



**DHARNI Capital
Services Limited**

ANNUAL REPORT 2023-24





CORPORATE INFORMATION

BOARD OF DIRECTORS

MR. HEMANT DHARNIDHARKA
Managing Director

MS. PREETI SARAOGI
Non-Executive Director

MR. JAIDEEP MITTRA
Non-Executive And Independent Director

MR. VINAY AGARWAL
Non-Executive And Independent Director

REGISTERED OFFICE

816, 7TH FLOOR, OXFORD TOWERS,
OLD AIRPORT ROAD, KODIHALLI,
BANGALORE - 560008 KA IN
Email: info@dharnigroup.com
Website: www.dharnicapital.com
Tel.: 9945164270

SECRETARIAL AUDITOR

M/S RONAK JHUTHAWAT & CO.,
328, Samriddhi Complex, 3rd Floor,
Above Udaipur Urban Co-Operative Bank,
Opp. Krishi Upaz Mandi, Sector-11,
Main Road, Udaipur-313001
Email: csronakjhuthawat@gmail.com

STOCK EXCHANGE

BSE LIMITED
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai -400001

COMPANY SECRETARY & COMPLIANCE OFFICER

MS. ANTIMA KATARIA

CHIEF FINANCIAL OFFICER

MR. PRAMOD KUMAR DHARNIDHARKA

STATUTORY AUDITOR

M/S BSD & Co
No. 14/3, 10th C Main, Jayanagar,
1st Block, Near Ashoka Pillar,
Begaluru-560011

Registrar And Transfer Agents

CAMEO CORPORATE SERVICES LIMITED
'Subramanian Building', No.1,
Club House Road, Chennai-600 002
E-mail: investor@cameoindia.com
Website: www.cameoindia.com

DEPOSITORIES

**NATIONAL SECURITIES DEPOSITORY
LIMITED (NSDL)**

Trade World, 4th Floor, Kamala
Mills, Mumbai-400013

CENTRAL DEPOSITORY SERVICES LIMITED (CDSL)

17th Floor, P J towers, Dalal
Street, Mumbai-400001





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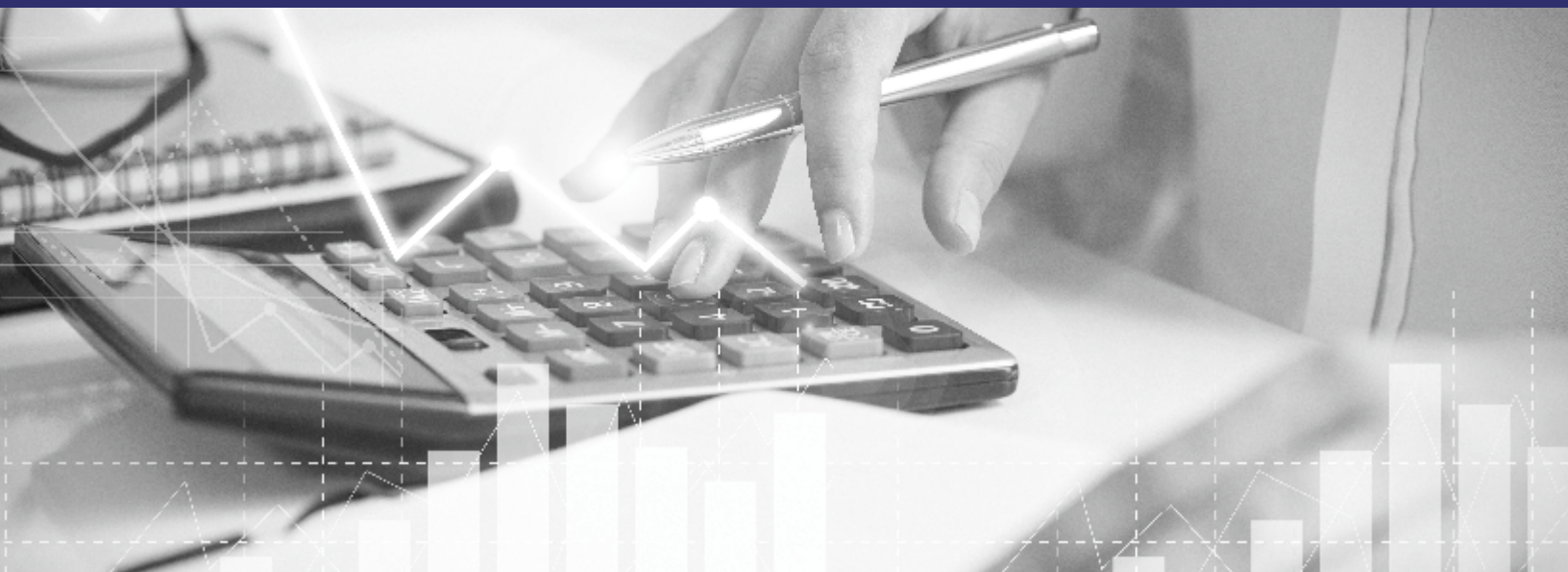
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REVENUE

₹ 819.81

LAKHS

PAT

₹ 293.85

LAKHS

NET WORTH

₹ 1713.65

LAKHS

₹ 957.47

LAKHS

₹ 310.71

LAKHS

₹ 1730.51

LAKHS

CONSOLIDATED
REVENUECONSOLIDATED
PATCONSOLIDATED
NET WORTH

FINANCIAL PERFORMANCE

FY 2023-24

H I G H L I G H T S



STATISTICS



MISSION



Our Mission Is To Help Our Clients Prosper By Providing Them With A Wide Array Of Professional Business And Individual Services, Products, And Solutions To Help Them Better Manage Their Finances. We Endeavour To Provide Superior Client Service And Build Long-term Client Relationships.

VISION



Our vision is to deliver financial solutions that fulfil today's needs and tomorrow's dreams. We strive to create long-term value for our customers, employees and investors.

PHILOSOPHY



Our values are anchored around our business ethics, consumer focus and corporate responsibility towards society at large.

Catch the Market Intelligently through us

When it comes to investment for the future...

When you want to minimise your risks....

When you want to have the requisite liquidity...

You should ensure that that your hard earned money is with the right people,

Who will consider the three parameters of Investment –

“Safety, Liquidity and Returns”

You are the creator of your Realities,

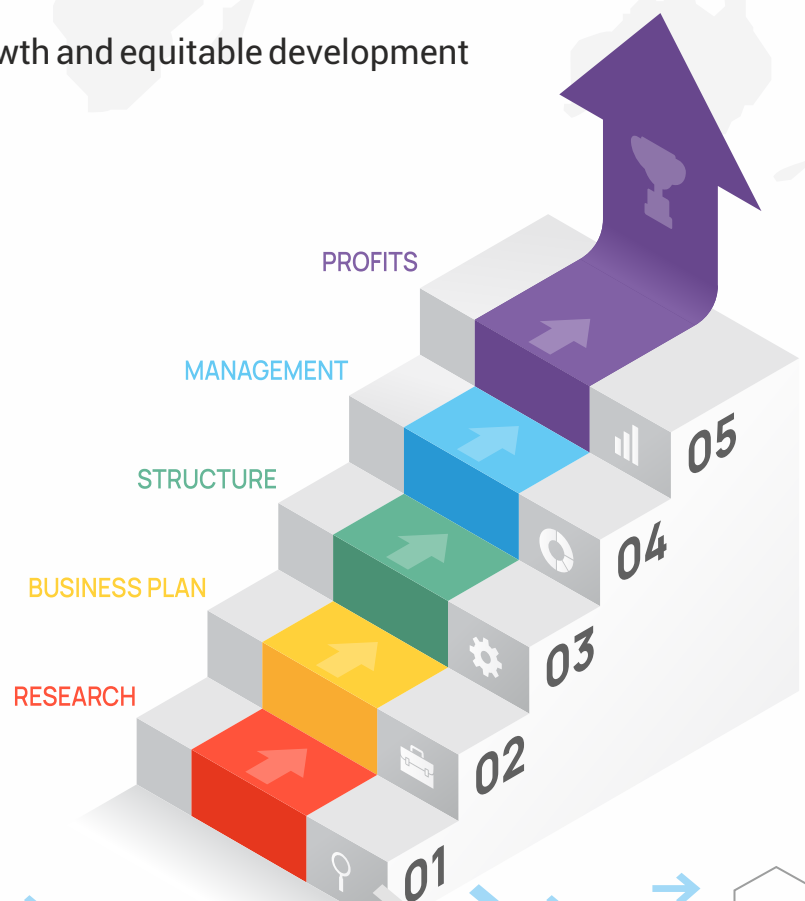
We are there with you ...



PRINCIPLES

FOLLOWED BY US FOR SUCCESSFUL BUSINESS

1. Dharni conducts and govern themselves with ethics, transparency and accountability
2. Dharni provides services to make the customer's future bright
3. Dharni promotes the wellbeing of all employees.
4. Dharni respects the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
5. Dharni respects and promotes human rights
6. Dharni respects, protect and make efforts to restore the environment
7. Dharni supports inclusive growth and equitable development





OUR OFFERINGS

MUTUAL FUND INVESTMENTS

1

Get a choice of over 300 Fund Schemes, offered by more than 10 Fund Houses. When you invest in Mutual Funds through us, you can rest assured that they are "TRUE TO LABEL", have sound risk Management Practices & comply with all regulatory requirements.

FIXED DEPOSITS

2

We are Distributor of Corporate Fixed Deposits issued by HDFC Ltd, Shriram Finance Limited, PNB Housing Finance Limited, etc.

There FDs generally give a rate of interest which is higher than the FD rates given by Banks.

REAL ESTATE INVESTORS

3

The Real Estate Investments unit provided unbiased opinion on various real estate investment opportunities available to Individual and Corporations. Be it your Dream home or a long term investment, our team takes a balanced approach to maximize value.

FINANCIAL ADVISORY SERVICES

4

We provide bespoke advisory services for various financial transactions, based upon the requirements of the client. Our Services include Financial Restructuring, Fund Raising, Succession planning and Estate Planning.

TECHNICAL CONSULTING AND OUTSOURCING

5

Technical Services – Our Company provides technical consultancy and outsourcing services. Our Company takes projects from the clients and thereafter sub-distributes the same to various professional individual and organizations.

We have a good network of professionals including IIT Graduates, IIM Graduates, Chartered Accountants and other experienced personnel, who deliver these projects to the clients. The invoicing is done by the Company on its own name and thereafter appropriate fees is paid to the individual professionals and organizations owned and run by such professionals.



BOARD OF DIRECTORS

Hemant Dharnidharka as Founder of DHARNI Group, is heading the overall operations of the Group. He has been responsible for developing large strategic business endeavors for DHARNI Group and has been very successful with collaborating and creating relationships.

Hemant is a Commerce Graduate from St. Xavier's College, Kolkata and MBA (Finance and Strategy) From IIM-Lucknow. He has also completed Chartered Accountancy and Company Secretary Courses. He also possesses Certification from Association of Mutual Funds of India (AMFI) in Mutual Funds, NCFM Certification in Derivatives. He has an overall Experience of 19 years in the Finance Industry. He was last working as Managing Director with SJS Markets in Bangalore. He has previously worked with YL eServices, Frontline Analysts, Cadbury and Citibank.



HEMANT DHARNIDHARKA
MANAGING DIRECTOR
(DIN: 07190229)



PREETI SARAOGI
WOMAN DIRECTOR
(DIN: 07339758)

Preeti Saraogi is non-executive director on the Board of DHARNI. She is associated with the Company since its incorporation.

Preeti Saraogi is a promoter of Dharni Capital and wife of Mr. Hemant Dharnidharka. She has been involved with the Company's activities since the inception of the Company. Preeti is a B.com Graduate and has done her Postgraduate Diploma in Human Resource Management in 2010. She handles HR and admin matters at the company.



Maj. Gen. Jaideep Mittra is Independent Non-Executive Director appointed in the board meeting dated 08.08.2022.

Maj Gen Jaideep Mittra retired from the Indian Army after nearly four Decades of service to the Nation. A product of the National Defence Academy and a graduate of the Defence Services Staff College. During his chequered career with the Army, he has held various prestigious Command, Staff, Instructional and Extra Regimental assignments. He has had numerous operational experiences in North East, J&K, IPKF (Sri Lanka) and in Kargil. He was also selected to represent the Country as part of the United Nations Military Observer Group (UNIMOG) in Iran. Logistics, Supply Chain Management, Personality Evaluation and Public Relations are his core competencies. A Qualified Interviewer from DIPR (Defence Institute of Psychological Research) who held two tenures in Selection Centre which select potential officers into Indian Army. Post retirement he has interviewed Senior Management Level officers for MNCs.



**MAJ. GEN. JAIDEEP MITTRA
(RETD.)**

INDEPENDENT DIRECTOR
(DIN: 08233924)

A qualified Independent Director from the Institute of Directors, Maj Gen Jaideep Mittra has held various assignments with Corporate Sector post retirement.



VINAY AGARWAL
INDEPENDENT DIRECTOR
(DIN: 09630941)

Vinay was appointed as on 10.08.2022 as Independent Non-Executive Director of the Company.

Vinay Agarwal is a Commerce Graduate from St. Xavier's College, Kolkata. He is a Chartered Accountant since 2009 and has also done CFA (Chartered financial analyst) from ICFAI Hyderabad. He has an overall Experience of 10 years in the Manufacturing Industry.

Vinay Agarwal is the Proprietor of Vansh Traders (Garment Manufacturing Firm, Brand: OXFORD). As a supplier to large corporates, he has a good experience of dealing with corporate houses. He brings an objective view towards strategic business decisions for Dharni Capital Services Limited.



Pramod was appointed as Chief Financial Officer of the Company vide Board Resolution dated 08.08.2022. He is having experience in liability/funding side of business from 40 years. He carries a mandate to strengthen business of the Company.

He has done Bachelor of Legislative Law.



PRAMOD DHARNIDHARKA
CHIEF FINANCIAL OFFICER
(PAN: ACNPD3571G)



ANTIMA KATARIA
COMPANY SECRETARY
M. No. A53005

Antima Kataria is Company secretary of the Company appointed as on 03.10.2023 on the Board of Dharni. She has command over secretarial matters, legal due diligence, incorporations, drafting and vetting of various Legal agreements & Documents & Secretarial Audit of Listed unlisted Companies, Startup registration, NBFC Compliances, Scrutinizing of General Meeting, Conversion of Loan into Equity, Shifting of Registered office from one state to another.

She is an associate member of the Institute of Company Secretaries of India, Bachelor of Law, Bachelor of Commerce & Diploma in labour law.



MESSAGE FROM CHAIRMAN

DEAR SHAREHOLDERS,

India's resilience in the face of global uncertainties has been remarkable, and our company has navigated these challenges with steadfast purpose and commitment to creating value for all stakeholders.

Looking ahead, we remain dedicated to responsible growth and leadership. Despite global economic fluctuations, we maintain cautious optimism, buoyed by robust domestic growth and stable global financial markets.

Financially, our company has achieved significant milestones this year. We recorded a remarkable 74.37% year-on-year growth in consolidated revenues, reaching Rs 819.81 Lakhs, alongside a 160.97% increase in consolidated PAT to Rs 310.71 Lakhs. These achievements underscore our operational excellence and strategic focus.

Sustainability remains a cornerstone of our business strategy. We continue to integrate sustainable practices across our operations, aiming to reduce our carbon footprint and enhance environmental stewardship.

Our purpose is not just a guiding principle but a commitment that infuses everything we do. It drives us forward, inspiring us to undertake greater challenges and achieve enduring success.

We extend our heartfelt gratitude to our stakeholders, business associates, and government partners for their unwavering support. The dedication of our director and the whole team has been instrumental in our growth journey. Lastly, we sincerely thank you, our shareholders, for your continued trust and confidence.

Together, we look forward to seizing new opportunities, navigating challenges, and creating shared value in the years ahead.

Thank you once again for your ongoing support!

Yours Truly,

HEMANT DHARNIDHARKA

Chairman & Managing Director



HEMANT DHARNIDHARKA

Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS 2023-24

GLOBAL ECONOMIC REVIEW

During the disinflation period of 2023-24, the global economy showcased remarkable resilience, maintaining robust economic activity. Factors such as increased government spending, undiminished household consumption, and an unforeseen expansion in labour force participation have contributed to this steady growth. According to the April 2024 World Economic Outlook publication, titled 'Steady but Slow: Resilience amid Divergence', global growth is at 3.1% in 2023 and is projected to continue at the same pace in 2024 and 2025. The pace of expansion is low by historical standards due to persistent challenges, which include near-term factors such as high borrowing costs and withdrawal of fiscal support, alongside longer-term effects stemming from the COVID-19 pandemic and geopolitical tensions. The unabating conflict between Russia and Ukraine and the war between Israel and Gaza seeded the possibility of sustained disruptions to regional trade in food, energy and other commodities while, the slowdown in the Chinese economy posed a risk to the pace of overall global economic activity.

The outlook for global growth remains modest, with estimates projecting a continuation of the current pace in the coming years. Inflation is expected to gradually decline, with Advanced economies returning to their targets sooner than emerging markets. However, the forecast for global growth five years from now is at its lowest in decades, suggesting a slowdown in the convergence of living standards among countries.

INDIAN ECONOMIC REVIEW

In the fiscal year 2023-24, India achieved significant economic milestones amidst global adversities. Despite a slowdown in the global economy, driven by high interest rates and geopolitical tensions, India demonstrated remarkable resilience, maintaining its position as the world's fifth-largest economy. India's GDP exceeds estimates, grows at 8.2% in FY2024. This growth was propelled by robust domestic consumption, increased government capital investment, a strengthened financial sector, and stable monetary policies. The RBI has raised India's real GDP forecast for FY2025 to 7.2% from 7% earlier on prospects of improving rural and urban demand condition buoyed by monsoon forecast.

INDIAN ECONOMIC OUTLOOK (%)

Service sectors exhibited strong performances. The service sector remained resilient, with the Purchasing Managers' Index (PMI) consistently above 50, indicating sustained expansionary activity. Additionally, GST collections surged by 11.7%, reflecting robust domestic demand.

However, global geopolitical tensions, notably between Russia and Ukraine, led to elevated oil prices and grain scarcity, exacerbating global inflation. This situation affected India, prompting higher inflation rates. To counter this, the Reserve Bank of India maintained a tight monetary policy, keeping key policy rates unchanged at 6.5%, effectively managing inflation within the tolerance band, with the average CPI inflation at 5.4% during the fiscal year.

