

**Hem Sandeep & Co.**  
**Chartered Accountants**

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**Independent Auditor's Report**

**To The Members of Dhani Loans and Services Limited  
(formerly Indiabulls Consumer Finance Limited)**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

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

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

**Basis for Qualified Opinion**

*As more fully explained in Note 22(i) to the accompanying Standalone Financial Statements, the Company has utilised/ applied an amount of Rs. 72,961.20 lakhs (net of deferred tax) from the outstanding balance in the securities premium account for creating a provision for impairment losses on financial instruments instead of debiting the same to the Standalone Statement of Profit and Loss, which is not in strict accordance with the applicable Indian Accounting Standards and other applicable regulations. Consequently, the Company's net loss and total comprehensive loss for the year ended March 31, 2023 are understated by the aforesaid amount. There is no resultant impact on the carrying value of the total equity, assets and liabilities of the Company.*

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Key Audit Matters	Auditor's Response
<p>a) Impairment of Loans (expected credit loss - ECL) (Refer notes 6 and 50 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 behavioural 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. 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 depending upon the impact and duration of the pandemic and various regulatory and policy measures announced by the Government.</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. Assessed the additional considerations applied by the Management for staging of loans.</li><li>• Performed tests (on sample basis) to verify the completeness and accuracy of the input data used to determine the PD and LGD rates and agreed such data with the underlying books of accounts and records.</li></ul>



Key Audit Matters (continued)	
Key Audit Matters	Auditor's Response
<p>a) Impairment of Loans (expected credit loss - ECL) (Refer notes 6 and 50 to the Standalone Financial Statements) (continued)</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>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>	<p>Principal audit procedures (continued)</p> <ul style="list-style-type: none"> <li>• Performed inquiries with the Company's management to assess the impact of macro-economic factors on the current economic environment and business activities of the Company.</li> <li>• Tested the arithmetical accuracy of calculation of the provision for ECL performed by the Company.</li> <li>• Tested assumptions used by the management in determining the overlay for macro-economic factors .</li> <li>• Tested key controls and details over restructuring process in respect of eligibility, approval and modification of terms.</li> <li>• Assessed the appropriateness and sufficiency of disclosures in the Standalone Financial Statements in respect of provision for ECL.</li> </ul>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not 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 when it becomes available 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.

When we read the above reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



## **Management's Responsibilities for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

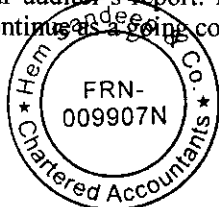
The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## **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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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 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 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 Section 143(3) of the Act, 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone 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.
  - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company 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 Company's internal financial controls over financial reporting.

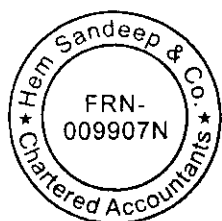


## Report on Other Legal and Regulatory Requirements (continued)

- g) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has taken requisite approvals in the extra-ordinary general meeting of its members on May 24, 2023, in respect of remuneration paid to a Whole Time Director during the year ended March 31, 2023 which was in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

- 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 the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 39 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.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (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 or entity, 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 ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(c) Based on the audit procedures that have 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. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.
  - vi. The Company has not declared/paid any dividend during the year and subsequent to the year-end.

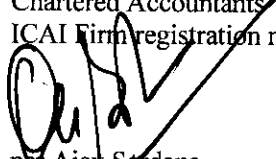


**Report on Other Legal and Regulatory Requirements (continued)**

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Hem Sandeep & Co.  
Chartered Accountants

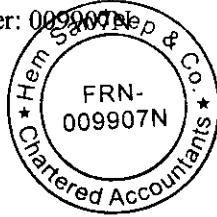
ICAI Firm registration number: 009907N

  
per Ajay Sardana  
Partner

Membership No. 089011

New Delhi, May 26, 2023

UDIN: 23089011BGYEYK6160



## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Dhani Loans and Services Limited (formerly Indiabulls Consumer Finance Limited) of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

We have audited the internal financial controls over financial reporting of Dhani Loans and Services Limited (formerly Indiabulls Consumer Finance Limited) (the “Company”) as at March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor’s Responsibility**

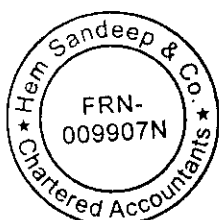
Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that:





### **Meaning of Internal Financial Controls over Financial Reporting (continued)**

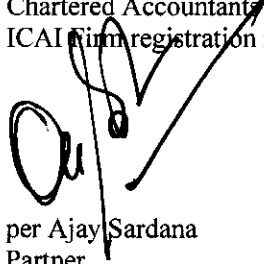
- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

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

### **Opinion**

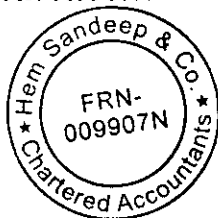
In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Hem Sandeep & Co.  
Chartered Accountants  
ICAI firm registration number: 009907N



per Ajay Sardana  
Partner

Membership No. 089011  
New Delhi, May 26, 2023  
UDIN: 23089011BGYEYK6160

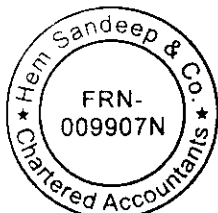


## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Dhani Loans and Services Limited (formerly Indiabulls Consumer Finance Limited) of even date)

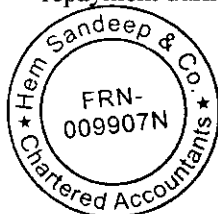
To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's property, plant and equipment and intangible assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) Based on our examination of the property tax receipts and lease agreement for land registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the Standalone Financial Statements included under property, plant and equipment are held in the name of the Company as at the balance sheet date.
  - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.
  - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii.
  - (a) The Company is engaged in the business of a non-banking finance company and does not hold any physical inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.
  - (b) The Company has been sanctioned working capital limits in excess of Rs. five crores, in aggregate, during the year, from a bank on the basis of security of current assets of the Company. In our opinion and according to the information and explanations given to us, we have not observed any material differences in information submitted in the quarterly returns or statements filed by the Company with such bank and unaudited books of account and other relevant information provided by the Company.
- iii. During the year, the Company has granted loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties. The Company has not made any investments in and has not provided any guarantee or security to any other entity during the year. With respect to such loans and advances:
  - (a) The Company is registered as a Non-Banking Finance Company engaged in the primary business of financing/ granting loans. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable.



**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT (continued)**

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans and advances in the nature of loans granted by the Company (together referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note 3 (j) to the Standalone Financial Statements, explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, read with Notes 6 and 50 to the Standalone Financial Statements, loan assets with balances as at March 31, 2023 aggregating Rs. 5,842.33 lakhs were categorized as credit impaired ("Stage 3") and Rs. 5,827.89 lakhs were categorized as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 6, read with Note 50, to the Standalone Financial Statements. Additionally, out of total loans and advances in the nature of loans, balances as at the year-end aggregating Rs. 1,30,244.40 lakhs, where credit risk has not significantly increased since initial recognition were categorized as "Stage 1". Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemized list of loan assets where delinquencies in the repayment of principal and interest have been identified (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause). Further, except for loans where there are delays or defaults in repayment of principal and / or payment of interest as at the balance sheet date, in respect of which the Company has disclosed asset classification / staging in note 6 and 50 to the Standalone Financial Statements in accordance with Indian Accounting Standards (Ind AS) and the applicable directions/ guidelines issued by the Reserve Bank of India, in all other cases, the repayment of principal and interest is regular, as applicable.
- (d) According to the information and explanations given to us and upon consideration of management's representations and other relevant evidence, and based on the audit procedures conducted by us, in our opinion, the Company, in pursuance of applicable compliances prescribed under the Act and applicable directions/ guidelines issued by the Reserve Bank of India, particularly relating to Income Recognition, Asset Classification and Provisioning Norms, monitors and reports the total amount overdue including principal and/or interest for more than ninety days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer notes 6 and 50 to the Financial Statements for summarized details of such loans/advances which are not repaid by borrowers as stipulated. However, reasonable steps are taken by the Company for recovery thereof.
- (e) The Company is registered as a Non-Banking Finance Company engaged in the primary business of financing/ granting of loans. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable.
- (f) According to information and explanations given to us and based on the audit procedures performed, 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 during the year. Hence, reporting under clause (iii) (f) is not applicable.



## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT (Continued)

- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Services Tax ("GST").

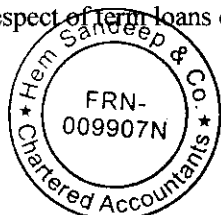
According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-Tax,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

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

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

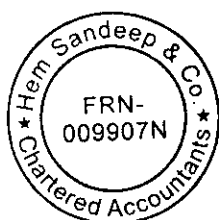
Name of the Statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Rs. 95.04 lakhs	Financial year 2012-2013 (Assessment year 2013-14)	ITAT, Delhi

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any term loan during the year. In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained in respect of term loans outstanding at the beginning of the year.



## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT (continued)

- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, 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 subsidiary, as defined in the Act. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended March 31, 2023.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary (as defined under the Act).
- x. (a) The moneys raised during the year by way of public issue of non-convertible debentures were applied by the Company for the purpose for which those funds were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid investments payable on demand.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. (a) During the course of our examination of the books and records of the Company carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, there have been instances of fraud on the Company amounting to Rs. 5,408.74 lakhs (Refer Note 51 viii) to the Standalone Financial Statements). No fraud by the Company has been noticed or reported during the year. We have not been informed of any such case by the management.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) The internal audit is performed as per a planned program approved by the Audit Committee of the Board of Directors of the Company. We have considered the internal audit reports for the year under audit, issued to the Company during the year.
- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.



**DHANI LOANS AND SERVICES LIMITED**  
**Standalone Balance Sheet as at 31 March 2023**  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

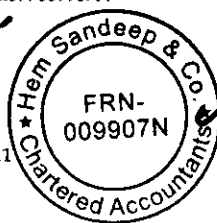
	Notes	As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>1 Financial assets</b>			
(a) Cash and cash equivalents	4	11,025.35	41,959.90
(b) Bank balance other than cash and cash equivalents	5	3,199.08	14,975.06
(c) Loans	6	1,36,722.99	3,34,454.23
(d) Investments	7	1,36,074.85	1,56,351.43
(e) Other financial assets	8	2,198.60	3,120.59
<b>Total financial assets</b>		<b>2,89,220.87</b>	<b>5,50,861.21</b>
<b>2 Non-financial assets</b>			
(a) Current tax assets (net)	9	17,163.85	15,700.69
(b) Deferred tax assets (net)	10	47,187.74	17,035.56
(c) Property, plant and equipment	11(a)	5,659.29	8,370.23
(d) Right-of-use assets	11(b)	3,973.95	17,032.76
(e) Intangible assets under development	11(c)	317.19	462.18
(f) Other intangible assets	11(d)	3,599.21	4,355.81
(g) Other non-financial assets	12	3,039.63	5,235.42
<b>Total non-financial assets</b>		<b>80,940.86</b>	<b>68,192.65</b>
<b>TOTAL ASSETS</b>		<b>3,70,161.73</b>	<b>6,19,053.86</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>1 Financial liabilities</b>			
<b>(a) Payables</b>			
<b>(I) Trade payables</b>			
(i) Dues of micro enterprises and small enterprises		-	-
(ii) Other than micro enterprises and small enterprises		1,030.00	1,097.24
<b>(II) Other payables</b>			
(i) Dues of micro enterprises and small enterprises		-	-
(ii) Other than micro enterprises and small enterprises		4,671.16	8,734.96
(b) Debt securities	15	32,097.24	54,506.33
(c) Borrowings (other than debt securities)	16	7,194.91	1,17,746.19
(d) Lease liabilities	17	4,564.58	18,389.53
(e) Others financial liabilities	18	7,086.36	13,223.33
<b>Total financial liabilities</b>		<b>56,644.25</b>	<b>2,13,697.58</b>
<b>2 Non-financial liabilities</b>			
(a) Provisions	19	1,812.78	1,556.22
(b) Other non-financial liabilities	20	969.24	2,534.11
<b>Total non-financial liabilities</b>		<b>2,782.02</b>	<b>4,090.33</b>
<b>3 EQUITY</b>			
(a) Equity share capital	21	6,118.80	6,118.80
(b) Other equity	22	3,04,616.66	3,95,147.15
<b>Total equity</b>		<b>3,10,735.46</b>	<b>4,01,265.95</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>3,70,161.73</b>	<b>6,19,053.86</b>

The accompanying notes form an integral part of these Standalone Financial Statements.

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

For Hem Sandeep & Co  
Chartered Accountants  
ICAI Firm registration no. : 009907N

Ajay Sandana  
Partner  
Membership No.: 089011



For and on behalf of the board of directors

Sanjeev Kashyap  
Whole Time Director &  
Chief Executive Officer  
DIN: 03405178

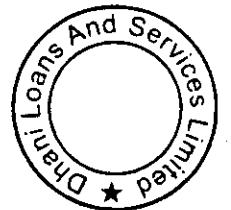
Akshay Kumar Tiwary  
Director  
DIN: 00366348

Rajeev Lochan Agrawal  
Chief Financial Officer

Manish Rustagi  
Company Secretary

Place: New Delhi  
Date: 26 May 2023

Place: Gurugram  
Date: 26 May 2023

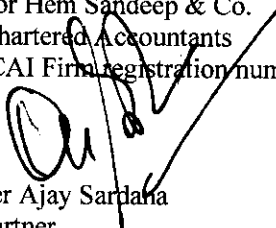


**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT (continued)**

- xvi. (a) According to the information and explanations given to us, the Company is engaged in the business of Non-Banking Financial Institution as defined under section 45-IA of Reserve Bank of India Act, 1934 ("RBI Act") and is duly registered under section 45-IA of the RBI Act, holding certificate of registration (CoR) as a Non-Banking Financial Institution without accepting public deposits under section 45-IA of the said RBI Act.
- (b) In our opinion and according to the information and explanations given to us, the Company has conducted its business activities of a Non-Banking Financial Company and is duly registered under section 45-IA of the RBI Act, holding certificate of registration (CoR) as a Non-Banking Financial Institution without accepting public deposits under section 45-IA of the said RBI Act.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC as part of the Group.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, Asset Liability Maturity (ALM) pattern as disclosed in the Notes to the Standalone Financial Statements, other information accompanying the Standalone Financial Statements and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating 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 one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, the provisions related to corporate social responsibility in terms of section 135 of the Act are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For Hem Sandeep & Co.  
Chartered Accountants

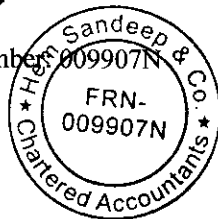
ICAI Firm registration number: 009907N

  
per Ajay Sardana  
Partner

Membership No. 089011

New Delhi, May 26, 2023

UDIN: 23089011BGYEYK6160



**DHANI LOANS AND SERVICES LIMITED**

**Standalone Statement of Profit and Loss for the year ended 31 March 2023**

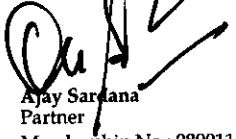
(All amounts are in Indian Rupees in lakh unless stated otherwise)

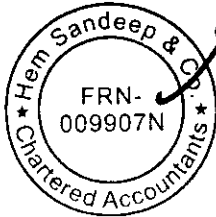
Particulars	Notes	Year ended	Year ended
		31 March 2023	31 March 2022
<b>I Income from operations</b>			
(i) Interest income	23	13,976.55	41,386.63
(ii) Fees and commission income	24	19,630.00	37,914.35
(iii) Net gain on fair value changes	25	1,727.93	1,804.22
(iv) Net gain on derecognition of financial assets	26	-	124.18
<b>Total Income from operations</b>		<b>35,334.48</b>	<b>81,229.38</b>
II Other income	27	7,208.80	3,181.50
<b>III Total Income (I + II)</b>		<b>42,543.28</b>	<b>84,410.88</b>
<b>IV Expenses</b>			
(i) Finance costs	28	10,813.40	22,606.32
(ii) Fee and Commission expenses	29	-	486.01
(iii) Net loss on derecognition of financial instruments under amortised cost category	30	36.49	-
(iv) Impairment on financial instruments	31	7,737.49	26,512.62
(v) Employee benefits expense	32	23,230.21	28,082.14
(vi) Depreciation, amortisation and impairment	33	5,136.95	6,004.97
(vii) Other expenses	34	15,854.17	25,576.61
<b>IV Total Expenses</b>		<b>62,808.71</b>	<b>1,09,268.67</b>
<b>V Loss before tax (III-IV)</b>		<b>(20,265.43)</b>	<b>(24,857.79)</b>
<b>VI Tax Expense:</b>	35		
(i) Current tax		(44.67)	-
(ii) Deferred tax credit		(5,850.94)	(6,430.14)
		<b>(5,895.61)</b>	<b>(6,430.14)</b>
		<b>(14,369.82)</b>	<b>(18,427.65)</b>
<b>VII Loss for the year (V-VI)</b>			
<b>VIII Other Comprehensive Income</b>			
(i) Items that will not be reclassified to statement of profit and loss			
(a) Remeasurement of defined benefit plans		972.17	169.67
(b) Income tax expense relating to above items		(244.68)	(42.70)
(ii) Items that will be reclassified to statement of profit and loss			
(a) Changes in fair valuation of financial assets		(28.29)	(673.71)
(b) Income tax expense relating to above items		7.12	169.56
<b>Other comprehensive income/(loss) (i + ii)</b>		<b>706.32</b>	<b>(377.18)</b>
<b>IX Total comprehensive loss for the year (VII+VIII)</b>		<b>(13,663.50)</b>	<b>(18,804.83)</b>
<b>X Earnings per equity share (face value of ₹ 10 each)</b>	36		
Basic (₹)		(23.48)	(30.12)
Diluted (₹)		(23.48)	(30.12)

The accompanying notes form an integral part of these Standalone Financial Statements.

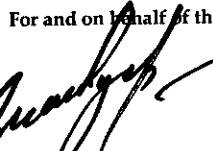
This is the Standalone Statement of Profit and Loss referred to in our report of even date.

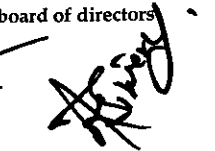
For Hem Sandeep & Co  
Chartered Accountants  
ICAI Firm registration no. : 009907N

  
Ajay Sardana  
Partner  
Membership No.: 089011



For and on behalf of the board of directors

  
Sanjeev Kashyap  
Whole Time Director &  
Chief Executive Officer  
DIN: 03405178

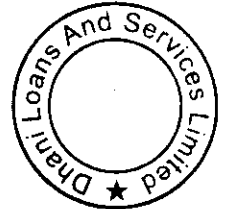
  
Akshay Kumar Tiwary  
Director  
DIN: 00366348

  
Rajeev Lochan Agrawal  
Chief Financial Officer

  
Manish Rustagi  
Company Secretary

Place: New Delhi  
Date: : 26 May 2023

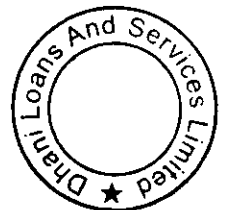
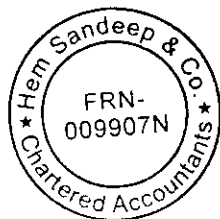
Place: Gurugram  
Date: : 26 May 2023





**DHANI LOANS AND SERVICES LIMITED**  
**Standalone Cash flow Statement for the year ended 31 March 2023**  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A Cash flow from operating activities:</b>		
Net loss before tax	(20,265.43)	(24,857.79)
Adjustments for :		
Depreciation/ amortisation	5,136.95	6,004.97
Loss on derecognition of property, plant and equipment	710.09	95.52
Impairment on financial instruments	7,737.49	26,512.62
Provision for gratuity and compensated absences	281.69	867.83
Interest income	(13,976.55)	(41,386.63)
Interest expenses	9,703.09	20,812.38
Interest on lease liabilities	1,000.74	1,627.37
Profit on fair value changes	(1,727.93)	(1,804.22)
Profit recognised on sale of assigned portfolio	-	(124.18)
Excess provision for expenses and liabilities written back	(5,675.14)	(600.20)
Loss on sale of loan portfolio through assignment	1,390.15	5,343.92
Gain on modification/ derecognition of financial assets	(1,479.06)	(852.88)
Effective interest rate adjustment for financial instruments	(4.28)	299.73
Loss on modification/ derecognition financial instruments under amortised cost category	36.49	-
Share based payments to employees	(3,905.79)	2,502.91
	<u>(772.06)</u>	<u>19,299.14</u>
<b>Operating loss before working capital changes</b>	<b>(21,037.49)</b>	<b>(5,558.65)</b>
Adjustments for:		
Loans	74,517.12	13,064.15
Other financial assets	11,739.15	11,753.32
Other non financial assets	2,190.36	(1,183.64)
Trade payables	(67.24)	882.11
Other payables	1,611.34	(3,350.10)
Other financial liabilities	(6,136.97)	(19,168.28)
Provisions	1,057.47	(1,286.40)
Other non financial liabilities	(1,564.87)	1,177.38
	<u>83,346.36</u>	<u>1,888.54</u>
<b>Cash generated from/(used in) operating activities</b>	<b>62,308.87</b>	<b>(3,670.11)</b>
Interest received	29,810.20	33,945.25
Interest paid	(9,730.91)	(21,565.17)
Income taxes paid (including tax deducted at source)	(1,418.49)	(3,131.23)
<b>Net cash generated from operating activities</b>	<b>80,969.67</b>	<b>5,578.74</b>
<b>B Cash flows from investing activities:</b>		
Purchase of property, plant and equipment, intangible assets under development and intangible assets	(153.91)	(5,162.27)
Sale/ (Purchase) of investments (net)	22,004.51	86,393.26
Interest received	1,820.56	2,530.86
<b>Net cash generated from investing activities</b>	<b>23,671.16</b>	<b>83,761.85</b>
<b>C Cash flows from financing activities:</b>		
Proceeds from issue of preference shares (including premium)	-	61,262.56
Redemption of preference shares (including premium)	-	(61,262.56)
Proceeds from debt securities	9,576.48	19,057.22
Repayment of debt securities	(32,019.33)	(41,448.50)
Proceeds from borrowings other than debt securities	9,340.37	52,500.00
Repayment of borrowings other than debt securities	(1,19,766.96)	(1,73,256.84)
Payment of lease liabilities	(2,705.94)	(3,846.94)
<b>Net cash used in financing activities</b>	<b>(1,35,575.38)</b>	<b>(1,46,995.06)</b>
<b>D Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(30,934.55)</b>	<b>(57,654.47)</b>
<b>E Cash and cash equivalents at the beginning of the year</b>	<b>41,959.90</b>	<b>99,614.37</b>
<b>F Cash and cash equivalents at the end of the year (D + E)</b>	<b>11,025.35</b>	<b>41,959.90</b>



**DHANI LOANS AND SERVICES LIMITED**  
**Standalone Cash flow Statement for the year ended 31 March 2023**  
 (All amounts are in Indian Rupees in lakh unless stated otherwise)

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Reconciliation of cash and cash equivalents as above with other bank balances</b>		
Cash and Cash equivalents at the end of the year as per above	11,025.35	41,959.90
Add: Fixed deposits with original maturity over 3 months	3,199.08	14,975.06
<b>Cash and cash equivalents and other bank balance as at the end of the year</b>	<u>14,224.43</u>	<u>56,934.96</u>

**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 as at the end of the year include:


Cash in hand	0.17	0.32
Balances with banks:		
- in current accounts	10,366.20	31,207.22
- in term deposits with original maturity of less than three months	348.08	10,752.36
Cheques on hand	310.90	-
<b>Cash and cash equivalents at the end of the year</b>	<u>11,025.35</u>	<u>41,959.90</u>

3 For disclosures relating to changes in liabilities arising from financing activities, refer note 47

The accompanying notes form an integral part of these Standalone Financial Statements.

