata Tradelink Limited, Evinos Developers Limited, Milky Way Buildcon Limited, Indiabulls Consumer Products Limited, Indiabulls Infra Resources Limited, Jwala Technology Systems Private Limited, Mabon Properties Limited and Juventus Estate Limited, subsidiaries of the Company will get amalgamated with Yaari. During the year under review, the Competition Commission of India has approved the Scheme of Arrangement on Dec 19, 2023. The Company has received No Observation Letters from BSE Limited and National Stock Exchange of India Limited on March 01, 2024 and March 04, 2024, respectively. The First Motion Application has been filed with National Company Law Tribunal, Chandigarh Bench on April 10, 2024.

#### Note - 55

Summarised financial information for Udaan- Employees welfare Trust is set out below:

Particulars	As at 31 March 2024	As at 31 March 2023
Financial assets	46,143.12	46,200.12
Non-financial assets	-	-
Total assets	46,143.12	46,200.12
Financial liabilities	50,922.14	59,342.98
Non-financial Liabilities	144.07	187.22
Total liabilities	51,066.21	59,530.20
Equity attributable to the owners of the holding company	(4,923.09)	(13,330.08)
Non-controlling interests	-	-

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Total revenue	13,576.26	11.86
Total comprehensive income attributable to the owners of the holding company	8,406.98	(5,420.81)
Total comprehensive income attributable to non-controlling interest	-	-
Total comprehensive income	8,406.98	(5,420.81)

## Material accounting policies and other explanatory information

for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

### Note - 56

Previous year's figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year's classification/ disclosure.

For **Sharp & Tannan Associates** For and on behalf of Dhani Services Limited  
Chartered Accountants  
Firm Registration No. 109983W

**Tirtharaj Khot**  
Partner  
Membership No.: (F) 037457

Place: Mumbai  
Date: 17 May 2024

**Divyesh B. Shah**  
Whole Time Director & CEO  
DIN: 00010933

Place: Mumbai  
Date: 17 May 2024

**Amit Ajit Gandhi**  
Director  
DIN: 07606699

Place: Mumbai  
Date: 17 May 2024

**Rajeev Lochan Agrawal**  
Chief Financial Officer

Place: Gurugram  
Date: 17 May 2024

**Ram Mehar Garg**  
Company Secretary

Place: Gurugram  
Date: 17 May 2024



Material accounting policies and other explanatory information  
for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Annexure: Statement containing the salient features of the financial statements of subsidiaries / associate companies / joint ventures  
[Form AOC-1: Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the  
Companies (Accounts) Rules, 2014]  
Part A: Subsidiaries

Sr. No.	Name of the entity	Date of acquisition of subsidiary	Year	Exchange Rate / Reporting Currency	Share Capital/ Security Receipts	Other Equity/ (Surplus/Deficit)	Total Assets excluding investments	Total Liabilities excluding reserve and surplus	Investments	Turnover	Profit/ (Loss) before taxation	Provision for tax after taxation	Profit/(loss) after taxation	Proposed Dividend	% of shareholding
1	Dhani Stocks Limited	01-04-2007	2023-24	₹	1,02,750	32,294.98	62,938.51	29,616.03	-	11,309.75	2,201.56	593.45	1,608.11	-	100%
2	Devata Tradelink Limited	09-01-2008	2023-24	₹	5.00	-18,093.77	77.13	18,165.90	-	3.84	1.54	-	1.54	-	100%
3	Indiabulls Investment Advisors Limited	22-08-2008	2023-24	₹	35,550.00	-10,404.20	25,272.30	126.50	-	1,845.28	1,646.58	51.80	1,594.78	-	100%
4	Indiabulls Distribution Services Limited	11-06-2009	2023-24	₹	28.51	29,730.31	29,346.55	92.73	505.00	1,400.67	-4,707.39	111.06	-4,818.45	-	100%
5	Auxesia Soft Solutions Limited	30-09-2011	2023-24	₹	5.00	-4.95	0.15	0.10	-	618.12	591.61	-	591.61	-	100%
6	Pushpanjali Frisolutions Limited	28-06-2013	2023-24	₹	601.00	955.94	1,580.82	23.88	-	124.82	114.06	29.28	84.78	-	100%
7	Gyansagar Buildtech Limited	11-06-2013	2023-24	₹	11.00	-389.06	409.18	787.24	-	-	-62.19	-	-62.19	-	100%
8	Dhani Loans and Services Limited	28-06-2013	2023-24	₹	6,118.80	3,12,067.95	2,38,851.82	30,375.72	1,09,710.65	31,758.06	9,923.99	2,550.07	7,373.92	-	100%
9	Dhani Healthcare Limited	11-06-2013	2023-24	₹	401.00	-36,520.25	21,358.96	57,483.21	5.00	1,298.94	-26,901.31	-618.01	-26,283.30	-	100%
10	Indiabulls Alternate Investments Limited	10-02-2016	2023-24	₹	505.00	106.55	533.48	7.50	85.57	14.88	-407.39	-93.26	-314.13	-	100%
11	Indiabulls Asset Reconstruction Company Limited	03-10-2016	2023-24	₹	7,405.93	44,928.45	2,179.27	3,261.57	53,416.68	4,420.59	-2,462.90	-386.19	-2,076.71	-	100%
12	Indiabulls Consumer Products Limited	05-07-2016	2023-24	₹	5.00	-5.72	0.66	1.38	-	0.35	-1.05	-	-1.05	-	100%
13	Indiabulls Infra Resources Limited	01-02-2017	2023-24	₹	300.00	135.07	438.15	3.08	-	34.40	24.02	6.19	17.83	-	100%
14	Evinos Buildwell Limited	17-09-2019	2023-24	₹	5.00	-92.19	32,657.84	32,745.03	-	11.89	-3,302.67	-	-3,302.67	-	100%
15	Evinos Developers Limited	17-09-2019	2023-24	₹	5.00	-4.46	0.88	0.34	-	-	-2.34	-	-2.34	-	100%
16	Savren Medicare Limited	19-11-2019	2023-24	₹	5.00	-245.74	99.99	340.73	-	1.49	-51.68	-0.51	-51.17	-	100%
17	Krathis Buildcon Limited	20-11-2019	2023-24	₹	5.00	-79.21	445.71	519.92	-	-	-40.51	-	-40.51	-	100%
18	Krathis Developers Limited	26-11-2019	2023-24	₹	5.00	-20.03	164.58	179.61	-	28.20	8.70	-	8.70	-	100%
19	Jwala Technology Systems Private Limited	07-09-2020	2023-24	₹	1.00	-193.74	1.82	194.56	-	-	-57.62	-	-57.62	-	100%
20	Euler Systems, Inc (USA)	09-09-2020	2023-24	USD = ₹ 83.37	0.06	-471.01	22.70	493.65	-	0.01	-35.32	-	-35.32	-	100%