MONEY AND CAPITAL MARKET

Between April 2023 and March 2024, the National Stock Exchange (NSE) saw a significant surge in the equity cash segment's average daily turnover, increasing by over 89%, indicating strong investor demand for equity investments. The Nifty index also rose by 28.6% in FY2024. The IPO market was vibrant, with proceeds totalling US\$ 7.89 billion in CY 2023, nearly matching the previous year's US\$ 7.99 billion. This growth is driven by strong consumption demand, government capital expenditure, rapid digitisation, and supportive policies. India's stock market briefly became the world's fourthlargest in January 2024, with a

market capitalisation of US\$ 4.33 trillion. Additionally, in September 2023, JP Morgan announced India's inclusion in its Global Bond Index-Emerging Markets Global Series starting in June, highlighting confidence in India's growth potential, macroeconomic stability, and fiscal policies.

EQUITY MARKETS

The Indian stock market ended fiscal year 2024 strongly, with stocks reaching all-time highs and generating significant wealth for investors. Mid-small and PSU stocks were outperformers, while large-cap stocks also delivered multi-bagger returns. The Nifty 50 and BSE Sensex indices surged about 28.6% and 24.9%, respectively, showcasing market resilience. In November 2023, the market capitalisation of BSE-listed companies exceeded Rs. 333 lakh crore (US\$ 4 trillion) for the first time, highlighting India's growing global market prominence. The BSE Sensex's 24.9% gain in FY 2023-24 was the second-largest rise in five years. Strong economic growth, solid corporate results, and robust domestic and foreign institutional investor inflows fuelled the bullish trend. The IPO market also thrived, with 78 (mainboard) new issues. Regulatory advancements like T+1 and optional T+0 settlement cycles enhanced market efficiency and liquidity, while SEBI's reforms improved governance and investor protection.

MUTUAL FUNDS

In FY2024, India's mutual fund sector saw significant growth, reflecting changes in investor behaviour and market dynamics. According to AMFI's annual report, the number of folios hit a record 17.78 crore, with an investor base of around 4.46 crore individuals. Women accounted for 23% of investors, indicating broader demographic participation. The Assets Under Management (AUM) surged by 35% to Rs. 53.40 lakh crore by March 2024, up from Rs. 39.42 lakh crore the previous year. This Rs. 14 lakh crore increase marked the highest gain since FY2021, showcasing a shift in investor sentiment. Individual investors in equity, hybrid, and solution-oriented schemes drove this growth, representing nearly 58% of industry assets and 80% of folios by March 2024. Systematic investment plans (SIPs) further boosted growth, with monthly net inflows of approximately Rs. 19,300 crore in March 2024. For FY2024, SIP net inflows surpassed Rs. 2 lakh crore, with SIP assets comprising over 20% of industry assets and nearly 8.4 crore accounts. This robust growth highlights the maturing market and the pivotal role of mutual funds in wealth creation and financial planning.

Company Overview:

FINANCIAL PERFORMANCE

In FY 2023-24, the consolidated operational income surged from Rs. 470.14 Lakhs to Rs. 819.91 Lakhs, while the total revenue reached Rs. 925.94 Lakh a significant increase from Rs. 499.74 Lakh in FY 2022-23. During this period, Profit Before Tax (excluding extraordinary items) climbed from Rs. 159.77 Lakhs to Rs. 391.66 Lakhs. The Profit after tax for the year also saw a notable rise, amounting to Rs. 293.85 Lakhs, up from Rs. 119.06 Lakhs recorded in FY 2022-23.

CAUTIONARY STATEMENT

This document contains some statements about expected future events, financial and operating results of Dharni Capital Services Limited, which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements.

DIRECTOR'S REPORT

To,

The Members

DHARNI CAPITAL SERVICES LIMITED

The Board of Directors are pleased to present the Company's 9th Annual Report on the business & operations of the Company, together with the Audited Financial Statement for the financial year ended March 31, 2024.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMAMNCE OF THE COMPANY

The Company's financial performance for the financial year ended March 31st, 2024, is summarized as below:-

(Rs. in lakhs)

| PARTICULARS | Year Ended 31.03.2024 (Standalone) | Year Ended 31.03.2023 (Standalone) | Year ended 31.03.2024 (Consolidated) |
|--|--|--|--|
| Gross Income | 925.94 | 499.74 | 957.47 |
| Less : Finance Cost | 0.02 | 0.26 | 0.02 |
| Employee Benefit Exp. | 90.58 | 1.56 | 90.58 |
| Depreciation | 14.01 | 4.70 | 14.01 |
| Profit Before Tax | 391.66 | 159.77 | 414.18 |
| Less : Provision for taxation | 97.81 | 40.71 | 103.47 |
| Profit After tax | 293.85 | 119.06 | 310.71 |
| Balance Brought Forward from last year | 195.80 | 76.74 | 195.80 |
| Appropriations | 293.85 | 119.06 | 310.71 |
| Transferred to Statutory Reserve under Section 36(1)(viii) of the Income Tax Act, 1961 | | | |
| Transferred to General Reserve | Nil | Nil | Nil |
| Others | 1020.30 | 1020.30 | 1020.30 |
| Balance Carried over to the Balance Sheet | 1509.95 | 1216.10 | 1526.81 |

2. BUSINESS PERFORMANCE

• Standalone:

During the year the Company has generated revenue from operations of Rs. 925.94 lakhs (including other income) and earned net profit after tax Rs. 293.85 Lakhs as compared with the corresponding figures in the previous year of Rs. 499.74 Lakhs and Rs. 119.06 Lakhs respectively. The total revenue is increased by Rs.

426.2 Lakhs as compared with last year and net profit after tax is increased by Rs. 174.79 Lakhs as compared with last year.

- **Consolidated:**

During the year the Company has generated revenue from operations of Rs. 957.47 lakhs (including other income) and earned net profit after tax Rs. 310.71 Lakhs as compared with the corresponding figures in the previous year of Rs. 499.74 Lakhs and Rs. 119.06 Lakhs respectively. The total revenue is increased by Rs. 457.73 Lakhs as compared with last year and net profit after tax is increased by Rs. 191.65 Lakhs as compared with last year.

3. DIVIDEND

Your Directors are constrained not to recommend any dividend for the year under report.

4. TRANSFER TO RESERVES

During the year under review, your Company has profit of Rs. 293.85 Lakhs and an amount of Rs. 293.85 Lakhs is proposed to be retained in the Profit and Loss Account.

5. SHARE CAPITAL

- **Authorized Share Capital**

During the year, the company has not altered the Authorized share capital. Hence, the authorized share capital of the Company as at March 31, 2024 was Rs. 2,10,00,000 (Rupees Two Crore and Ten Lacs only) consisting of 2,10,00,000 (Two Crore and Ten Lacs) equity shares of Rs. 1 (Rupees One) each.

- **Issued and Paid-up Capital**

The paid-up Equity Share Capital of the company is Rs. 2,07,30,000 (divided into 2,03,70,000 Equity shares of Rs. 1/- each) as on March 31, 2024.

During the year under review the company has not issued & allotted equity.

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, apart from the loans made, guarantee given or security provided by the Company in the ordinary course of business are given in the Notes to accounts forming part of the Audited Financial Statements for the year ended March 31, 2024.

7. ADOPTION AND ALTERATION IN MEMORANDUM AND ARTICLE OF ASSOCIATION:

The Company has not made any alteration in Article of Association. However, the Company has amended in Memorandum of Association of the Company by addition in object clause in its members meeting dated 18.03.2024.

8. CHANGE IN NATURE OF BUSINESS:

There has been addition in the business activity in the main object of the Company by way of passing

special resolution in extra ordinary general meeting held on 18.03.2024 during the year under review.

9. INVESTOR COMPLAINTS AND COMPLIANCE:

The Company has not received investor complaint during the year and the same was submitted to BSE pursuant to SEBI (LODR) Regulation, 2015.

10. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

Your Company does not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there are no funds which were required to be transferred to IEPF till the date of this Report.

11. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF FINANCIAL YEAR TILL THE DATE OF REPORT:

There have been no material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

12. PROVISION OF FINANCIAL ASSISTANCE TO THE EMPLOYEES OF THE COMPANY FOR THE PURCHASE OF ITS OWN SHARES:

The company has not provided any financial assistance to its employees as per Section 67 of the Companies Act, 2013 (the 'Act').

13. SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES:

As on March 31, 2024 the Company does have one subsidiary Company as mentioned below:

| Sr. No. | Name | % of holding | Incorporation Date |
|---------|---|--------------|--------------------|
| 1 | DHARNI CONSULTING PRIVATE LIMITED (CIN: U74999KA2022PTC160562) | 100% | 27.04.2022 |

AOC-1 in accordance with first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 is attached as Annexure-I.

14. PARTICULARS OF EMPLOYEES:

In terms of Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the disclosures with respect to the remuneration of Directors, Key Managerial Personnel and Employees of the Company have been provided in Annexure II to this Board's Report. Further, statement containing details of employees as required in terms of Section 197 of the Act read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of the ensuing Annual General Meeting. A copy of the

statement may be obtained by shareholders by writing to the Company Secretary at the Registered & Corporate Office of the Company or at hemant.dharnidharka@gmail.com.

15. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read along with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption are as mentioned below:

A. Conservation of energy:

- (i) the steps taken or impact on conservation of energy; The Company does not belong to the category of power intensive industry and hence consumption of power is not significant. However, the management gives due importance to conservation of energy wherever feasible, and also reviews from time to time, the measures taken / to be taken for reduced and prudent consumption and conservation of energy.
- (ii) the steps taken by the company for utilising alternate sources of energy; Though the activities undertaken by the Company not energy intensive, the Company shall explore alternative sources of energy, as and when the necessity arises.
- (iii) the capital investment on energy conservation equipments; NIL

B. Technology absorption:

- (i) the efforts made towards technology absorption; NIL
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution; NIL
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

C. Foreign Exchange Earnings and Outgo:

Your company does not have any foreign exchange earnings and outgo during the year under review.

16. INSURANCE:

Your Company has complied with necessary requirement.

17. RISK MANAGEMENT FRAMEWORK:

The Company has laid down a well-defined Risk Management framework covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non- business risk. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

18. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Pursuant to the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a Whistle Blower Policy, which provides for a framework to report the genuine concerns against the suspected or confirmed fraudulent activities, allegations of corruption, violation of the Company's Code of Conduct.

The Company will provide adequate safeguards against victimization of persons who use this mechanism. Such persons shall have direct access to the Chairman of the Audit Committee when appropriate.

The whistle blower policy is placed on the website of the Company and can be accessed at <https://www.dharnicapital.com/investor-relations>

[Whistle Blower Policy Vigil Mechanism.pdf](#)

19. CODES AND STANDARDS

Your Company has formulated various policies and codes in compliance with provisions Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to ensure high ethical standards in the overall functioning of the organization. The said policies and codes are periodically reviewed by the Board of Directors. The key policies and codes as approved by the Board of Directors and the respective compliance there under are detailed herein below:

(a) Fair Practice Code

Your Company has in place a Fair Practice Code (FPC), which includes guidelines on appropriate staff conduct when dealing with the customers and on the organization's policies vis-à-vis client protection. During the year under review, FPC was modified by the Board and the grievance redressal mechanism within the Company was further strengthened. The following policy is placed on the website of the Company and can be accessed at <https://www.dharnicapital.com/investor-relations>

(b) Policy on Disclosure of material events and information

During the year under review, your Company has adopted the Policy on Disclosure of Material Events and Information, in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to determine the events and information which are material in nature and are required to be disclosed to the Stock Exchanges. The policy is placed on the website of the Company and can be accessed at <https://www.dharnicapital.com/investor-relations> available by name "Archival Policy"

(c) Code of Conduct for Board Members and the senior management

The Company has adopted Code of Conduct for the Board of Directors and the Senior Management Personnel to set forth the guiding principles on which the Company and its Board and Senior Management Personnel shall operate and conduct themselves with multitudinous stakeholders, government and

regulatory agencies, media and anyone else with whom it is connected. The following policy is placed on the website of the Company and can be accessed at <https://www.dharnicapital.com/investor-relations>

(d) CEO & CFO Certification

The Chief Executive Officer and Chief Financial Officer Certification as required under Regulation 17(8) read with Part B of Schedule II of the SEBI(LODR) Regulation, 2015 not applicable on the company as the company is SME company and exemption is granted to SME under Regulation-15(2) of SEBI (LODR), Regulations, 2015.

(e) Code for Prevention of Insider Trading Practices

The Company has formulated and adopted a Code for Prevention of Insider Trading Practices in accordance with the model code of conduct as prescribed under the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, as amended. The code lays down guidelines, which includes procedures to be followed and disclosures to be made while dealing in the shares of the Company. The code is applicable to the promoters, directors, senior designated employees and their dependents and the said persons are restricted from dealing in the securities of the Company during the 'restricted trading periods' notified by the Company, from time to time.

(f) Code of Business Ethics (COBE)

The Company has adopted a Code of Business Ethics (COBE) which lays down the principles and standards that govern the activities of the Company and its employees to ensure and promote ethical behavior within the legal framework of the organization.

The Company has a Policy on Prevention, Prohibition & Redressal of Sexual Harassment of Women at Workplace and an Internal Complaints Committee (ICC) has been constituted there under. The Policy's primary objective is to protect the women employees from sexual harassment at the place of work and also provides for punishment in case of false and malicious representations. During the year no complaints were received in this regard.

(g) Comprehensive Risk Management Policy

The Company is committed to manage its risk in a proactive manner and has adopted a structured and disciplined approach to risk management by developing and implementing risk management framework. With a view to manage its risk effectively your Company has in place a Comprehensive Risk Management Policy which covers a formalized Risk Management Structure, along with other aspects of risk management i.e. credit risk management, operational risk management, market risk management and enterprise risk management. The Risk Management Committee of the Board, on periodic basis, oversees the risk management systems, processes and minimization procedures of the Company.

(h) Corporate Social Responsibility (CSR) Policy

The Company has not developed or implemented any CSR initiatives. The provisions contained in section

135 of the Companies Act, 2013, as well as the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to your Company for the year under review.

(I) Remuneration Policy

The Nomination and Remuneration Committee had laid down criteria for determining Directors Qualification, Attributes and Independence of a Director, remuneration of Directors, Key Managerial Personnel and other employees and criteria for evaluation of Directors, Chairperson, Non-Executive Directors and Board and the evaluation process of the same. The following policy is attached herewith as Annexure-III and also placed on the website of the Company and can be accessed at <https://www.dharnicapital.com/investor-relations>

(j) Familiarization Programme for Independent Directors:

The objective of a familiarization programme is to ensure that the non-executive directors are updated on the business environment and overall operations of the Company. This enables the non-executive directors to make better informed decisions in the interest of the company and its stakeholders. The following policy is placed on the website of the Company and can be accessed at <https://www.dharnicapital.com/investor-relations>

20. DIRECTORS AND KEY MANAGERIAL PERSONAL

The Board of Directors of the Company comprises of Four [4] directors of which one [1] is Non Executive Directors (woman Director); One [1] is Chairman & Managing Director & Two [2] are Non- Executive Independent Director as on March 31, 2024 who brings in a wide range of skills and experience to the Board.

• **Retirement of Director by rotation**

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and Articles of Association of the company, Ms. Preeti Saraogi, Director of the Company liable to retire by rotation, has offered herself for re-appointment at the ensuing Annual General Meeting of the company. A resolution for her reappointment is being proposed at the Annual General Meeting and her Profile is included in the Notice.

• **Composition of the Board as on March 31, 2024**

| DIN | Name of Director | Category of Directors |
|----------|-------------------------|--------------------------------------|
| 07190229 | Mr. Hemant Dharnidharka | Chairman & Managing Director |
| 07339758 | Ms. Preeti Saraogi | Non-Executive Director |
| 08233924 | Mr. Jaideep Mittra | Non-Executive & Independent Director |
| 09630941 | Mr. Vinay Agarwal | Non-Executive & Independent Director |

Based on the confirmations received none of the Directors are disqualified for being appointed/re-appointed directors in terms of Section 164 the Companies Act, 2013.

During the year following changes took place in the Board of Directors / KMP of Company:

| S. No. | Name of Directors/ KMP | Designation | Appointment/ Resignation | Date of change |
|--------|------------------------|-------------------|-----------------------------|--------------------------|
| 1 | Mr. Mayank Mundhra | Company Secretary | Resignation | 26.04.2023 |
| 2 | Ms. Disha Jain | Company Secretary | Appointment Resignation | 08.05.2023 30.09.2023 |
| 3 | Ms. Antima Kataria | Company Secretary | Appointment | 03.10.2023 |

• **Declaration from Independent Directors on Annual Basis:**

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meets the criteria of their Independence as laid down in Section 149(6) and the provisions of Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

21. STOCK OPTION (ESOP)

During the year Company has not issued any stock options to its employees.

22. FORMAL EVALUATION OF THE PERFORMANCE OF THE BOARD COMMITTEE OF THE BOARD AND INDIVIDUAL DIRECTOR:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 and Part D of Schedule II to the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as working of its Audit, Nomination and Remuneration, Stakeholders' Relationship Committee. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specified duties, obligations and governance.

The exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company etc.

The Independent Directors of the Company met on March 30, 2024 without the presence of Non-Independent Directors and members of the management to review the performance of Non Independent Directors and the Board of Directors as a whole; to review the performance of the Chairman and Managing Director of the Company and to assess the quality, quantity and timeliness of flow of information between the management and the Board of Directors. The performance evaluation of the Independent Directors was carried out by the entire Board.

23. NUMBER OF THE MEETINGS OF THE BOARD

The Board met Seven (7) times during the year under review. The details of the number of meetings of the Board held during the Financial Year 2023-24 and the attendance therein is as under:

| Sr. No. | Date of Meeting | No. of Director entitled to attend meeting | No. of Directors present at the meeting |
|---------|-----------------|--|---|
| 1. | 08.05.2023 | 4 | 4 |
| 2. | 23.05.2023 | 4 | 4 |
| 3. | 25.08.2023 | 4 | 4 |
| 4. | 03.10.2023 | 4 | 4 |
| 5. | 10.11.2023 | 4 | 4 |
| 6. | 28.11.2023 | 4 | 4 |
| 7. | 20.02.2024 | 4 | 4 |

Attendance of Directors in meeting:

| Name | Category | Attendance at the Board Meetings | Attendance at AGM held on September 18, 2023 | No. of other Directorships | Committee position In India | |
|-------------------------|---|----------------------------------|--|----------------------------|-----------------------------|-----------------|
| | | | | | Chairman | Member position |
| Mr. Hemant Dharnidharka | Executive Director, Chairperson & Managing Director | 7 out of 7 | Yes | 4 | 0 | 2 |
| Ms. Preeti Saraogi | Non-Executive Director | 7 out of 7 | Yes | 3 | 0 | 1 |
| Mr. Jaideep Mittra. | Non-Executive Independent Director | 7 out of 7 | Yes | 1 | 0 | 3 |
| Mr. Vinay Agarwal | Non-Executive Independent Director | 7 out of 7 | Yes | 1 | 3 | 0 |

24. MEETING OF INDEPENDENT DIRECTOR:

During the year under review, 1 (one) meeting of Independent Directors of the Company was held on 30.03.2024 in which both independent directors were present.