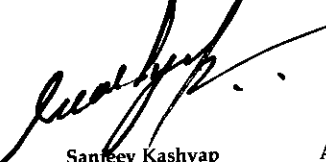
This is the Standalone Cash Flow Statement referred to in our report of even date


For Hem Sandeep & Co  
 Chartered Accountants  
 ICAI Firm registration no. : 009907N

  
 Ajay Sarraf  
 Partner  
 Membership No.: 089011




For and on behalf of the board of directors

  
 Sanjeev Kashyap  
 Whole Time Director &  
 Chief Executive Officer  
 DIN: 03405178

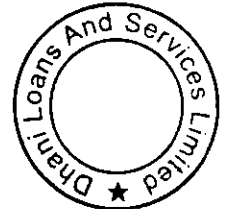
  
 Akshay Kumar Tiwary  
 Director  
 DIN: 00366348

  
 Rajeev Lochan Agrawal  
 Chief Financial Officer

  
 Manish Rustagi  
 Company Secretary

Place: New Delhi  
 Date: 26 May 2023

Place: Gurugram  
 Date: 26 May 2023



**DHANI LOANS AND SERVICES LIMITED**  
**Standalone Statement of Changes in Equity for the year ended 31 March 2023**  
 (All amounts are in Indian Rupees in lakh unless stated otherwise)

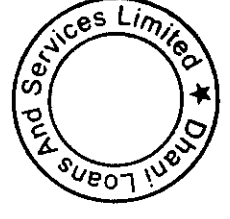
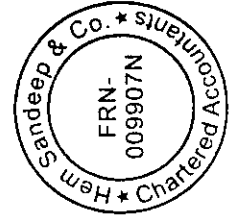
**(A) Equity share capital (refer note 21)**

Particulars	Balance as at 1 April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
Equity share capital	6,118.80	-	6,118.80	-	6,118.80
Particulars	Balance as at 1 April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
Equity share capital	6,118.80	-	6,118.80	-	6,118.80

**(B) Other equity (refer note 22)**

**(1) Current reporting period:**

Particulars	Reserves and Surplus						Total		
	Securities premium	Capital redemption reserve	Reserve Fund (U/s 45-IC of RBI Act, 1934)	Surplus in the statement of profit and loss	Change in fair value of loan assets through other comprehensive income	Other component of equity		Deemed equity contribution by Holding Company	Share options outstanding account
Balance as at 1 April 2022	3,70,534.35	900.82	13,270.01	306.75	21.17	3,652.97	1,461.22	4,999.86	3,95,147.15
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-
Restated balance as at 1 April 2022	3,70,534.35	900.82	13,270.01	306.75	21.17	3,652.97	1,461.22	4,999.86	3,95,147.15
Profit/(loss) for the year	-	-	-	(14,369.82)	(21.17)	-	-	-	(14,369.82)
Other comprehensive income (net of tax)	-	-	-	727.49	-	-	-	-	706.32
Share based payment to employees	-	-	-	-	-	-	-	(3,905.79)	(3,905.79)
Transfer to Impairment Provision A/c	(97,500.00)	-	-	-	-	-	-	-	(97,500.00)
Deferred tax on Impairment Provision	24,538.80	-	-	-	-	-	-	-	24,538.80
Transfer to retained earnings	-	-	-	628.33	-	-	-	(628.33)	-
Balance as at 31 March 2023	2,97,573.15	900.82	13,270.01	(12,707.25)	-	3,652.97	1,461.22	465.74	3,04,616.66



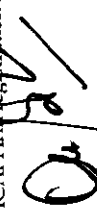
**DHANI LOANS AND SERVICES LIMITED**  
**Standalone Statement of Changes in Equity for the year ended 31 March 2023**  
 (All amounts are in Indian Rupees in lakh unless stated otherwise)

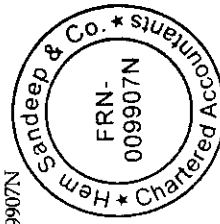
(B) Other equity (refer note 22) (continued):  
 (2) Previous reporting period:

Particulars	Reserves and Surplus						Share options outstanding account	Total
	Securities premium	Capital redemption reserve	Reserve Fund (U/s 45-IC of RBI Act, 1934)	Surplus in the statement of profit and loss	Change in fair value of loan assets through other comprehensive income	Other component of equity		
Balance as at 1 April 2021	3,70,534.35	100.00	13,270.01	19,406.96	525.32	3,652.97	2,498.24	4,11,449.07
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance as at 1 April 2021	3,70,534.35	100.00	13,270.01	19,406.96	525.32	3,652.97	2,498.24	4,11,449.07
Profit/(loss) for the year	-	-	-	(18,427.65)	(504.15)	-	-	(377.18)
Other comprehensive income (net of tax)	-	-	-	126.97	-	-	-	-
Transfers to capital redemption reserve during the year	-	800.82	-	(800.82)	-	-	-	-
Share based payment to employees	-	-	-	-	-	-	2,502.91	2,502.91
Addition on issue of redeemable convertible preference shares	60,461.74	-	-	-	-	-	-	60,461.74
Utilised on redemption of redeemable convertible preference shares	(60,461.74)	-	-	-	-	-	-	(60,461.74)
Transfer to retained earnings	-	-	-	1.29	-	-	(1.29)	-
Balance as at 31 March 2022	3,70,534.35	900.82	13,270.01	306.75	21.17	3,652.97	4,999.86	3,95,147.15

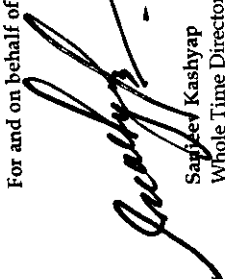
The accompanying notes form an integral part of these Standalone Financial Statements.


This is the Standalone Statement of Change in Equity referred to in our report of even date.


For Hem Sandeep & Co  
 Chartered Accountants  
 ICAI Firm registration no.: 009907N  
  
 Ajay Sardana  
 Partner  
 Membership No.: 089011




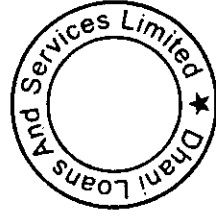
For and on behalf of the board of directors

  
 Sanjeev Kashyap  
 Whole Time Director &  
 Chief Executive Officer  
 DIN: 03405178

  
 Akshay Kumar Tiwary  
 Director  
 DIN: 00566348

  
 Rajeev Dharma Agrawal  
 Chief Financial Officer

  
 Manish Rustagi  
 Company Secretary



Place: New Delhi  
 Date: : 26 May 2023

Place: Gurugram  
 Date: : 26 May 2023

**DHANI LOANS AND SERVICES LIMITED**  
**Notes to Standalone financial statements for the year ended 31 March 2023**

**1. Company overview**

Dhani Loans and Services Limited ('the Company') is a public limited Company incorporated under the provisions of the Companies Act, 1956 and is engaged in the business of financing and investing related activities. The Company is a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') and is registered as a Non-Banking Financial Company with the Reserve Bank of India ("RBI") under section 45-IA of the Reserve Bank of India Act, 1934. The Company is domiciled in India and its registered office is situated at 1/1E, First Floor, East Patel Nagar, New Delhi West Delhi -110008.

**2. Basis of preparation**

**(i) Statement of compliance**

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Act, other relevant provisions of the Act, the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time ('the RBI Directions, 2016') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI. The Company uses accrual basis of accounting except in case of significant uncertainties and other accounting principles generally accepted in India. Any application guidance / clarifications/directions issued by RBI or other regulators are implemented as and when they are issued /applicable. The Company has uniformly applied the accounting policies for all the periods presented in these financial statements.

These standalone financial statements for the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors on : 26 May 2023

**(ii) Presentation of Standalone financial statements**

The Standalone Balance Sheet, Standalone Statement of Profit and Loss and Standalone Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III of the Act. The Standalone Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS. A summary of the material accounting policies and other explanatory information is in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as specified under Section 133 of the Act including applicable Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India.

**(iii) Historical cost convention**

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.

**3. Summary of significant accounting policies**

The standalone financial statements have been prepared using the material accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the standalone financial statements.

**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.

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 and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit and loss.

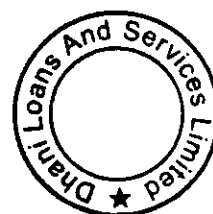
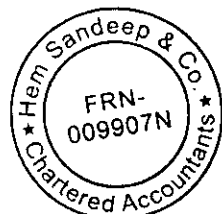
*Subsequent measurement (depreciation method, useful lives and residual value)*

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the straight line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Act.

Asset class	Useful life
Computer equipment	3 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8 years
Servers and networks	6 years
Leasehold improvements	Lower of useful life of the asset or lease term

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.



**3. Summary of significant accounting policies (continued)**

*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 recognised 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 including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), 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	4 - 10 years

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 Company can demonstrate following recognition

- The development costs can be measured reliably
- The project is technically and commercially feasible
- The Company intends to and has sufficient resources to complete the project
- The Company has the ability to use or sell such intangible asset
- 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) is measured at fair value of the consideration received or receivable. 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.

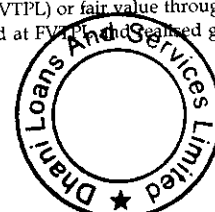
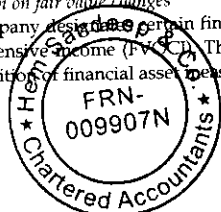
The Company recognises revenue from the following sources:

*i. 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 by applying the effective interest method ('EIR') to the gross carrying amount of financial assets other than credit-impaired assets. Calculation of the EIR includes all fees received or cost incurred that are incremental and directly attributable to the acquisition of a financial asset. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company recognises the interest to the extent recoverable. If the financial assets cures and is no longer credit-impaired, the Company reverts to recognising interest income.

*ii. Net gain on fair value changes*

The Company recognises gain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company 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.



**3. Summary of significant accounting policies (continued)**

*iii. Dividend income*

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists.

*iv. Fees and commission income*

Revenue from fee and commission is measured at fair value of the consideration received or receivable. Revenue is recognised as and when the Company satisfies the associated performance obligation in accordance with the identified contract with the customers and when there is no uncertainty in the ultimate realisation/collection

*v. 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 and correspondingly EIS receivable is recognised under head other financial asset. EIS evaluated and adjusted for ECL and expected prepayment.

**e) Borrowing costs**

Borrowing costs that are directly attributable to the acquisition and/or construction of a qualifying asset, till the time such qualifying assets become ready for its intended use sale, are capitalised. Borrowing costs consists of interest and other cost that the Company incurred in connection with the borrowing of funds. 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 Statement of Profit and Loss as incurred basis the effective interest rate method.

**f) Taxation**

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognised in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current 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 are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. 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).

**g) Employee benefits**

**Short-term employee benefits**

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognised 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 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 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 Statement of Profit and Loss in the year in which such gains or losses are determined.

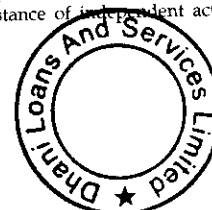
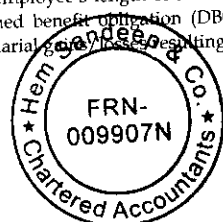
Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

**Defined contribution plans**

The Company has a defined contribution plans namely provident fund, pension 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 and losses resulting from re-measurements of the liability are included in other comprehensive income.



3. Summary of significant accounting policies (continued)

h) Share based payments

Share based compensation benefits are provided to employees via Dhani Services Limited ('Holding Company') Employee Stock Option Plans (ESOPs). The employee benefits expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees of the Company will be allotted Holding Company's equity shares.

i) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. 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 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.

j) Impairment of financial assets

*Loan assets*

The Company 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 (31-90 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 Company'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 Company expects to be owed at the time of default. For a revolving commitment, the Company 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.

*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.

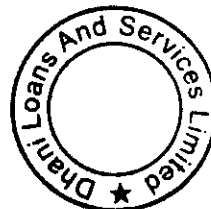
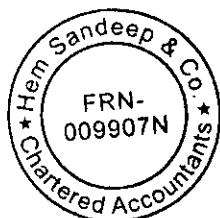
When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring 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 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

*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 on statement of profit and loss.

k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term highly liquid investments (certificate of deposits) 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.





**DHANI LOANS AND SERVICES LIMITED**  
**Notes to Standalone financial statements for the year ended 31 March 2023**

**3. Summary of significant accounting policies (continued)**

**l) Equity investment in associate/subsidiaries**

Investments representing equity interest in associate or subsidiaries is measured at cost in accordance with Ind AS 27 'Separate Financial Statements'.

**m) Provisions, contingent assets and contingent liabilities**

Provisions are recognised 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 Company 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.

**n) 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 Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

**Non-derivative 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:**

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

**ii. Financial assets carried at fair value through other comprehensive income (FVOCI):**

A financial asset is measured at FVOCI 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 selling financial assets, 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.

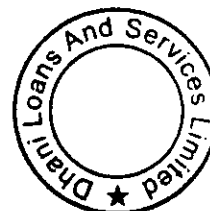
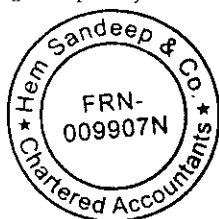
FVOCI instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and impairment gains or losses are recognised in the statement of profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit or loss.

**iii. 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.

**iv. Investments in mutual funds** – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

*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 Company'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 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.



**DHANI LOANS AND SERVICES LIMITED**  
**Notes to Standalone financial statements for the year ended 31 March 2023**

**3. Summary of significant accounting policies (continued)**

**Non-derivative financial liabilities**

*Subsequent measurement*

Subsequent to initial recognition, all non-derivative 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 expired. 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.

**Financial guarantee**

Financial guarantee contracts are recognised as financial liability at the time guarantee is issued. The liability is initially measured at fair value and subsequently measured at higher of:

- The amount of loss allowance (calculated as described in policy for impairment of financial assets)
- The amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with principles of Ind AS.

**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.

**o) 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 (interest and other finance cost associated) 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.

**p) 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.

**q) Foreign currency**

*Functional and presentation currency*

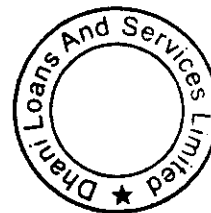
Items included in the standalone financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements have been prepared and presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

*Transactions and balances*

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts 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 recognised in the Statement of Profit and Loss in the year in which they arise.

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3. Summary of significant accounting policies (continued)

r) Classification of leases

The Company 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 Company 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.

*Recognition and initial measurement*

At lease commencement date, the Company 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 Company, 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 Company 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 Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company 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 Company's 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, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the

The Company 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) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's standalone 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.

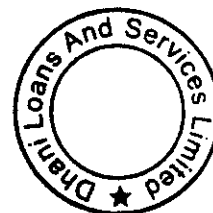
*Significant management judgements*

**Recognition of deferred tax assets** - The extent to which deferred tax assets can be recognised 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 Company 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 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 Company 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 Company'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.

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**3. Summary of significant accounting policies (continued)**

**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 Company 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 reporting 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.

*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.

**t) New Accounting Pronouncement**

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

**Ind AS 1 - Presentation of Financial Statements**

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

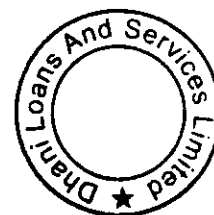
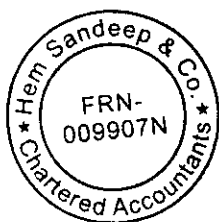
**Ind AS 12 - Income Taxes**

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

**Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors**

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

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**DHANI LOANS AND SERVICES LIMITED**  
**Notes to the standalone financial statements for the year ended 31 March 2023**  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

**Note - 6**

**Loans (continued)**

(B) Disclosure are made where loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties, either severally or jointly with any other person that are (a) repayable on demand or (b) without specifying any term or period of repayment.

Type of Borrower	As at 31 March 2023		As at 31 March 2022	
	Amount	% of the total Loans and	Amount	% of total Loans and Advances
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	-	-	-	-

The Company is mainly engaged in the business of financing by way of loans in the nature of consumer finance and loans against property (LAP), mortgage backed SME loans, and certain other purposes in India. The Company has assessed each of its loan portfolios and performed a comprehensive analysis of the staging of each of its borrower segments. Further, the Company has also analysed its outstanding exposures. Based on the above analysis, the Company has recorded a provision for impairment due to expected credit loss (ECL), of ₹ 5,191.63 lakhs in respect of its loans and advances as at 31 March 2023.

In the ordinary course of its business, the Company extends secured loans mainly backed by mortgage of property (residential or commercial).

In addition to the above mentioned collateral, the Company holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, share pledge, guarantees of parent/holding companies, personal guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts etc.

In its normal course of business, the Company does not physically repossess properties or other assets, but recovery efforts are made on delinquent loans through on-rolls collection executives, along with legal means to recover due loan repayments. Once contractual loan repayments are more than 90 days past due, repossession of property may be initiated under the provisions of the SARFAESI Act 2002. Re-possessed property is disposed of in the manner prescribed in the SARFAESI act to recover outstanding debt.

The Company did not hold any financial instrument for which no loss allowance is recognised because of collateral at 31 March 2023. There was no change in the Company's collateral policy or collateral quality during the year.

**Note - 7**

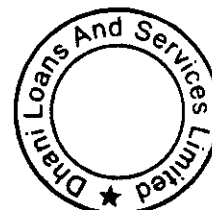
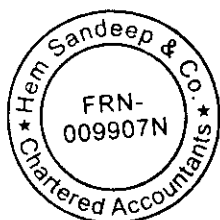
**Investments**

Investments	As at 31 March 2023			
	At amortised cost	At fair value through profit or loss	At cost	Total
Mutual funds	-	335.18	-	335.18
Debt securities (of subsidiary company)	9,999.78	-	-	9,999.78
Security receipts	-	32,610.38	-	32,610.38
Equity instruments (of subsidiary company) (refer footnote below)	-	-	93,129.51	93,129.51
<b>Total (A)</b>	<b>9,999.78</b>	<b>32,945.56</b>	<b>93,129.51</b>	<b>1,36,074.85</b>
(i) Investments outside India	-	-	-	-
(ii) Investments in India	9,999.78	32,945.56	93,129.51	1,36,074.85
<b>Total (B)</b>	<b>9,999.78</b>	<b>32,945.56</b>	<b>93,129.51</b>	<b>1,36,074.85</b>
Less: Allowance for Impairment loss (C)	-	-	-	-
<b>Total (D) = (A)-(C)</b>	<b>9,999.78</b>	<b>32,945.56</b>	<b>93,129.51</b>	<b>1,36,074.85</b>

Investments	As at 31 March 2022			
	At amortised cost	At fair value through profit or loss	At cost	Total
Mutual funds	-	35,722.14	-	35,722.14
Debt securities (of subsidiary company)	9,999.78	-	-	9,999.78
Security receipts	-	17,500.00	-	17,500.00
Equity instruments (of subsidiary company) (refer footnote below)	-	-	93,129.51	93,129.51
<b>Total (A)</b>	<b>9,999.78</b>	<b>53,222.14</b>	<b>93,129.51</b>	<b>1,56,351.43</b>
(i) Investments outside India	-	-	-	-
(ii) Investments in India	9,999.78	53,222.14	93,129.51	1,56,351.43
<b>Total (B)</b>	<b>9,999.78</b>	<b>53,222.14</b>	<b>93,129.51</b>	<b>1,56,351.43</b>
Less: Allowance for Impairment loss (C)	-	-	-	-
<b>Total (D) = (A)-(C)</b>	<b>9,999.78</b>	<b>53,222.14</b>	<b>93,129.51</b>	<b>1,56,351.43</b>

**Notes:**

7.1. 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**  
**Notes to the standalone financial statements for the year ended 31 March 2023**  
 (All amounts are in Indian Rupees in lakh unless stated otherwise)

**Note - 7 Investments (continued)**

7.2. Equity instruments includes the following investment in equity shares of subsidiaries

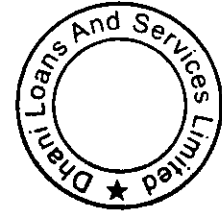
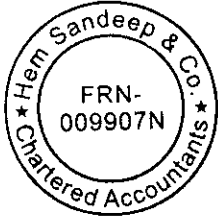
Name of the Subsidiaries	As at 31 March 2023	As at 31 March 2022
TranServ Limited [No. of equity share 6,479,129 (31 March 2022: 6,479,129) face value ₹ 10 each]	12,579.39	12,579.39
Indiabulls Distribution Services Limited [No. of equity share 308,220 (31 March 2022: 308,220) face value ₹ 10 each]	45,000.12	45,000.12
Indiabulls Investment Advisors Limited [No. of equity share 355,500,000 (31 March 2022: 355,500,000) face value ₹ 10 each]	35,550.00	35,550.00
<b>Total investment in equity instruments of subsidiaries</b>	<b>93,129.51</b>	<b>93,129.51</b>

**Note - 8**

**Other financial assets**

	As at 31 March 2023	As at 31 March 2022
Receivable on assigned loans	111.99	1,524.79
Less: Impairment loss allowance	(1.79)	(24.44)
<b>Net receivable on assigned loans</b>	<b>110.20</b>	<b>1,500.35</b>
Security deposits	1,795.98	1,311.24
Less: Impairment loss allowance	(102.00)	-
<b>Net Security deposits</b>	<b>1,693.98</b>	<b>1,311.24</b>
Advances to employees	100.66	128.28
Less: Impairment loss allowance	(8.43)	-
<b>Net Advance to Employees</b>	<b>92.23</b>	<b>128.28</b>
Others recoverable	302.19	180.72
	<b>2,198.60</b>	<b>3,120.59</b>

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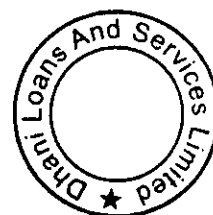
**DHANI LOANS AND SERVICES LIMITED**  
**Notes to the standalone financial statements for the year ended 31 March 2023**  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

	As at 31 March 2023	As at 31 March 2022
<b>Note - 9</b>		
<b>Current tax assets (net)</b>		
Advance income tax/tax deducted at source	17,163.85	15,700.69
[Net of provision for taxation]		
	<u>17,163.85</u>	<u>15,700.69</u>
<b>Note - 10</b>		
<b>Deferred tax assets (net)</b>		
<b>Deferred Tax Assets</b>		
- Impairment loss allowance	1,334.87	9,164.00
- Disallowance under Section 40A(7) of the Income-tax Act, 1961	306.00	262.07
- Disallowance under Section 43B of the Income-tax Act, 1961	150.24	129.60
- Derecognition of financial instruments measured under amortised cost category	103.52	-
- Financial assets measured at amortised cost	121.50	410.09
- Share based payments	117.22	1,258.36
- Unused tax losses carried forward	45,260.16	6,574.57
<b>Total (A)</b>	<u>47,393.51</u>	<u>17,798.69</u>
<b>Less: Deferred Tax Liabilities</b>		
- Derecognition of financial instruments measured under amortised cost category	-	279.93
- Financial assets measured at fair value through other comprehensive income	-	7.12
- Financial liabilities measured at amortised cost	24.25	33.38
- Depreciation and amortisation	181.52	442.70
<b>Total (B)</b>	<u>205.77</u>	<u>763.13</u>
<b>Deferred Tax Assets(Net) (A-B)</b>	<u>47,187.74</u>	<u>17,035.56</u>