## Material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in Indian Rupees in lakh unless stated otherwise)

Sr. No.	Name of the entity	Date of acquisition of subsidiary	Year	Exchange Rate / Reporting Currency	Share Capital/ Security Receipts	Other Equity/ (Surplus/Deficit)	Total Assets excluding investments	Total Liabilities excluding reserve and surplus	Investments	Turnover	Profit/ (loss) before taxation	Provision for tax	Profit/(loss) after taxation	Proposed Dividend	% of shareholding
21	Dhani Limited, Jersey	18-02-2021	2023-24	1GBP = ₹105.28	11,371.40	-870.09	-	-	10,501.31	-	-5.51	-	-5.51	-	100%
22	Dhani Limited, UK	19-02-2021	2023-24	1GBP = ₹105.28	3,451.67	-2,832.40	7,777.58	7,158.31	-	392.94	-603.39	-	-603.39	-	100%
23	Indiabulls ARC- VII Trust	28-03-2019	2023-24	₹	2,414.19	-551.41	2,203.15	340.37	-	0.02	-60.33	-	-60.33	-	51%
24	Indiabulls ARC- XXVIII Trust	30-06-2022	2023-24	₹	30,526.04	-1,586.38	28,945.14	5.48	-	0.50	-1,466.34	-	-1,466.34	-	100%
25	Indiabulls ARC- XXIX Trust	29-03-2023	2023-24	₹	8,821.50	-499.91	8,322.80	1.21	-	0.09	-498.35	-	-498.35	-	100%
26	Juventus Estate Limited	23-12-2022	2023-24	₹	9.80	-1,802.59	30,620.35	32,441.14	28.00	117.19	-490.14	5.60	-484.54	-	100%
27	Milky Way Buildcon Limited	23-12-2022	2023-24	₹	5.00	6.80	17.09	5.29	-	0.77	-0.82	-	-0.82	-	100%
28	Mabon Properties Limited	23-12-2022	2023-24	₹	5.00	-79.44	199.98	274.42	-	-	-18.93	-	-18.93	-	100%
29	Transerv Limited	01-04-2019	2023-24	₹	1,472.92	15,748.86	19,229.86	2,008.08	-	3,260.24	-2,158.33	2.77	-2,161.10	-	100%
30	Indiabulls ARC- XXX Trust	30-06-2023	2023-24	₹	3,600.01	-46.12	3,554.45	0.56	-	-	-46.12	-	-46.12	-	100%
31	Indiabulls ARC- XXXII Trust	29-12-2023	2023-24	₹	14,419.56	-51.20	14,369.31	0.95	-	-	-51.20	-	-51.20	-	100%
Total															

Note: The Group has sold the stake of the trust "Indiabulls ARC- XXXI" as of 29 December 2023.

### Part "B" Associates - Not applicable

#### For and on behalf of Dhani Services Limited

**Divvesh B. Shah**  
 Whole Time Director & CEO  
 DIN: 00010933

**Amit Ajit Gandhi**  
 Director  
 DIN: 07606699

**Rajeev Lochan Agrawal**  
 Chief Financial Officer

**Ram Mehar Garg**  
 Company Secretary

Place: Mumbai  
 Date: 17 May 2024

Place: Mumbai  
 Date: 17 May 2024

Place: Gurugram  
 Date: 17 May 2024

Place: Gurugram  
 Date: 17 May 2024

# dhani

Dhani Services Limited

Registered Office: 5th Floor, Plot No. 108, IT Park, Udyog Vihar, Phase 1,  
Industrial Complex Dundahera, Gurgaon, Haryana - 122016