The object of Independent Meeting was to review the performance of Non- Independent Director and the Board as a whole including the Chairperson of the Company. The Company assures to hold the Separate Meeting of Independent Director of the Company as earliest possible.

25. COMMITTEES OF THE BOARD

The Board of Directors of your Company have formed various Committees, as per the provisions of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as a part of the best corporate governance practices, the terms of reference and the constitution of those Committees is in compliance with the applicable laws.

In order to ensure focused attention on business and for better governance and accountability, the Board has constituted the following committees:

- **Audit Committee**

The Audit Committee was constituted in the board meeting dated 10.08.2022 with following roles and responsibilities:

- (1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) matters required to be included in the director's responsibility statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions;
 - g) modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter-corporate loans and investments;

- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (21) reviewing the utilization of loans and/ or advances from,/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- (22) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

B. The audit committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (3) internal audit reports relating to internal control weaknesses; and
- (4) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (5) statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable.
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus notice.

Composition & Meeting details of the Audit Committee:

- Mr. Vinay Agarwal (Chairman & Independent Non-Executive Director)
- Mr. Jaideep Mittra (Independent Non-Executive Director)
- Mr. Hemant Dharnidharka (Executive Director)

During the year reference, 7 (Seven) meetings of Audit Committee were held as mentioned below:

| Sr. No. | Date of Meeting | No. of Director entitled to attend meeting | No. of Directors present at the meeting |
|---------|-----------------|--|---|
| 1. | 08.05.2023 | 3 | 3 |
| 2. | 23.05.2023 | 3 | 3 |
| 3. | 25.08.2023 | 3 | 3 |
| 4. | 03.10.2023 | 3 | 3 |
| 5. | 10.11.2023 | 3 | 3 |
| 6. | 28.11.2023 | 3 | 3 |
| 7. | 20.02.2024 | 3 | 3 |

| Name of the Directors | Designation | No. of Meetings attended |
|-------------------------|------------------------------------|--------------------------|
| Mr. Hemant Dharnidharka | Managing Director | 7 out of 7 |
| Mr. Jaideep Mittra | Non-Executive Independent Director | 7 out of 7 |
| Mr. Vinay Agarwal | Non-Executive Independent Director | 7 out of 7 |

b) Nomination and Remuneration Committee :

The Nomination and Remuneration Committee was constituted in the board meeting dated 10.08.2022 with following roles and responsibilities:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- (2) For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- (3) formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- (4) devising a policy on diversity of Board of Directors;

- (5) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- (6) whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- (7) recommend to the Board, all remuneration, in whatever form, payable to senior management

| Sr. No. | Date of Meeting | No. of Director entitled to attend meeting | No. of Directors present at the meeting |
|---------|-----------------|--|---|
| 1. | 08.05.2023 | 3 | 3 |
| 2. | 03.10.2023 | 3 | 3 |
| 3. | 20.02.2024 | 3 | 3 |

| Name of the Directors | Designation | No. of Meetings attended |
|-----------------------|------------------------------------|--------------------------|
| Ms. Preeti Saraogi | Non-Executive Director | 3 out of 3 |
| Mr. Jaideep Mittra | Non-Executive Independent Director | 3 out of 3 |
| Mr. Vinay Agarwal | Non-Executive Independent Director | 3 out of 3 |

Composition & Meeting details of the Nomination and Remuneration Committee:

- Mr. Vinay Agarwal (Chairman & Independent Non-Executive Director)
- Mr. Jaideep Mittra (Independent Non-Executive Director)
- Ms. Preeti Saraogi (Director)

During the year reference, 3 (Three) meetings of NRC Committee were held as mentioned below:

c) Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee was constituted in the board meeting dated 10.08.2022 with following roles and responsibilities:

- (1) Resolving the grievances of the security holders of the listed entity 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.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrant/annual reports/statutory notices by the shareholders of the company

Composition & Meeting details of the Stakeholders' Relationship Committee:

- Composition & Meeting details of the Stakeholders' Relationship Committee:

- Mr. Vinay Agarwal (Chairman & Independent Non-Executive Director)
- Mr. Jaideep Mittra (Independent Non-Executive Director)
- Mr. Hemant Dharnidharka (Executive Director)

During the year reference, 1 (One) meetings of Stakeholders' Relationship Committee were held as mentioned below:

| Sr. No. | Date of Meeting | No. of Director entitled to attend meeting | No. of Directors present at the meeting |
|---------|-----------------|--|---|
| 1. | 30.03.2024 | 3 | 3 |

| Name of the Directors | Designation | No. of Meetings attended |
|-------------------------|------------------------------------|--------------------------|
| Mr. Hemant Dharnidharka | Managing Director | 1 out of 1 |
| Mr. Jaideep Mittra | Non-Executive Independent Director | 1 out of 1 |
| Mr. Vinay Agarwal | Non-Executive Independent Director | 1 out of 1 |

26. SHAREHOLDER'S MEETING

During the financial year ended March 31, 2024, 2 (Two) General Meetings were held. Further, details of the meetings are as under:

27. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY TRANSACTIONS

| Annual General Meeting (AGM) /Extra-Ordinary General Meeting (EGM) | Date of EGM | Location & Time | SPECIAL RESOLUTION PASSED AT THE AGM |
|--|-------------|--|--|
| AGM | 18.09.2023 | 226 BRIGADE METROPOLIS ARCADE, WHITEFIELD MAIN ROAD, GARUDACHARPALYA BANGALORE | ADOPTION OF ACCOUNTS UNDER SECTION 134 OF THE COMPANIES ACT, 2013 |
| EOGM | 18.03.2024 | 226 BRIGADE METROPOLIS ARCADE, WHITEFIELD MAIN ROAD, GARUDACHARPALYA BANGALORE | <ul style="list-style-type: none"> • TO CONSIDER AND APPROVE INCREASE IN THE LIMIT OF REMUNERATION OF MR. HEMANT DHARNIDHARKA, MANAGING DIRECTOR • TO CONSIDER AND APPROVE INCREASE IN THE LIMIT OF REMUNERATION OF MS. PREETI SARAOGI, DIRECTOR • ALTERATION IN THE OBJECT CLAUSE OF COMPANY |

In accordance with the provisions of Section 188 of the Act and rules made thereunder, the transactions entered with related parties are in the ordinary course of business and on an arm's length basis, the details with respect to the related party transactions are mentioned in the notes to the audited financial statements.

During the financial year under review, the company has not entered into material contract, arrangement or transaction with related party, as defined under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Related Party Transaction Policy of the Company. The Policy on Related party transaction is uploaded on the website of the Company. The web link of the same is <https://www.dharnicapital.com>.

Form AOC-2 as per the Related Party Transactions is not applicable to the Company.

28. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year, no complaint was received by the Company.

29. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATOR OR COURT OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

30. BSE COMPLIANCES:

The Company was listed on SME Platform of BSE Exchange as on 31st January, 2023. Further, the Company has complied with all the applicable compliances with respect to the quarterly/yearly compliances to be done during the year.

31. LISTING FEES:

Your Company has paid requisite annual listing fees to Bombay Stock Exchange (BSE) where it's equity shares are listed.

32. MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013

33. SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable secretarial standards issued by the Institute of Company Secretaries of India.

34. AUDITORS AND AUDITORS' REPORT

1. Statutory Auditors

M/S BSD & Co., Chartered Accountants (Firm Registration No. 000312S) were appointed as Statutory Auditors of the Company for a period of 5 (five) consecutive years, at the Annual General Meeting of Members held on 30.11.2021 on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors. They have confirmed their eligibility and qualifications required under the Act for holding office as Statutory Auditors of the Company.

The Statutory Auditor's Report forms part of the Annual Report. There is no audit qualification, reservation or adverse remark for the year under review. There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/ or Board under Section 143(12) of Act and Rules framed thereunder.

2. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and Pursuant to Reg. 24A of Securities Exchange Board of India (Listing Obligation & Disclosure Requirement) (Amendments) Regulations, 2018, the Board of Directors of the Company had appointed M/s Ronak Jhuthawat & Co., Practicing Company Secretaries, Udaipur, to undertake the Secretarial Audit of the Company for the financial year 2023-24. The Secretarial Audit Report for the financial year ended March 31, 2024, is annexed as "Annexure IV" and forms an integral part of this Report.

The said report, does not contain any qualification, reservation or adverse remark, and thus do not call for any further comments.

35. INTERNAL AUDIT & INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has adequate internal control procedures commensurate with its size and nature of business. Your Company has clearly laid down policies, guidelines, and procedures that form a part of the internal control systems. The adequacy of the internal control systems encompasses the Company's business processes and financial reporting systems and is examined by the management as well as by its internal auditors at regular intervals.

The internal auditors conduct audits at regular intervals to identify the weaknesses and suggest improvements for better functioning. The observations and recommendations of the internal auditors are discussed by the Audit Committee to ensure timely and corrective action.

Your Company has appointed M/S BAGRODIA & CO., Chartered Accountants as an Internal Auditor of the Company, who reports to the Audit Committee and to the Board of Directors of the Company. The Internal Auditor conducts comprehensive audit of functional areas and operations of the Company to examine the adequacy of and compliance with policies, procedures, statutory and regulatory requirements. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and

monitors the implementation of audit recommendations.

The audit function maintains its independence and objectivity while carrying out assignments. It evaluates on a continuous basis, the adequacy and effectiveness of internal control mechanism. The function also proactively recommends improvement in policies and processes, suggests streamlining of controls against various risks.

Your Company has laid down set of standards, processes and structure, which enables it to implement internal financial control across the Company and ensure that the same are adequate and operating effectively.

36. REPORTING OF FRAUDS BY AUDITORS:

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee under Section 143(12) of the Act any instances of fraud committed against the Company by its officers or employees.

37. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Act, for the financial year ended on March 31, 2024, the Directors hereby confirm that:

- in the preparation of the annual financial statements for the year ended March 31, 2024, the applicable accounting standards read with the requirements set out under Schedule III to the Act have been followed and there were no material departures from the same;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care has for the 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 fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls to be followed by the Company and that the financial controls were adequate and were operating effectively;
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and were adequate and operating effectively.

38. REPORT ON CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

The Company has taken adequate steps to adhere to all the stipulations laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and Rules thereto, as amended from time to time.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Disclosures as required under The Companies Act, 2013 and the Rules thereto, Company being listed on SME platform, is exempted from this provision.

39. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management's Discussion and Analysis Report, for the year under review, is presented in as separate section forming part of this Annual Report.

40. CORPORATE SOCIAL RESPONSIBILITY

During the year under review, the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, are not applicable to the Company.

41. ANNUAL RETURN

Pursuant to section 92(3) read with Section 134(3)(a) of the Act, the Annual Return is available on the Company's website and can be accessed at <https://www.dharnicapital.com>.

42. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

43. ACKNOWLEDGEMENTS:

Your Board of Directors take this opportunity to express their appreciation to all stakeholders of the Company including the Ministry of Corporate Affairs, Securities and Exchange Board of India, the Government of India, Stock Exchanges and other Regulatory Authorities, Bankers, Lenders, Financial Institutions, Members, Credit Rating agencies, Customers of the Company for their continued support and trust. Your directors would like to express deep appreciation for the commitment shown by the employees in supporting the Company in achieving continued robust performance on all fronts.

In closing, we would like to thank all the investors as well as the communities we operate in who have reposed their trust in us and supported us in our journey.

For and on behalf of the Board of Directors

Sd/-
Hemant Dharnidharka
Managing Director
DIN: 07190229

Sd/-
Preeti Saraogi
Director
DIN: 07339758

Date: 27.08.2024

Place: Bangalore

Annexure -I**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/
associate companies/ joint ventures**

Part "A": Subsidiaries

| Name of the Subsidiary | Dharni Consulting Pvt Ltd |
|---|----------------------------------|
| 1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period | 31.03.2024 |
| 2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. | In lakhs |
| 3. Share capital (Rs.) | 801 |
| 4. Reserves & surplus | 16.86 |
| 5. Total assets | 987.56 |
| 6. Total Liabilities | 987.56 |
| 7. Investments | 0 |
| 8. Turnover | 0 |
| 9. Profit before taxation | 22.52 |
| 10. Provision for taxation | 5.66 |
| 11. Profit after taxation | 16.86 |
| 12. Proposed Dividend | 0 |
| 13. % of shareholding | 100% |

Note – The Company was incorporated as on 27.04.2022

For, and on behalf of the Board

Sd/-

Hemant Dharnidharka

Managing Director

DIN: 07190229

Sd/-

Preeti Saraogi

Director

DIN: 07339758

Date: 27.08.2024

Place: Bangalore

ANEXURE II**DETAILS OF MANAGERIAL REMUNERATION****Information under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

The statement of disclosure of Remuneration under sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Ratio of remuneration of each Director of median remuneration of employee of the company for the FY-2023-24

| S.no | Requirements | Remuneration |
|------|--|---|
| 1 | Ratio of remuneration of each Director of median remuneration of employee of the company For the FY-23-24 | Executive Director 1. Hemant Dharnidharka 9.68 Non Executive Director 1. Preeti Saraogi 9.68 |
| 2 | Percentage Increase/ (Decrease) in Remuneration of each director, CFO, CEO, CS, if any, in the Financial Year | Director 1. Hemant Dharnidharka 100% 2. Preeti Saraogi 100% KMP 1. Mr. Pramod Dharnidharka (CFO) NIL 2. Ms. Antima Kataria (CS) NIL |
| 3 | The Percentage Increase in the median Remuneration of Employees in Financial Year | Nil |
| 4 | No. of Permanent Employee on the roll of Company | 2 |
| 5 | Average percentile already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration. | The average percentage increase in remuneration of all employees (other than Key managerial personnel's (KMP's) For the FY-2023-24) stood at NIL where as the average Percentage increase in the remuneration of KMP'S and other directors including MD was at 100% as the Company paid remuneration for the first time to the directors. Further there was no exceptional circumstance which warranted an increase in managerial remuneration which was not justified by the overall performance of the Company |
| 6 | Affirmation that the remuneration is as per the remuneration policy of the Company | Yes, it is affirmed that the remuneration is as per the remuneration policy of the company |

Note:

1. Calculation of remuneration have been made on comparable and annualized basis
2. The remuneration of KMP's was taken from Audited Financial statement for F.Y. 2023-24
3. Remuneration comprises of salary (Fixed and variable), allowances, perquisites/taxable Value of perquisites.

For and on behalf of the Board**Sd/-****Hemant Dharnidharka****Managing Director****DIN: 07190229****Sd/-****Preeti Saraogi****Director****DIN: 07339758****Place : Bangalore****Date : 27.08.2024**

Annexure-III

NOMINATION AND REMUNERATION POLICY

Purpose of this Policy:

DHARNI CAPITAL SERVICES LIMITED ("Company") has adopted this Policy on appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management (the "Policy") as required by the provisions of Section 178 of the Companies Act, 2013 (the "Act") and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The purpose of this Policy is to establish and govern the procedure applicable:

- a) To evaluate the performance of the members of the Board.
- b) To ensure remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- c) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The Committee should ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully and the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Definitions:

"Independent Directors" means a director referred to in Section 149(6) of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

"Nomination and Remuneration Committee" ("the Committee"), by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

"Key Managerial Personnel" (the "KMP") shall mean "Key Managerial Personnel" as defined in Section 2(51) of the Act.

"Senior Managerial Personnel/ Senior Management" mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management one level below the Executive Directors, including all functional heads.

Composition of the Committee: The composition of the Committee is / shall be in compliance with the provisions of Section 178 of the Act and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

Role of the Committee:

The Committee shall:

- Formulate criteria for determining qualifications, positive attributes and independence of a Director.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

TERM / TENURE

The Term of the Directors including Managing/Whole time Director/ Independent Director shall be governed as per the provisions of the Act and Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Whereas the term of the KMP (other than the Managing / Wholetime Director) and Senior Management shall be governed by the prevailing HR policies of the Company

EVALUATION

The Committee shall carry out evaluation of performance of every Director.

The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process. The Framework for performance evaluation of Independent Directors and the Board is decided by Board and the Committee time to time.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1) Remuneration to Managing Director / Whole-time Director, KMP and Senior Management:

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Whole time Director will be governed by the relevant provisions of the Companies Act, 2013 and applicable Rules and Regulations and will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required. Further, the Chairman & Managing Director of the Company is authorised to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management, and which shall be decided by the Chairman & Managing Director based on the standard market practice and prevailing HR policies of the Company.

2) Remuneration to Non- Executive / Independent Directors:

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / shareholders.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

ANNEXURE-IV**FORM MR-3****SECRETARIAL AUDIT REPORT****(For The Financial Year Ended March 31, 2023)****[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,

The Members

DHARNI CAPITAL SERVICES LIMITED**(Formally known as "DHARNI CAPITAL SERVICES PRIVATE LIMITED")**816, 7TH FLOOR, OXFORD TOWERS, OLD AIRPORT ROAD, KODIHALLI, BANGALORE - 560008

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Dharni Capital Services Limited (formally known as "Dharni Capital Services Private Limited") (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period 01.04.2023 to 31.03.2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, registers, papers, minute books, forms and returns filed and other records maintained by Dharni Capital Services Limited (hereinafter called "The Company") for the financial year ended on March 31, 2024 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company;
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the Financial Year under report: -
 - a. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - b. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
 - c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021
 - d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

5. I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

7. I further report that:

A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors Independent Directors including one Woman Director. No changes in the composition of the Board of Directors took place during the period under review. The changes in the KMP were carried out in compliance with the provisions of the Act & Listing Regulations;

B. Except in case of meetings convened at a shorter Notice, adequate notice was given to all directors to schedule the Board Meetings and the agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting;

C. All decision at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be;

8. I further report that there are adequate systems and processes in the Company commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.
9. I further report that No event(s)/action(s) had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to here in above.

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

For Ronak Jhuthawat & Co.
(Company Secretaries)

Sd/-

Dr. Ronak Jhuthawat

Proprietor

FCS: 9738, CP: 12094

Peer Review: 1270/2021

UDIN- F009738F000804125

Place: Udaipur

Date: 23.07.2024

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

"ANNEXURE A"

To,

The Members

DHARNI CAPITAL SERVICES LIMITED

(Formally known as "DHARNI CAPITAL SERVICES PRIVATE LIMITED")

816, 7TH FLOOR, OXFORD TOWERS, OLD AIRPORT ROAD,

KODIHALLI, BANGALORE - 560008

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Ronak Jhuthawat & Co.