**Movement in deferred tax assets**

Particulars	As at 1 April 2022	Recognised in profit and loss	Recognised in other comprehensive income	Recognised in Equity	As at 31 March 2023
<b>Deferred Tax Assets</b>					
- Impairment loss allowance	9,164.00	(32,367.93)	-	24,538.80	1,334.87
- Disallowance under Section 40A(7) of the Income-tax Act, 1961	262.07	288.61	(244.68)	-	306.00
- Disallowance under Section 43B of the Income-tax Act, 1961	129.60	20.64	-	-	150.24
- Financial assets measured at amortised cost	410.09	(288.59)	-	-	121.50
- Share based payments	1,258.36	(1,141.14)	-	-	117.22
- Unused tax losses carried forward	6,574.57	38,685.59	-	-	45,260.16
- Derecognition of financial instruments measured under amortised cost category	(279.93)	383.45	-	-	103.52
<b>Deferred tax liabilities</b>					
- Financial liabilities measured at amortised cost	(33.38)	9.13	-	-	(24.25)
- Financial assets measured at fair value through other comprehensive income	(7.12)	-	7.12	-	-
- Depreciation and amortisation	(442.70)	261.18	-	-	(181.52)
<b>Deferred tax assets (net)</b>	<u>17,035.56</u>	<u>5,850.94</u>	<u>(237.56)</u>	<u>24,538.80</u>	<u>47,187.74</u>

Particulars	As at 1 April 2021	Recognised in profit and loss	Recognised in other comprehensive income	Recognised in Equity	As at 31 March 2022
<b>Deferred tax assets</b>					
- Impairment loss allowance	11,682.59	(2,518.59)	-	-	9,164.00
- Disallowance under Section 40A(7) of the Income-tax Act, 1961	357.52	(52.74)	(42.70)	-	262.07
- Disallowance under Section 43B of the Income-tax Act, 1961	182.20	(52.60)	-	-	129.60
- Financial assets measured at amortised cost	437.72	(27.63)	-	-	410.09
- Share based payments	628.76	629.60	-	-	1,258.36
- Unused tax losses carried forward	-	6,574.57	-	-	6,574.57
<b>Deferred tax liabilities</b>					
- Derecognition of financial instruments measured under amortised cost category	(2,231.70)	1,951.77	-	-	(279.93)
- Financial liabilities measured at amortised cost	(41.55)	8.17	-	-	(33.38)
- Financial assets measured at fair value through other comprehensive income	(176.68)	-	169.56	-	(7.12)
- Depreciation and amortisation	(360.29)	(82.41)	-	-	(442.70)
<b>Deferred tax assets(net)</b>	<u>10,478.57</u>	<u>6,430.14</u>	<u>126.86</u>	<u>-</u>	<u>17,035.56</u>





**DHANI LOANS AND SERVICES LIMITED**  
Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

**Note - 11 (a) : Property, plant and equipment**

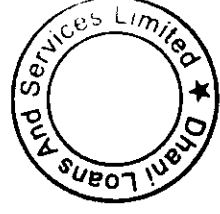
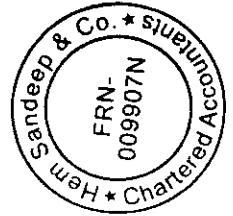
Particulars	Gross Block			Accumulated depreciation			Net Block		
	As at 1 April 2022	Additions	Disposals/ adjustment	As at 31 March 2023	As at 1 April 2022	Additions	Deletion	As at 31 March 2023	As at 31 March 2022
Freehold land	12.98	-	-	12.98	-	-	-	12.98	12.98
Computers	5,925.81	184.70	2,122.41	3,988.10	3,265.54	919.35	1,077.54	880.75	2,660.27
Server and networks	948.95	208.17	21.26	1,135.86	195.58	176.46	7.57	771.39	753.37
Office Equipment	1,806.24	82.82	164.96	1,724.10	766.63	358.88	73.12	671.71	1,039.61
Furniture	4,930.10	128.74	269.84	4,789.00	1,073.80	503.18	83.91	3,295.93	3,856.30
Vehicles	81.66	-	22.23	59.43	33.96	8.18	9.24	26.53	47.70
<b>Total</b>	<b>13,705.74</b>	<b>604.43</b>	<b>2,600.70</b>	<b>11,709.47</b>	<b>5,335.51</b>	<b>1,966.05</b>	<b>1,251.38</b>	<b>5,659.29</b>	<b>8,370.23</b>
Particulars	Gross Block			Accumulated depreciation			Net Block		
	As at 1 April 2021	Additions	Disposals/ adjustment	As at 31 March 2022	As at 1 April 2021	Additions	Deletion	As at 31 March 2022	As at 31 March 2021
Freehold land	12.98	-	-	12.98	-	-	-	12.98	12.98
Computers	3,258.92	2,676.07	9.18	5,925.81	2,273.21	1,000.84	8.51	2,660.27	985.71
Servers and networks	440.53	508.42	-	948.95	81.80	113.78	-	753.37	358.73
Office equipment	1,187.26	626.85	7.87	1,806.24	480.98	288.08	2.43	1,039.61	706.28
Furniture	4,518.86	530.44	119.20	4,930.10	627.52	470.53	24.25	3,856.30	3,891.34
Vehicles	81.66	-	-	81.66	23.91	10.05	-	47.70	57.75
<b>Total</b>	<b>9,500.21</b>	<b>4,341.78</b>	<b>136.25</b>	<b>13,705.74</b>	<b>3,487.42</b>	<b>1,883.28</b>	<b>35.19</b>	<b>8,370.23</b>	<b>6,012.79</b>

**Note - 11 (b) : Right-of-use assets**

Particulars	Gross Block			Accumulated depreciation			Net Block		
	As at 1 April 2022	Additions	Disposals/ adjustment	As at 31 March 2023	As at 1 April 2022	Additions	Deletion	As at 31 March 2023	As at 31 March 2022
Buildings	27,231.63	629.08	14,752.91	13,107.80	10,198.87	2,075.17	3,140.19	3,973.95	17,032.76
Buildings	19,245.96	13,066.21	5,080.54	27,231.63	7,099.07	3,099.80	-	17,032.76	12,146.89

Notes:

- There are no immovable properties whose title deeds are not held in the name of the Company.
- The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets).
- There are no proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.



**DHANI LOANS AND SERVICES LIMITED**  
**Notes to the standalone financial statements for the year ended 31 March 2023**  
 (All amounts are in Indian Rupees in lakh unless stated otherwise)

**Note - 11 (c) : Intangible Asset under Development**

	Gross Block			Accumulated depreciation			Net Block	
	As at 1 April 2022	Additions	As at 31 March 2023	As at 1 April 2022	Additions	Deletion	As at 31 March 2023	As at 31 March 2022
Intangible Asset under Development	462.18	270.55	415.54	317.19	-	-	317.19	462.18

	Gross Block			Accumulated depreciation			Net Block	
	As at 1 April 2021	Additions	As at 31 March 2022	As at 01-04-2021	Additions	Deletion	As at 31 March 2022	As at 31 March 2021
Intangible Asset under Development	380.46	1,913.74	1,832.02	462.18	-	-	462.18	380.46

**Disclosure of aging schedule of Intangible assets under development :**

	As at 31 March 2023					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Intangible assets under development	209.28	107.91	-	-	-	317.19
Software	209.28	107.91	-	-	-	317.19
Total	209.28	107.91	-	-	-	317.19

	As at 31 March 2022					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Intangible assets under development	462.18	-	-	-	-	462.18
Software	462.18	-	-	-	-	462.18
Total	462.18	-	-	-	-	462.18

There are no intangible assets under development which are overdue as per the original completion plan of the intangible assets under development at the balance sheet date.

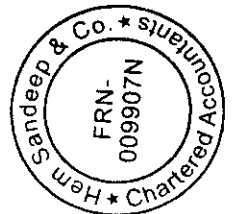
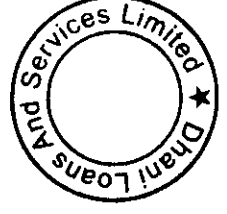
**Note - 11 (d) : Intangible assets**

	Gross Block			Accumulated depreciation			Net Block	
	As at 1 April 2022	Additions	As at 31 March 2023	As at 1 April 2022	Additions	Deletion	As at 31 March 2023	As at 31 March 2022
Software	10,614.20	339.14	10,953.34	6,258.39	1,095.74	-	3,599.21	4,355.81
Total	10,614.20	339.14	10,953.34	6,258.39	1,095.74	-	3,599.21	4,355.81

	Gross Block			Accumulated depreciation			Net Block	
	As at 1 April 2021	Additions	As at 31 March 2022	As at 1 April 2021	Additions	Deletion	As at 31 March 2022	As at 31 March 2021
Software	9,701.86	912.34	10,614.20	5,236.50	1,021.89	-	4,355.81	4,465.36
Total	9,701.86	912.34	10,614.20	5,236.50	1,021.89	-	4,355.81	4,465.36

Refer note no. 39 of notes to financial statements for disclosure of capital commitments.



**DHANI LOANS AND SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

**Note - 12**

**Other non-financial assets**

Prepaid expenses  
Balance with government authorities  
Capital advances  
Advances to suppliers

As at 31 March 2023	As at 31 March 2022
959.32	2,519.03
1,661.88	2,111.53
36.04	41.47
382.39	563.39
<b>3,039.63</b>	<b>5,235.42</b>

**Note - 13**

**Trade payables**

Total outstanding dues of micro enterprises and small enterprises (refer note 46 (a))  
Total outstanding dues of creditors other than micro enterprises and small enterprises

As at 31 March 2023	As at 31 March 2022
-	-
1,030.00	1,097.24
<b>1,030.00</b>	<b>1,097.24</b>

**13.1. Trade Payables aging schedule**

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	828.01	201.90	-	0.09	1,030.00
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Particulars	As at 31 March 2022				
	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	1,034.45	-	62.79	-	1,097.24
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Note - 14**

**Other Payable**

Total outstanding dues of micro enterprises and small enterprises (refer note 46 (b))  
Total outstanding dues of creditors other than micro enterprises and small enterprises

As at 31 March 2023	As at 31 March 2022
-	-
4,671.16	8,734.96
<b>4,671.16</b>	<b>8,734.96</b>

**Note - 15**

**Debt securities (at amortised cost)**

**(A) Secured Loans**

Non-convertible debentures (refer note 15.1 and 15.2 below)

**Total**

As at 31 March 2023	As at 31 March 2022
32,097.24	54,506.33
<b>32,097.24</b>	<b>54,506.33</b>

**(B) Unsecured Loans**

**Out of above**

In India  
Outside India

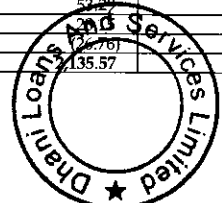
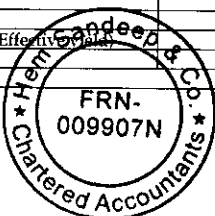
**Total**

As at 31 March 2023	As at 31 March 2022
-	-
32,097.24	54,506.33
<b>32,097.24</b>	<b>54,506.33</b>

**Notes:**

**15.1 Secured redeemable non convertible debentures include:**

Interest rate/Effective yield	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	53.28	768.21
11.01 % (Effective yield)	1,000.00	17-May-2022	16-May-2025	40,270	402.70	7.76	430.85
10.49 %	1,000.00	17-May-2022	16-May-2025	1,54,835	1,548.35	-	1,521.59
<b>Total</b>					<b>29,961.67</b>	<b>135.57</b>	<b>32,097.24</b>



**DHANI LOANS AND SERVICES LIMITED**  
Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

**Note - 15**  
**Debt securities (at amortised cost) (continued)**

Interest rate/Effective yield	Face value (Amount in ₹)	Issue date	Redemption date	As at 31 March 2022			
				Number of NCDs	Amount	Impact of interest accrued and Ind AS	Total outstanding amount
10.40%	1,000.00	8-Mar-2019	8-May-2022	3,24,981	3,249.81	25.84	3,275.65
0.109	1,000.00	8-Mar-2019	8-May-2022	7,53,369	7,553.69	65.10	7,618.79
10.90% (Effective yield)	1,000.00	8-Mar-2019	8-May-2022	2,35,842	2,358.42	879.01	3,237.43
9.50%	10,00,000.00	17-Nov-2020	17-May-2022	250	2,500.00	83.15	2,583.15
9.95%	1,000.00	27-Jun-2019	27-Jun-2022	1,23,709	1,237.09	(1.74)	1,235.35
0.1041	1,000.00	27-Jun-2019	27-Jun-2022	1,22,095	1,220.95	93.52	1,314.47
10.40% (Effective yield)	1,000.00	27-Jun-2019	27-Jun-2022	42,780	427.80	132.39	560.19
0.0981	1,000.00	6-Sep-2019	6-Sep-2022	29,704	297.04	2.00	299.04
10.27%	1,000.00	6-Sep-2019	6-Sep-2022	22,470	224.70	13.06	237.76
10.25% (Effective yield)	1,000.00	6-Sep-2019	6-Sep-2022	8,556	85.56	24.16	109.72
10.00% (Effective yield)	1,000.00	2-Feb-2022	7-Feb-2023	12,86,427	12,864.27	(103.63)	12,760.64
0.105	1,000.00	2-Feb-2022	2-Feb-2024	38,820	388.20	(2.51)	385.69
10.50% (Effective yield)	1,000.00	2-Feb-2022	2-Feb-2024	47,849	478.49	(4.50)	473.99
10.03%	1,000.00	2-Feb-2022	2-Feb-2024	70,965	709.65	(17.83)	691.82
10.50%	1,000.00	8-Mar-2019	8-Mar-2024	4,70,084	4,700.84	7.90	4,708.74
0.11	1,000.00	8-Mar-2019	8-Mar-2024	2,60,712	2,607.12	6.13	2,613.25
11.00% (Effective yield)	1,000.00	8-Mar-2019	8-Mar-2024	1,93,776	1,937.76	717.33	2,655.09
0.1013	1,000.00	27-Jun-2019	27-Jun-2024	1,56,425	1,564.25	(36.11)	1,528.14
10.61%	1,000.00	27-Jun-2019	27-Jun-2024	1,28,003	1,280.03	72.20	1,352.23
10.60% (Effective yield)	1,000.00	27-Jun-2019	27-Jun-2024	43,856	438.56	129.08	567.64
0.1004	1,000.00	6-Sep-2019	6-Sep-2024	37,907	379.07	0.61	379.68
10.52%	1,000.00	6-Sep-2019	6-Sep-2024	1,18,099	1,180.99	64.06	1,245.05
10.50% (Effective yield)	1,000.00	6-Sep-2019	6-Sep-2024	10,362	103.62	29.49	133.11
0.11	1,000.00	2-Feb-2022	31-Jan-2025	1,13,954	1,139.54	(7.25)	1,132.29
11.00% (Effective yield)	1,000.00	2-Feb-2022	31-Jan-2025	91,679	916.79	(8.59)	908.20
10.49%	1,000.00	2-Feb-2022	31-Jan-2025	2,56,028	2,560.28	(61.06)	2,499.22
<b>Total</b>					<b>52,404.52</b>	<b>2,101.81</b>	<b>54,506.33</b>

15.2. 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.

**Note - 16**

**Borrowings (other than debt securities) at amortised cost**

**(A) Secured Loans**

(i) Term loans

- From banks

- From financial institution

(ii) Loans repayable on demand

- From banks

(iii) Other Loans

- Securitisation liabilities

**Total (A)**

**(B) Unsecured Loans**

(i) Loan taken from other

**Total (B)**

**Total (A+B)**

**Out of above**

In India

Outside India

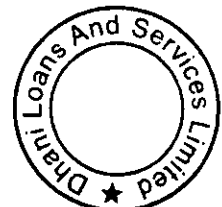
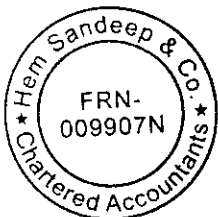
**Total**

	As at 31 March 2023	As at 31 March 2022
	-	76,993.53
	-	25,748.65
	-	15,004.01
	6,294.91	-
<b>Total (A)</b>	<b>6,294.91</b>	<b>1,17,746.19</b>
	900.00	-
<b>Total (B)</b>	<b>900.00</b>	-
<b>Total (A+B)</b>	<b>7,194.91</b>	<b>1,17,746.19</b>
	7,194.91	1,17,746.19
	-	-
<b>Total</b>	<b>7,194.91</b>	<b>1,17,746.19</b>

There is no continuing default in the repayment of the aforesaid loans or interest as at the balance sheet date.

**i) Term loans from banks and financial institutions includes:**

Particulars	Security	As at 31 March 2023		
		Principal outstanding	Impact of interest accrued and Ind AS	Total outstanding amount
Nil	Nil	-	-	-



**DHANI LOANS AND SERVICES LIMITED**

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

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

**Note- 16 Borrowings (other than debt securities) at amortised cost (continued)**

**i) Term loans from banks and financial institutions includes:**

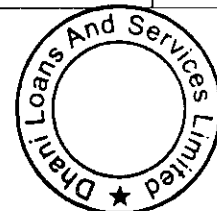
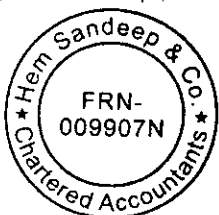
Particulars	Security	As at 31 March 2022		
		Amount	Impact of interest accrued and Ind AS	Total outstanding amount
<b>Canara Bank (eSyndicate Bank)</b> : This loan is repayable in 16 quarterly equated instalments with moratorium period of 12 months from the date of disbursement. Loan repayment commencing from December 2018 with last instalment falling due in year 2022-23.	First pari passu charge over standard receivables and current assets (including cash & cash equivalents).	2,500.00	(0.17)	2,499.83
<b>Indian Overseas Bank</b> : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over book debts/ receivables/ loan portfolio/ all current assets (including investments in liquid mutual fund including cash & cash equivalents).	14,927.59	(13.58)	14,914.01
<b>Bank of Baroda (eVijaya Bank)</b> : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over receivables & current assets (including cash & cash equivalents and investments).	14,947.13	(8.64)	14,938.49
<b>Punjab &amp; Sind Bank</b> : This loan is repayable in 2 equated annual instalments with moratorium period of 36 months from the date of disbursement. Loan repayment commencing from September 2021 with last instalment falling due in year 2022-23.	First pari passu charge over receivables & current assets (including cash & cash equivalents and investments).	24,953.72	(1.37)	24,952.35
<b>Union Bank of India</b> : This loan is repayable in 2 equated annual instalments with moratorium period of 48 months from the date of disbursement. Loan repayment commencing from June 2022 with last instalment falling due in year 2023-24.	First pari passu charge on standard receivables and current assets.	14,711.89	(8.70)	14,703.19
<b>National Bank for Agriculture and Rural Development</b> : This loan is repayable in five years with instalments of ₹ 7,500.00 lakh each to be paid for the first six instalments and instalments of ₹ 1,000.00 lakh each to be paid for the last five instalments. Loan repayment commencing from January 2019 with last instalment falling due in year 2023-24.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	4,000.00	62.15	4,062.15
<b>National Bank for Agriculture and Rural Development</b> : This loan is repayable in five years with instalments of ₹ 4,500.00 lakh each to be paid for the first six instalments and instalments of ₹ 600.00 lakh each to be paid for the last five instalments. Loan repayment commencing from July 2019 with last instalment falling due in year 2024-25.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	3,000.00	43.89	3,043.89
<b>National Bank for Agriculture and Rural Development</b> : This loan is repayable in five years with instalments of ₹ 5,460.00 lakh each to be paid for the first six instalments and instalments of ₹ 728.00 lakh each to be paid for the last five instalments. Loan repayment commencing from July 2019 with last instalment falling due in year 2024-25.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	3,640.00	53.35	3,693.35
<b>South Indian Bank</b> : This loan is repayable in 3 equated instalments of ₹ 2,500 lakh each at the end of 3rd, 4th and 5th year after a moratorium period of 24 months.	First pari passu charge over loans and advances, receivables & other current assets (including cash & cash equivalents and investments in debt mutual funds).	5,000.00	(14.33)	4,985.67
<b>National Bank for Agriculture and Rural Development</b> : This loan is repayable in 20 equated quarterly instalments. Loan repayment commencing from March 2021 with last instalment falling due in year 2025-26.	First pari passu charge on all present and future debt receivables etc. and also future loans & advances.	15,000.00	(50.75)	14,949.25
<b>Total</b>		<b>1,02,680.33</b>	<b>61.85</b>	<b>1,02,742.18</b>

Interest rate on term loans varies from 8.15% to 10.75% per annum as at 31 March 2022

**(ii) Loans repayable on demand from banks includes:"**

Particulars	Security	As at 31 March 2023	As at 31 March 2022
<b>RBL Bank Limited</b> : This Working capital demand loan is repayable between 7 days to 6 Months.	Pari passu charge on loans and advances, receivables & current assets (including cash and cash equivalents & investment in debt mutual fund).	-	15,004.01
<b>Total</b>		-	<b>15,004.01</b>

a) Interest rate on loans repayable on demand from banks is Nil (31 March 2022 - 9.80% per annum).



**DHANI LOANS AND SERVICES LIMITED**

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

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

**(iii) 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:

Name of Counter Party	As at 31 March 2023	As at 31 March 2022
India Retail Pool Opportunities Trust 2	6,294.91	-
<b>Total</b>	<b>6,294.91</b>	<b>-</b>

(a) Interest rate on securitisation liabilities is at a floating rate of 13.30% per annum which equal to long term reference rate of Aditya Birla Finance Limited less the spread of 6.95%.  
 (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

**(iv) Loan taken from other :**

The loan is repayable on demand with maximum tenure of 12 months i.e. February 2024 and carries interest rate of 12 percent per annum.

(v) In respect of the Company's borrowings from banks or financial institutions on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

	As at 31 March 2023	As at 31 March 2022
<b>Note - 17</b>		
<b>Lease liability</b>		
Finance lease obligations (refer note - 38)	4,564.58	18,389.53
	<u>4,564.58</u>	<u>18,389.53</u>

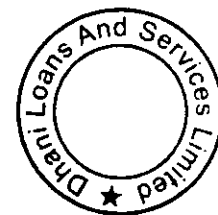
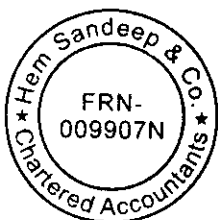
	As at 31 March 2023	As at 31 March 2022
<b>Note - 18</b>		
<b>Others financial liabilities</b>		
Interest accrued on assigned loan	905.29	4,231.47
Others		
- Amount payable on assigned/securitised loans	6,181.07	8,991.86
	<u>7,086.36</u>	<u>13,223.33</u>

18.1. 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.

	As at 31 March 2023	As at 31 March 2022
<b>Note - 19</b>		
<b>Provisions</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity (refer note -37 B)	1,215.83	1,041.28
Provision for compensated absences (refer note -37C )	596.95	514.94
	<u>1,812.78</u>	<u>1,556.22</u>

	As at 31 March 2023	As at 31 March 2022
<b>Note - 20</b>		
<b>Other non-financial liabilities</b>		
<b>Other Advances</b>		
Advance from customers	567.37	1,060.06
Others		
Statutory dues payable	401.87	1,474.05
	<u>969.24</u>	<u>2,534.11</u>

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**DHANI LOANS AND SERVICES LIMITED**  
**Notes to the standalone financial statements for the year ended 31 March 2023**  
**(All amounts are in Indian Rupees in lakh unless stated otherwise)**

**Note - 21**  
**Share capital**

	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
<b>A. Authorised</b>				
Equity shares of face value of ₹ 10 each	7,70,00,000	7,700.00	7,70,00,000	7,700.00
Preference shares of face value of ₹ 10 each	85,00,000	850.00	85,00,000	850.00
	<u>8,55,00,000</u>	<u>8,550.00</u>	<u>8,55,00,000</u>	<u>8,550.00</u>

The members of the Company at their extra-ordinary meeting held on 15 December 2021 have approved the reclassification of the authorised share capital of the Company from ₹ 8,550.00 lakhs divided into 8,00,00,000 equity shares of ₹ 10 each and 55,00,000 preference shares of ₹ 10 each, to ₹ 8,550.00 lakh divided into 7,70,00,000 equity shares of ₹ 10 each and 85,00,000 Preference shares of ₹ 10 each.

<b>B. Issued, subscribed and paid up</b>				
Equity shares of face value of ₹ 10 each	6,11,88,000	6,118.80	6,11,88,000	6,118.80
	<u>6,11,88,000</u>	<u>6,118.80</u>	<u>6,11,88,000</u>	<u>6,118.80</u>

**C. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

	For the year ended 31 March 2023		For the year ended 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares</b>				
Opening balance at the beginning of the year	6,11,88,000	6,118.80	6,11,88,000	6,118.80
Add: issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<u>6,11,88,000</u>	<u>6,118.80</u>	<u>6,11,88,000</u>	<u>6,118.80</u>
<b>Preference Shares</b>				
Opening balance at the beginning of the year	-	-	-	-
Add: issued during the year	-	-	80,08,178	800.82
Less: redeemed during the year	-	-	80,08,178	800.82
<b>Outstanding at the end of the year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

On 16 December 2021, the Board of Directors of the Company, pursuant to the applicable provisions of Companies Act, 2013, authorized the issue and allotment of 80,08,178 redeemable convertible preference shares ("RCPS") at an issue price of ₹ 765 per RCPS including a premium of ₹ 755 per RCPS and face value of ₹ 10 per RCPS, to Dhani Services Limited, its Holding Company, for consideration received in cash.

In accordance with the terms of the issue of the RCPS, dividend was payable at the coupon rate of 0.001% per annum, payable at the end of each financial year.

The Holding Company, at its sole option, can request the Company to convert into fully paid up equity shares of the Company at any time, on or before 5 years from the date of issue, at the value per equity share of the Company on such date of conversion or redeem the RCPS.

On 30 March 2022, the Company has redeemed the RCPS in full at a premium of ₹ 755 per RCPS by utilising the credit in the Securities Premium Account.

Further, in accordance with the Act, the Company has appropriated ₹ 800.82 lakh to the Capital Redemption Reserve.

**D. Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to received 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 shareholder.

**E. Shares held by shareholders holding more than 5% shares**

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	% of holding	No. of shares	% of holding
Dhani Services Limited and its nominees (Holding Company)	6,11,88,000	100%	6,11,88,000	100%

**F. Shares held by promoters:**

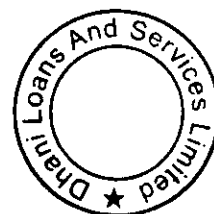
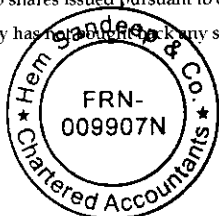
Particulars	As at 31 March 2023			As at 31 March 2022		
	No. of shares	% of holding	% Change during the year	No. of shares	% of holding	% Change during the year
Dhani Services Limited and its nominees (Holding Company)	6,11,88,000	100%	-	6,11,88,000	100%	-

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

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

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

I. The Company has not bought back any shares during the current year and five years immediately preceding current year.



**DHANI LOANS AND SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 22

	As at 31 March 2023	As at 31 March 2022
<b>Other equity</b>		
Statutory reserves	13,270.01	13,270.01
Securities premium	2,97,573.15	3,70,534.35
Capital redemption reserve	900.82	900.82
Share options outstanding account	465.74	4,999.86
Retained earnings	(12,707.25)	306.75
Change in fair value of loan assets through other comprehensive income	-	21.17
Deemed equity contribution by Holding Company	1,461.22	1,461.22
Other component of equity	3,652.97	3,652.97
	<b>3,04,616.66</b>	<b>3,95,147.15</b>

**Nature and purpose of other reserve:****Statutory reserves (Reserves Fund)**

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.

**Securities premium**

Securities premium represents premium received on issue of shares. The account can be utilised in accordance with the provisions of the Companies Act 2013.

During the year ended 31 March 2023, the Company has utilised/ applied an amount of Rs. 72,961.20 lakhs (net of deferred tax) from the outstanding balance in the securities premium account for creating a provision for impairment losses on financial instruments, instead of debiting the same to the Standalone Statement of Profit and Loss, which is not in strict accordance with the applicable provisions of Indian Accounting Standards and other applicable regulations. The Reserve Bank of India issued a communication to the industry dated 20 June 2022 which impacted one of the Company's products/services offered to its customers. Consequently, the Company, on a conservative basis, has created the above mentioned provision in respect of any future, unanticipated losses which may arise on account of the impact of the above RBI communication.

**Capital redemption reserve**

The same had been created in accordance with provisions of the Companies Act 2013 on account of redemption of preference shares.

**Share options outstanding account**

The reserve is used to recognise the fair value of the options issued to employees of the Company under Holding Company's ESOP's plan.

**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".

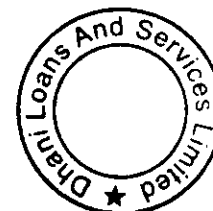
**Deemed equity contribution by Holding Company**

The reserve has been created against initial measurement of financial guarantee (given by Holding Company) at fair value.

**Other component of equity**

The reserve has been created against exercised amount of employee stock option (issued by Holding Company).

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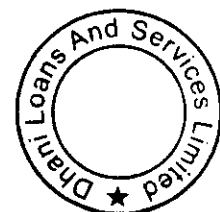
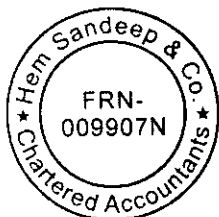


**DHANI LOANS AND SERVICES LIMITED**

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

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

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Note - 23</b>		
<b>Interest income</b>		
<b>On financial assets measured at amortised cost</b>		
Interest on loans	11,885.86	38,019.58
Interest on deposits with banks	820.58	1,455.20
Other interest income		
- Unwinding of interest income	153.53	836.19
<b>On financial assets classified at fair value through profit or loss</b>		
<b>Interest income from investments</b>		
- Bonds Investment	116.60	-
- Compulsory convertible debentures	999.98	999.98
- Security receipts	-	75.68
	<b>13,976.55</b>	<b>41,386.63</b>
<b>Note - 24</b>		
<b>Fees and commission income</b>		
Subscription income and Processing fee	10,032.10	31,007.26
Foreclosure fees and other related income	9,597.90	6,907.09
	<b>19,630.00</b>	<b>37,914.35</b>
<b>Note - 25</b>		
<b>Net gain on fair value changes</b>		
Net gain/(loss) on financial instruments at fair value through profit or loss		
<b>On trading portfolio</b>		
- Investments	1,727.93	1,804.22
Total Net gain/(loss) on fair value changes	<b>1,727.93</b>	<b>1,804.22</b>
<b>Fair Value Changes</b>		
- Realised	1,714.89	1,950.14
- Unrealised	13.04	(145.92)
Total Net gain/(loss) on fair value changes	<b>1,727.93</b>	<b>1,804.22</b>
<b>Note - 26</b>		
<b>Net gain on derecognition of financial assets</b>		
Gain on sale of loan portfolio	-	124.18
	<b>-</b>	<b>124.18</b>
<b>Note - 27</b>		
<b>Other income</b>		
Liabilities written back	2,565.44	-
Provision write back	3,109.70	600.20
Charge back for common expenses	9.20	1,713.46
Gain on modification/derecognition of leases	1,479.06	852.88
Miscellaneous Income	45.40	14.96
	<b>7,208.80</b>	<b>3,181.50</b>



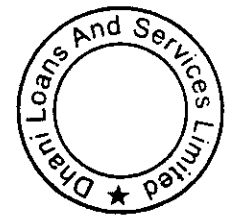
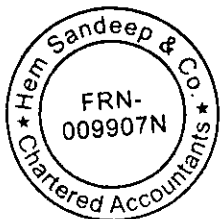
**DHANI LOANS AND SERVICES LIMITED**

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

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

	<u>For the year ended 31 March 2023</u>	<u>For the year ended 31 March 2022</u>
<b>Note - 28</b>		
<b>Finance costs</b>		
<b>On financial liabilities measured at amortised cost</b>		
Interest on borrowings	4,533.37	13,666.15
Interest on debt securities	5,169.72	4,779.03
<b>Other interest expenses</b>		
- Interest on securitisation transactions	39.37	2,367.20
- Interest on taxes	38.72	14.05
- Interest on lease liability	1,000.74	1,627.38
- Others	31.48	152.51
	<u>10,813.40</u>	<u>22,606.32</u>
	<u>For the year ended 31 March 2023</u>	<u>For the year ended 31 March 2022</u>
<b>Note - 29</b>		
<b>Fee and Commission expenses</b>		
Commission expenses	-	486.01
	<u>-</u>	<u>486.01</u>
	<u>For the year ended 31 March 2023</u>	<u>For the year ended 31 March 2022</u>
<b>Note - 30</b>		
<b>Net loss on derecognition of financial instruments under amortised cost category</b>		
Loss on derecognition of Corporate guarantee	36.49	-
	<u>36.49</u>	<u>-</u>
	<u>For the year ended 31 March 2023</u>	<u>For the year ended 31 March 2022</u>
<b>Note - 31</b>		
<b>Impairment on financial instruments</b>		
Impairment allowance*	5,363.20	21,882.89
Loans written off	2,396.93	8,013.56
Impairment allowance on interest spread on assigned assets	(22.64)	(1,611.15)
Impairment allowance on security receipts	-	(1,772.68)
	<u>7,737.49</u>	<u>26,512.62</u>
	<u>For the year ended 31 March 2023</u>	<u>For the year ended 31 March 2022</u>
<b>Note - 32</b>		
<b>Employee benefits expense</b>		
Salaries and wages	26,518.99	24,872.46
Contribution to Provident Fund and Other Funds (refer note-37)	503.41	500.54
Share based payments to employees	(3,905.79)	2,502.91
Staff welfare expenses	113.60	206.23
	<u>23,230.21</u>	<u>28,082.14</u>

\* Net of bad debts recovered of ₹ 13,382.81 lakhs (Previous year: ₹ 13,716.96 lakhs)



**DHANI LOANS AND SERVICES LIMITED**

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

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

**Note - 33****Depreciation, amortisation and impairment**

Depreciation on property, plant and equipment

Amortisation on intangible assets

Depreciation on right-of-use assets

	For the year ended 31 March 2023	For the year ended 31 March 2022
	1,966.04	1,883.28
	1,095.74	1,021.89
	2,075.17	3,099.80
	<u>5,136.95</u>	<u>6,004.97</u>

**Note - 34****Other Expenses**

Repair and maintenance

Insurance

Communication expenses

Lease line Charges

Printing and stationery

Lease rent

Professional charges

Auditors' remuneration - audit fees (refer note (a) below)

Rates and taxes

Electricity expenses

Business promotion

Office maintenance

Travelling expenses

Software expenses

Corporate social responsibility expenses (refer note -58)

Bank charges

Web hosting charges

Loss on sale of property, plant and equipment

Miscellaneous expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
	414.20	310.91
	4.72	0.58
	367.96	901.35
	92.50	109.79
	81.89	129.78
	544.64	750.28
	3,185.95	7,291.61
	38.15	38.15
	114.43	161.21
	346.03	370.65
	3,519.34	8,828.79
	588.26	941.05
	607.16	624.59
	4,706.66	3,730.65
	-	333.50
	394.89	891.52
	60.72	59.61
	710.09	95.52
	76.58	7.07
	<u>15,854.17</u>	<u>25,576.61</u>

**Note (a): Payment to statutory auditors: (including goods and services tax)**

As auditor

- audit and limited review

Sub Total

GST

Total

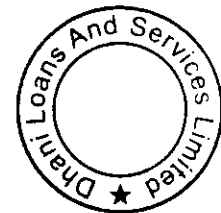
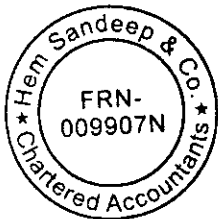
	For the year ended 31 March 2023	For the year ended 31 March 2022
	35.00	35.00
	<u>35.00</u>	<u>35.00</u>
	3.15	3.15
	<u>38.15</u>	<u>38.15</u>

- in connection with issue of securities (including GST)\*

5.45

5.45

\*recognised as transaction cost in computing effective interest rate adjustment for the respective borrowings.



**DHANI LOANS AND SERVICES LIMITED**

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

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

## Note -35

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Tax expense</b>		
Current tax	(44.67)	-
Deferred tax credit	(5,850.94)	(6,430.14)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>(5,895.61)</b>	<b>(6,430.14)</b>

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.168% (31 March 2022: 25.168%) and the reported tax expense in statement of profit and loss are as follows:

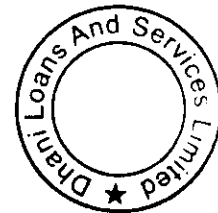
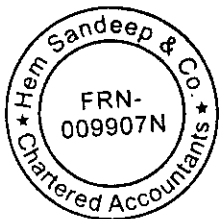
<b>Accounting profit/(loss) before tax expense</b>	(20,265.43)	(24,857.79)
Income tax rate	25.168%	25.168%
Expected tax expense	(5,100.40)	(6,256.21)
<b>Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense</b>		
Tax impact of expenses which will never be allowed	150.48	127.30
Tax impact on items exempt under income tax	(98.50)	(198.15)
Income chargeable under capital gain (difference of tax rates)	(431.60)	-
Others	(415.59)	(103.08)
<b>Tax expense</b>	<b>(5,895.61)</b>	<b>(6,430.14)</b>
	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>

## Note -36

## Earnings per equity share

Profit/(loss) available for equity shareholders	(14,369.82)	(18,427.65)
Nominal value of equity share (₹)	10.00	10.00
Weighted-average number of equity shares for basic earnings per share	6,11,88,000	6,11,88,000
Effect of dilution:		
Weighted-average number of equity shares used to compute diluted earnings per share	6,11,88,000	6,34,91,722
<b>Basic earnings per share (₹)</b>	<b>(23.48)</b>	<b>(30.12)</b>
<b>Diluted earnings per share (₹)</b>	<b>(23.48)</b>	<b>(30.12)</b>

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**DHANI LOANS AND SERVICES LIMITED**

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

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

**Note - 37**

**Employee benefits (continued)**

**(vi) Sensitivity analysis for gratuity liability**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Impact of the change in discount rate		
Present value of obligation at the end of the year	1,215.83	1,041.28
- Impact due to increase of 0.50 %	(88.09)	(71.08)
- Impact due to decrease of 0.50 %	97.90	78.25
Impact of the change in salary increase		
Present value of obligation at the end of the year	1,215.83	1,041.28
- Impact due to increase of 0.50 %	99.72	79.55
- Impact due to decrease of 0.50 %	(90.38)	(72.82)

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.

**(vii) Maturity profile of defined benefit obligation**

	As at 31 March 2023	As at 31 March 2022
0 to 1 year	16.46	15.78
1 to 2 year	14.88	14.02
2 to 3 year	41.58	15.47
3 to 4 year	33.54	35.32
4 to 5 year	22.21	26.81
5 to 6 year	31.37	18.24
6 year onwards	1,055.78	915.65

**C 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 recognised on the basis of actuarial valuation. A provision of ₹ (225.69) lakh have been written back on the basis of actuarial valuation at the year end and credited to the Statement of Profit and Loss. Provision of ₹ 298.31 lakh was charged to statement of Profit and loss during the previous year 31 March 2022.

**Note - 38**

**Leases**

The Company has entered into lease arrangements 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 and a corresponding 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 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 Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company 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 Company 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 2023	For the year ended 31 March 2022
Short-term leases	544.64	750.28
Leases of low value assets	-	-
Variable lease payments	-	-

**B** Total cash outflow for leases (excluding short term lease) for the year ended 31 March 2023 was ₹ 2705.94 lakh (31 March 2022 was ₹ 3,846.94 lakh).

**C** The Company has total commitment for short-term leases of ₹ Nil as at 31 March 2023 (31 March 2022: ₹ Nil )

**D Maturity of lease liabilities**

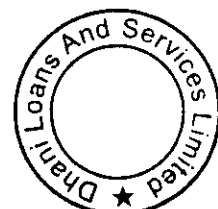
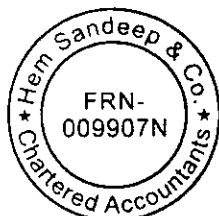
The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

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	1,378.82	1,022.52	964.05	908.52	719.16	1,158.95	6,152.02
Interest Expense	443.42	353.55	284.52	210.94	143.87	151.14	1,587.44
Net Present Value	935.40	668.97	679.53	697.58	575.29	1,007.81	4,564.58

\*During the year, some lease contracts were terminated/executed as a result of which the maturity amount has changed as compared to the previous financial year

31 March 2022	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	4,471.78	4,102.58	3,820.14	3,909.98	3,761.08	5,157.13	25,222.69
Interest Expense	1,789.43	1,521.49	1,253.80	964.26	643.21	660.97	6,833.16
Net Present Value	2,682.35	2,581.09	2,566.34	2,945.72	3,117.87	4,496.16	18,389.53

**E** Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31 March 2023 is of ₹ Nil (31 March 2022 ₹ Nil )



**DHANI LOANS AND SERVICES LIMITED**  
**Notes to the standalone financial statements for the year ended 31 March 2023**  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

**Note - 38**  
**Leases (continued)**

F The table below describe the nature of the company's lease activities by type of right-of -use asset recognised on balance sheet :

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 2023	114	6 Months to 100 Months	50 Months	-	-	114
Office Building						

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 2022	189	6 Months to 106 Months	65 Months	-	-	189
Office Building						

G The total future cash outflows as at 31 March 2023 for leases that had not yet commenced is of ₹ 0.40 Lakhs (31 March 2022: ₹ 10.82 lakh ).

H Following are the changes in the carrying value of right of use assets for the year ended:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening Balance	17,032.76	12,146.89
Additions	629.08	13,066.21
Deletion	11,612.72	5,080.54
Depreciation*	2,075.17	3,099.80
Closing Balance	3,973.95	17,032.76

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

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

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening Balance	18,389.53	13,389.88
Additions	629.08	13,066.21
Finance cost accrued during the year	1,000.74	1,627.38
Deletion	12,748.83	5,847.00
Payment of lease liabilities	2,705.94	3,846.94
Closing Balance	4,564.58	18,389.53

**Note - 39**  
**Contingent liabilities and commitments**  
**i. Contingent liabilities**

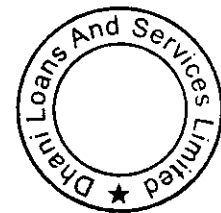
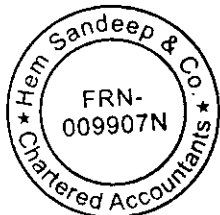
The Company is involved in certain appellate and judicial proceedings (including those described below) concerning matters arising in the normal course of business including claims from customers. The proceedings in respect of these matters are in various stages. Management has assessed the possible obligations arising from such claims against the Company, in accordance with the requirements of Indian Accounting Standard (Ind AS) 37 and based on judicial precedents, consultation with lawyers or based on its historical experiences. Accordingly, Management is of the view that based on currently available information no provision in addition to that already recognised in its financial statements is considered necessary in respect of the below.

Particulars	As at 31 March 2023	As at 31 March 2022
Claims against the Company not acknowledged as debt:		
a) Income tax demand in respect of assessment year 2018-19 against which the Company has preferred an appeal before the CIT (Appeals) which was partly allowed vide order dated 18 July 2022.	-	588.41
b) Income tax demand in respect of assessment year 2013-14 against which the Company has filed appeal before the CIT (Appeals) was allowed vide order dated 28 Feb 2022. During the year ended 31 March 2023, the Income Tax Department has preferred an appeal against the aforesaid order before the ITAT, Delhi which is still pending as on date.	95.04	-
Total	95.04	588.41

**ii. Capital commitments**  
(to the extent not provided for)

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance paid)	3.11	47.66

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**DHANI LOANS AND SERVICES LIMITED**

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

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

**Note - 40**

**Financial instruments**

**A Financial assets and liabilities**

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

Particulars	Note	As at 31 March 2023	As at 31 March 2022
<b>Financial assets measured at fair value</b>			
Investments measured at fair value through profit or loss	Note - 7	32,945.56	53,222.14
Loans measured at fair value through other comprehensive income	Note - 6	-	1,961.54
<b>Financial assets measured at amortised cost</b>			
Cash and cash equivalents	Note - 4	11,025.35	41,959.90
Bank balance other than cash and cash equivalents	Note - 5	3,199.08	14,975.06
Investments	Note - 7	9,999.78	9,999.78
Loans	Note - 6	1,36,722.99	3,32,492.69
Other financial assets	Note - 8	2,198.60	3,120.59
<b>Financial assets measured at cost</b>			
Investments*	Note - 7	93,129.51	93,129.51
<b>Total</b>		<b>2,89,220.87</b>	<b>5,50,861.21</b>
<b>Financial liabilities measured at amortised cost</b>			
Trade payables	Note - 13	1,030.00	1,097.24
Other payables	Note - 14	4,671.16	8,734.96
Debt securities (including interest accrued)	Note - 15	32,097.24	54,506.33
Borrowings (other than debt securities) [including interest accrued]	Note - 16	7,194.91	1,17,746.19
Lease liabilities	Note - 17	4,564.58	18,389.53
Other financial liabilities	Note - 18	7,086.36	13,223.33
<b>Total</b>		<b>56,644.25</b>	<b>2,13,697.58</b>

\* Investment in subsidiaries are measured at cost as per Ind AS 27, 'Separate financial statements'.

**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 a) Financial assets and liabilities measured at fair value - recurring fair value measurements**

As at 31 March 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Investments at fair value through profit and loss				
Mutual fund	335.18	-	-	335.18
Security receipt	-	32,610.38	-	32,610.38
Loans measured at fair value through other comprehensive income				
Loans	-	-	-	-

As at 31 March 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Investments at fair value through profit and loss				
Mutual funds	35,722.14	-	-	35,722.14
Security receipt	-	17,500.00	-	17,500.00
Loans measured at fair value through other comprehensive income				
Loans	-	-	1,961.54	1,961.54

**Valuation process and technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

(a) the use of quoted market prices for quoted equity instruments and debt securities.

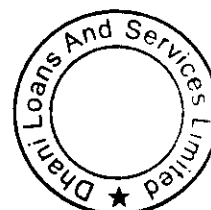
(b) the use of quoted market prices for derivative contracts at balance sheet date.

(c) the use of net asset value for certificate of deposits and mutual funds on the basis of the statement received from investee party.

**b) Movement of loans measured using unobservable inputs (Level 3):**

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	1,976.97	17,784.31
Addition during the year	-	452.06
Disposal during the year	(1,976.96)	(16,287.69)
Gain recognised in statement of profit and loss	-	28.29
<b>Closing balance*</b>	<b>-</b>	<b>1,976.97</b>

\*The above amounts are gross carrying amounts (refer note 6)



**DHANI LOANS AND SERVICES LIMITED**

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

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

**Note - 40**

**Financial instruments (continued)**

**c) Sensitivity disclosure for level 3 fair value measurements:**

Particulars	Fair value as at		Sensitivity	Impact of change in rates on total comprehensive income statement			
	As at	As at		As at	As at	As at	As at
	31 March 2023	31 March 2022		31 March 2023	31 March 2023	31 March 2022	31 March 2022
				Favourable	Unfavourable	Favourable	Unfavourable
Loans	-	1,976.97	1%	-	-	22.81	(22.32)

**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 2023		As at 31 March 2022	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Cash and cash equivalents	11,025.35	11,025.35	41,959.90	41,959.90
Bank balance other than cash and cash equivalents	3,199.08	3,199.08	14,975.06	14,975.06
Investments	9,999.78	9,999.78	9,999.78	9,999.78
Loans	1,36,722.99	1,36,722.99	3,32,492.69	3,32,492.69
Other financial assets	2,198.60	2,106.99	3,120.59	3,748.04
<b>Total</b>	<b>1,63,145.80</b>	<b>1,63,054.19</b>	<b>4,02,548.02</b>	<b>4,03,175.47</b>
<b>Financial liabilities</b>				
Trade payables	1,030.00	1,030.00	1,097.24	1,097.24
Other payables	4,671.16	4,671.16	8,734.96	8,734.96
Debt securities	32,097.24	32,161.19	54,506.33	52,948.19
Borrowings (other than debt securities)	7,194.91	7,194.91	1,17,746.19	1,17,746.19
Lease liabilities	4,564.58	4,333.37	18,389.53	18,367.48
Other financial liabilities	7,086.36	7,086.36	13,223.33	13,223.33
<b>Total</b>	<b>56,644.25</b>	<b>56,476.99</b>	<b>2,13,697.58</b>	<b>2,12,117.39</b>

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 - 41**

**Financial risk management**

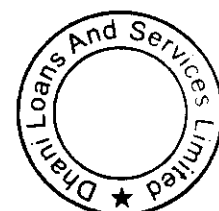
**i) Risk Management**

As a Non-Banking Financial Company (NBFC), the Company is exposed to various risks that are related to lending business and operating environment. The principal objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks. Company's risk management framework is driven by Board and its subcommittees including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee. Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications, conservative loan to value, and required term cover for insurance. The major types of risk Company face in businesses are liquidity risk, credit risk and interest rate risk. 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.