(Company Secretaries)

Sd/-

Dr. Ronak Jhuthawat

Proprietor

FCS: 9738, CP. 12094

Peer Review: 1270/2021

UDIN- F009738F000804125

Place: Udaipur

Date: 23.07.2024

ANNEXURE- VI

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members

DHARNI CAPITAL SERVICES LIMITED

(Formally known as “DHARNI CAPITAL SERVICES PRIVATE LIMITED”)

816, 7TH FLOOR, OXFORD TOWERS, OLD AIRPORT ROAD,

KODIHALLI, BANGALORE – 560008

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Star Housing Finance Limited having CIN: U74120KA2015PLC084050 and having registered office at 816, 7TH FLOOR, OXFORD TOWERS, OLD AIRPORT ROAD, KODIHALLI, BANGALORE - 560008 (hereinafter referred to as “The Company”), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

| S.no | Name of Director | DIN | Date of Appointment |
|------|-------------------------|----------|---------------------|
| 1 | Mr. HEMANT DHARNIDHARKA | 07190229 | 08.08.2022 |
| 2 | Ms. PREETI SARAOGI | 07339758 | 12.11.2015 |
| 3 | Mr. JAIDEEP MITTRA | 08233924 | 08.08.2022. |
| 4 | Mr. VINAY AGARWAL | 09630941 | 10.08.2022 |

For, Ronak Jhuthawat & Co.
(Company Secretaries)

Sd/-

Dr Ronak Jhuthawat

Proprietor

FCS: 9738 CP. 12094

Peer Review No.: 1270/2021

UDIN: F009738F000803256

Date: 23.07.2024

Place: Udaipur

INDEPENDENT AUDITOR'S REPORT

To The Members of

M/S. DHARNI CAPITAL SERVICES LIMITED

(Formerly known as Dharni Online Services Private Limited and Dharni Capital Services Private Limited)

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of M/s. Dharni Capital Services Limited (Formerly known as Dharni Online Services Private Limited and Dharni Capital Services Private Limited), Bangalore ('the Company'), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis For Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS 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 of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matters | Auditor's Response |
|--|--|
| Revenue recognition Accuracy of recognition, measurement, presentation and disclosure of revenue and related balances towards Ind AS 115- Revenue from contracts with customers. | Our audit procedure involves the identification of internal controls and their operating effectiveness towards application of this standard. We have also carried out substantive testing of the transactions. |
| The application of this standard involves the assessment towards identification of performance obligation, determination of transaction price for each of the identified performance obligations, the judgements used in determining the satisfaction of those performance obligations over time or at a point in time. | (A) We have assessed the appropriateness of the revenue recognition policies by comparing with the applicable Indian Accounting Standards. (B) Identified the basis to be considered to determine the satisfaction of performance obligation and compared the same with the judgements used by the company in determining the satisfaction of performance obligation over the time or at a point in time. |
| The company's revenue includes offering Diversified Financial services such as Mutual Fund Distribution services and Fixed Deposit Distribution services, Real Estate Brokerage services and Technical Consultancy and Outsourcing services and also offers a Technology enabled, comprehensive Investment and Financial services platform with end to end solutions critical for financial product distribution and presence across both online and offline channels. | (C) Verified the appropriate evidence considered for determining the satisfaction of performance obligation towards transfer of promised goods or services. (D) Verified the judgements used by the company in determining the stages of completion of the contracts where the satisfaction of entire performance obligation is partially completed. |

Other information

The other information comprises the information included in the Annual report but does not include the standalone Ind AS financial statements and our auditor's report thereon. The Company's Board of Directors is responsible for the other information.

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with

respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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.

Auditors' Responsibility for the Audit of the Financial Statements

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

As a 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 standalone Ind AS 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS 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 standalone Ind AS financial statements for the financial year ended 31 March 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive income), the statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone Financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of section 164(2) of the Act.
- (f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure – B'.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - 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. The management has represented that, to the best of its knowledge and belief:
 - a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b) No funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities

identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries, and

- c) Based on such audit procedures that has been considered reasonable and appropriate in the circumstances performed by us on the Company, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) contain any material mis-statement.
- v. No dividend has been declared or paid during the year by the company.
- vi Based on our examination, the company has used Tally accounting software for maintaining its books of account wherein the accounting software did not have the audit trail feature enabled throughout the year.

For B S D & Co.,
Chartered Accountants
Firm Registration No: 000312S

Place: Bangalore
Date: 10th May, 2024

Sd/-
Rishav Saraf
Partner
Membership No.: 230591
UDIN:24230591BKACYX7017

ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2024

Referred to in paragraph 6(1) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.

1.
 - 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) Property, Plant and Equipment have been physically verified by the management at regular intervals. No material discrepancies were noticed on such physical verification.
 - c) According to the information and explanation given to us and on the basis of our verification, title deeds of all immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
 - d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
 - e) According to the information and explanations given to us and on the basis of our examination of the records of the company, no proceedings have been initiated during the year or are pending against the company as at March 31, 2024 for holding any benami property under the Benami transactions (Prohibition) act, 1988 (45 of 1988 as amended in 2016) and rules made thereunder.
2.
 - a) According to the records of the Company examined by us and the information and explanations given to us, the Company does not hold any inventories. Thus, paragraph 3(ii)(a) of the Order is not applicable to the Company.
 - b) The Company has not been sanctioned working capital limits in excess of five crore in aggregate from banks or financial institutions during the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company and hence not reported upon.
3. 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 provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The company has made investments in other companies during the year.
 - (a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted any loans to subsidiary during the year.
B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted loans to a party other than subsidiaries during the year.

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans. Thus, paragraph 3(iii)(c) of the Order is not applicable to the Company.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.
 - (f) 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 given any loans repayable on demand or without specifying any terms or period of repayment.
4. According to the information and explanation given to us, during the year, the company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Companies Act, 2013. The Company has complied with the provisions of section 185 and 186 of the Act to the extent applicable.
5. According to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
6. The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
7. a) According to the information and explanation given to us, the company, in general, is regular in depositing undisputed statutory dues (wherever applicable) including provident fund, employee's state insurance, income tax, sales tax, service tax, goods & service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with appropriate authorities. As at the end of the year there were no statutory dues which were outstanding for a period of more than six months from the date, they became payable.
- b) According to the information and explanation given to us, there are no dues of income tax, duty of customs, goods and service tax, which have not been deposited on account of any dispute.
8. According to information and explanations given to us, there are no transactions which are not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, as the company has not raised any loans from banks or financial institution during the year. Hence reporting on clause of the Order is not applicable.
- (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 from any lender during the year and there are no unutilised term loans at the beginning of the year. Accordingly, clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements 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 standalone 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 subsidiaries.
- (f) The Company has not raised any loans during the year and hence reporting on clause of the Order is not applicable.
10. a) In our opinion and according to the information and explanations given to us, The money raised by way of initial public offer during the year have been, prima facie, applied by the Company for the purposes for which they were raised.
- b) The company has not made any preferential allotment or private allotment of shares or convertible debentures (fully, partially or optionally convertible) during the year.
11. a) According to the information and explanations given to us, no fraud by the company and no fraud on the company by its officers/employees has been noticed or reported during the year under report.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) No whistle-blower complaints have been noticed or brought to our notice during the year.
12. As the company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, therefore the provisions of clause 3(xii) of the Order is not applicable to the company.
13. According to the information and explanation given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
14. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
16. (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.
- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, during the course of audit, the Company (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
17. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the order is not applicable to the Company.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 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.
20. The company does not have any unspent amount that needs to be transferred to a Fund specified in Schedule VII to the Companies Act. Accordingly, clauses xx (a) and (b) of the Order are not applicable.

For B S D & Co.,
Chartered Accountants
Firm Registration No: 000312S

Place: Bangalore
Date: 10th May, 2024

Sd/-
Rishav Saraf
Partner
Membership No.: 230591
UDIN:24230591BKACYX7017

ANNEXURE –B TO THE INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2024

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

We have audited the Internal Financial Controls over financial reporting of M/s. Dharni Capital Services Limited (Formerly known as Dharni Online Services Private Limited and Dharni Capital Services Private Limited), Bangalore ('the Company') as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained 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 (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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B S D & Co.,
Chartered Accountants
Firm Registration No: 000312S

Place: Bangalore
Date: 10th May, 2024

Sd/-
Rishav Saraf
Partner
Membership No.: 230591
UDIN:24230591BKACYX7017

Dharni Capital Services Limited

(Formerly known as Dharni Online Services Private Limited and Dharni Capital Services Private Limited)

226,Brigade Metropolis Arcade, Garudacharpalya,Whitefield Road, Near ITPL, Bangalore-560048.**CIN : U74120KA2015PLC084050****Standalone Balance Sheet as at 31st March, 2024****Amounts (in lakhs)**

| | Particulars | Note No. | As at 31.03.2024 | As at 31.03.2023 |
|----------|-------------------------------------|----------|------------------|------------------|
| | 1 | 2 | 3 | 4 |
| 1 | ASSETS | | | |
| | Non-Current Assets | | | |
| | (a) Property, Plant and Equipment | 2 | 95.04 | 74.54 |
| | (b) Capital Work-in-Progress | 2 | - | - |
| | (c) Financial Assets | | | 185.99 |
| | (i) Investments | | 1,059.98 | 1.36 |
| | (d) Deferred Tax Assets (Net) | 3 | 1.03 | - |
| | (e) Other Non-Current Assets | 4 | - | - |
| | | 5 | | |
| 2 | Current Assets | | | |
| | (a) Inventories | | - | - |
| | (b) Financial Assets | | | 0.78 |
| | (i) Trade Receivables | 6 | | 1,127.09 |
| | (ii) Cash and Cash Equivalents | 7 | 12.46 | - |
| | (c) Current Tax Assets (Net) | 8 | 93.85 | 40.13 |
| | (d) Other Current Assets | 9 | 3.87 | |
| | | | 466.43 | |
| | Total Assets | | 1,732.66 | 1,429.89 |
| 1 | EQUITY AND LIABILITIES | | | |
| | Equity | | | |
| | (a) Equity Share Capital | 10 | 203.70 | 203.70 |
| | (b) Other Equity | 11 | 1,509.95 | 1,216.10 |
| 2 | Liabilities | | | |
| | Non-Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 12 | - | - |
| 3 | Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Trade Payables | 13 | 0.14 | 1.76 |
| | (b) Other current liabilities | 14 | 18.42 | 5.61 |
| | (c) Provisions | 15 | 0.45 | 0.25 |
| | (d) Current Tax Liabilities (Net) | 16 | - | 2.47 |
| | Total Equity and Liabilities | | 1,732.66 | 1,429.89 |

See accompanying notes to the financial statements

Place: Bangalore

Date: 10.05.2024

For and on behalf of Dharni Capital Services Ltd

As per our report of even date

For B S D & Co.,

Chartered Accountants

Firm Regn No: 000312S

Sd/-
Hemant Dharnidharka
 Director
 DIN: 07190229

Sd/-
Preeti Saraogi
 Director
 DIN: 07339758

Sd/-
Pramod Kumar
Dharnidharka
 CFO

Sd/-
Antima Kataria
 Company Secretary
 MN: A53005

Sd/-
Rishav Saraf
 Partner
 Membership No: 230591
 UDIN: 24230591BKACYX7017

Dharni Capital Services Limited

(Formerly known as Dharni Online Services Private Limited and Dharni Capital Services Private Limited)

226, Brigade Metropolis Arcade, Garudacharpalya, Whitefield Road, Near ITPL, Bangalore-560048.**CIN : U74120KA2015PLC084050****Consolidated Statement of Profit and Loss for the year/period ended 31st March, 2024****Amounts (in lakhs)**

| | Particulars | Note No. | For the Year ended 31st March 2024 | For the Year ended 31st March 2023 |
|------|--|----------|------------------------------------|------------------------------------|
| I | Revenue From Operations | 17 | 819.81 | 470.14 |
| II | Other Income | 18 | 106.13 | 29.60 |
| III | Total Income (I+II) | | 925.94 | 499.74 |
| IV | EXPENSES | | | |
| | Cost of Materials Consumed | | - | - |
| | Employee Benefits Expense | 19 | 90.58 | 1.56 |
| | Finance Costs | 20 | 0.02 | 0.26 |
| | Depreciation and Amortization Expense | 1 | 14.01 | 4.70 |
| | Other Expenses | 21 | 429.67 | 333.45 |
| | Total Expenses (IV) | | 534.28 | 339.97 |
| V | Profit/(Loss) Before Tax (III-IV) | | 391.66 | 159.77 |
| | Tax Expense: | | | |
| | (1) Current Tax | | 99.05 | 40.22 |
| VI | (2) Deferred Tax | | 0.33 | 0.49 |
| | (3) Tax of Earlier Years | | -1.57 | - |
| | (4) MAT Credit Entitlement | | - | - |
| VII | Profit (Loss) for the Period (V-VI) | | 293.85 | 119.06 |
| | Other Comprehensive Income | | | |
| | (i) Items that will not be reclassified to Profit/Loss | | | |
| | -Additional Depreciation due to change in estimate | | - | - |
| VIII | (ii) Income tax relating to above | | - | - |
| | -Deferred Tax on above | | - | - |
| | (I) Items that will be reclassified to Profit/Loss | | - | - |
| | (ii) Income tax relating to above | | - | - |
| XI | Other Comprehensive Income for the Period | | - | - |
| X | Total Comprehensive Income for the Period (VII+IX) | | 293.85 | 119.06 |
| | Earnings per Equity Share | | | |
| X | (1) Basic | 21 | 1.44 | 0.75 |
| | (2) Diluted | | 1.44 | 0.75 |

See accompanying notes to the financial statements

Place: Bangalore

Date: 10.05.2024

For and on behalf of Dharni Capital Services Ltd

As per our report of even date

For B S D & Co.,

Chartered Accountants

Firm Regn No: 000312S

Sd/-
Hemant Dharnidharka
 Director
 DIN: 07190229

Sd/-
Preeti Saraogi
 Director
 DIN: 07339758

Sd/-
Pramod Kumar Dharnidharka
 CFO

Sd/-
Antima Kataria
 Company Secretary
 MN: A53005

Sd/-
Rishav Saraf
 Partner
 Membership No: 230591
 UDIN: 24230591BKACYX7017

Dharni Capital Services Limited**(Formerly known as Dharni Online Services Private Limited and Dharni Capital Services Private Limited)****226, Brigade Metropolis Arcade, Garudacharpalya, Whitefield Road, Near ITPL, Bangalore-560048.****CIN : U74120KA2015PLC084050****Standalone Statement of Cash Flows for the year ended 31st March, 2024**

| | Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 |
|----------|--|-----------------------------------|-----------------------------------|
| A | CASH FLOW FROM OPERATING ACTIVITIES | | |
| | Net Profit\ (loss) Before Tax | 391.66 | 159.77 |
| | Adjustments for: | | |
| | Depreciation | 14.01 | 4.70 |
| | Interest & Finance Charges | 0.02 | 0.00 |
| | Less: Non operating Income | | |
| | Dividend Received | (1.38) | (1.42) |
| | Interest Received | (103.55) | (22.99) |
| | Other non operating income | (1.20) | (1.19) |
| | Operating Profit before Working Capital Changes | | |
| | Adjustments for: | 299.56 | 138.87 |
| | Decrease/(Increase) in Trade Receivables | (11.68) | 19.44 |
| | Decrease/(Increase) in Short term Advances | 0.00 | 0.00 |
| | Decrease/(Increase) in Current Tax Assets | (103.82) | (36.47) |
| | Decrease/(Increase) in Inventories | 0.00 | 0.00 |
| | Increase/(Decrease) in Short term Borrowings | 0.00 | 0.00 |
| | Increase/(Decrease) in Payables | (1.62) | 1.33 |
| | Increase/(Decrease) in Other Current Liabilities | 12.81 | (11.71) |
| | Increase/(Decrease) in Long Term Provisions | 0.00 | 0.00 |
| | Increase/(Decrease) in Short Term Provisions | 0.20 | (0.25) |
| | Cash generated from operations | 195.45 | 111.21 |
| | Income Tax paid | | |
| | Net Cash flow from Operating activities | 195.45 | 111.21 |
| B | CASH FLOW FROM INVESTING ACTIVITIES | | |
| | Purchase of Fixed Assets(Including amount Spent on Capital Work-In-Progress) | (36.25) | (68.07) |
| | Sale proceeds from Fixed Assets | 1.74 | 0.00 |
| | Decrease/(Increase) in Investments | (873.99) | (70.79) |
| | Decrease/(Increase) other Non-Current Assets | (426.30) | (28.49) |
| | Add: Dividend Received | 1.38 | 1.42 |
| | Add: Interest Received | 103.55 | 22.99 |
| | Add: Other non operating income | 1.20 | 1.19 |
| C | Net Cash used in Investing activities | - 1,228.67 | - 141.75 |
| | CASH FLOW FROM FINANCING ACTIVITIES | | |
| | Increase\ (Decrease) in Long term Borrowings | 0.00 | 0.00 |
| | Increase in Share Capital (including Security Premium) | 0.00 | 1074.00 |
| | Interest paid | (0.02) | 0.00 |
| | Net Cash used in financing activities | -0.02 | 1074.00 |
| | Net change in cash & Cash Equivalents(A+B+C) | - 1,033.24 | 1043.46 |
| | Cash and Cash equivalents at Beginning of the year | 1,127.09 | 83.63 |
| | Cash and Cash equivalents at the end of the year | 93.85 | 1127.09 |
| | Net change in cash & Cash Equivalents | - 1,033.24 | 1043.46 |

Note:

1. Cash Flow Statement has been prepared under Indirect Method as set out in Indian Accounting Standard 7

Place: Bangalore

Date: 10.05.2024

For and on behalf of Dharni Capital Services Ltd

As per our report of even date

For B S D & Co.,

Chartered Accountants

Firm Regn No: 000312S

Sd/-
Hemant Dharnidharka
 Director
 DIN: 07190229

Sd/-
Preeti Saraogi
 Director
 DIN: 07339758

Sd/-
Pramod Kumar Dharnidharka
 CFO

Sd/-
Antima Kataria
 Company Secretary
 MN: A53005

Sd/-
Rishav Saraf
 Partner
 Membership No: 230591
 UDIN: 24230591BKACYX7017

Dharni Capital Services Limited
226, Brigade Metropolis Arcade, Garudacharpalya, Whitefield Road, Near ITPL, Bangalore-560048.