In order to avoid excessive concentration 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, bank balances other than cash and cash equivalents, loan assets and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.





**DHANI LOANS AND SERVICES LIMITED**

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

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

**Note - 41**

**Financial risk management (continued)**

**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 balance, loans, Investment in CCD, Mutual fund & Security receipt, security deposits and other financial assets	12 month expected credit loss
Moderate credit risk	Loans	Life time expected credit loss
High credit risk	Loans and Investment in security receipt	Life time expected credit loss or fully provided for

**Financial assets that expose the entity to credit risk\***

Particulars	As at 31 March 2023	As at 31 March 2022
<b>(i) Low credit risk</b>		
Cash and cash equivalents	11,025.35	41,959.90
Bank balance other than cash and cash equivalents	3,199.08	14,975.06
Loans	1,30,244.40	1,79,728.64
Investments	42,945.34	63,221.92
Other financial assets	2,198.60	3,120.59
<b>(ii) Moderate credit risk</b>		
Loans	5,827.89	1,35,959.33
<b>(iii) High credit risk</b>		
Investment	-	-
Other financial assets	691.78	24.44
Loans	5,842.33	55,153.13

\* These represent gross carrying values of financial assets, without netting off impairment loss allowance.

**Cash and cash equivalents and bank deposits**

Credit risk related to cash and cash equivalents and bank deposits is managed by only placing highly rated deposits in banks and financial institutions across the country.

**Other financial assets measured at amortized cost**

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

**Loans**

The Company 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 Company assesses increase in credit risk on an ongoing basis for the amounts loan assets that become past due and default is considered to have been 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 Know Your Customer (KYC) documents
- Client must agree to follow the rules and regulations of the Company
- Credit bureau check - In order to deal with the problem of over extension of credit and indebtedness of the client, the Company undertakes credit bureau checks for every client. The credit bureau check helps the Company 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

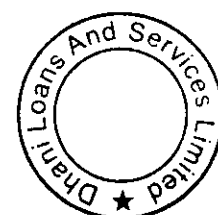
\* The Company has used forward looking information in form of GDP growth rate and unemployment rate specific to the sector.

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.

**b) Credit risk exposure**

**i) Expected credit losses for financial assets other than loans**

As at 31 March 2023	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	11,025.35	-	11,025.35
Bank balance other than cash and cash equivalents	3,199.08	-	3,199.08
Investments	1,36,074.85	-	1,36,074.85
Other financial assets	2,310.82	112.22	2,198.60



**DHANI LOANS AND SERVICES LIMITED**

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

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

**Note - 41**

**Financial risk management (continued)**

As at 31 March 2022	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	41,959.90	-	41,959.90
Bank balance other than cash and cash equivalents	14,975.06	-	14,975.06
Investments	1,56,351.43	-	1,56,351.43
Other financial assets	3,145.03	24.44	3,120.59

**ii) Expected credit loss for loans**

*Definition of default:*

The Company 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 from beginning to end of reporting period:**

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at 01 April 2021	2,95,541.62	77,794.67	42,701.41
Assets originated	8,13,059.86	-	-
Net transfer between stages and de-recognition	(9,28,866.48)	58,226.63	63,529.44
Assets written-off	(6.36)	(61.97)	(51,077.72)
Gross carrying amount as at 31 March 2022	1,79,728.64	1,35,959.33	55,153.13
Assets originated	1,15,591.97	-	-
Net transfer between stages and de-recognition	(1,65,071.60)	(1,30,121.59)	17,097.85
Assets written-off	(4.61)	(9.85)	(66,408.65)
Gross carrying amount as at 31 March 2023	1,30,244.40	5,827.89	5,842.33

**Reconciliation of loss allowance provision from beginning to end of reporting period:**

Reconciliation of loss allowance	Stage 1	Stage 2	Stage 3
Loss allowance as on 01 April 2021	2,120.06	8,687.24	33,113.05
Increase of provision due to assets originated during the year	9,617.22	-	-
Net transfer between stages and written back	(9,863.62)	3,390.23	32,456.02
Loss allowance Utilised	(0.10)	(6.20)	(43,127.03)
Loss allowance as at 31 March 2022	1,873.56	12,071.27	22,442.04
Increase of provision due to assets originated during the year	845.91	-	-
Net transfer between stages and written back	(2,173.77)	(11,561.37)	(51,779.83)
Created through Securities Premium Account (Refer Note 22)	-	-	97,500.00
Loss allowance Utilised	(0.07)	(0.98)	(64,025.13)
Loss allowance as at 31 March 2023	545.63	508.92	4,137.08

**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.

Particulars	As at 31 March 2023	As at 31 March 2022
Corporate borrowers	50,666.05	56,256.70
Retail borrowers	91,248.57	3,14,584.40
Total	1,41,914.62	3,70,841.10

**d) Loans secured against collateral**

Company's secured portfolio has security base as follows:

Particulars	Value of loans	
	As at 31 March 2023	As at 31 March 2022
Secured by tangible assets*	26,263.87	44,132.45
Secured by other assets	-	-

\*Equitable mortgage of property/ hypothecation of assets

Wherever required, the Company 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 Company 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.

**e) 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 (through Asset Liability Management Committee) liquidity positions (also comprising the undrawn borrowing facilities), matching of the financial assets and financial liabilities position 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.

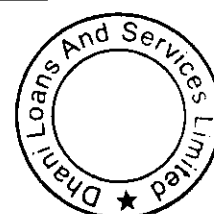
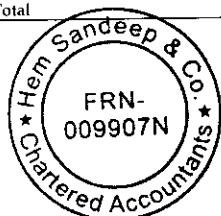
**f) Financing arrangements**

The Company had access to the following funding facilities:

As at 31 March 2023	Total facility	Undrawn
- Expiring within one year	1,000.00	100.00
Total	1,000.00	100.00

As at 31 March 2022	Total facility	Undrawn
- Expiring within one year	25,000.00	10,000.00
Total	25,000.00	10,000.00



**DHANI LOANS AND SERVICES LIMITED**

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

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

**Note - 41**

**Financial risk management (continued)**

**(ii) Maturities of financial assets and liabilities**

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

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

As at 31 March 2023	Less than 1 year	1-3 years	More than 3 years	Total
<b>Financial liabilities</b>				
Debt Securities	17,133.07	17,408.16	-	34,541.23
Borrowings (other than debt securities)	3,230.54	3,880.14	2,743.29	9,853.97
Trade payables	1,030.00	-	-	1,030.00
Other payable	4,671.16	-	-	4,671.16
Lease liabilities	1,378.82	1,986.57	2,786.63	6,152.02
Other financial liabilities	7,086.36	-	-	7,086.36
<b>Total undiscounted financial liabilities</b>	<b>34,529.95</b>	<b>23,274.87</b>	<b>5,529.92</b>	<b>63,334.74</b>

As at 31 March 2022	Less than 1 year	1-3 year	More than 3 years	Total
<b>Financial liabilities</b>				
Debt securities	36,157.38	23,056.21	-	59,213.59
Borrowings (other than debt securities)	20,571.24	9,463.30	96,288.23	1,26,322.77
Trade payables	1,097.24	-	-	1,097.24
Other payable	8,734.96	-	-	8,734.96
Lease liabilities	4,471.78	7,922.72	12,828.19	25,222.69
Other financial liabilities	13,223.33	-	-	13,223.33
<b>Total undiscounted financial liabilities</b>	<b>84,255.93</b>	<b>40,442.23</b>	<b>1,09,116.42</b>	<b>2,33,814.58</b>

**C) Market risk**

Market risk is the risk that the value of on and off-balance sheet positions of a financial institution will be adversely affected by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices resulting in a loss to earnings and capital.

The Company's exposure to market risk is primarily on account of interest rate risk and price risk

**a) Interest rate risk**

**i) Liabilities**

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at 31 March 2023, the Company is exposed to changes in market interest rates borrowings other than debt securities at variable interest rates.

**Interest rate risk exposure**

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

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Fixed rate liabilities*</b>		
Debt securities	31,342.88	53,914.70
Borrowings (other than debt securities)	900.00	25,640.00
<b>Variable rate liabilities*</b>		
Borrowings (other than debt securities)	6,294.91	91,915.64
<b>Total</b>	<b>38,537.79</b>	<b>1,71,470.34</b>

\* Above borrowing amounts exclude accrued interest

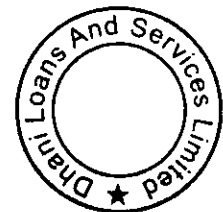
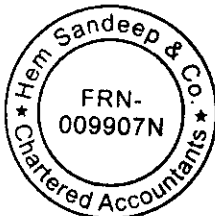
**Sensitivity**

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

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Interest sensitivity*</b>		
Interest rates - increase by 0.50%	31.47	459.58
Interest rates - decrease by 0.50%	(31.47)	(459.58)

\* Holding all other variables constant

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**DHANI LOANS AND SERVICES LIMITED**

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

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

**Note - 41****Financial risk management (continued)**ii) **Assets**

The Company's term deposits and commercial paper/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.

b) **Price risk**i) **Exposure**

The Company's exposure price risk arises from investments held and classified in the balance sheet 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 profit / (loss) for the year:

**Impact on profit after tax**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Mutual funds</b>		
Net assets value - increase by 5%	16.76	1,786.11
Net assets value - decrease by 5%	(16.76)	(1,786.11)

**Note - 42****Capital management**

The Company's capital management objectives are

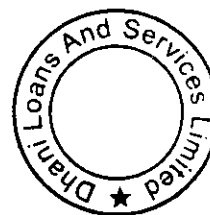
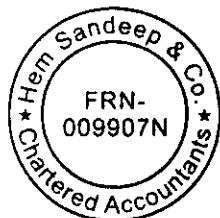
- to ensure the Company's ability to continue as a going concern
- to comply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

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 2023	As at 31 March 2022
Net debt*	28,266.80	1,30,292.62
Total equity	3,10,735.46	4,01,265.95
Net debt to equity ratio	0.09	0.32

\* Net debt includes debt securities + borrowings other than debt securities - cash & cash equivalents

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**DHANI LOANS AND SERVICES LIMITED**  
**Notes to the standalone financial statements for the year ended 31 March 2023**  
**(All amounts are in Indian Rupees in lakh unless stated otherwise)**

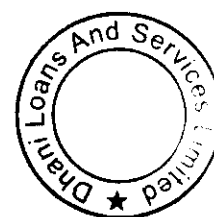
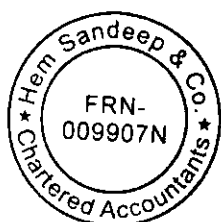
**Note - 43**

**Maturity analysis of assets and liabilities**

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

	As at 31 March 2023		As at 31 March 2022	
	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash and cash equivalents	11,025.35	-	41,959.90	-
Bank balance other than cash and cash equivalents	3,199.08	-	14,975.06	-
Loans	55,087.23	81,635.76	2,21,049.41	1,13,404.82
Investments	10,334.96	1,25,739.89	45,721.92	1,10,629.51
Other financial assets	665.20	1,533.40	1,758.71	1,361.88
	<b>80,311.82</b>	<b>2,08,909.05</b>	<b>3,25,465.00</b>	<b>2,25,396.21</b>
<b>Non-financial assets</b>				
Current tax assets (net)	17,163.85	-	15,700.69	-
Deferred tax assets (net)	-	47,187.74	-	17,035.56
Property, plant and equipment	-	5,659.29	-	8,370.23
Right-of-use assets	1,020.19	2,953.76	3,398.19	13,634.57
Intangible assets under development	-	317.19	-	462.18
Other intangible assets	-	3,599.21	-	4,355.81
Other non-financial assets	2,690.66	348.97	4,649.17	586.25
	<b>20,874.70</b>	<b>60,066.16</b>	<b>23,748.05</b>	<b>44,444.60</b>
<b>TOTAL ASSETS</b>	<b>1,01,186.52</b>	<b>2,68,975.21</b>	<b>3,49,213.05</b>	<b>2,69,840.81</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>Financial liabilities</b>				
<b>Trade 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	1,030.00	-	1,097.24	-
<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	4,671.16	-	8,734.96	-
Debt securities	15,523.26	16,573.98	32,855.99	21,650.34
Borrowings (other than debt securities)	1,886.13	5,308.78	91,068.41	26,677.78
Lease liabilities	935.40	3,629.18	2,682.35	15,707.18
Other financial liabilities	7,086.36	-	13,223.33	-
	<b>31,132.31</b>	<b>25,511.94</b>	<b>1,49,662.28</b>	<b>64,035.30</b>
<b>Non-financial liabilities</b>				
Provisions	34.24	1,778.54	28.99	1,527.23
Other non-financial liabilities	969.24	-	2,534.11	-
	<b>1,003.48</b>	<b>1,778.54</b>	<b>2,563.10</b>	<b>1,527.23</b>
<b>TOTAL LIABILITIES</b>	<b>32,135.79</b>	<b>27,290.48</b>	<b>1,52,225.38</b>	<b>65,562.53</b>
<b>Net equity</b>	<b>69,050.73</b>	<b>2,41,684.73</b>	<b>1,96,987.68</b>	<b>2,04,278.27</b>

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**DHANI LOANS AND SERVICES LIMITED**

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

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

**Note - 44**

**Operating segments**

**General information**

The Company operates in a single reportable segment i.e. financing and investing related activities, which has similar risks and returns for the purpose of Ind AS 108 "Operating segments", is considered to be the only reportable business segment. The Company derives its major revenues from financing activities and its customers are widespread. Further, the Company is operating in India which is considered as a single geographical segment.

**Note - 45**

**Related party disclosure**

**(a) Details of related parties:**

Description of relationship	Names of related parties
Holding company	Dhani Services Limited
Subsidiary companies	TranServ Limited
(including step-down subsidiaries)	Indiabulls Distribution Services Limited Indiabulls Alternate Investments Limited Indiabulls Investment Advisors Limited

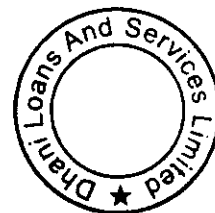
**Fellow subsidiary companies (with whom transactions took place)** Indiabulls Asset Reconstruction Company Limited and its Trusts  
Dhani Healthcare Limited

**Key management personnel**

Mr. Pinank Javanti Shah, Whole Time Director and Chief Executive Officer (till 1 January 2023)  
Mr. Sanjeev Kashyap, Whole Time Director and Chief Executive Officer (w.e.f. 1 January 2023)  
Mr. Gagan Banga, Director (till 14 March 2022)  
Mr. Nafees Ahmed, Director (till 1 July 2022)  
Mr. Ajit Kumar Mittal, Director (till 26 April 2022)  
Mr. Labh Singh Silara, Director  
Mrs. Preetinder Virk, Director (till 04 April 2022)  
Ms. Ritu Kapoor Puri, Director (w.e.f. 04 April 2022)  
Mr. Akhil Gupta, Director (w.e.f. 26 April 2022)  
Mr. Vipin Chaudharv, Director (01 July 2022 to 28 November 2022)  
Mr. Akshay Kumar Tiwary, Director (w.e.f. 28 November 2022)  
Dr. Narendra Damodar Jadhav, Director  
Mr. Rajeev Lochan Agrawal, Chief Financial Officer  
Mr. Divyesh B Shah, Whole Time Director and Chief Executive Officer of Dhani Services Limited (CEO w.e.f. 31 March 2023)  
Mr. Sameer Gehlaut, Chief Executive Officer and Non Executive Chairman of Dhani Services Limited (Executive Chairman till 31 March 2023)

**(b) Statement of transactions with related parties during the year:**

Particulars	Holding company		Subsidiaries/Fellow subsidiaries/ Step-down subsidiaries		Key management personnel	
	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Finance</b>						
- Loans given	-	-	41,100.00	16,400.00	-	-
(Maximum balance outstanding during the year):						
<b>Share capital</b>						
Issue of redeemable convertible preference shares (including premium)	-	61,262.56	-	-	-	-
Redemption of redeemable convertible preference shares (including premium)	-	(61,262.56)	-	-	-	-
<b>Investment/redemption</b>						
- Investment in security receipts	-	-	4,780.00	-	-	-
- Redemption of security receipts	-	-	1,169.62	-	-	-
<b>Liabilities</b>						
- Employee benefits liabilities paid/(received)	-	-	(1,335.84)	1,162.85	31.35	-
<b>Income</b>						
- Interest income from loan	-	-	1,034.71	610.73	-	-
- Interest income from Compulsorily Convertible Debentures	-	-	999.98	999.98	-	-
- Service fee from securitisation	-	-	28.50	-	-	-
- Sale of Non Performing Assets (NPA)	-	-	60,300.00	-	-	-
- Foreclosure fees and other related income	-	-	2.24	10.17	-	-
- Charge back for common expenses	2.40	2.40	6.80	1,711.06	-	-
<b>Expenses</b>						
- Professional charges and other charges	-	-	1,171.59	71.67	-	-
<b>Purchase of Fixed Assets</b>						
	-	-	24.09	0.86	-	-
<b>Reimbursement of expenses paid/(received)</b>						
<b>Compensation to key management personnel (refer foot note-(ii))</b>						
- Short term employee benefits	-	-	1,320.03	(9,616.51)	211.84	207.17
- Sitting fees	-	-	-	-	12.00	10.90
- Post employee benefits- gratuity	-	-	-	-	7.01	(0.66)
- Other long-term benefits- compensated absences	-	-	-	-	(3.94)	9.58
- Share based payment expenses	-	-	-	-	(1,197.66)	521.08



**DHANI LOANS AND SERVICES LIMITED**  
Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

**Note - 45**  
**Related party disclosure (continued)**

**(c) Outstanding at year ended 31 March 2023:**

Nature of transaction	Holding company		Subsidiaries/Fellow subsidiaries	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Loans given	-	-	41,100.00	-
Investment in security receipts	-	-	3,610.38	-
Investment in compulsorily convertible debentures	-	-	9,999.78	9,999.78
Corporate Counter Guarantee given to third parties by the Holding Company (refer foot note - (i))	-	73,014.72	-	-

**(d) Disclosure related to Fair value of Corporate Guarantee given by the Holding Company on behalf of the Company as per Ind AS 109, "Financial Instruments":**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Deemed cost of fair value of corporate guarantee</b>		
- Dhani Services Limited	72.16	156.97
<b>Total</b>	72.16	156.97
<b>Addition to fair value of corporate guarantee</b>		
- Dhani Services Limited	-	-
<b>Total</b>	-	-
<b>Unamortised portion of deemed cost for corporate guarantees</b>		
- Dhani Services Limited	-	107.77
<b>Total</b>	-	107.77

Note (i):  
During the year ended 31 March 2023, the Company has not obtained any borrowings from banks and financial institution. Guarantee released during the year ended March 31, 2023 amounts to ₹ 73,014.72 Lakh (31 March 2022: ₹ 57,545.28 lakh). The corporate guarantee outstanding as on 31 March 2023 is Nil (31 March 2022: ₹ 73,014.72 lakh).

Note (ii):  
In respect of managerial remuneration paid to a erstwhile Whole Time Director during the year ended 31 March 2023, members of the Company, at their extra-ordinary general meeting held on 24 May 2023, accorded their approval for waiver of recovery of such amount of managerial remuneration paid in excess of the limit laid down under Section 197 of the Act.

**Note - 46**  
**Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:**  
**(a) Details of trade payable dues to micro and small enterprises as defined under the MSMED act, 2006**

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

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

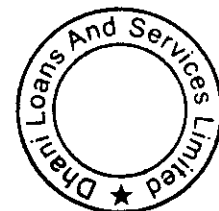
**(b) Details of other payable dues to micro and small enterprises as defined under the msmed act, 2006**

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

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

**Note - 47**  
**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)	Lease liabilities	Total
<b>01 April 2021</b>	77,060.33	2,38,793.37	13,389.88	3,29,243.58
Cash flows:				
- Proceeds	19,057.22	52,500.00	-	71,557.22
- Repayment	(41,448.50)	(1,73,256.84)	(3,846.94)	(2,18,552.28)
Non cash:				
- Amortisation of upfront fees and others	112.09	187.64	-	299.73
- Addition during the year	-	-	13,066.21	13,066.21
- Addition/(reduction) in interest accrued	(274.81)	(477.98)	-	(752.79)
- Others	-	-	(4,219.62)	(4,219.62)
<b>31 March 2022</b>	54,506.33	1,17,746.19	18,389.53	1,90,642.05
Cash flows:				
- Proceeds	9,576.48	9,340.37	-	18,916.85
- Repayment	(32,019.33)	(1,19,766.96)	(2,705.94)	(1,54,492.23)
Non cash:				
- Amortisation of upfront fees and others	(128.96)	(124.69)	-	(253.65)
- Addition during the year	-	-	629.08	629.08
- Addition/(reduction) in interest accrued	162.73	-	-	162.73
- Others	-	-	(11,748.09)	(11,748.09)
<b>31 March 2023</b>	32,097.24	7,194.91	4,564.58	43,856.74



**DHANI LOANS AND SERVICES LIMITED****Notes to the standalone financial statements for the year ended 31 March 2023****(All amounts are in Indian Rupees in lakh unless stated otherwise)****Note - 48****Transfer of financial assets**

The following details provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

**A) Securitisation**

In the course of its business, 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.

The Company has securitized its loan assets to an unrelated and unconsolidated entity. As per the terms of the agreement with counterparty, the Company is exposed to first loss default guarantee and cash collateral at 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	As at
	31 March 2023	31 March 2022
Gross carrying amount of securitised assets (at amortised cost)	8,165.96	-
Gross carrying amount of associated liabilities	6,294.91	-
Carrying value and fair value of securitised assets	8,126.00	-
Carrying value and fair value of associated liabilities	6,294.91	-
<b>Net position at Fair value</b>	<b>1,831.09</b>	<b>-</b>

The carrying amount of above assets and liabilities is a reasonable approximation of their respective fair values.

**B) Assignment**

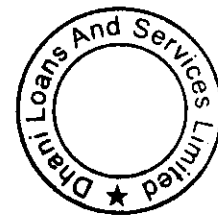
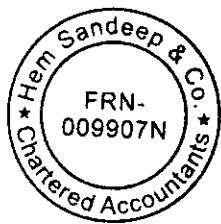
During the year ended March 31, 2022, the Company has sold certain loans by way of direct bilateral assignment, as a source of finance. As per the terms of such deals, since the derecognition criteria as per Ind AS 109 are met, (including transfer of substantial risks and rewards) relating to assets 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	As at
	31 March 2023	31 March 2022
Carrying amount of de-recognised financial assets	-	12,684.73
Gain on sale of the de-recognised financial assets	-	124.18

Since the Company has derecognized the above loan assets in entirety, the whole of the interest spread at the present value (discounted over the expected life of the assets) is recognised on the date of derecognition itself as interest-only strip receivable and corresponding profit on derecognition of financial assets is recognized in the Standalone Statement of Profit and Loss.

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**DHANI LOANS AND SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

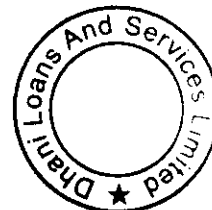
**Note - 49**

Disclosures pursuant to paragraph 19 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as at and for the year ended 31 March 2023:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
<b>Liabilities Side:</b>				
<b>(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:</b>				
(a) Debentures : Secured	32,097.24	-	54,506.33	-
: Unsecured (other than falling within the meaning of public deposits)	-	-	-	-
(b) Deferred credits	-	-	-	-
(c) Term loans	-	-	1,02,742.18	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other loans	-	-	15,004.01	-
- Loan repayable on demand	-	-	-	-
- Other unsecured loans	900.00	-	-	-
- Securitisation liabilities	6,294.91	-	-	-
<b>(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

Assets side:	Amount outstanding as at 31 March 2023	Amount outstanding as at 31 March 2022
	<b>(3) Break-up of loans and advances including bills receivables [other than those included in (4) below]:</b>	
(a) Secured	26,263.87	44,132.45
(b) Unsecured	1,13,650.73	3,26,708.65
Less: impairment loss allowance	(5,191.63)	(36,386.87)
<b>Total</b>	<b>1,36,722.99</b>	<b>3,34,454.23</b>
<b>(4) Break up of leased assets and stock on hire and other assets counting towards asset financing activities</b>		
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on hire	-	-
(b) Repossessed assets	-	-
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
<b>(5) Break-up of Investments :</b>		
Current investments:		
Current Investments		
<b>1. Quoted:</b>		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others	-	-
<b>2. Unquoted:</b>		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	335.18	35,722.14
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others	-	-

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DHANI LOANS AND SERVICES LIMITED  
Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 49 (continued)  
Disclosures pursuant to paragraph 19 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as at and for the year ended 31 March 2023: (continued)

Assets side:	Amount outstanding as at 31 March 2023	Amount outstanding as at 31 March 2022
<b>Long Term Investments</b>		
<b>1. Quoted:</b>		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others	-	-
<b>2. Unquoted:</b>		
(i) Shares: (a) Equity	-	-
(b) Preference	9,999.78	9,999.78
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others	-	-
(a) Equity investment in subsidiaries	93,129.51	93,129.51
(b) Investment in security receipts	52,610.38	17,500.00
(c) Investment in associate	-	-

(6) Borrower group-wise classification of all assets financed as in (3) and (4) above:

Category	Amount (including impairment of loss allowance)			
	As at 31 March 2023		As at 31 March 2022	
	Secured	Unsecured	Secured	Unsecured
<b>1. Related parties</b>				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	41,100.00	-	-
(c) Other related parties	-	-	-	-
<b>2. Other than related parties*</b>	26,263.87	74,550.75	44,132.45	3,26,708.65
<b>Total</b>	26,263.87	1,15,650.75	44,132.45	3,26,708.65

\*Includes provision against loan assets of ₹ 5,191.63 lakh (31 March 2022 ₹ 36,386.87 lakh)

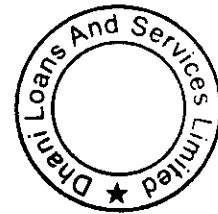
(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	As at 31 March 2023		As at 31 March 2022	
	Market Value	Book Value (net of allowance for impairment loss)	Market Value	Book Value (net of allowance for impairment)
<b>1. Related parties</b>				
(a) Subsidiaries	1,03,129.29	1,03,129.29	1,03,129.29	1,03,129.29
(b) Companies in the same group	3,610.38	3,610.38	-	-
(c) Other related parties	-	-	-	-
<b>2. Other than related parties</b>	29,335.18	29,335.18	35,722.14	35,722.14
<b>Total</b>	1,36,074.85	1,36,074.85	1,38,851.43	1,38,851.43

(8) Other information:

Particulars	As at 31 March 2023	As at 31 March 2022
<b>(i) Gross non-performing assets</b>		
(a) Related parties	-	-
(b) Other than related parties	5,842.33	55,153.13
<b>(ii) Net non-performing assets</b>		
(a) Related parties	-	-
(b) Other than related parties	1,706.25	32,711.09

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Note - 50  
Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.no 109/22.10.106/2019-20 dated 13 March 2020 pertaining to Asset Classification as per RBI norms and Income Recognition, Asset Classification and Provisioning ("IRACP") norms.  
As at 31 March 2023

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard Assets	Stage 1	1,30,244.40	543.63	1,29,698.77	520.18	25.45
	Stage 2	5,827.89	508.92	5,318.97	22.92	486.00
<b>Sub- Total</b>		<b>1,36,072.29</b>	<b>1,054.55</b>	<b>1,35,017.74</b>	<b>543.10</b>	<b>511.45</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	5,781.52	4,076.27	1,705.25	578.15	3,498.12
Doubtful - up to 1 year	Stage 3	60.81	60.81	-	60.81	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
<b>Sub- Total For Doubtful</b>		<b>60.81</b>	<b>60.81</b>	<b>-</b>	<b>60.81</b>	<b>-</b>
<b>Loss</b>	Stage 3	-	-	-	-	-
<b>Sub- Total For NPA</b>		<b>5,842.33</b>	<b>4,137.08</b>	<b>1,705.25</b>	<b>638.96</b>	<b>3,498.12</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Sub- Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	Stage 1	<b>1,30,244.40</b>	<b>543.63</b>	<b>1,29,698.77</b>	<b>520.18</b>	<b>25.45</b>
	Stage 2	<b>5,827.89</b>	<b>508.92</b>	<b>5,318.97</b>	<b>22.92</b>	<b>486.00</b>
	Stage 3	<b>5,842.33</b>	<b>4,137.08</b>	<b>1,705.25</b>	<b>638.96</b>	<b>3,498.12</b>
<b>Total</b>	<b>Total</b>	<b>1,41,914.62</b>	<b>5,191.63</b>	<b>1,36,722.99</b>	<b>1,182.06</b>	<b>4,009.57</b>

As at 31 March 2022

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109*	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard Assets	Stage 1	1,79,728.64	1,873.56	1,77,855.08	771.65	1,101.91
	Stage 2	1,35,959.33	12,071.27	1,23,888.06	540.15	11,531.12
<b>Sub- Total</b>		<b>3,15,687.97</b>	<b>13,944.83</b>	<b>3,01,743.14</b>	<b>1,311.80</b>	<b>12,633.03</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	53,204.03	21,929.66	31,274.37	5,320.40	16,609.26
Doubtful - up to 1 year	Stage 3	1,869.41	480.50	1,388.91	480.50	-
1 to 3 years	Stage 3	79.69	31.88	47.81	31.88	-
More than 3 years	Stage 3	-	-	-	-	-
<b>Sub- Total For Doubtful</b>		<b>1,949.10</b>	<b>512.38</b>	<b>1,436.72</b>	<b>512.38</b>	<b>-</b>
<b>Loss</b>	Stage 3	-	-	-	-	-
<b>Sub- Total For NPA</b>		<b>55,153.13</b>	<b>22,442.04</b>	<b>32,711.09</b>	<b>5,832.78</b>	<b>16,609.26</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Sub- Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	Stage 1	<b>1,79,728.64</b>	<b>1,873.56</b>	<b>1,77,855.08</b>	<b>771.65</b>	<b>1,101.91</b>
	Stage 2	<b>1,35,959.33</b>	<b>12,071.27</b>	<b>1,23,888.06</b>	<b>540.15</b>	<b>11,531.12</b>
	Stage 3	<b>55,153.13</b>	<b>22,442.04</b>	<b>32,711.09</b>	<b>5,832.78</b>	<b>16,609.26</b>
<b>Total</b>	<b>Total</b>	<b>3,70,841.10</b>	<b>36,386.87</b>	<b>3,34,454.23</b>	<b>7,144.58</b>	<b>29,242.29</b>

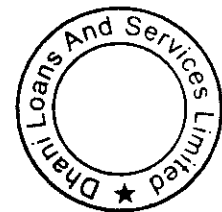
Note - 51  
Disclosures in terms of Annex XVI of the RBI Directions, 2016 :

i. Disclosure for capital to risk assets ratio (CRAR):-

Items	(Amount in ₹ crore)	
	As at 31 March 2023	As at 31 March 2022
(i) CRAR (%)	84.11%	63.91%
(ii) CRAR - Tier I Capital (%)	83.46%	63.91%
(iii) CRAR - Tier II Capital (%)	0.65%	0%
(iv) Amount of subordinated debt raised as Tier-II capital	Nil	Nil
(v) Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

ii. Investments

Particulars	(Amount in ₹ crore)	
	As at 31 March 2023	As at 31 March 2022
<b>A. Value of investments</b>		
(I). Gross value of investments		
a) In India	1,360.75	1,563.51
b) Outside India	-	-
(II) Provision for depreciation		
a) In India	-	-
b) Outside India	-	-
(III) Net value of investments		
a) In India	1,360.75	1,563.51
b) Outside India	-	-
<b>B. Movement of provisions held towards depreciation on investments.</b>		
Opening balance	-	17.73
Add : Provisions made during the year	-	-
Less : Write-off /write-back of excess provisions during the year	-	(17.73)
Closing balance	-	-



Note - 51  
Disclosures in terms of Annex XVI of the RBI Directions, 2016 (continued):

iii. Disclosures relating to derivatives:  
The Company does not have any forward rate agreement / interest rate swaps / exchange traded interest rate (IR) derivatives during the year. (31 March 2022: ₹ Nil)

iv. Asset Liability Management Maturity pattern of certain items of Asset and Liabilities:  
In accordance with the Reserve Bank of India ("RBI") guidelines for Assets Liability Management System in NBFC, the maturity pattern of Assets and Liabilities has been estimated based on the behavioural pattern of assets and liabilities on the basis of past data available with the Company.

Maturity pattern of assets and liabilities as at 31 March 2023:

	Deposits	Advances	Investments	Foreign currency assets	Borrowings	Foreign currency liabilities
1 day to 7 days	-	13.78	-	-	-	-
8 day to 14 days	-	13.78	-	-	-	-
15 day to 30/31 days (One month)	-	13.78	-	-	4.20	-
Over one month and upto 2 months	-	39.96	-	-	28.64	-
Over two months and upto 3 months	-	38.58	-	-	0.47	-
Over 3 months and upto 6 months	-	107.47	100.00	-	1.47	-
Over 6 months and upto 1 year	-	344.44	3.35	-	125.47	-
Over 1 year and upto 3 years	-	395.94	326.10	-	183.39	-
Over 3 years and upto 5 years	-	310.00	-	-	9.14	-
Over 5 years	-	141.42	931.30	-	30.60	-

Maturity pattern of assets and liabilities as at 31 March 2022:

	Deposits	Advances	Investments	Foreign currency assets	Borrowings	Foreign currency liabilities
1 day to 7 days	-	162.25	-	-	37.50	-
8 day to 14 days	-	162.25	-	-	37.50	-
15 day to 30/31 days (One month)	-	324.49	357.22	-	73.00	-
Over one month and upto 2 months	-	376.88	-	-	163.30	-
Over two months and upto 3 months	-	432.66	-	-	121.23	-
Over 3 months and upto 6 months	-	495.22	100.00	-	593.65	-
Over 6 months and upto 1 year	-	383.24	-	-	208.24	-
Over 1 year and upto 3 years	-	678.51	-	-	446.37	-
Over 3 years and upto 5 years	-	313.56	175.00	-	29.91	-
Over 5 years	-	268.36	931.30	-	-	-

Notes:  
(a) The above borrowings exclude accrued interest.  
(b) The advances comprises of gross loan portfolio, accrued interest and other Ind AS adjustments.  
(c) Advances and borrowings are adjusted for moratorium granted pursuant to RBI guidelines relating to COVID-19 Regulatory Package dated 27 March 2020, 07 April 2020 and 23 May 2020

v. Exposures:  
v. (a) Exposure to real estate sector:-

Category	As at 31 March 2023	As at 31 March 2022
<b>Direct exposure</b>		
(i) Residential mortgages: Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	133.23	217.06
(ii) Commercial real estate*: Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure will also include non-fund based (NFB) limits.	44.16	79.77
(iii) Investments in mortgage backed securities (MBS) and other securitised exposures: a. Residential b. Commercial real estate	-	-
Indirect exposure: Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	177.39	296.83
<b>Total Exposure to Real Estate Sector</b>		

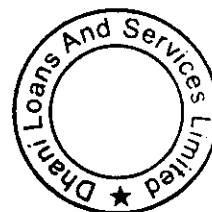
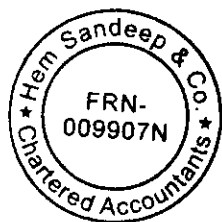
\* as per contractual receivables at balance sheet date.

v. (b) Exposure to capital markets\*

Particulars	As at 31 March 2023	As at 31 March 2022
i. direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
ii. advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii. advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv. advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
v. secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi. loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii. bridge loans to companies against expected equity flows / issues;	-	-
viii. All exposures to venture capital funds (both registered and unregistered)	-	-
<b>Total exposure to capital market</b>		

\* as per contractual receivables at balance sheet date.

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**DHANI LOANS AND SERVICES LIMITED**  
Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 51  
Disclosures in terms of Annex XVI of the RBI Directions, 2016 (continued):

- v. (c) Details of financing of parent company products  
- There is no financing during the current year.
- v. (d) Details of Single Borrower Limits (SBL)/ Group Borrower Limits (GBL) exceeded  
- The Company has not exceeded the SBL/GBL prudential exposure limits during the year as set by the Reserve Bank of India.
- v. (e) Unsecured advances - Refer note 5 of financial statements
- vi. Registration under other regulators  
- The Company is not registered under any other regulator other than Reserve Bank of India.
- vii. Penalties imposed by RBI and other Regulators  
- Penalties imposed by RBI on the company for the year amounted to ₹ 7.60 Lakhs (FY 2021-22: ₹ Nil).
- viii. Disclosure on frauds pursuant to RBI Master direction  
- The frauds detected and reported for the year amounted to ₹ 5,408.74 lakh (FY 2021-22: ₹ 243.40 lakh).

(ix) Related party transactions:-  
Please refer note no 45

(x) Revenue Recognition  
Revenue recognition has not been postponed by the Company during the year (previous year NIL) due to any pending resolutions of significant uncertainties.

Break up of Provisions and Contingencies shown under the head expenditure in statement of profit and loss	(Amount in ₹ crore)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Provision for depreciation on investment	-	(17.73)
Provision towards non-performing assets	(183.05)	(106.72)
Provision made towards income tax (net of advance tax)	-	-
Other provision and contingencies (with details)	(2.26)	2.98
(i) Provision for compensated absences	5.07	5.70
(ii) Provision for gratuity	0.88	(16.11)
Provision for other assets	369.41	462.72
Provision for Standard assets		

xii. Draw down from reserves  
- The Company has not made any drawdown from reserves.

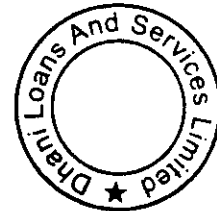
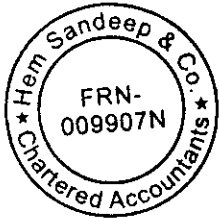
Particulars	(Amount in ₹ crore)	
	As at 31 March 2023	As at 31 March 2022
Total advances to twenty largest borrowers*	1,155.42	1,121.77
Percentage of advances to twenty largest borrowers to total advances of the NBFC on borrowers * as per contractual receivables at balance sheet date.	81.42%	30.25%

Particulars	(Amount in ₹ crore)	
	As at 31 March 2023	As at 31 March 2022
Total exposures to twenty largest borrowers*	1,155.42	1,121.77
Percentage of exposures to twenty largest borrowers to total exposure of the NBFC on borrowers * as per contractual receivables as per balance sheet date.	81.42%	30.25%

Particulars	(Amount in ₹ crore)	
	As at 31 March 2023	As at 31 March 2022
Total exposure to top four NPA accounts* * as per contractual receivables as per balance sheet date.	4.52	35.78



Note - 51  
Disclosures in terms of Annex XVI of the RBI Directions, 2016 (continued):

d. Sector-wise distribution of NPAs\*

Particulars	% of NPAs to total advances	
	As at	As at
	31 March 2023	31 March 2022
Agriculture & allied activities	0.00%	0.00%
MSME	0.27%	0.00%
Corporate borrowers	0.05%	1.31%
Services	0.24%	0.80%
Unsecured personal loans	0.00%	0.97%
Auto loans	0.00%	0.00%
Other personal loans	3.54%	11.75%

\* as per contractual receivables as per balance sheet date.

xiv. Movement of NPAs

Particulars	(Amount in ₹ crore)	
	As at	As at
	31 March 2023	31 March 2022
a. Net NPAs to Net Advances (%)	1.24%	9.39%
b. Movement of NPAs (Gross)		
i) Opening balance	551.53	427.02
ii) Addition during the year	1,609.78	635.29
iii) Reduction during the year	(2,102.89)	(510.78)
iv) Closing balance	58.42	551.53
c. Movement of Net NPAs		
i) Opening balance	327.11	95.88
ii) Addition during the year	319.53	310.73
iii) Reduction during the year	(629.59)	(79.51)
iv) Closing balance	17.05	327.11
d. Movement of provisions for NPA (excluding provisions on standard assets)		
i) Opening balance	224.42	331.14
ii) Provision made during the year	1,290.25	324.56
iii) Reduction during the year	(1,473.30)	(431.27)
iv) Closing balance	41.37	224.42

xv. Overseas assets

There are no overseas asset owned by the Company.

xvi. Off-balance Sheet SPVs sponsored

There are no SPVs which are required to be consolidated as per accounting norms.

xvii. Remuneration of directors:-

Please refer to note no 45

xviii. The Company has been assigned the following credit ratings:

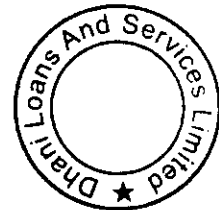
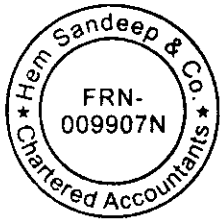
Facility	Name of Rating Agency	As at	As at
		31 March 2023	31 March 2022
Non-convertible debentures - Public issue	Credit Analysis & Research Limited	CARE BBB+ (Negative)	CARE A (CWD)
	Brickwork Ratings India Pvt Ltd.	BWR A+ (CWD)	BWR AA/Stable
	Infomerics Valuation And Rating Private Limited	IVR A (CWD)	IVR AA/Stable
Non-convertible debentures - Privately issue	Brickwork Ratings India Pvt Ltd.	BWR A+ (CWD)	BWR AA/Stable
	Credit Analysis & Research Limited	-	-
	Brickwork Ratings India Pvt Ltd.	-	-
Commercial papers	Credit Analysis & Research Limited	-	-
	Brickwork Ratings India Pvt Ltd.	BWR A1	BWR A1+
Bank borrowings	Credit Analysis & Research Limited	CARE BBB+ (Negative)	CARE A (CWD)
	Brickwork Ratings India Pvt Ltd.	BWR A+ (CWD)	BWR AA/Stable
	Infomerics Valuation And Rating Private Limited	IVR A (CWD)	IVR AA/Stable

xix. Disclosure of Complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Complaints received by the NBFC from its customers</b>		
1. No. of complaints pending at the beginning of the year	396	265
2. No. of complaints received during the year	10,961	9,857
3. No. of complaints disposed during the year	11,335	9,726
3.1 of which, number of complaints rejected by the NBFC	-	-
4. No. of complaints pending at the end of the year	22	396
<b>Maintainable complaints received by the NBFC from Office of Ombudsman</b>		
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	2,604	2,802
5.1 of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	2,353	2,743
5.2 of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	51	59
5.3 of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

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Note - 51  
Disclosures in terms of Annex XVI of the RBI Directions, 2016 (continued):

Top five grounds of complaints received by the NBFCs from customers  
Grounds of complaints, (i.e. complaints relating to)

1	2	3	4	5	6
Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
<b>For the year ended 31 March 2023</b>					
KYC Mis-Use	57	3,043	144.00	4	-
DOF Cancellation	17	339	(11.00)	-	-
EMI Payment Related	74	483	(70.00)	-	-
DOF Subscription Charges Related	11	224	(74.00)	-	-
Dhani Pay Wallet Related	26	78	(84.00)	-	-
Others	211	6,594	30.00	13	-
<b>Total</b>	<b>396</b>	<b>10,961</b>		<b>17</b>	<b>-</b>
<b>For the year ended 31 March 2022</b>					
EMI Payment Related	45	1,589	NA	74	4
KYC Mis-Use	-	1,249	NA	57	2
DOF Subscription Charges Related	-	856	2.00	11	1
DOF Cancellation related	1	607	NA	17	1
Dhani Pay Wallet Related	27	498	(12.00)	26	-
Others	192	5,058	53.00	211	23
<b>Total</b>	<b>265</b>	<b>9,857</b>		<b>396</b>	<b>31</b>

Note - 52

COVID 19 Regulatory Package -  
(b) Asset classification and provisioning pursuant to the notification Vide:DOR.No.BP.BC.63/21.04.048/2019-20 dated 17 April 2020:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(i) Respective amounts in SMA/ overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of abovementioned the RBI circular.	Nil	Nil
(ii) Respective amount where asset classification benefits is extended	Nil	Nil
(iii) Provisions made during the quarter ended 31 March 2021 in terms of paragraph 5 of the above circular	Nil	Nil
(iv) Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6	Nil	Nil

During the year, to relieve COVID-19 pandemic related stress, the Company has invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the one-time restructuring policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on 6 August 2020

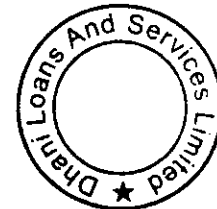
(iii) Disclosures pursuant to RBI Notification RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020 and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021:

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal Loans	18,283.44	2,289.03	15,395.42	393.27	205.72
Corporate persons*	3.10	3.10	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	180.07	126.64	28.22	-	25.21
<b>Total</b>	<b>18,466.61</b>	<b>2,418.77</b>	<b>15,423.64</b>	<b>393.27</b>	<b>230.93</b>

\*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal Loans	22,706.03	0.67	1,223.90	1,302.74	20,178.72
Corporate persons*	43.04	-	1.09	14.70	27.25
Of which, MSMEs	-	-	-	-	-
Others	227.41	-	7.15	8.46	211.80
<b>Total</b>	<b>22,976.48</b>	<b>0.67</b>	<b>1,232.14</b>	<b>1,325.90</b>	<b>20,417.77</b>

\*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016



**DHANI LOANS AND SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 52 (Continued)

(iii) Disclosures for the year ended 31 March 2023 pursuant to RBI Notification RBI/2020-21/17 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector - Restructuring of advances having exposure less than or equal to ₹ 25 crores).

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Number of accounts restructured	(Amount in ₹ Lakh)	Number of accounts restructured	(Amount in ₹ Lakh)
Type of borrower				
MSMEs	14.00	30.81	97	358.94
Total	14.00	30.81	97	358.94

(iv) The Government of India, Ministry of Finance, vide its notification dated 23 October 2020, had announced COVID-19 Relief Scheme ("the Scheme") for grant of ex-gratia payment being difference between compounded interest and simple interest for six months period from 1 March 2020 to 31 August 2020 to eligible borrowers as per the Scheme. The management has credited the differential interest in the borrower accounts in line with the requirement of the Scheme and does not have any impact on the standalone financial statements. The Company have received the entire amount from Government of India.

(v) In view of the Hon'ble Supreme Court of India interim order dated September 3, 2020 (Public Interest Litigation (PIL) by Gajendra Sharma Vs Union of India & ANR), no additional borrower accounts were classified as impaired (non-performing assets (NPA)), which were not declared non-performing till August 31, 2020. Basis the said interim order the Company had not classified any additional borrower account as NPA as per RBI or other regulatory prescribed norms, after August 31, 2020 which were not NPA as of August 31, 2020. The interim order granted to not declare accounts as NPA stood vacated on March 23, 2021. In accordance with the instructions in paragraph 5 of the RBI circular dated April 07, 2021 issued in this connection, the Company has complied with the asset classification of borrower accounts as per the extant RBI instructions / IRAC norms, without considering any standstill in asset classification and also done staging of the borrower accounts in accordance with the ECL model/framework under IndAS in the standalone financial statements for the year ended 31 March 2021.