CIN : U74120KA2015PLC084050

Note No. 2: Property, Plant and Equipment

| | | Gross Block | | | Depreciation | | | Net Block | | |
|--------|--------------------------|-----------------------------------|--------------------------|---------------------------|-----------------------------|-----------------------------------|-----------------------------|-----------|----------------------|----------------------|
| S. No. | Particulars | Value at the beginning 01.04.2023 | Addition during the year | Deduction during the year | Value at the end 31.03.2024 | Value at the beginning 01.04.2023 | Depreciation/ Ammortization | Disposals | WDV as on 31.03.2024 | WDV as on 31.03.2023 |
| I | Tangible Assets | | | | | | | | | |
| 1 | Equipment | 0.00 | 0.86 | 0.00 | 0.86 | 0.00 | 0.06 | 0.00 | 0.80 | 0.00 |
| 2 | Furnitures & Fixtures | 0.24 | 2.20 | 0.00 | 2.44 | 0.00 | 0.75 | 0.00 | 1.69 | 0.24 |
| 3 | Vehicles | 29.00 | 27.38 | 16.79 | 39.58 | 20.70 | 7.43 | 15.05 | 26.51 | 8.30 |
| 4 | Plant and Machinery | 0.01 | 2.40 | 0.00 | 2.41 | 0.01 | 0.62 | 0.00 | 1.78 | 0.00 |
| 5 | Computer and Peripherals | 2.82 | 3.41 | 0.00 | 6.23 | 2.07 | 1.99 | 0.00 | 2.18 | 0.75 |
| 6 | Land and Building | 65.82 | 0.00 | 0.00 | 65.82 | 0.57 | 3.18 | 0.00 | 62.07 | 65.25 |
| | Total (FY 2023-24) | 97.89 | 36.25 | 16.79 | 117.35 | 23.35 | 14.01 | 15.05 | 95.04 | 74.54 |
| | Total (FY 2022-23) | 29.82 | 68.07 | 0.00 | 97.89 | 18.65 | 4.70 | 0.00 | 74.54 | 11.17 |

Dharni Capital Services Limited
226,Brigade Metropolis Arcade, Garudacharpalya,Whitefield Road, Near ITP, Bangalore-560048.

CIN : U74120KA2015PLC084050

Note No. 2: Property, Plant and Equipment

| S. No. | Particulars | Gross Block | | | Depreciation | | | Net Block | |
|----------|----------------------------|-----------------------------------|--------------------------|---------------------------|-----------------------------|-----------------------------------|-----------------------------|-------------|-----------------------------|
| | | Value at the beginning 01.04.2022 | Addition during the year | Deduction during the year | Value at the end 31.03.2023 | Value at the beginning 01.04.2022 | Depreciation/ Ammortization | Disposals | Value at the end 31.03.2023 |
| I | Tangible Assets | | | | | | | | |
| 1 | Plant and Equipment | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2 | Furnitures & Fixtures | 0.00 | 0.24 | 0.00 | 0.24 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3 | Vehicles | 27.86 | 1.14 | 0.00 | 29.00 | 17.34 | 3.36 | 0.00 | 20.70 |
| 4 | Plant and Machinery | 0.01 | 0.00 | 0.00 | 0.01 | 0.01 | 0.00 | 0.00 | 0.01 |
| 5 | Computer and Peripherals | 1.95 | 0.87 | 0.00 | 2.82 | 1.30 | 0.77 | 0.00 | 2.07 |
| 6 | Land and Building | 0.00 | 65.82 | 0.00 | 65.82 | 0.00 | 0.57 | 0.00 | 0.57 |
| | Total (F.Y 2022-23) | 29.82 | 68.07 | 0.00 | 97.89 | 18.65 | 4.70 | 0.00 | 23.35 |
| | Total (F.Y 2021-22) | 29.04 | 0.78 | 0.00 | 29.82 | 13.19 | 5.46 | 0.00 | 18.65 |

| Dharni Capital Services Limited Standalone Notes annexed to and forming part of the Financial Statements | |
|---|--|
| Note No | Particulars |
| 1A | <p><u>Corporate Information:</u></p> <p>The Company was incorporated on 12-11-2015. The Company Identification Number (CIN) allotted to the company is U74120KA2015PLC084050. The company is engaged in offering Diversified Financial services such as Mutual Fund Distribution services and Fixed Deposit Distribution services, Real Estate Brokerage services and Technical Consultancy and Outsourcing services and also offers a Technology enabled, comprehensive Investment and Financial services platform with end to end solutions critical for financial product distribution and presence across both online and offline channels.</p> |
| 1B | <p><u>Significant accounting policies:</u></p> <p>a) Basis of Preparation and Presentation of Financial Statements</p> <p>The financial statements of the company have been prepared in accordance with the Indian Accounting Standards("Ind AS") as notified by the Ministry of corporate Affairs pursuant to section 133 of the companies Act, 2013 ("Act") , the companies (Indian Accounting Standards) Rules, 2015, as amended, and other applicable provisions of the Act.</p> <p>The Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity have been prepared and presented in the format prescribed in the Division II of the Schedule III to the Companies Act, 2013. Statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 Statement of Cash Flows. The disclosure requirements with respect to the items in the Balance Sheet and Statement of Profit and Loss Account are presented by way of notes forming part of financial statements.</p> <p>The Company has considered a period of twelve months as the operating cycle for classification of assets and liabilities as current and non-current</p> <p>Basis of Measurement</p> <p>These financial statements have been prepared based on accrual and going concern principles following the historical cost conventions except for those financial assets and liabilities that are measured at fair value.</p> <p>b) Key Estimates & Assumptions</p> <p>In preparing these Ind AS compliant financial statements, the Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the estimates used in the preparation of the</p> |

| Dharni Capital Services Limited Standalone Notes annexed to and forming part of the Financial Statements | |
|---|--|
| Note No | Particulars |
| | <p>financial statements are prudent and reasonable and a continuous evaluation is done on the estimation and Judgements based on historical experience and other factors.</p> <p>c) Foreign Currency Translations and Transactions Foreign currency transactions are translated into the functional currency using the exchange rates on the dates of the transactions. Foreign exchange gain and loss arising from the settlement of these transactions, and from the translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the statement of Profit and Loss. Non - monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate on the date of the transaction. The company has not entered into any foreign exchange forward contracts during the year.</p> <p>d) Inventories Value of inventories are measured at lower of cost or net realisable value. The cost of inventories is assigned by using First in first out method.</p> <p>e) Revenue recognition i) Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are exclusive of Goods and Services Tax and net of returns and trade allowances, if any.</p> <p>ii) Revenue is recognized based on the nature of the activity to the extent it is probable that the economic benefit will flow to the company and the revenue can be reliably measured with the reasonable certainty of its recovery. Export incentives, if any, from Government is accounted for on receipt basis.</p> <p>g) Property, Plant and Equipment(PPE) <u>Recognition and Measurement</u> PPE is recognised 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. PPE other than freehold land is stated at original cost including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use, net of tax/duty credits availed, if any, after deducting rebates and trade discounts, less accumulated depreciation and accumulated impairment losses, if any. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items(major components) of PPE</p> |

Dharni Capital Services Limited
Standalone Notes annexed to and forming part of the Financial Statements

| Note No | Particulars | | | | | | | | | | | | | | |
|--------------------------|---|-------------------|-------------|---------------------|----|-----------------------|----|----------|---|---------------------|----|------------------|---|--------------------------|---|
| | <p><u>Depreciation & Amortisation</u></p> <p>Depreciation on PPE for the year has been provided on all assets on Written down Value Method, pro rata to the period of use, as per the useful lives prescribed in schedule II to the Companies Act, 2013.</p> <p>The following are the useful lives of the various classes of the property, plant and equipment</p> <table border="1"> <thead> <tr> <th>Class description</th><th>Useful life</th></tr> </thead> <tbody> <tr> <td>Plant and Equipment</td><td>15</td></tr> <tr> <td>Furnitures & Fixtures</td><td>10</td></tr> <tr> <td>Vehicles</td><td>6</td></tr> <tr> <td>Plant and Machinery</td><td>15</td></tr> <tr> <td>Office Equipment</td><td>5</td></tr> <tr> <td>Computer and Peripherals</td><td>3</td></tr> </tbody> </table> <p>h) Share Capital</p> <p>Ordinary shares are classified as equity. Costs directly attributable to issuance of new ordinary shares are charged to profit and loss account on the basis of predetermined period in equal proportions.</p> <p>i) Taxes on Income</p> <p>Income tax expense/income comprises of current income tax expense/income and deferred tax expense/income. It is recognised in the statement of Profit and Loss except to the extent it relates to the items directly recognised in Other Comprehensive Income or in Equity.</p> <p>Current tax is the expected income tax payable/recoverable in respect of the taxable profit/(tax loss) for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.</p> <p>Deferred tax is recognised in respect of temporary differences between the carrying values of assets and liabilities for financial reporting purposes and the amount used for tax purposes.</p> <p>j) Provisions and Contingent Liabilities</p> <p>Provisions are recognised when the company has a present obligation (legal or</p> | Class description | Useful life | Plant and Equipment | 15 | Furnitures & Fixtures | 10 | Vehicles | 6 | Plant and Machinery | 15 | Office Equipment | 5 | Computer and Peripherals | 3 |
| Class description | Useful life | | | | | | | | | | | | | | |
| Plant and Equipment | 15 | | | | | | | | | | | | | | |
| Furnitures & Fixtures | 10 | | | | | | | | | | | | | | |
| Vehicles | 6 | | | | | | | | | | | | | | |
| Plant and Machinery | 15 | | | | | | | | | | | | | | |
| Office Equipment | 5 | | | | | | | | | | | | | | |
| Computer and Peripherals | 3 | | | | | | | | | | | | | | |

| Dharni Capital Services Limited Standalone Notes annexed to and forming part of the Financial Statements | | | | | | | | | | | | | | | | | | | |
|---|--|------------------|----------------------------------|-----------------------|----------------------------------|-----------------------|-----|---------------------------|--------------------------------------|--------------------|-------------------------------|--------------|-------------------|------------------|-------------------|---------------|-------------------------------|-----------------|----------------------|
| Note No | Particulars | | | | | | | | | | | | | | | | | | |
| | <p>constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability, using a current pre-tax rate that reflects the current market assessment of the time value of money and risks specific to the obligation. The unwinding of the discount is recognised as finance cost.</p> <p>Contingent liabilities are disclosed in the notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.</p> <p>Provisions and Contingent Liabilities are reviewed at each Balance Sheet date and adjusted to reflect the best estimates.</p> <p>k) Segment Information i) The Company provides Financial and Management Consulting Services.</p> <p>l) Related Party Disclosures a) Individuals having control and relatives</p> <table border="0"> <tr> <td>- Preeti Saraogi</td><td>(Director) Key Managerial Person</td></tr> <tr> <td>- Hemant Dharnidharka</td><td>(Director) Key Managerial Person</td></tr> <tr> <td>- Pramod Dharnidharka</td><td>CFO</td></tr> <tr> <td>- Pramod Dharnidharka HUF</td><td>HUF of Father of one of the Director</td></tr> <tr> <td>- Khushboo Kanodia</td><td>Sister of one of the Director</td></tr> <tr> <td>- Disha Jain</td><td>Company Secretary</td></tr> <tr> <td>- Antima Kataria</td><td>Company Secretary</td></tr> <tr> <td>- Payal Mohta</td><td>Sister of one of the Director</td></tr> <tr> <td>- Vinay Agarwal</td><td>Independent Director</td></tr> </table> | - Preeti Saraogi | (Director) Key Managerial Person | - Hemant Dharnidharka | (Director) Key Managerial Person | - Pramod Dharnidharka | CFO | - Pramod Dharnidharka HUF | HUF of Father of one of the Director | - Khushboo Kanodia | Sister of one of the Director | - Disha Jain | Company Secretary | - Antima Kataria | Company Secretary | - Payal Mohta | Sister of one of the Director | - Vinay Agarwal | Independent Director |
| - Preeti Saraogi | (Director) Key Managerial Person | | | | | | | | | | | | | | | | | | |
| - Hemant Dharnidharka | (Director) Key Managerial Person | | | | | | | | | | | | | | | | | | |
| - Pramod Dharnidharka | CFO | | | | | | | | | | | | | | | | | | |
| - Pramod Dharnidharka HUF | HUF of Father of one of the Director | | | | | | | | | | | | | | | | | | |
| - Khushboo Kanodia | Sister of one of the Director | | | | | | | | | | | | | | | | | | |
| - Disha Jain | Company Secretary | | | | | | | | | | | | | | | | | | |
| - Antima Kataria | Company Secretary | | | | | | | | | | | | | | | | | | |
| - Payal Mohta | Sister of one of the Director | | | | | | | | | | | | | | | | | | |
| - Vinay Agarwal | Independent Director | | | | | | | | | | | | | | | | | | |

Dharni Capital Services Limited
Standalone Notes annexed to and forming part of the Financial Statements

| Note No | Particulars | | | | | | |
|--|---|--|--|-----------------------|------------------------|---------------------------------|---------------|
| (iii) | Ratios | | | | | | |
| | Ratio | Numerator | Denominator | Current Period | Previous Period | Change in Ratio > 25% | Reason |
| 1 | Current Ratio (in times) | Total Current Assets | Total Current Liabilities | 30.33 | 115.76 | -0.74 | Note(i) |
| 2 | Debt-Equity Ratio (in times) | Debt consists of Loan | Total Equity | NA | NA | - | - |
| 3 | Debt Service Coverage Ratio (in times) | Earning Available for Debt Service = Net profit before Taxes | Debt Service = Interest & Lease Payment + Principal Payment | NA | NA | - | - |
| 4 | Return on Equity Ratio (in %) | Net Profit After Tax | Average Total Equity | 17.15% | 8.39% | 104.49% | Note(ii) |
| 5 | Inventory Turnover Ratio | Sales | Average Inventory | NA | NA | - | - |
| 6 | Trade Receivables Turnover Ratio (in times) | Revenue from Operations | Average Trade Receivable | 0.02 | 0.00 | 8.16 | - |
| 7 | Trade Payables Turnover Ratio (in times) | Net Credit Purchases | Average Trade Payable | 452.28 | 304.52 | 0.49 | - |
| 8 | Net Capital Turnover Ratio (in times) | Revenue from Operations | Average Working Capital = Total Current Assets - Total Current liabilities | -17.59 | -9.69 | 0.82 | - |
| 9 | Net Profit Ratio (in %) | Profit After Tax | Revenue from Operations | 35.84% | 25.32% | 41.54% | Note(iii) |
| 10 | Return on Capital Employed (in %) | Profit Before Interest and Tax | Capital Employed = Net Worth + Total Debt + Deferred Tax Liability | 22.86% | 11.27% | 102.78% | Note(iv) |
| 11 | Return on Investment (in %) | Income Generated from Invested Funds | Net Income on Investment/Cost of Investment | 10.01% | 15.91% | -37.09% | Note(v) |
| <p>Note (i) Decrease in current ratio is on account of utilization of IPO cash during the current year. Note (ii) Increase in Return on Equity Ratio is Turnover of company is increased as compared to last year. Note (iii) Increase in Net profit Ratio is on Turnover of the company increased as compared to last year. Note (iii) Increase in Net profit Ratio is on Turnover of the company increased as compared to last year. Note (v) Decrease in return on Capital Employed is on Invest the amount to increase authorised capital of subsidiary company.</p> | | | | | | | |

Dharni Capital Services Limited
Standalone Notes annexed to and forming part of the Financial Statements

| Note No | Particulars | 31.03.2024 | 31.03.2023 |
|---------|--|------------|------------|
| 3 | Financial Assets (I) Investments (a) Investments in Equity Instruments - Dharni Consulting Pvt Ltd. 801.00 1.00 - Market Value 801.00 - Panchsheel Organics Ltd. 0.00 25.64 - Market Value 0.00 23.26 - Stellach Management Private Limited 2.50 2.50 - Market Value 2.50 2.50 - Akme Shares 30.00 0.00 - Market Value 30.00 0.00 - Aparokha Financial Services P Ltd - Loan2Wheels 18.50 0.00 - Market Value 18.50 0.00 (b) Investments in Trust Securities - 19000 REIT of Emabssy Office Parks REIT Ltd 0.00 66.54 - Market Value 0.00 58.73 (c) Investments in Debentures & Bonds - CCD of Stellach Management Private Limited 22.50 22.50 - Market Value 22.50 22.50 - 400 Bonds of Piramal Capital Housing Finance Ltd @ 6.75% 0.00 10.98 - Market Value 0.00 3.15 - Krazybee Debentures 120.46 0.00 - Market Value 120.46 0.00 - 1 Market linked NCD of Piramal Enterprise Ltd @ 8% 10.00 10.00 - Market Value 10.00 10.00 - Morphe Foxtrot 25.00 25.00 - Market Value 25.00 25.00 - 1 unlisted NCD Incore Debenture 1 jun 2025 10.00 10.00 - Market Value 10.00 10.00 - 1 unlisted NCD of Svantra Microfin Pvt Ltd @ 11.77% 10.23 10.23 - Market Value 10.23 10.23 (d) Investments in Mutual Fund - Aditya Birla Sun Life Mutual Fund 9.54 1.60 - Market Value 10.65 1.46 - ICICI Floating Interest Fund 0.05 0.00 - Market Value 0.05 0.00 - ICICI Pru Bluechip Fund 0.20 0.00 - Market Value 0.22 0.00 1,059.98 185.99 *Listed investments are at market value *Unlisted investments cost is taken as market value. | | |
| 4 | Deferred tax assets(net) <u>Reconciliation of Deferred Tax Assets/Liabilities (Net)</u> Opening balance of Deffered Tax Assets(net) 1.36 1.85 <i>Changes during the Year in Profit & Loss</i> a) Deferred Tax Assets: Tax on Difference between Book Balance and Tax Balance of Fixed Asset 0.00 0.00 On Account of Employee Benefits [Net] 0.00 0.00 On other timing differences 0.00 0.00 b) Deferred Tax Liabilities: Difference between Book Balance and Tax Balance of Fixed Asset 0.33 0.49 <i>Changes during the Year in Other Comprehensive Income</i> a) Deferred Tax Assets: On Account of Fixed Assets 0.00 0.00 Closing balance of deferred tax assets(net) 1.03 1.36 | | |

| Dharni Capital Services Limited | | | | | |
|--|--|----------------------|----------------------|----------------------|----------------------|
| Standalone Notes annexed to and forming part of the Financial Statements | | | | | |
| Note No | Particulars | 31.03.2024 | 31.03.2023 | | |
| 5 | Other Non-Current Asset | | | | |
| | MAT Credit Entitlement | 0.00 | 0.00 | | |
| | | 0.00 | 0.00 | | |
| 6 | Trade Receivables (Current) | | | | |
| | i) Unsecured, Considered good | 12.46 | 0.78 | | |
| | ii) Debts due by Private Companies in which Director is Interested | 0.00 | 0.00 | | |
| | | 12.46 | 0.78 | | |
| | Less: Allowance for bad and doubtful debts | 0.00 | 0.00 | | |
| | | 12.46 | 0.78 | | |
| | Trade Receivables Ageing Schedule | | | | |
| | Trade Receivables | 31.03.2024 | | 31.03.2023 | |
| | | < 6 months | > 6 months | < 6 months | > 6 months |
| | (i) Undisputed Trade Receivables – considered good | 12.46 | 0.00 | 0.78 | 0.00 |
| | (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 0.00 | 0.00 | 0.00 | 0.00 |
| | (iii) Undisputed Trade Receivables – credit impaired | 0.00 | 0.00 | 0.00 | 0.00 |
| | (iv) Disputed Trade Receivables—considered good | 0.00 | 0.00 | 0.00 | 0.00 |
| | (v) Disputed Trade Receivables – which have significant increase in credit risk | 0.00 | 0.00 | 0.00 | 0.00 |
| | (vi) Disputed Trade Receivables – credit impaired | 0.00 | 0.00 | 0.00 | 0.00 |
| | | 12.46 | 0.00 | 0.78 | 0.00 |
| 7 | Cash and Cash Equivalents | | | | |
| | Cash in Hand | | | 2.51 | 2.98 |
| | Balance with Banks- in Current Account | | | 8.86 | 1.44 |
| | Balance with Banks- with less than 12 months maturity | | | 82.48 | 1,122.67 |
| | | | | 93.85 | 1,127.09 |
| 8 | Current Tax Assets(Net) | | | | |
| | TDS & Advance Tax | | | 102.97 | 0.00 |
| | Less: Provision for Tax | | | 99.05 | 0.00 |
| | IT Refund Receivable | | | 0.00 | 0.00 |
| | TCS Receivable | | | 0.00 | 0.00 |
| | | | | 3.92 | 0.00 |
| 9 | Other Current Assets | | | | |
| | Advances receivable in cash or in kind | | | 0.01 | 0.01 |
| | Advances paid to vendors | | | 0.00 | 1.78 |
| | IPO Capitalised Expenses | | | 9.17 | 12.14 |
| | Balances with Government authorities | | | 0.00 | 0.00 |
| | Preliminary expenses | | | 0.00 | 0.00 |
| | Interest Receivable | | | 0.84 | 11.15 |
| | ICICI Bank FD | | | 0.00 | 0.00 |
| | Granary Wholesale Private Limited - ICD | | | 400.00 | 0.00 |
| | Prestige Park Grove Flat | | | 16.19 | 0.00 |
| | Sobha Neopolis Flat 15003 | | | 25.17 | 0.00 |
| | Rent and Security Deposit | | | 15.05 | 15.05 |
| | | | | 466.43 | 40.13 |
| 10 | Equity Share Capital | | | | |
| | i) Authorised share capital | | | | |
| | 2,10,00,000 Equity shares (31.03.2023: 2,10,00,000) of Rs. 1/- each | | | 210.00 | 210.00 |
| | | | | 210.00 | 210.00 |
| | ii) Issued, subscribed & fully paid share capital | | | | |
| | 2,03,70,000 Equity shares (31.03.2023: 2,03,70,000) of Rs. 1/- each | | | 203.70 | 203.70 |
| | | | | 203.70 | 203.70 |

| Dharni Capital Services Limited | | | | | |
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| Standalone Notes annexed to and forming part of the Financial Statements | | | | | |
| Note No | Particulars | 31.03.2024 | | 31.03.2023 | |
| 11 | The Company has one class of equity shares having a par value of Rs.1/- . They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. The dividend, if any, is proposed by the Board is subject to approval by the Share Holders. The dividend is declared and paid in Indian Rupees. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. | | | | |
| | Details of share holders holding more than 5% shares | | | | |
| | Name of the Share Holder | 31.03.2024 | | 31.03.2023 | |
| | | No. of shares | %age | No. of shares | %age |
| | Hemant Dharnidharka | 1,39,50,000 | 68.48% | 1,39,50,000 | 68.48% |
| | | | | | |
| | Reconciliation of no. of shares | | 31.03.2024 | 31.03.2023 | |
| | Shares outstanding as at the beginning of the year | | 2,03,70,000 | 1,50,00,000 | |
| | Less : Brought-back | | 0 | 0 | |
| | Add : Issued during the year | | 0 | 53,70,000 | |
| | Shares outstanding as at the end of the year | | 2,03,70,000 | 2,03,70,000 | |
| | Other Equity | | 31.03.2024 | 31.03.2023 | |
| | a) Retained Earnings | | | | |
| | Opening balance .i.e. Statement of Profit & Loss | | 195.80 | 76.74 | |
| | Profit/(Loss) for the period | | 293.85 | 119.06 | |
| Less: Utilized during the year for Bonus Issue | | 0.00 | 0.00 | | |
| | | 489.65 | 195.80 | | |
| b) Security Premium Account | | | | | |
| Opening balance | | 1020.30 | 0.00 | | |
| Add: Received during the year | | 0.00 | 1,020.30 | | |
| Less: Utilized during the year | | 0.00 | 0.00 | | |
| | | 1,020.30 | 1,020.30 | | |
| | | 1,509.95 | 1,216.10 | | |

| Dharni Capital Services Limited | | | | | | |
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| Standalone Notes annexed to and forming part of the Financial Statements | | | | | | |
| Note No | Particulars | 31.03.2024 | | | 31.03.2023 | |
| 12 | Borrowings (Non Current) | | | | | |
| | Unsecured Loans | | | | | |
| | a) Loans from related parties* | 0.00 | | | 0.00 | |
| | Intercompany Loans | 0.00 | | | 0.00 | |
| | From Other Related Parties | 0.00 | | | 0.00 | |
| | | 0.00 | | | 0.00 | |
| | Less: Current Maturities | 0.00 | | | 0.00 | |
| | | 0.00 | | | 0.00 | |
| 13 | Trade Payables (Current) | | | | | |
| | Total outstanding dues of Micro Enterprises and Small Enterprises | 0.00 | | | 0.00 | |
| | Total outstanding dues of creditors other than Micro and Small Enterprises | 0.14 | | | 1.76 | |
| | | 0.14 | | | 1.76 | |
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| Dharni Capital Services Limited Standalone Notes annexed to and forming part of the Financial Statements | | | |
|---|--|-------------------|-------------------|
| Note No | Particulars | 31.03.2024 | 31.03.2023 |
| | Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 | | |
| | i) Information related to micro, small and medium enterprises | 0.00 | 0.00 |
| | a) Principal amount remaining unpaid to any supplier as at the end of the accounting year | 0.00 | 0.00 |
| | b) Interest due thereon remaining unpaid to the supplier as at the end of the year | 0.00 | 0.00 |
| | c) The amount of Interest paid along with the amount of principal payment made to the supplier beyond the appointed day during the year | 0.00 | 0.00 |
| | d) The amount of interest due or payable for the year. | 0.00 | 0.00 |
| | e) Interest accrued and remaining unpaid at the end of the year. | 0.00 | 0.00 |
| | f) Interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid | 0.00 | 0.00 |
| | ii) The identification of vendors as a 'Supplier' under the Micro, Small and Medium Enterprises Development Act, 2006, has been done on the basis of the information to the extent provided by the vendors of the Company. | 0.00 | 0.00 |
| 14 | Other Current Liabilities | | |
| | Advance received from customers | 0.00 | 0.00 |
| | Other statutory liabilities | 18.42 | 5.61 |
| | Outstanding expenses payable | 0.00 | 0.00 |
| | | 18.42 | 5.61 |

| Dharni Capital Services Limited Standalone Notes annexed to and forming part of the Financial Statements | | | |
|---|---|-------------------|-------------------|
| Note No | Particulars | 31.03.2024 | 31.03.2023 |
| 15 | Provisions (Current) | | |
| | Audit Fees Payable | 0.45 | 0.25 |
| | | 0.45 | 0.25 |
| 16 | Current Tax Liability (Net) | | |
| | TDS Payable | 0.05 | 0.00 |
| | Provision for Income tax | 0.00 | 40.22 |
| | Less: TDS & Advance Tax | 0.00 | (37.75) |
| | | 0.05 | 2.47 |
| Note No | Particulars | 31.03.2024 | 31.03.2023 |
| 17 | Revenue From Operations | | |
| | Commission Received | 588.78 | 200.37 |
| | Professional Services | 231.03 | 125.00 |
| | Technical Services | 0.00 | 104.50 |
| | Export Services | 0.00 | 40.27 |
| | | 819.81 | 470.14 |
| 18 | Other Income | | |
| | Interest on Income Tax Refund | 0.00 | 0.14 |
| | Interest received on FDs | 39.14 | 14.72 |
| | Interest from CCD | 0.00 | 1.55 |
| | Interest from REIT | 0.52 | 0.39 |
| | Dividend Income | 1.38 | 1.42 |
| | SPV proceeds from REIT | 1.20 | 1.19 |
| | Interest from NCD | 2.50 | 3.78 |
| | Interest from Incor Debentures | 1.20 | 1.00 |
| | Interest from Morphe Foxtrot | 1.86 | 1.55 |
| | Interest from Stellach | 1.77 | 0.00 |
| | Short Term Capital Gains | 2.60 | 2.32 |
| | Long Term Capital Gain on Bonds and Equity | (0.61) | 1.28 |
| | Interest from Krazybee | 13.15 | 0.00 |
| | Interest from ICD-Granary Wholesale pvt. Ltd. | 39.19 | 0.00 |
| | Interest from Aaproksha Financials | 2.23 | 0.00 |
| | Misc Income | 0.00 | 0.26 |
| | | 106.13 | 29.60 |

| Dharni Capital Services Limited Standalone Notes annexed to and forming part of the Financial Statements | | | |
|---|----------------------------------|-------------------|-------------------|
| Note No | Particulars | 31.03.2024 | 31.03.2023 |
| 19 | Employee Benefit Expenses | | |
| | Salary | 90.58 | 1.56 |
| | | 90.58 | 1.56 |
| 20 | Finance Costs | | |
| | Bank Charges | 0.01 | 0.23 |
| | Interest Expenses | 0.01 | 0.03 |
| | | 0.02 | 0.26 |
| 21 | Other Expenses | | |
| | Audit fees | 0.75 | 0.74 |
| | Business Promotion Expenses | 4.50 | 6.73 |
| | Commission Paid | 139.00 | 53.89 |
| | Electricity | 1.49 | 0.65 |
| | Fees | 6.35 | 11.63 |
| | Insurance | 1.07 | 0.17 |
| | IT Services | 2.02 | 1.75 |
| | Office Expenses | 1.33 | 0.51 |
| | Postage, telephone and telegram | 0.68 | 0.38 |
| | Printing & stationery | 0.72 | 0.13 |
| | Professional/consultancy charges | 248.09 | 239.62 |
| | Professional Tax Paid | 0.00 | 0.00 |
| | Rates and taxes | 0.00 | 0.00 |
| | Zerodha Expenses | 0.16 | 0.03 |
| | Exchange Rate Difference | 0.00 | (0.14) |
| | Rent | 14.35 | 12.03 |
| | Refreshment | 0.00 | 0.06 |
| | Repairs & Maintainance | 1.78 | 0.98 |
| | Tally Software Services | 0.06 | 0.00 |
| | Director Fees | 0.22 | 0.00 |
| | Amortisation Expenese | 3.06 | 0.00 |
| | Travelling & Conveyance | 4.04 | 4.29 |
| | Housekeeping | 0.00 | 0.00 |
| | Written off | 0.00 | 0.00 |
| | | 429.67 | 333.45 |
| | Total other expenses(a+b) | 429.67 | 333.45 |

| Dharni Capital Services Limited Standalone Notes annexed to and forming part of the Financial Statements | | | |
|---|---|-------------------|-------------------|
| Note No | Particulars | 31.03.2024 | 31.03.2023 |
| 22 | Earnings per share Basic earnings per share is computed by dividing Net Profit after tax (attributable to equity share holders) by weighted average number of equity shares outstanding for the period. Dilutive earnings per share is not calculated as the company has not issued any dilutive potential equity shares. | | |
| | Particulars | 31.03.2024 | 31.03.2023 |
| | Nominal value of shares of Rs.10/- each | | |
| | Profit/(Loss) after tax | 293.85 | 119.06 |
| | Average no. of shares outstanding | 2,03,70,000 | 1,59,71,014 |
| | Basic earnings per share | 1.44 | 0.75 |
| | Diluted earnings per share | 1.44 | 0.75 |
| 23 | Contingent liabilities and commitments- Nil | | |
| 24 | Payment to auditors | 31.03.2024 | 31.03.2023 |
| | For audit | 0.54 | 0.54 |
| | For tax audit | 0.00 | 0.00 |
| | For other services | 0.20 | 0.20 |
| | | 0.74 | 0.74 |
| 25 | Earnings per share Basic earnings per share has been calculated by dividing the profit/(loss) attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year. For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares. | | |
| 26 | Income & Expenditure in foreign currency <u>Inflow of foreign Currency:</u> FOB Value of Exports during the year is Rs. 0/- <u>Outflow of foreign Currency:</u> CIF Value of Imports: Nil Travelling Expenses: Nil Overseas Commission etc.: Nil | | |

Dharni Capital Services Limited
Standalone Notes annexed to and forming part of the Financial Statements

27 **Details of related party transactions during the Financial year ended 31 Mar, 2023 and balances outstanding as at 31 Mar, 2024:**

| Particulars | 2022-24 | 2021-23 |
|--|------------------------------------|-----------------|
| <u>Transactions during the year (Net)</u> | | |
| Key Managerial Person | Transaction | |
| Hemant Dharnidharka | Salary | 36.00 0.00 |
| Hemant Dharnidharka | Reimbursement on behalf of company | 1.36 0.00 |
| Preeti Saraogi | Salary | 36.00 0.00 |
| Disha Jain | Salary | 0.70 0.00 |
| Antima Kataria | Salary | 0.83 0.00 |
| Mayank Mundhra | Salary | 0.00 1.56 |
| <u>Related Party</u> | | |
| Pramod Dharnidharka HUF | Commission | 0.00 0.00 |
| Khushboo Kanodia | Professional Fees | 18.31 4.00 |
| Payal Mohta | Professional Fees | 6.61 4.00 |
| Vinay Agarwal | Director Fee | 0.22 0.00 |
| <u>Balance outstanding at the end of the year</u> | | |
| Key Managerial Person | Transaction | |
| Hemant Dharnidharka | Unsecured Loan | 0.00 0.00 |
| Preeti Saraogi | Unsecured Loan | 0.00 0.00 |
| Hemant Dharnidharka | Reimbursement | 0.00 0.00 |
| Mayank Mundhra | Salary | 0.00 0.12 |

28 Previous year's figures have been re-grouped/re-arranged whenever necessary to make them comparable with current year's figures.

29 Amounts in paises have been rounded off to the nearest Rupee lakhs (presented along with two decimals.)

Place: Bangalore
Date: 10.05.2024

For and on behalf of Dharni Capital Services Ltd

As per our report of even date
For B S D & Co.,
Chartered Accountants
Firm Regn No: 000312S

Sd/-
Hemant Dharnidharka
Director
DIN: 07190229

Sd/-
Preeti Saraogi
Director
DIN: 07339758

Sd/-
Pramod Kumar Dharnidharka
CFO

Sd/-
Antima Kataria
Company Secretary
MN: A53005

Sd/-
Rishav Saraf
Partner
Membership No: 230591
UDIN: 24230591BKACYX7017

INDEPENDENT AUDITOR'S REPORT

To The Members of

M/S. DHARNI CAPITAL SERVICES LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **M/s. Dharni Capital Services Limited, Bangalore** (hereinafter referred to as "the Holding Company") and **M/s. Dharni Consulting Private Limited, Bangalore** its subsidiary (the Holding Company and its Subsidiary together referred to as "the Group") comprising the Consolidated Balance Sheet as at 31st March 2024, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flow for the year ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at 31st March, 2024 of consolidated profit and its consolidated cash flows for the year end.

Basis for Opinion

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

Information Other than the Consolidated 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 Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditors' report thereon. The Boards' Report which is expected to be made available to us after that date.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it is made available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Boards' Report, if we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Holding company and its subsidiary in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Holding company and its subsidiary are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding company and its subsidiary and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibility for the Audit of the Consolidated Financial Statements:

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report to the extent applicable that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company and the respective Subsidiary Company, none of the directors of the Holding company and its Subsidiary company covered under this report is disqualified as on 31st March, 2024 from being appointed as a director in terms of section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, in our opinion, reporting on Internal Financial Controls System is not applicable to the company for the year.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its consolidated financial statements and standalone financial statements in note no 23.
 - ii. The Holding company and its subsidiary did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31st March, 2024.
 - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company and subsidiary company incorporated in India, during the year ended 31st March, 2024.

- iv. (a) the Management has represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (b) the Management has represented that, to the best of their knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement
- v. The holding company and subsidiary company have not declared or paid any dividend during the year.
- vi. Based on our examination, the company has used Tally accounting software for maintaining its books of account wherein the accounting software did not have the audit trail feature enabled throughout the year.