(vi) In accordance with the instructions vide RBI circular dated April 07 2021, and the Indian Banks' Association (IBA) advisory letter dated 19 April 2021, the Company has put in place a Board approved policy to refund / adjust the 'interest on interest' charged to borrowers during the moratorium period i.e., 1 March 2020 to 31 August 2020.

(vii) In terms of Circular no. RBI/2014-15/458, DNBR(PD).CC.No 019/03.10.01/2014-15 dated February 06, 2015, every NBFC is required to become a member of all Credit information Companies. As of the date of these financial statements, the Company has obtained the membership of Equifax Information Services Private Limited, CRIF High Mark Credit Information Services Private Limited, Experian Credit Information Company of India Private Limited and Credit Information Bureau (India) Limited.

(viii) With reference to RBI Circular No. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 dated November 12 2021, and subsequent RBI Circular DOR.STR.REC.85/21.04.048/2021-22 dated February 15, 2022, related to upgradation of accounts classified as NPA, the Company has opted to follow the RBI Circular DOR.STR.REC.85/21.04.048/2021-22 dated February 15, 2022 to be in compliance with aforesaid RBI circular.

Note - 53

Disclosures in terms of Annex II of the RBI Directions, 2016 :

i. Funding Concentration based on significant counterparty for the year ended 31 March 2023

Sr. no.	Number of Significant Counterparties	Amount (₹ in crores)	% of Total Deposits	% of Total Liabilities
1	2	71.95	N.A	12.11%

Funding Concentration based on significant counterparty for the year ended 31 March 2022

Sr. no.	Number of Significant Counterparties	Amount (₹ in crores)	% of Total Deposits	% of Total Liabilities
1	8	1,175.56	N.A	53.98%

Notes:

- A "significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

ii. Top 20 large deposits

- There is no deposit outstanding as at 31 March 2023 (FY 2021-22: ₹ Nil)

iii. Top 10 borrowings

As at 31 March 2023	Amount (₹ in crores)	% of Total Borrowings
Top 10 Borrowings	71.95	100.00%

As at 31 March 2022	Amount (₹ in crores)	% of Total Borrowings
Top 10 Borrowings	1,175.56	100.00%

iv. Funding Concentration based on significant instrument/product for the year ended 31 March 2023

Sr. no.	Particulars	Amount (₹ in crores)	% of Total Liabilities
1	Non-convertible debentures	320.97	54.01%

Funding Concentration based on significant instrument/product for the year ended 31 March 2022

Sr. no.	Particulars	Amount (₹ in crores)	% of Total Liabilities
1	Non-convertible debentures	545.06	25.03%

Notes:

- A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

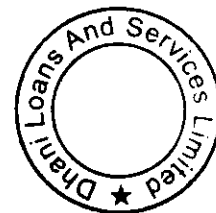
v. Stock Ratios:

a. Commercial papers

- There is no commercial papers outstanding as at 31 March 2023 (FY 2021-22: ₹ Nil).

b. Non-convertible debentures (original maturity of less than one year)

- There is no Non-convertible debentures with original maturity of less than one year outstanding as at 31 March 2023 (FY 2021-22: ₹ Nil).





Note - 53  
Disclosures in terms of Annex II of the RBI Directions, 2016 (continued):

c. Other short-term liabilities			
Particulars	% of Total Public Funds	% of Total Liabilities	% of Total Assets
<b>As at 31 March 2023</b>			
Loans repayable on demand from banks	0.00%	0.00%	0.00%
<b>As at 31 March 2022</b>			
Loans repayable on demand from banks	27.53%	6.89%	2.42%

vi. Institutional set-up for liquidity risk management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held as warranted from time to time. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held as warranted from time to time.

Note - 54

(a) Disclosures of liquidity coverage ratio (LCR) in terms of Annex III of the RBI Directions, 2016

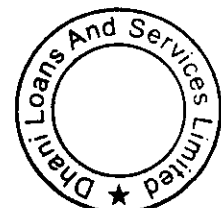
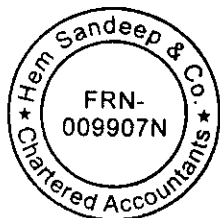
(Amount in ₹ crore)

Particulars	Q4 FY 22-23		Q3 FY 22-23		Q2 FY 22-23		Q1 FY 22-23	
	Total unweighted Value	Total weighted value	Total unweighted Value	Total weighted value	Total unweighted Value	Total weighted value	Total unweighted Value	Total weighted value
Cash and Bank Balance	4,328.68	4,328.68	2,646.91	2,646.91	12,447.57	12,447.57	37,991.94	37,991.94
High Quality Liquid Assets (HQLA)	4,328.68	4,328.68	2,646.91	2,646.91	12,447.57	12,447.57	37,991.94	37,991.94
<b>Cash outflows</b>								
Deposits	-	-	-	-	-	-	-	-
Unsecured wholesale funding	-	-	-	-	-	-	-	-
Secured wholesale funding	7,067.26	8,127.35	791.97	910.77	10,717.61	12,325.25	35,762.06	41,126.37
Additional requirements	-	-	-	-	-	-	-	-
- Outflows related to derivative exposure and other collateral requirement	-	-	-	-	-	-	-	-
- Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
- Credit and liquidity facilities	-	-	-	-	-	-	-	-
Other contractual funding obligations	-	-	-	-	-	-	-	-
Other contingent funding obligations	-	-	-	-	-	-	-	-
Total cash outflows	7,067.26	8,127.35	791.97	910.77	10,717.61	12,325.25	35,762.06	41,126.37
<b>Cash inflows</b>								
Secured lending	-	-	-	-	-	-	-	-
Inflows from fully performing advances	4,420.80	3,315.60	5,202.19	3,901.64	10,589.25	7,941.94	22,970.00	17,227.50
Other cash inflows	-	-	-	-	-	-	-	-
Total cash inflows	4,420.80	3,315.60	5,202.19	3,901.64	10,589.25	7,941.94	22,970.00	17,227.50
Total HQLA	-	4,328.68	-	2,646.91	-	12,447.57	-	37,991.94
Total net cash outflows over next 30 days (Weighted value of total cash outflow- Minimum of weighted value of total cash inflows, 75% of weighted value of total cash outflow)	-	4,811.75	-	227.69	-	4,383.31	-	23,898.87
Liquidity coverage ratio (%)	-	89.96%	-	1162.49%	-	283.98%	-	158.97%

Note-1: The above LCR of 89.96% is computed based on the average monthly cash inflows and outflows for Q4 FY 22-23. The LCR for Q4 FY 22-23 computed based on the average of the respective LCRs (not adjusted for average cash inflows and outflows) for each of the months in Q4 FY 22-23 is calculated at 5832.04%.

Note-2: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditors.

Particulars	Q4 FY 21-22		Q3 FY 21-22		Q2 FY 21-22		Q1 FY 21-22	
	Total unweighted Value	Total weighted value	Total unweighted Value	Total weighted value	Total unweighted Value	Total weighted value	Total unweighted Value	Total weighted value
Cash and Bank Balance	133.03	133.03	139.65	139.65	110.77	110.77	474.94	474.94
High Quality Liquid Assets (HQLA)	133.03	133.03	139.65	139.65	110.77	110.77	474.94	474.94
<b>Cash outflows</b>								
Deposits	-	-	-	-	-	-	-	-
Unsecured wholesale funding	-	-	-	-	-	-	-	-
Secured wholesale funding	147.71	169.87	40.84	46.97	124.45	143.12	307.03	353.09
Additional requirements	-	-	-	-	-	-	-	-
- Outflows related to derivative exposure and other collateral requirement	-	-	-	-	-	-	-	-
- Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
- Credit and liquidity facilities	-	-	-	-	-	-	-	-
Other contractual funding obligations	-	-	-	-	-	-	-	-
Other contingent funding obligations	-	-	-	-	-	-	-	-
Total cash outflows	147.71	169.87	40.84	46.97	124.45	143.12	307.03	353.09
<b>Cash inflows</b>								
Secured lending	-	-	-	-	-	-	-	-
Inflows from fully performing advances	656.00	492.00	14.66	11.00	293.02	219.76	380.00	285.00
Other cash inflows	-	-	-	-	-	-	-	-
Total cash inflows	656.00	492.00	14.66	11.00	293.02	219.76	380.00	285.00
Total HQLA	-	133.03	-	139.65	-	110.77	-	474.94
Total net cash outflows over next 30 days (Weighted value of total cash outflow- Minimum of weighted value of total cash inflows, 75% of weighted value of total cash outflow)	-	42.47	-	35.97	-	35.78	-	88.27
Liquidity coverage ratio (%)	-	313.26%	-	388.25%	-	309.58%	-	538.04%



**DHANI LOANS AND SERVICES LIMITED**

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

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

**Note - 54**

(a) Disclosures of liquidity coverage ratio (LCR) in terms of Annex III of the RBI Directions, 2016 (continued)

Note-1: The above LCR of 313.26% is computed based on the average monthly cash inflows and outflows for Q4 FY 21-22. The LCR for Q4 FY 21-22 computed based on the average of the respective LCRs (not adjusted for average cash inflows and outflows) for each of the months in Q4 FY 21-22 is calculated at 325.44%.

Note-2: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditors.

**Note-3:**

a. Unweighted Values: Inflows and outflows within 1 month are considered as per outstanding balances that mature in 1 month.

b. Weighted values are calculated as per the applicable haircuts or stress factors.

c. Below is level of minimum LCR in terms of Annex III of the RBI Directions, 2016

From	December 1, 2020	December 1, 2021	December 1, 2022	December 1, 2023	December 1, 2024
Minimum LCR	30%	50%	60%	85%	100%

(b) Disclosure of Foreign Currency Exposures:

Particulars	Foreign Currency	Exchange Rate	Year ended 31 March 2023		Year ended 31 March 2022	
			Amount in Foreign Currency	Amount ₹. in Crores	Exchange Rate	Amount in Foreign Currency (USD)
<b>I. Assets</b>						
Receivables (trade & other)	NA	-	-	-	-	-
Other Monetary assets	NA	-	-	-	-	-
Total Receivables (A)	NA	-	-	-	-	-
Hedges by derivative contracts (B)	NA	-	-	-	-	-
Unhedged receivables (C=A-B)	NA	-	-	-	-	-
<b>II. Liabilities</b>						
Payables (trade & other)						
Borrowings (ECB and Others)	USD	-	-	-	-	-
Total Payables (D)	USD	-	-	-	-	-
Hedges by derivative contracts (E)	USD	-	-	-	-	-
Unhedged Payables F=D-E)	USD	-	-	-	-	-
<b>III. Contingent Liabilities and Commitments</b>						
Contingent Liabilities	NA	-	-	-	-	-
Commitments	NA	-	-	-	-	-
Total (G)	NA	-	-	-	-	-
Hedges by derivative contracts(H)	NA	-	-	-	-	-
Unhedged Payables (I=G-H)	NA	-	-	-	-	-
Total unhedged FC Exposures (J=C+I+1)	NA	-	-	-	-	-

**Note - 55**

Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC. 51/21.04.048/2021-22 dated 24th September 2021

(a) Details of transfer through assignment in respect of loans not in default during the year ended 31 March 2023

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Entity	NA	NBFC
Count of Loan accounts Assigned	NA	77
Amount (₹ Crore) of Loan accounts Assigned	NA	126.85
Retention of beneficial economic interest (MRE) (₹ Crore)	NA	14.09
Weighted Average Maturity (Residual Maturity) (Months)	NA	281.53
Weighted Average Holding Period (Months)	NA	40.55
Coverage of tangible security coverage	NA	1
Rating-wise distribution of rated loans	NA	Unrated

(b) Details of stressed loans transferred during the year:

Particulars	For the year ended 31 March 2023			For the year ended 31 March 2022		
	To Asset Reconstruction Companies (ARC)			To Asset Reconstruction Companies (ARC)		
	NPA	SMA	Total	NPA	SMA	Total
Number of accounts	25,34,246	NIL	25,34,246	NIL	NIL	NIL
Aggregate principal outstanding of loans transferred (₹ in crore)	2,375.00	NIL	2,375.00	NIL	NIL	NIL
Weighted average residual tenor of the loans transferred (in years)	1.30	NIL	1.30	NIL	NIL	NIL
Net book value of loans transferred (at the time of transfer) (₹ in crore)	1,316.76	NIL	1,316.76	NIL	NIL	NIL
Aggregate consideration (₹ in crore)	603.00	NIL	603.00	NIL	NIL	NIL
Additional consideration realized in respect of accounts transferred in earlier years	NIL	NIL	NIL	NIL	NIL	NIL
Excess provisions reversed to the Profit and Loss Account on account of sale	NIL	NIL	NIL	NIL	NIL	NIL

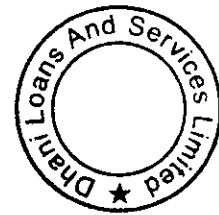
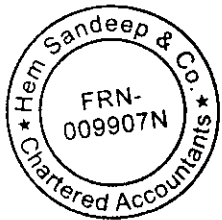
(c) The Company has not acquired any stressed loan during the year ended 31st March 2023.

**Note - 56**

Details on recovery ratings assigned for Security Receipts as on 31st March 2023:

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Anticipated recovery as per recovery rating	Amount (₹ in Lakhs)	Anticipated recovery as per recovery rating	Amount (₹ in Lakhs)
RR1	100% - 150%	32,610.38	100% - 150%	17,500.00
Total		32,610.38		17,500.00

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**DHANI LOANS AND SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

**Note - 57**
**Employee stock option schemes:**

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

**A. Grants during the year:**

The Holding Company has established the "Udaan Employee Welfare Trust" ("Udaan - EWT") ("Trust") for the implementation and management of its employees benefit scheme viz. the "Dhani Services Limited - Employee Stock Benefit Scheme - 2008 & 2009" (Scheme) for the benefit of its employees and its subsidiaries. Pursuant to Regulation 3(12) of the SEBI (Share Based Employee Benefits) Regulations, 2014, fully paid up equity shares of 1,16,00,000 (One crore sixteen lakh) lying in the Trust have been appropriated towards the Scheme for grant of Employees Stock Options (ESOPs) to the employees of the Holding Company and its subsidiaries. The Holding Company has granted 18,00,000 and 98,00,000 employees stock options under DSL ESOP-2008 and DSL ESOP-2009 schemes respectively. Detail of same is as below:

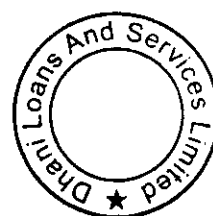
Name of Scheme	DSL ESOP - 2008	DSL ESOP - 2009
No. of options	18,00,000	98,00,000
Exercise price (₹)	30	30

**B. Employees Stock Options Schemes:**
**(i) Employees Stock Option Scheme - 2008 (DSL ESOP -**

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

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

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**DHANI LOANS AND SERVICES LIMITED**

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

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

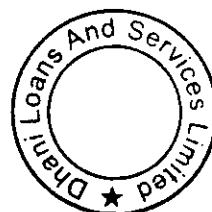
**Note - 57**

**Employee Stock Option Schemes (continued)**

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

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

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



**DHANI LOANS AND SERVICES LIMITED**

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

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

Note - 57

**Employee Stock Option Schemes (continued)****(iii) Dhani Services Limited - Employee Stock Benefit Scheme 2019 ("Scheme") ("DSL-ESBS 2019")**

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

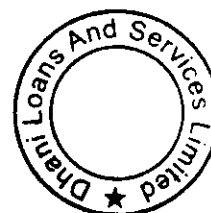
This Scheme comprises:

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

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

	<u>DSL-ESBS 2019</u>
Total options under the Scheme (Nos.)	1,05,00,000
Options granted (Nos.)	1,04,00,000
Vesting period and percentage	Three years, 33.33% each year
Vesting date	17 <sup>th</sup> 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 2021 (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.)	-
<b>Outstanding as at 31 March 2022 (Nos.)</b>	<b>1,04,00,000</b>
Vested and exercisable as at 31 March 2022 (Nos.)	34,66,667
Remaining contractual life (Weighted Months)	65
<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 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)	-

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**DHANI LOANS AND SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

**Note - 57****Employee Stock Option Schemes (continued)****(iv) Dhani Services Limited - Employee Stock Benefit Scheme 2020 ("Scheme") ("DSL-ESBS 2020").**

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

This Scheme comprises:

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

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

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

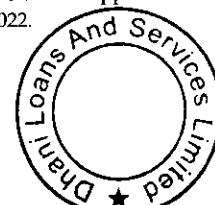
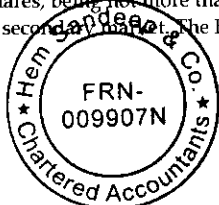
**(iv) Dhani Services Limited - Employee Stock Benefit Scheme 2021 ("Scheme") ("DSL-ESBS 2021").**

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

This Scheme comprises:

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

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



**DHANI LOANS AND SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 57

**Employee Stock Option Schemes (continued)**
**C. Fair Valuation:**

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

	97,00,000 Options Regranted	DSL ESOP - 2008 8,80,600 Options Regranted	18,00,000 Options Regranted
1. Exercise price (₹)	24.15	254.85	68.00
2. Expected volatility *	42.97%	47.15%	69.05%
3. Option Life (Weighted Average) (in years)	6	6	6
4. Expected Dividends yield	10.82%	1.10%	1.01%
5. Risk Free Interest rate	7.45%	7.56%	5.50%
6. Fair value of the options (₹)	4.31	130.05	34.58

	20,50,000 Options	DSL ESOP - 2009 95,00,000 Options Regranted	1,00,00,000 Options Regranted
1. Exercise price (₹)	31.35	16	219.65
2. Expected volatility *	48.96%	40.74%	46.70%
3. Expected forfeiture percentage on each	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 98,00,000 Options	DSL-ESBS 2020 93,00,000 SARs	DSL-ESBS 2019 1,04,00,000 SARs
1. Exercise price (₹)	68	250	250
2. Expected volatility *	69.05%	76.57%	68.45%
3. Expected forfeiture percentage on each	6	Nil	Nil
4. Expected dividends yield	1.01%	1.26%	1.71%
5. Risk free interest rate	5.50%	4.36%	4.17%
6. Fair value of the options (₹)	34.58	65.82	55.49

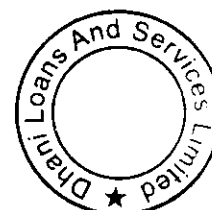
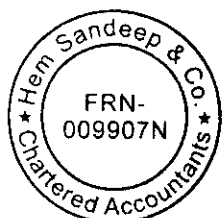
\* The expected volatility was determined based on historical volatility data.

	DSL ESOP - 2008 & 2009 18,00,000 and 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	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 recognised reversal of Share based payments expense to employees of ₹ 3,905.79 lakh (31 March 2022: expense of ₹ 2,502.91 lakh) in the Standalone Statement of Profit and loss for the year ended 31 March 2023.



**DHANI LOANS AND SERVICES LIMITED**  
Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

**Note -58**  
Disclosed with regard to CSR Activities pursuant to MCA notification dated 24th March 2021

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Amount required to be spend by the company during the year	-	333.50
(b) Amount of expenditure incurred	-	333.50
(c) Shortfall at the end of the year	-	-
(d) Total of previous year shortfall	-	-
(e) Reason for the shortfall	-	-
(f) Nature of CSR activities	NA	Free distribution of medicines including health care services
(g) Details of related parties transactions	-	-
(h) Movements in the provision during the year.	-	-

**Note -59**  
Loans to Directors, Senior Officers and relatives of Directors (Amount in ₹ crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

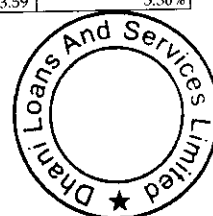
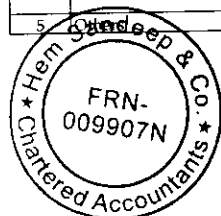
**Note -60**  
Disclosures under Scale Based Regulation pursuant to RBI Circular RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated 19 April 2022:

**A) Exposure:**  
1) Exposure to real estate sector: Refer note 51 vi. (a)

Particulars	As at 31 March 2023	As at 31 March 2022
i. direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
ii. advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii. advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv. advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
v. secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi. loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii. bridge loans to companies against expected equity flows / issues;	-	-
viii. Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix. Financing to stockbrokers for margin trading	-	-
x. All exposures to Alternative Investment Funds:	-	-
a) Category I	-	-
b) Category II	-	-
c) Category III	-	-
xi. All exposures to venture capital funds (both registered and unregistered)	-	-
<b>Total exposure to capital market</b>	-	-

3) Sectoral exposure: (Amount in ₹ crore)

Sr.	Sectors	As at 31 March 2023			As at 31 March 2022		
		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1	Agriculture and Allied Activities	-	-	0%	-	-	0%
2	Industrv	-	-	0%	-	-	0%
3	Services	262.64	7.48	2.85%	441.32	52.22	11.83%
4	Personal Loans	88.25	50.52	57.25%	2,068.01	435.72	21.07%
5		1,068.26	0.42	0.04%	1,199.08	63.59	5.30%





**DHANI LOANS AND SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

**Note - 60**

Disclosures under Scale Based Regulation pursuant to RBI Circular RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated 19 April 2022:

**4) Intra-group exposures:**

(Amount in ₹ crore)

Particulars	As at	As at
	31 March 2023	31 March 2022
i) Total amount of intra-group exposures	411.00	-
ii) Total amount of top 20 intra-group exposures	411.00	-
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	28.96%	NA

**5) Unhedged foreign currency exposure:**

The Company has no unhedged foreign currency exposures as on 31 March 2023 (31 March 2022: Nil) (Refer note- 54 b)

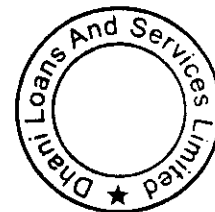
**B) Disclosure of Complaints:**

**1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman**

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Complaints received by the NBFC from its customers</b>		
1. No. of complaints pending at the beginning of the year	396	265
2. No. of complaints received during the year	10,961	9,857
3. No. of complaints disposed during the year	11,335	9,726
3.1 of which, number of complaints rejected by the NBFC	-	-
4. No. of complaints pending at the end of the year	22	396
<b>Maintainable complaints received by the NBFC from Office of Ombudsman</b>		
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	2,604	2,802
5.1 of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	2,553	2,743
5.2 of 5, number of complaints resolved through conciliation/ mediation/ advisories issued by Office of Ombudsman	51	59
5.3 of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
<b>6. Number of Awards unimplemented within the stipulated time (other than those appealed)</b>	-	-

**2) Top five grounds of complaints received by the NBFCs from customers:**

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
<b>Current year</b>					
KYC Mis-Use	57	3,043	144.00	4	-
DOF Cancellation	17	539	(11.00)	-	-
EMI Payment Related	74	483	(70.00)	-	-
DOF Subscription Charges Related	11	224	(74.00)	-	-
Dhani Pay Wallet Related	26	78	(84.00)	-	-
Others	211	6,594	30.00	13	-
<b>Total</b>	<b>396</b>	<b>10,961</b>		<b>17</b>	<b>-</b>
<b>Previous year</b>					
KYC Mis-Use	-	1,249	NA	57	2
DOF Cancellation related	1	607	NA	17	1
EMI Payment Related	45	1,589	2.00	74	4
DOF Subscription Charges Related	-	856	NA	11	1
Dhani Pay Wallet Related	27	498	(12.00)	26	-
Others	192	5,058	53.00	211	23
<b>Total</b>	<b>265</b>	<b>9,857</b>		<b>396</b>	<b>31</b>



**DHANI LOANS AND SERVICES LIMITED**

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

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

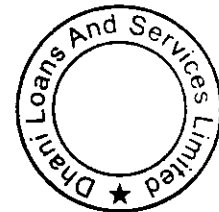
**Note -61**  
Disclosure relating to Securitisation pursuant to Reserve Bank of India notification RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 dated 24 September 2021 for Non-STC Securitisation transactions.