For B S D & Co.,
Chartered Accountants
Firm Registration No: 000312S

Place: Bangalore
Date: 10.05.2024

Sd/-
Rishav Saraf
Partner
Membership No.: 230591
UDIN: 24230591BKACYX7017

Dharni Capital Services Limited

(Formerly known as Dharni Online Services Private Limited and Dharni Capital Services Private Limited)

226, Brigade Metropolis Arcade, Garudacharpalya, Whitefield Road, Near ITPL, Bangalore-560048.**CIN : U74120KA2015PLC084050****Consolidated Balance Sheet as at 31st March, 2024****Amounts (in lakhs)**

| | Particulars | Note No. | As at 31.03.2024 | As at 31.03.2023 |
|----------|-------------------------------------|----------|------------------|------------------|
| | 1 | 2 | 3 | 3 |
| 1 | ASSETS | | | |
| | Non-Current Assets | | | |
| | (a) Property, Plant and Equipment | 2 | 695.04 | 74.54 |
| | (b) Capital Work-in-Progress | 2 | - | - |
| | (c) Financial Assets | | | |
| | (i) Investments | 3 | 258.98 | 185.99 |
| | (d) Deferred Tax Assets (Net) | 4 | 1.03 | 1.36 |
| | (e) Other Non-Current Assets | 5 | - | - |
| 2 | Current Assets | | | |
| | (a) Inventories | | - | - |
| | (b) Financial Assets | | | |
| | (i) Trade Receivables | 6 | 12.46 | 0.78 |
| | (ii) Cash and Cash Equivalents | 7 | 481.41 | 1,128.09 |
| | (c) Current Tax Assets (Net) | 8 | 1.36 | - |
| | (d) Other Current Assets | 9 | 466.43 | 40.13 |
| | Total Assets | | 1,916.71 | 1,429.89 |
| 1 | EQUITY AND LIABILITIES | | | |
| | Equity | | | |
| | (a) Equity Share Capital | 10 | 203.70 | 203.70 |
| | (b) Other Equity | 11 | 1,526.81 | 1,216.10 |
| 2 | Liabilities | | | |
| | Non-Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 12 | - | - |
| 3 | Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Trade Payables | 13 | 167.13 | 1.76 |
| | (b) Other current liabilities | 14 | 18.42 | 5.61 |
| | (c) Provisions | 15 | 0.65 | 0.25 |
| | (d) Current Tax Liabilities (Net) | 16 | - | 2.47 |
| | Total Equity and Liabilities | | 1,916.71 | 1,429.89 |

See accompanying notes to the financial statements

Place: Bangalore

Date: 10.05.2024

For and on behalf of Dharni Capital Services Ltd

As per our report of even date

For B S D & Co.,

Chartered Accountants

Firm Regn No: 000312S

Sd/-
Hemant Dharnidharka
 Director
 DIN: 07190229

Sd/-
Preeti Saraogi
 Director
 DIN: 07339758

Sd/-
Pramod Kumar
Dharnidharka
 CFO

Sd/-
Antima Kataria
 Company Secretary
 MN: A53005

Sd/-
Rishav Saraf
 Partner
 Membership No: 230591
 UDIN: 24230591BKACYX7017

Dharni Capital Services Limited

(Formerly known as Dharni Online Services Private Limited and Dharni Capital Services Private Limited)

226, Brigade Metropolis Arcade, Garudacharpalya, Whitefield Road, Near ITPL, Bangalore-560048.**CIN : U74120KA2015PLC084050****Consolidated Statement of Profit and Loss for the year/period ended 31st March, 2024****Amounts (in lakhs)**

| | Particulars | Note No. | For the Year ended 31st March 2024 | For the Year ended 31st March 2023 |
|------|--|-----------------|---|---|
| I | Revenue From Operations | 17 | 819.81 | 470.14 |
| II | Other Income | 18 | 137.66 | 29.60 |
| III | Total Income (I+II) | | 957.47 | 499.74 |
| IV | EXPENSES | | | |
| | Cost of Materials Consumed | | - | - |
| | Employee Benefits Expense | 19 | 90.58 | 1.56 |
| | Finance Costs | 20 | 0.02 | 0.26 |
| | Depreciation and Amortization Expense | 1 | 14.01 | 4.70 |
| | Other Expenses | 21 | 438.68 | 333.45 |
| | Total Expenses (IV) | | 543.29 | 339.97 |
| V | Profit/(Loss) Before Tax (III-IV) | | 414.18 | 159.77 |
| | Tax Expense: | | | |
| | (1) Current Tax | | 104.71 | 40.22 |
| VI | (2) Deferred Tax | | 0.33 | 0.49 |
| | (3) Tax of Earlier Years | | -1.57 | - |
| | (4) MAT Credit Entitlement | | - | - |
| VII | Profit (Loss) for the Period (V-VI) | | 310.71 | 119.06 |
| | Other Comprehensive Income | | | |
| | (i) Items that will not be reclassified to Profit/Loss | | | |
| | -Additional Depreciation due to change in estimate | | - | - |
| VIII | (ii) Income tax relating to above | | - | - |
| | -Deferred Tax on above | | - | - |
| | (i) Items that will be reclassified to Profit/Loss | | - | - |
| | (ii) Income tax relating to above | | - | - |
| IX | Other Comprehensive Income for the Period | | | |
| X | Total Comprehensive Income for the Period (VII+IX) | | 310.71 | 119.06 |
| | Earnings per Equity Share | | | |
| X | (1) Basic | 21 | 1.53 | 0.75 |
| | (2) Diluted | | 1.53 | 0.75 |

See accompanying notes to the financial statementsPlace: Bangalore
Date: 10.05.2024

For and on behalf of Dharni Capital Services Ltd

As per our report of even date
For B S D & Co.,
Chartered Accountants
Firm Regn No: 000312S**Sd/-**
Hemant Dharnidharka
Director
DIN: 07190229**Sd/-**
Preeti Saraogi
Director
DIN: 07339758**Sd/-**
Pramod Kumar Dharnidharka
CFO**Sd/-**
Antima Kataria
Company Secretary
MN: A53005**Sd/-**
Rishav Saraf
Partner
Membership No: 230591
UDIN: 24230591BKACYX7017

Dharni Capital Services Limited

226, Brigade Metropolis Arcade, Garudacharpalya, Whitefield Road, Near ITPL, Bangalore-560048.

CIN : U74120KA2015PLC084050

Statement of Changes in Equity**Consolidated Statement of Changes in Equity for the year ended 31st March, 2024****A. Equity Share Capital****Authorised equity share capital**

| Particulars | Number of shares | Amount (lakhs) |
|------------------------------|--------------------|----------------|
| As at 1st April 2022 | 1,80,00,000 | 180.00 |
| Increase during the year | 30,00,000 | 30.00 |
| As at 31st March 2023 | 2,10,00,000 | 210.00 |
| Increase during the year | 0 | 0.00 |
| As at 31st March 2024 | 2,10,00,000 | 210.00 |

Subscribed and Paid up share capital

| Particulars | Note No | Number of shares | Amount (lakhs) |
|------------------------------|---------|--------------------|----------------|
| As at 1st April 2022 | 10 | 1,50,00,000 | 150.00 |
| Increase during the year | | 53,70,000 | 53.70 |
| As at 31st March 2023 | | 2,03,70,000 | 203.70 |
| Increase during the year | | 0 | 0 |
| As at 31st March 2024 | | 2,03,70,000 | 203.70 |

B. Other Equity

| | Reserves and Surplus | | | |
|---|----------------------------|-----------------|-------------------|-----------------|
| | Securities Premium Reserve | General Reserve | Retained Earnings | Total |
| Balance as at 1st April 2022 | 0.00 | 0.00 | 76.74 | 76.74 |
| Changes in accounting policy or prior period errors | 0.00 | 0.00 | 0.00 | 0.00 |
| Restated balance at the beginning of the reporting period | 0.00 | 0.00 | 0.00 | 0.00 |
| Current Year Profit/ Loss | 0.00 | 0.00 | 119.06 | 119.06 |
| Other Comprehensive Income | 0.00 | 0.00 | 0.00 | 0.00 |
| Any other change - Shares issued at premium | 1,020.30 | 0.00 | 0.00 | 1,020.30 |
| Less: Utilized during the year | 0.00 | 0.00 | 0.00 | 0.00 |
| Balance at the 31st March 2023 | 1,020.30 | 0.00 | 195.80 | 1,216.10 |
| Changes in accounting policy or prior period errors | 0.00 | 0.00 | 0.00 | 0.00 |
| Restated balance at the beginning of the reporting period | 0.00 | 0.00 | 0.00 | 0.00 |
| Current Year Profit/ Loss | 0.00 | 0.00 | 310.71 | 310.71 |
| Other Comprehensive Income | 0.00 | 0.00 | 0.00 | 0.00 |
| Any other change - Shares issued at premium | 0.00 | 0.00 | 0.00 | 0.00 |
| Less: Utilized during the year | 0.00 | 0.00 | 0.00 | 0.00 |
| Balance at the 31st March 2024 | 1,020.30 | 0.00 | 506.51 | 1,526.81 |

Note:Place: Bangalore
Date: 10.05.2024

For and on behalf of Dharni Capital Services Ltd

As per our report of even date
For B S D & Co.,
Chartered Accountants
Firm Regn No: 000312SSd/-
Hemant Dharnidharka
Director
DIN: 07190229Sd/-
Preeti Saraogi
Director
DIN: 07339758Sd/-
Pramod Kumar Dharnidharka
CFOSd/-
Antima Kataria
Company Secretary
MN: A53005Sd/-
Rishav Saraf
Partner
Membership No: 230591
UDIN: 24230591BKACYX7017

Dharni Capital Services Limited

(Formerly known as Dharni Online Services Private Limited and Dharni Capital Services Private Limited)

226, Brigade Metropolis Arcade, Garudacharpalya, Whitefield Road, Near ITPL, Bangalore-560048.**CIN : U74120KA2015PLC084050****Consolidated Statement of Cash Flows for the year ended 31st March, 2024**

| | Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 |
|----------|--|-----------------------------------|-----------------------------------|
| A | CASH FLOW FROM OPERATING ACTIVITIES | | |
| | Net Profit/(loss) Before Tax | 414.18 | 159.77 |
| | Adjustments for: | | |
| | Depreciation | 14.01 | 4.70 |
| | Interest & Finance Charges | 0.02 | 0.00 |
| | Less: Non operating Income | | |
| | Dividend Received | (1.38) | (1.42) |
| | Interest Received | (135.08) | (22.99) |
| | Other non operating income | (1.20) | (1.19) |
| | Operating Profit before Working Capital Changes | 290.55 | 138.87 |
| | Adjustments for: | | |
| | Decrease/(Increase) in Trade Receivables | (11.68) | 19.44 |
| | Decrease/(Increase) in Short term Advances | 0.00 | 0.00 |
| | Decrease/(Increase) in Current Tax Assets | (106.97) | (36.47) |
| | Decrease/(Increase) in Inventories | 0.00 | 0.00 |
| | Increase/(Decrease) in Short term Borrowings | 0.00 | 0.00 |
| | Increase/(Decrease) in Payables | 165.37 | 1.33 |
| | Increase/(Decrease) in Other Current Liabilities | 12.81 | (11.71) |
| | Increase/(Decrease) in Long Term Provisions | 0.00 | 0.00 |
| | Increase/(Decrease) in Short Term Provisions | 0.40 | (0.25) |
| | Cash generated from operations | 350.48 | 111.21 |
| | Income Tax paid | | |
| | Net Cash flow from Operating activities | 350.48 | 111.21 |
| B | CASH FLOW FROM INVESTING ACTIVITIES | | |
| | Purchase of Fixed Assets(Including amount Spent on Capital Work-In-Progress) | (636.25) | (68.07) |
| | Sale proceeds from Fixed Assets | 1.74 | 0.00 |
| | Decrease/(Increase) in Investments | (73.99) | (70.79) |
| | Decrease/(Increase) other Non-Current Assets | (426.30) | (28.49) |
| | Add: Dividend Received | 1.38 | 1.42 |
| | Add: Interest Received | 135.08 | 22.99 |
| | Add: Other non operating income | 1.20 | 1.19 |
| | Net Cash used in Investing activities | (997.14) | (140.75) |
| C | CASH FLOW FROM FINANCING ACTIVITIES | | |
| | Increase/(Decrease) in Long term Borrowings | 0.00 | 0.00 |
| | Increase in Share Capital (including Security Premium) | 0.00 | 1074.00 |
| | Interest paid | (0.02) | 0.00 |
| | Net Cash used in financing activities | -0.02 | 1074.00 |
| | Net change in cash & Cash Equivalents(A+B+C) | -646.68 | 1043.46 |
| | Cash and Cash equivalents at Beginning of the year | 1128.09 | 84.63 |
| | Cash and Cash equivalents at the end of the year | 481.41 | 1128.09 |
| | Net change in cash & Cash Equivalents | -646.68 | 1043.46 |

Note:

1. Cash Flow Statement has been prepared under Indirect Method as set out in Indian Accounting Standard 7

Place: Bangalore

Date: 10.05.2024

For and on behalf of Dharni Capital Services Ltd

As per our report of even date

For B S D & Co.,

Chartered Accountants

Firm Regn No: 000312S

Sd/-
Hemant Dharnidharka
 Director
 DIN: 07190229

Sd/-
Preeti Saraogi
 Director
 DIN: 07339758

Sd/-
Pramod Kumar Dharnidharka
 CFO

Sd/-
Antima Kataria
 Company Secretary
 MN: A53005

Sd/-
Rishav Saraf
 Partner
 Membership No: 230591
 UDIN: 24230591BKACYX7017

Dharni Capital Services Limited
226, Brigade Metropolis Arcade, Garudacharpalya, Whitefield Road, Near ITPL, Bangalore-560048.

CIN : U74120KA2015PLC084050

Note No. 2: Property, Plant and Equipment

| | | Gross Block | | | Depreciation | | | Net Block | | |
|--------|--------------------------|--------------------------------------|--------------------------|---------------------------|--------------------------------|--------------------------------------|-------------------------------|-----------|-------------------------|-------------------------|
| S. No. | Particulars | Value at the beginning 01.04.2023 | Addition during the year | Deduction during the year | Value at the end 31.03.2024 | Value at the beginning 01.04.2023 | Depreciation/ Amortization | Disposals | WDV as on 31.03.2024 | WDV as on 31.03.2023 |
| I | <u>Tangible Assets</u> | | | | | | | | | |
| 1 | Plant and Equipment | 0.00 | 0.86 | 0.00 | 0.86 | 0.00 | 0.06 | 0.00 | 0.80 | 0.00 |
| 2 | Furnitures & Fixtures | 0.24 | 2.20 | 0.00 | 0.24 | 0.00 | 0.75 | 0.00 | 1.69 | 0.24 |
| 3 | Vehicles | 29.00 | 27.38 | 16.79 | 39.58 | 20.70 | 7.43 | 15.05 | 26.51 | 8.30 |
| 4 | Plant and Machinery | 0.01 | 2.40 | 0.00 | 2.41 | 0.01 | 0.62 | 0.00 | 1.78 | 0.00 |
| 5 | Computer and Peripherals | 2.82 | 3.41 | 0.00 | 6.23 | 2.07 | 1.99 | 0.00 | 2.18 | 0.75 |
| 6 | Land and Building | 65.82 | 600.00 | 0.00 | 665.82 | 0.57 | 3.18 | 0.00 | 662.07 | 65.25 |
| | Total (Current Period) | 97.89 | 636.25 | 16.79 | 717.35 | 23.35 | 14.01 | 15.05 | 695.04 | 74.54 |
| | Total (F.Y 2022-23) | 29.82 | 68.07 | 0.00 | 97.89 | 18.65 | 4.70 | 0.00 | 74.54 | 11.17 |

| Dharni Capital Services Limited Notes annexed to and forming part of the Consolidated Financial Statements | |
|---|---|
| Note No | Particulars |
| 1A | <p><u>Corporate Information:</u></p> <p>The Company was incorporated on 12-11-2015. The Company Identification Number (CIN) allotted to the company is U74120KA2015PLC084050. The company is engaged in offering Diversified Financial services such as Mutual Fund Distribution services and Fixed Deposit Distribution services, Real Estate Brokerage services and Technical Consultancy and Outsourcing services and also offers a Technology enabled, comprehensive Investment and Financial services platform with end to end solutions critical for financial product distribution and presence across both online and offline channels.</p> |
| 1B | <p><u>Significant accounting policies:</u></p> <p>a) Basis of Preparation and Presentation of Financial Statements</p> <p>The Consolidated financial statements of the company have been prepared in accordance with the Indian Accounting Standards("Ind AS") as notified by the Ministry of corporate Affairs pursuant to section 133 of the companies Act, 2013 ("Act") , the companies (Indian Accounting Standards) Rules, 2015, as amended, and other applicable provisions of the Act.</p> <p>The Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity have been prepared and presented in the format prescribed in the Division II of the Schedule III to the Companies Act, 2013. Statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 Statement of Cash Flows. The disclosure requirements with respect to the items in the Balance Sheet and Statement of Profit and Loss Account are presented by way of notes forming part of financial statements.</p> <p>The Company has considered a period of twelve months as the operating cycle for classification of assets and liabilities as current and non-current</p> <p>Basis of Measurement</p> <p>These consolidated financial statements have been prepared based on accrual and going concern principles following the historical cost conventions except for those financial assets and liabilities that are measured at fair value.</p> <p>b) Key Estimates & Assumptions</p> <p>In preparing these Ind AS compliant financial statements, the Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable and a continuous evaluation is done on</p> |

| Dharni Capital Services Limited Notes annexed to and forming part of the Conolidated Financial Statements | |
|--|---|
| Note No | Particulars |
| | <p>the estimation and Judgement based on historical experience and other factors.</p> <p>c) Foreign Currency Translations and Transactions Foreign currency transactions are translated into the functional currency using the exchange rates on the dates of the transactions. Foreign exchange gain and loss arising from the settlement of these transactions, and from the translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the statement of Profit and Loss. Non - monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate on the date of the transaction. The company has not entered into any foreign exchange forward contracts during the year.</p> <p>d) Inventories Value of inventories are measured at lower of cost or net realisable value. The cost of inventories is assigned by using First in first out method.</p> <p>e) Revenue recognition i) Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are exclusive of Goods and Services Tax and net of returns and trade allowances, if any.</p> <p>ii) Revenue is recognized based on the nature of the activity to the extent it is probable that the economic benefit will flow to the company and the revenue can be reliably measured with the reasonable certainty of its recovery. Export incentives, if any, from Government is accounted for on receipt basis.</p> <p>g) Property, Plant and Equipment(PPE) <u>Recognition and Measurement</u> PPE is recognised 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. PPE other than freehold land is stated at original cost including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use, net of tax/duty credits availed, if any, after deducting rebates and trade discounts, less accumulated depreciation and accumulated impairment losses, if any. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items(major components) of PPE</p> <p><u>Depreciation & Amortisation</u> Depreciation on PPE for the year has been provided on all assets on Written down Value Method, pro rata to the period of use, as per the useful lives prescribed in schedule II to the Companies Act, 2013.</p> |