Particulars	(Amount in ₹ crore)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
A) For Non-STC Securitisation transactions:		
1. No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	1	-
2. Total amount of securitised assets as per books of the SPEs	79.83	-
3. Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
i) Off-balance sheet exposures		
- First loss	-	-
- Others	-	-
ii) On-balance sheet exposures		
- First loss	16.88	-
- Others	-	-
4. Amount of exposures to securitisation transactions other than MRR		
a) Off-balance sheet exposures		
- Exposure to own securitisations	-	-
- First loss	-	-
- Others	-	-
- Exposure to third party securitisations	-	-
- First loss	-	-
- Others	-	-
b) On-balance sheet exposures		
- Exposure to own securitisations	-	-
- First loss	-	-
- Others	-	-
- Exposure to third party securitisations	-	-
- First loss	-	-
- Others	-	-
5. Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation		
6. Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.		
7. Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent 60 etc. Mention percent in bracket as of total value of facility provided		
Investment in Series A2 PTC		
(a) Amount paid	16.88	-
(b) Repayment received	-	-
(c) Outstanding amount	16.88	-
8. Average default rate of portfolios observed in the past.		
9. Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.		
(a) Number	-	-
(b) Amount	-	-
10. Investor complaints:		
(a) Directly/Indirectly received	-	-
(b) Complaints outstanding	-	-

B) For STC (Simple, transparent and comparable) Securitisation Transactions: Not applicable

**Note -62**  
**Breach of covenant:**

The Company has not breached any covenant of loan availed or debt securities issued.



**DHANI LOANS AND SERVICES LIMITED**

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

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

**Note -63**

Disclosures pursuant to RBI (Scale based Regulation) Circular - RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated 19th April 2022:

- A) The additional provisioning requirements assessed by RBI (or National Housing Bank(NHB) in the case of Housing Finance Companies) exceeds 5% of the reported profits before tax and impairment loss on financial instruments for the reference period.  
Not applicable
- B) Additional Gross NPAs identified by RBI exceeds 5 per cent of the reported Gross NPAs for the reference period.  
Not applicable

**Divergence in Asset Classification and Provisioning**

Sr.	Particulars	Amount
1.	Gross NPAs as on 31 March 2022 as reported by the Company	Not applicable
2.	Gross NPAs as on 31 March 2022 as assessed by the Reserve Bank of India	
3.	Divergence in Gross NPAs (2-1)	
4.	Net NPAs as on 31 March 2022 as reported by the Company	
5.	Net NPAs as on 31 March 2022 as assessed by the Reserve Bank of India	
6.	Divergence in Net NPAs (5-4)	
7.	Provisions for NPAs as on 31 March 2022 as reported by the Company	
8.	Provisions for NPAs as on 31 March 2022 as assessed by the Reserve Bank of India	
9.	Divergence in provisioning (8-7)	
10.	Reported Profit before tax and impairment loss on financial instruments for the year ended 31 March 2022	
11.	Reported Net Profit after Tax (PAT) for the year ended 31 March 2022	
12.	Adjusted (notional) Net Profit after Tax (PAT) for the year ended 31 March 2022 after considering the divergence in	

\* 31 March 2022 is the close of the reference period in respect of which divergences were assessed

**Note - 64**

Related Party disclosures under Scale Based Regulation pursuant to RBI Circular RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated 19 April 2022:

Refer note - 45 for related party transactions

**Note - 65**

As at 31 March 2023, there were no dues required to be credited to the Investor Education and Protection Fund under Section 124(5) of the Act. (31 March 2022: ₹ Nil).

**Note - 66**

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

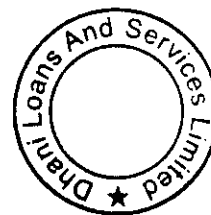
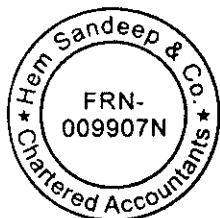
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or  
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

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

**Note - 67**

There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period, by the Company during the year ended 31 March 2023.



**DHANI LOANS AND SERVICES LIMITED**  
Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -68

Under the Scale Based Regulations (SBR) dated September 30, 2022 of Reserve Bank of India, the Company falls under the "Middle Layer (NBFC-ML)" category.  
Disclosures pursuant to RBI Circular RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 as at and for the year ended 31 March 2023:

**Corporate governance**

**1) Composition of the Board of Directors as at 31 March 2023:**

Sl. No	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Mr. Sanjeev Kashyap	01-01-2023	Executive Director & CEO	03405178	6	2	1	15.34	-	-	1 equity share as a nominee of Dhani Services Limited
2	Ms. Ritu Kapoor Puri	04-04-2022	Executive Director	09559548	6	6	1	53.90	-	-	-
3	Mr. Akhil Gupta	26-04-2022	Non-Executive Non Independent Director	09285050	6	5	NIL	-	-	-	-
4	Mr. Akshay Kumar Tiwary	28-11-2022	Non-Executive Non Independent Director	00366348	6	2	19	-	-	-	1 equity share as a nominee of Dhani Services Limited
5	Brig. Labh Singh Sitara(Retd)	14-09-2017	Chairman, Independent Director	01724648	6	6	-	-	6.00	-	-
6	Dr. Narendra Damodar Jadhav	17-11-2020	Independent Director	02435444	6	6	5	16.00	6.00	-	-

The above mentioned sitting fee is excluding GST and the remuneration is excluding post retirement benefits.

**Composition of the Board of Directors as at 31 March 2022:**

Sl. No	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Mr. Ajit Kumar Mittal	14-09-2017	Non-Executive Non Independent Director	02698115	5	4	7	-	-	-	-
2	Mr. Pinank Jayant Shah	14-09-2017	Executive Director & CEO	07859798	5	5	3	194.45	-	-	-
3	Mr. Nafees Ahmed	14-09-2017	Non-Executive Non Independent Director	03496241	5	5	7	-	-	-	-
4	Dr. Narendra Damodar Jadhav	17-11-2020	Independent Director	02435444	5	5	5	12.72	5.00	-	-
5	Brig. Labh Singh Sitara (Retd.)	14-09-2017	Independent Director	01724648	5	4	1	-	5.00	-	-
6	Ms. Preetinder Virk	04-12-2018	Non-Executive Non Independent Director	02398827	5	5	6	-	-	-	-

The above mentioned sitting fee is excluding GST and the remuneration is excluding post retirement benefits.

**Details of change in composition of the Board of Directors during the year ended 31 March 2023**

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Ms. Preetinder Virk	Non-Executive Non Independent	Resignation	04/04/2022
2	Ms. Ritu Kapoor Puri	Executive Director	Appointment	04/04/2022
3	Mr. Ajit Kumar Mittal	Non-Executive Non Independent	Resignation	26/04/2022
4	Mr. Akhil Gupta	Non-Executive Non Independent	Appointment	26/04/2022
5	Mr. Nafees Ahmed	Non-Executive Non Independent	Resignation	01/07/2022
6	Mr. Vipin Chaudhary	Non-Executive Non Independent	Appointment	01/07/2022
7	Mr. Vipin Chaudhary	Non-Executive Non Independent	Resignation	28/11/2022
8	Mr. Akshay Kumar Tiwary	Non-Executive Non Independent	Appointment	28/11/2022
9	Mr. Pinank Jayant Shah	Executive Director & CEO	Resignation	01/01/2023
10	Mr. Sanjeev Kashyap	Executive Director & CEO	Appointment	01/01/2023

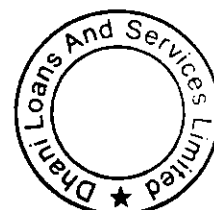
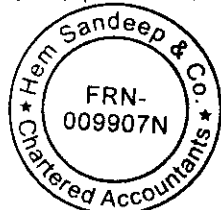
**Details of change in composition of the Board of Directors during the year ended 31 March 2022**

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Mr. Gagan Banga	Non-Executive Non Independent	Resignation	14/03/2022

**2) Committees of the Board and their composition**

i) There are following Committees of the Board:

- 1 Audit Committee
- 2 Nomination and Remuneration Committee
- 3 Stakeholders Relationship Committee
- 4 Integrated Risk Management Committee
- 5 Corporate Social Responsibility (CSR) Committee



**DHANI LOANS AND SERVICES LIMITED**  
**Notes to the standalone financial statements for the year ended 31 March 2023**  
**(All amounts are in Indian Rupees in lakh unless stated otherwise)**

**Note -68**  
**Corporate governance (continued)**

ii) For each committee, the summarized terms of reference are as per following:

**(A) Audit Committee as at 31 March 2023:**

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Brig. Labh Singh Sitara (Retd.)	03-04-2018	Chairman, Independent Director	4	4	-
2.	Dr. Narendra Damodar Jadhav	12-02-2021	Member, Independent Director	4	4	-
3.	Mr. Sanjeev Kashyap	01-01-2023	Member, Executive Director & CEO	4	1	1 equity share as a nominee of Dhani Services Limited

**Terms of reference of committees w.r.t Audit Committee:**

- To oversee the financial reporting process and disclosure of financial information;
- To review with management, 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 auditors and their remuneration;
- To review and approve required provisions to be maintained as per IRAC norms and write off decisions and regulatory requirements on Balance Sheet Disclosures;
- To hold discussions with the Auditors;
- Review and monitoring of the auditor's independence and performance and effectiveness of the audit process;
- Examination of the auditor's report on financial statements of the Company (in addition to the examination of the financial statements) before submission to the Board;
- Approval of any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings and 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 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;
- 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 whistle blower mechanism; and
- Approval to the appointment of the Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.
- Review of information system audit of the internal systems and processes to access the operational risks faced by the Company and also ensures that the information system audit of the internal systems and processes is conducted periodically.

**(B) Nomination & Remuneration Committee as at 31 March 2023:**

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Brig. Labh Singh Sitara (Retd.)	03-04-2018	Chairman, Independent Director	7	7	-
2.	Dr. Narendra Damodar Jadhav	12-02-2021	Member, Independent Director	7	7	-
3.	Mr. Akshay Kumar Tiwary	28-11-2022	Member, Non-Executive Non-Independent Director	7	2	1 equity share as a nominee of Dhani Services Limited

**Nomination & Remuneration Committee:**

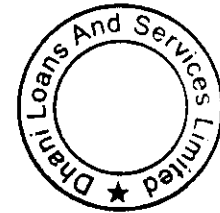
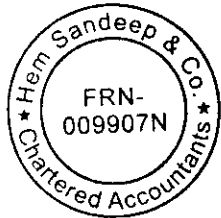
- To ensure 'fit and proper' status of all the directors on a continuing basis;
- To identify and advise Board in the matter of appointment of new Directors and senior management personnel's;
- To recommend to the Board, appointment, removal and compensation terms of the Executive Directors;
- To assist the Board in determining and implementing the Company's Policy on the remuneration of Executive Directors; and
- To review the evaluation of director's performance.

**(C) Stakeholders Relationship Committee as at 31 March 2023:**

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Akshay Kumar Tiwary	28-11-2022	Chairman, Non-Executive Non Independent Director	4	1	1 equity share as a nominee of Dhani Services Limited
2.	Brig. Labh Singh Sitara (Retd.)	12-03-2019	Member, Independent Director	4	4	-
3.	Ms. Ritu Kapoor Puri	04-04-2022	Member, Executive Director	4	4	-

**Stakeholders Relationship Committee:**

- 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.
- 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.



**DHANI LOANS AND SERVICES LIMITED**  
Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -68  
Corporate governance (continued)

**(D) Integrated Risk Management Committee as at 31 March 2023:**

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Akshay Kumar Tiwary	01-01-2023	Chairman, Non-Executive Non Independent Director	12	5	1 equity share as a nominee of Dhani Services Limited
2.	Brig. Labh Singh Sitara (Retd.)	01-01-2023	Member, Independent Director	12	5	-
3.	Ms. Ritu Kapoor Puri	01-01-2023	Member, Executive Director	12	5	-
4.	Mr. Sanjeev Kashyap	25-04-2019	Member, Executive Director & CEO	12	12	1 equity share as a nominee of Dhani Services Limited
5.	Mr. Amit Kirdo	01-01-2023	Member	12	5	-
6.	Mr. Rajeev Lochan Agrawal	01-01-2023	Member, Chief Financial Officer	12	5	-
7.	Mr. Sumit Garg	01-01-2023	Member	12	5	-

**Integrated Risk Management Committee:**

- Approve the Credit/Operation Policy and its review / modification from time to time.
- Review of Customer complaints received by Regulators, Courts, Legal body or internal complaints.
- Review of Grievance Redressal Mechanism and Customers Services.
- Review of applicable regulatory requirements.
- Approve all the functional policies of the Company.
- Review of Branch Audit Report/ Concurrent Audit Report of Treasury.
- Review Compliances of lapses.
- Place appropriate mechanism in the system to cater Fraud while dealing with customers/ approval of loans etc.
- Review of profile of the high loan Customers and periodical review of the same.
- Review of implementation of FPCs, KYC and PMLA guidelines.
- Define loan sanctioning authorities for various types/values of loans.
- Any other matter involving Risk to the asset /business of the Company.
- Evaluation of the risk management systems (in addition to the internal control systems).

**(E) Corporate Social Responsibility (CSR) Committee as at 31 March 2023:**

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Akshay Kumar Tiwary	01-01-2023	Chairman, Non-Executive Non Independent Director	1	-	1 equity share as a nominee of Dhani Services Limited
2.	Brig. Labh Singh Sitara (Retd.)	14-09-2017	Member, Independent Director	1	1	-
3.	Ms. Ritu Kapoor Puri	04.04.2022	Member, Executive Director	1	1	-

**Corporate Social Responsibility (CSR) Committee**

- 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.

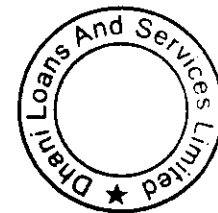
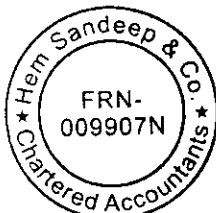
ii) For each committee, the summarized terms of reference are as per following for the year ended 31 March 2022:

**(A) Audit Committee as at 31 March 2022:**

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Brig. Labh Singh Sitara (Retd.)	03-04-2018	Chairman, Independent Director	4	4	-
2.	Dr. Narendra Damodar Jadhav	12-02-2021	Member, Independent Director	4	4	-
3.	Mr. Ajit Kumar Mittal	14-09-2017	Member, Non-Executive Non Independent Director	4	3	-

**Audit Committee Composition:**

- To oversee the financial reporting process and disclosure of financial information;
- To review with management, 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 auditors and their remuneration;
- To review and approve required provisions to be maintained as per IRAC norms and write off decisions and regulatory requirements on Balance Sheet Disclosures;
- To hold discussions with the Auditors;
- Review and monitoring of the auditor' independence and performance and effectiveness of the audit process;
- Examination of the auditor' report on financial statements of the Company (in addition to the examination of the financial statements) before submission to the Board;
- Approval of any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings and 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 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;
- 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 whistle blower mechanism; and
- Approval to the appointment of the Chief Financial Officer after assessing the qualifications , experience and background etc. of the candidate.
- Review of information system audit of the internal systems and processes to access the operational risks faced by the Company and also ensures that the information system audit of the internal systems and processes is conducted periodically.



**DHANI LOANS AND SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -68

Corporate governance (continued)

**(B) Nomination & Remuneration Committee as at 31 March 2022:**

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Brig. Labh Singh Sitara (Retd.)	03-04-2018	Chairman, Independent Director	1	1	-
2.	Dr. Narendra Damodar Jadhav	12-02-2021	Member, Independent Director	1	1	-
3.	Mr. Ajit Kumar Mittal	14-09-2017	Member, Non-Executive Non Independent Director	1	1	-

**Nomination & Remuneration Committee Composition:**

- To ensure 'fit and proper' status of all the directors on a continuing basis;
- To identify and advise Board in the matter of appointment of new Directors and senior management personnel;
- To recommend to the Board, appointment, removal and compensation terms of the Executive Directors;
- To assist the Board in determining and implementing the Company's Policy on the remuneration of Executive Directors; and
- To review the evaluation of director's performance.

**(C) Stakeholders Relationship Committee:**

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Brig. Labh Singh Sitara (Retd.)	12-03-2019	Chairman, Independent Director	4	4	-
2.	Mr. Nafees Ahmed	12-03-2019	Member, Non-Executive Non-Independent Director	4	4	-
3.	Ms. Preetinder Virk	12-03-2019	Member, Non-Executive Non-Independent Director	4	4	-

**Stakeholders Relationship Committee Composition:**

- 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 dividend issue of new/duplicate certificates, general meetings etc.
- 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/sta notices by the shareholders of the Company.

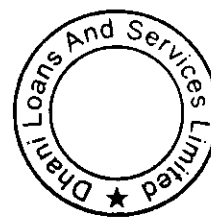
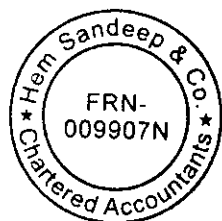
**(D) Integrated Risk Management Committee as at 31 March 2022:**

Sl.No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Ajit Kumar Mittal	14-09-2017	Chairman, Non-Executive Non-Independent Director	9	9	-
2.	Mr. Amit Ajit Gandhi	14-09-2017	Member	9	9	-
3.	Mr. Sanjeev Kashyap	25-04-2019	Member	9	9	1 equity share as a nominee of Dhani Services Limited
4.	Mr. Mahesh Arora	14-09-2017	Member	9	9	-
5.	Mr. Manish Rustagi	14-09-2017	Member, Company Secretary	9	9	-

**Integrated Risk Management Committee:**

- Approve the Credit/Operation Policy and its review / modification from time to time.
- Review of Customer complaints received by Regulators, Courts, Legal body or internal complaints.
- Review of Grievance Redressal Mechanism and Customers Services.
- Review of applicable regulatory requirements.
- Approve all the functional policies of the Company.
- Review of Branch Audit Report/ Concurrent Audit Report of Treasury.
- Review Compliances of lapses.
- Place appropriate mechanism in the system to cater Fraud while dealing with customers/approval of loans etc.
- Review of profile of the high loan Customers and periodical review of the same.
- Review of implementation of FPCs, KYC and PMLA guidelines.
- Define loan sanctioning authorities for various types/values of loans.
- Any other matter involving Risk to the asset /business of the Company.
- Evaluation of the risk management systems (in addition to the internal control systems).

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**DHANI LOANS AND SERVICES LIMITED**

Notes to the standalone financial statements for the year ended 31 March 2023  
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note -68  
Corporate governance (continued)

**(E) Corporate Social Responsibility (CSR) Committee as at 31 March 2022:**

Sl.No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Brig. Labh Singh Sitara (Retd.)	14-09-2017	Chairman, Independent Director	2	1	-
2.	Mr. Pinank Jayant Shah	14-09-2017	Member, Executive Director & CEO	2	2	-
3.	Mr. Ajit Kumar Mittal	14-09-2017	Member, Non-Executive Non-Independent Director	2	2	-
4.	Ms. Preetinder Virk	04-12-2018	Member, Non-Executive Non-Independent Director	2	2	-

**Corporate Social Responsibility (CSR) Committee:**

- 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.

**3) General Body Meetings**

**Details of the date, place and special resolutions passed at the General Body Meetings during the year ended 31 March 2023:**

Sl.No.	Type of Meeting (Annual/ Extra-Ordinary)	Date	Place	Special resolutions passed
1	Annual General Meeting	29-09-2022	1/1 E, First Floor, East Patel Nagar, New Delhi-110008.	i. Re-appointment of Mr. Pinank Jayant Shah (DIN: 07859798) as a Whole-time Director & Key Managerial Personnel of the Company, for a further period of five years, with effect from September 14, 2022. ii. Re-Appointment of Brig. Labh Singh Sitara (Retd.) (DIN: 01724648) as Independent Director of the Company for a further period of five years, with effect from September 14, 2022. iii. Issue of Non-Convertible debentures and/or bonds, of the Company, on Private Placement basis. iv. Payment of remuneration to Dr. Narendra Damodar Jadhav (DIN: 02435444), Independent Director of the Company in terms of Regulation 17(6)(ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2	Extra-Ordinary General Meeting	30-05-2022	1/1 E, First Floor, East Patel Nagar, New Delhi-110008.	Waiver of excess Managerial Remuneration paid to Mr. Pinank Jayant Shah (DIN: 07859798), Whole-time Director & CEO of the Company, for FY 2021-22.
3	Extra-Ordinary General Meeting	02-07-2022	1/1 E, First Floor, East Patel Nagar, New Delhi-110008.	
4	Extra-Ordinary General Meeting	20-02-2023	1/1 E, First Floor, East Patel Nagar, New Delhi-110008.	

**Details of the date, place and special resolutions passed at the General Body Meetings during the year ended 31 March 2022:**

Sl.No.	Type of Meeting (Annual/ Extra-Ordinary)	Date	Place	Special resolutions passed
1	Annual General Meeting	13-08-2021	M - 62 & 63, First Floor, Connaught Place, New Delhi-110001	Issue of Non-Convertible debentures and/or bonds, of the Company, on Private Placement basis.
2	Extra-Ordinary General Meeting	17-06-2021	M - 62 & 63, First Floor, Connaught Place, New Delhi-110001	To consider waiver of excess Managerial Remuneration paid to Mr. Pinank Jayant Shah, Whole-time Director, (din: 07859798)
3	Extra-Ordinary General Meeting	15-12-2021	M - 62 & 63, First Floor, Connaught Place, New Delhi-110001	i. Approval to the appointment of Brig. Labh Singh Sitara (retd.) as Independent Director, who has attained the age of more than seventy five years. ii. Authority to offer, issue and allot redeemable Convertible Preference Shares (RCPS) of the Company.

**4) Details of non-compliance with requirements of Companies Act,**

The Company has not defaulted in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards except in respect of utilisation of securities premium as disclosed in note 22.

**Note - 69**

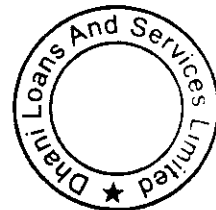
The Company did not enter into any transactions which are not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

**Note - 70**

The Company has not traded or invested in crypto currency or virtual currency during the financial year ended March 31, 2023 (31 March 2022: ₹ Nil).

**Note - 71**

The Company has complied with the RBI Directions, 2016 to the extent applicable, except in respect of utilisation of securities premium account to create provision for impairment for expected credit losses (Refer Note 22).





**DHANI LOANS AND SERVICES LIMITED**

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

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

**Note - 72**

The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2023 (31 March 2022: ₹ Nil).

**Note - 73**

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

**Note - 74**

There are no borrowing costs to be capitalised as at 31 March 2023 (31 March 2022: ₹ Nil).

**Note - 75**

The company 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.

**Note - 76**

There are no proceedings which have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**Note - 77**

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

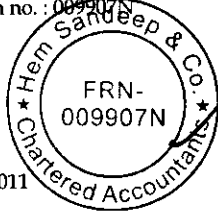
In terms of our report of even date attached.

**For Hem Sandeep & Co**  
Chartered Accountants

ICAI Firm registration no.: 009907N

  
Ajay Sardana  
Partner

Membership No.: 089011



**For and on behalf of the Board of Directors**



Sanjeev Kashyap  
Whole Time Director &  
Chief Executive Officer  
DIN: 03405178



Akshay Kumar Tiwary  
Director  
DIN: 00366348



Rajeev Lochan Agrawal  
Chief Financial Officer



Manish Rustagi  
Company Secretary

Place: New Delhi  
Date: 26 May 2023

Place: Gurugram  
Date: 26 May 2023