Dharni Capital Services Limited
Notes annexed to and forming part of the Consolidated Financial Statements

| Note No | Particulars | | | | | | | | | | | | | | |
|--------------------------|---|-------------------|-------------|---------------------|----|-----------------------|----|----------|---|---------------------|----|------------------|---|--------------------------|---|
| | <p>The following are the useful lives of the various classes of the property, plant and equipment</p> <table border="1"> <thead> <tr> <th>Class description</th><th>Useful life</th></tr> </thead> <tbody> <tr> <td>Plant and Equipment</td><td>15</td></tr> <tr> <td>Furnitures & Fixtures</td><td>10</td></tr> <tr> <td>Vehicles</td><td>6</td></tr> <tr> <td>Plant and Machinery</td><td>15</td></tr> <tr> <td>Office Equipment</td><td>5</td></tr> <tr> <td>Computer and Peripherals</td><td>3</td></tr> </tbody> </table> <p>h) Share Capital Ordinary shares are classified as equity. Costs directly attributable to issuance of new ordinary shares are charged to profit and loss account on the basis of predetermined period in equal proportions.</p> <p>i) Taxes on Income Income tax expense/income comprises of current income tax expense/income and deferred tax expense/income. It is recognised in the statement of Profit and Loss except to the extent it relates to the items directly recognised in Other Comprehensive Income or in Equity.</p> <p>Current tax is the expected income tax payable/recoverable in respect of the taxable profit/(tax loss) for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.</p> <p>Deferred tax is recognised in respect of temporary differences between the carrying values of assets and liabilities for financial reporting purposes and the amount used for tax purposes.</p> <p>j) Provisions and Contingent Liabilities Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability, using a current pre-tax</p> | Class description | Useful life | Plant and Equipment | 15 | Furnitures & Fixtures | 10 | Vehicles | 6 | Plant and Machinery | 15 | Office Equipment | 5 | Computer and Peripherals | 3 |
| Class description | Useful life | | | | | | | | | | | | | | |
| Plant and Equipment | 15 | | | | | | | | | | | | | | |
| Furnitures & Fixtures | 10 | | | | | | | | | | | | | | |
| Vehicles | 6 | | | | | | | | | | | | | | |
| Plant and Machinery | 15 | | | | | | | | | | | | | | |
| Office Equipment | 5 | | | | | | | | | | | | | | |
| Computer and Peripherals | 3 | | | | | | | | | | | | | | |

| Dharni Capital Services Limited Notes annexed to and forming part of the Consolidated Financial Statements | | | | | | | | | | | | | | | | | | | |
|---|--|------------------|----------------------------------|-----------------------|----------------------------------|--------------|-------------------|------------------|-------------------|-----------------------|-----|---------------------------|--------------------------------------|--------------------|-------------------------------|---------------|-------------------------------|-----------------|----------------------|
| Note No | Particulars | | | | | | | | | | | | | | | | | | |
| | <p>rate that reflects the current market assessment of the time value of money and risks specific to the obligation. The unwinding of the discount is recognised as finance cost.</p> <p>Contingent liabilities are disclosed in the notes to the financial statements when there is a possible obligation arising from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.</p> <p>Provisions and Contingent Liabilities are reviewed at each Balance Sheet date and adjusted to reflect the best estimates.</p> <p>k) Segment Information l) The Company provides Financial and Management Consulting Services.</p> <p>l) Related Party Disclosures a) Individuals having control and relatives</p> <table> <tr> <td>- Preeti Saraogi</td><td>(Director) Key Managerial Person</td></tr> <tr> <td>- Hemant Dharnidharka</td><td>(Director) Key Managerial Person</td></tr> <tr> <td>- Disha Jain</td><td>Company Secretary</td></tr> <tr> <td>- Antima Kataria</td><td>Company Secretary</td></tr> <tr> <td>- Pramod Dharnidharka</td><td>CFO</td></tr> <tr> <td>- Pramod Dharnidharka HUF</td><td>HUF of Father of one of the Director</td></tr> <tr> <td>- Khushboo Kanodia</td><td>Sister of one of the Director</td></tr> <tr> <td>- Payal Mohta</td><td>Sister of one of the Director</td></tr> <tr> <td>- Vinay Agarwal</td><td>Independent Director</td></tr> </table> | - Preeti Saraogi | (Director) Key Managerial Person | - Hemant Dharnidharka | (Director) Key Managerial Person | - Disha Jain | Company Secretary | - Antima Kataria | Company Secretary | - Pramod Dharnidharka | CFO | - Pramod Dharnidharka HUF | HUF of Father of one of the Director | - Khushboo Kanodia | Sister of one of the Director | - Payal Mohta | Sister of one of the Director | - Vinay Agarwal | Independent Director |
| - Preeti Saraogi | (Director) Key Managerial Person | | | | | | | | | | | | | | | | | | |
| - Hemant Dharnidharka | (Director) Key Managerial Person | | | | | | | | | | | | | | | | | | |
| - Disha Jain | Company Secretary | | | | | | | | | | | | | | | | | | |
| - Antima Kataria | Company Secretary | | | | | | | | | | | | | | | | | | |
| - Pramod Dharnidharka | CFO | | | | | | | | | | | | | | | | | | |
| - Pramod Dharnidharka HUF | HUF of Father of one of the Director | | | | | | | | | | | | | | | | | | |
| - Khushboo Kanodia | Sister of one of the Director | | | | | | | | | | | | | | | | | | |
| - Payal Mohta | Sister of one of the Director | | | | | | | | | | | | | | | | | | |
| - Vinay Agarwal | Independent Director | | | | | | | | | | | | | | | | | | |

Dharni Capital Services Limited
Standalone Notes annexed to and forming part of the Financial Statements

| Note No | Particulars | | | | | | |
|--|---|--|--|-----------------------|------------------------|---------------------------------|---------------|
| (iii) | Ratios | | | | | | |
| | Ratio | Numerator | Denominator | Current Period | Previous Period | Change in Ratio > 25% | Reason |
| 1 | Current Ratio (in times) | Total Current Assets | Total Current Liabilities | 5.16 | 115.86 | -0.96 | Note(i) |
| 2 | Debt-Equity Ratio (in times) | Debt consists of Loan | Total Equity | NA | NA | - | - |
| 3 | Debt Service Coverage Ratio (in times) | Earning Available for Debt Service = Net profit before Taxes | Debt Service = Interest & Lease Payment + Principal Payment | NA | NA | - | - |
| 4 | Return on Equity Ratio (in %) | Net Profit After Tax | Average Total Equity | 17.95% | 8.39% | 114.11% | Note(ii) |
| 5 | Inventory Turnover Ratio | Sales | Average Inventory | NA | NA | - | - |
| 6 | Trade Receivables Turnover Ratio (in times) | Revenue from Operations | Average Trade Receivable | 0.02 | 0.00 | 8.16 | - |
| 7 | Trade Payables Turnover Ratio (in times) | Net Credit Purchases | Average Trade Payable | 5.19 | 304.52 | -0.98 | - |
| 8 | Net Capital Turnover Ratio (in times) | Revenue from Operations | Average Working Capital = Total Current Assets - Total Current liabilities | 1.06 | 0.41 | 1.61 | - |
| 9 | Net Profit Ratio (in %) | Profit After Tax | Revenue from Operations | 37.90% | 25.32% | 49.66% | Note(iii) |
| 10 | Return on Capital Employed (in %) | Profit Before Interest and Tax | Capital Employed = Net Worth + Total Debt + Deferred Tax Liability | 23.94% | 11.27% | 112.35% | Note(iv) |
| 11 | Return on Investment (in %) | Income Generated from Invested Funds | Net Income on Investment/Cost of Investment | 53.15% | 16.00% | 232.20% | Note(v) |
| <p>Note (i) Decrease in current ratio is on account of utilization of IPO cash during the current year.</p> <p>Note (ii) Increase in Return on Equity Ratio is Turnover of company is increased as compared to last year.</p> <p>Note (iii) Increase in Net profit Ratio is on Turnover of the company increased as compared to last year.</p> <p>Note (iii) Increase in Net profit Ratio is on Turnover of the company increased as compared to last year.</p> <p>Note (v) Decrease in return on Capital Employed is on Invest the amount to increase authorised capital of subsidiary company.</p> | | | | | | | |

| Dharni Capital Services Limited | | | |
|--|---|---------------|---------------|
| Notes annexed to and forming part of the Consolidated Financial Statements | | | |
| Note No | Particulars | 31.03.2024 | 31.03.2023 |
| 3 | Financial Assets | | |
| | (I) Investments | | |
| | (a) Investments in Equity Instruments | | |
| | - Panchsheel Organics Ltd. | 0.00 | 25.64 |
| | - Market Value | 0.00 | 23.26 |
| | - Stellach Management Private Limited | 2.50 | 2.50 |
| | - Market Value | 2.50 | 2.50 |
| | - Akme Shares | 30.00 | 0.00 |
| | - Market Value | 30.00 | 0.00 |
| | - Aparokha Financial Services P Ltd - Loan2Wheels | 18.50 | 0.00 |
| | - Market Value | 18.50 | 0.00 |
| | (b) Investments in Trust Securities | | |
| | - 19000 REIT of Emabssy Office Parks REIT Ltd | 0.00 | 66.54 |
| | - Market Value | 0.00 | 58.73 |
| | (c) Investments in Debentures & Bonds | | |
| | - CCD of Stellach Management Private Limited | 22.50 | 22.50 |
| | - Market Value | 22.50 | 22.50 |
| | - 400 Bonds of Piramal Capital Housing Finance Ltd @ 6.75% | 0.00 | 10.98 |
| | - Market Value | 0.00 | 3.15 |
| | - Krazybee Debentures | 120.46 | 0.00 |
| | - Market Value | 120.46 | 0.00 |
| | - 1 Market linked NCD of Piramal Enterprise Ltd @ 8% | 10.00 | 10.00 |
| | - Market Value | 10.00 | 10.00 |
| | - Morphe Foxtrot | 25.00 | 25.00 |
| | - Market Value | 25.00 | 25.00 |
| | - 1 unlisted NCD Incore Debenture 1 jun 2025 | 10.00 | 10.00 |
| | - Market Value | 10.00 | 10.00 |
| | - 1 unlisted NCD of Svatanttra Microfin Pvt Ltd @ 11.77% | 10.23 | 10.23 |
| | - Market Value | 10.23 | 10.23 |
| | (d) Investments in Mutual Fund | | |
| | - Adity Birla Sun Life Mutual Fund | 9.54 | 1.60 |
| | - Market Value | 10.65 | 1.46 |
| | - ICICI Floating Interest Fund | 0.05 | 0.00 |
| | - Market Value | 0.05 | 0.00 |
| | - ICICI Pru Bluechip Fund | 0.20 | 0.00 |
| | - Market Value | 0.22 | 0.00 |
| | | 258.98 | 184.99 |
| | *Investments are recorded at Cost | | |
| 4 | Deferred tax assets(net) | | |
| | Reconciliation of Deferred Tax Assets/Liabilities (Net) | 1.36 | 1.85 |
| | Opening balance of Deffered Tax Assets(net) | | |
| | Changes during the Year in Profit & Loss | | |
| | a) Deferred Tax Assets: | | |
| | Tax on Difference between Book Balance and Tax Balance of Fixed Asset | 0.00 | 0.00 |
| | On Account of Employee Benefits [Net] | 0.00 | 0.00 |
| | On other timing differences | 0.00 | 0.00 |
| | b) Deferred Tax Liabilities: | | |
| | Difference between Book Balance and Tax Balance of Fixed Asset | 0.33 | 0.49 |
| | Changes during the Year in Other Comprehensive Income | | |
| | a) Deferred Tax Assets: | | |
| | On Account of Fixed Assets | 0.00 | 0.00 |
| | Closing balance of deferred tax assets(net) | 1.03 | 1.36 |

Dharni Capital Services Limited

Notes annexed to and forming part of the Consolidated Financial Statements

| Note No | Particulars | 31.03.2024 | 31.03.2023 |
|---------|--|----------------------|----------------------|
| 5 | Other Non-Current Asset | 0.00 | 0.00 |
| | MAT Credit Entitlement | 0.00 | 0.00 |
| 6 | Trade Receivables (Current) | | |
| | i) Unsecured, Considered good | 12.46 | 0.78 |
| | ii) Debts due by Private Companies in which Director is Interested | 0.00 | 0.00 |
| | | 12.46 | 0.78 |
| | Less: Allowance for bad and doubtful debts | 0.00 | 0.00 |
| | | 12.46 | 0.78 |
| | Trade Receivables Ageing Schedule | | |
| | Trade Receivables | 31.03.2024 | 31.03.2023 |
| | | < 6 months | > 6 months |
| | (i) Undisputed Trade Receivables – considered good | 12.46 | 0.00 |
| | (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 0.00 | 0.00 |
| | (iii) Undisputed Trade Receivables – credit impaired | 0.00 | 0.00 |
| | (iv) Disputed Trade Receivables – considered good | 0.00 | 0.00 |
| | (v) Disputed Trade Receivables – which have significant increase in credit risk | 0.00 | 0.00 |
| | (vi) Disputed Trade Receivables – credit impaired | 0.00 | 0.00 |
| | | 12.46 | 0.00 |
| | | 0.00 | 0.78 |
| | | 0.78 | 0.00 |
| 7 | Cash and Cash Equivalents | | |
| | Cash in Hand | 2.71 | 2.98 |
| | Balance with Banks- in Current Account | 9.86 | 2.44 |
| | Balance with Banks- with less than 12 months maturity | 468.84 | 1,122.67 |
| | | 481.41 | 1,128.09 |
| 8 | Current Tax Assets(Net) | | |
| | TDS & Advance Tax | 106.12 | 0.00 |
| | Less: Provision for Tax | 104.71 | 0.00 |
| | IT Refund Receivable | 0.00 | 0.00 |
| | TCS Receivable | 0.00 | 0.00 |
| | | 1.41 | 0.00 |
| 9 | Other Current Assets | | |
| | Advances receivable in cash or in kind | 0.01 | 0.01 |
| | Advances paid to vendors | 0.00 | 1.78 |
| | IPO Capitalised Expenses | 9.17 | 12.14 |
| | Balances with Government authorities | 0.00 | 0.00 |
| | Preliminary expenses | 0.00 | 0.00 |
| | Interest Receivable | 0.84 | 11.15 |
| | ICICI Bank FD | 0.00 | 0.00 |
| | Granary Wholesale Private Limited - ICD | 400.00 | 0.00 |
| | Prestige Park Grove Flat | 16.19 | 0.00 |
| | Sobha Neopolis Flat 15003 | 25.17 | 0.00 |
| | Rent and Security Deposit | 15.05 | 15.05 |
| | | 466.43 | 40.13 |
| 10 | Equity Share Capital | | |
| | i) Authorised share capital | | |
| | 2,10,00,000 Equity shares (31.03.2023: 2,10,00,000) of Rs. 1/- each | 210.00 | 210.00 |
| | | 210.00 | 210.00 |
| | ii) Issued, subscribed & fully paid share capital | | |
| | 2,03,70,000 Equity shares (31.03.2023: 2,03,70,000) of Rs. 1/- each | 203.70 | 203.70 |
| | | 203.70 | 203.70 |

| Dharni Capital Services Limited | | | | | |
|---|---|---------------|-------------|---------------|--------|
| Notes annexed to and forming part of the Conolidated Financial Statements | | | | | |
| Note No | Particulars | 31.03.2024 | | 31.03.2023 | |
| 11 | The Company has one class of equity shares having a par value of Rs.1/-. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. The dividend, if any, is proposed by the Board is subject to approval by the Share Holders. The dividend is declared and paid in Indian Rupees. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. | | | | |
| | Details of share holders holding more than 5% shares | | | | |
| | Name of the Share Holder | 31.03.2024 | | 31.03.2023 | |
| | | No. of shares | %age | No. of shares | %age |
| | Hemant Dharnidharka | 1,39,50,000 | 68.48% | 1,39,50,000 | 68.48% |
| | | | | | |
| | Reconciliation of no. of shares | | 31.03.2024 | 31.03.2023 | |
| | Shares outstanding as at the beginning of the year | | 2,03,70,000 | 1,50,00,000 | |
| | Less : Brought-back | | 0 | 0 | |
| | Add : Issued during the year | | 0 | 53,70,000 | |
| | Shares outstanding as at the end of the year | | 2,03,70,000 | 2,03,70,000 | |
| | Other Equity | | 31.03.2024 | 31.03.2023 | |
| | a) Retained Earnings | | | | |
| | Opening balance .i.e. Statement of Profit & Loss | | 195.80 | 76.74 | |
| | Profit/(Loss) for the period | | 310.71 | 119.06 | |
| Less: Utilized during the year for Bonus Issue | | 0.00 | 0.00 | | |
| | | 506.51 | 195.80 | | |
| b) Security Premium Account | | | | | |
| Opening balance | | 1,020.30 | 0.00 | | |
| Add: Received during the year | | 0.00 | 1,020.30 | | |
| Less: Utilized during the year | | 0.00 | 1,020.30 | | |
| | | | 1,020.30 | | |
| | | 1,526.81 | 1,216.10 | | |

| Dharni Capital Services Limited | | | | | | |
|---|--|-----------------------------|-----------|-------------------|------------|-------|
| Notes annexed to and forming part of the Conolidedated Financial Statements | | | | | | |
| Note No | Particulars | 31.03.2024 | | | 31.03.2023 | |
| 12 | Borrowings (Non Current) | | | | | |
| | Unsecured Loans | | | | | |
| | a) Loans from related parties* | 0.00 | | | 0.00 | |
| | Intercompany Loans | 0.00 | | | 0.00 | |
| | From Other Related Parties | 0.00 | | | 0.00 | |
| | | 0.00 | | | 0.00 | |
| | Less: Current Maturities | 0.00 | | | 0.00 | |
| | | 0.00 | | | 0.00 | |
| | | | | | | |
| | | | | | | |
| 13 | Trade Payables (Current) | | | | | |
| | Total outstanding dues of Micro Enterprises and Small Enterprises | 0.00 | | | 0.00 | |
| | Total outstanding dues of creditors other than Micro and Small Enterprises | 167.13 | | | 1.76 | |
| | | 167.13 | | | 1.76 | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | 31 st March 2024 | | | | Total |
| Particulars | Outstanding for following period from due date of payment | | | | | |
| | Less than 1 year | 1-2 Years | 2-3 years | More than 3 years | | |
| MSME | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Others | 167.13 | 0.00 | 0.00 | 0.00 | 167.13 | |
| Disputed dues-MSME | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Dispued dues-Others | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | | | | | | |
| | | 31 st March 2023 | | | | Total |
| Particulars | Outstanding for following period from due date of payment | | | | | |
| | Less than 1 year | 1-2 Years | 2-3 years | More than 3 years | | |
| MSME | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Others | 1.76 | 0.00 | 0.00 | 0.00 | 1.76 | |
| Disputed dues-MSME | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Dispued dues-Others | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| | | | | | | |
| | | | | | | |

| Dharni Capital Services Limited Notes annexed to and forming part of the Consolidated Financial Statements | | | |
|---|--|-------------------|-------------------|
| Note No | Particulars | 31.03.2024 | 31.03.2023 |
| | Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 | | |
| | i) Information related to micro, small and medium enterprises | 0.00 | 0.00 |
| | a) Principal amount remaining unpaid to any supplier as at the end of the accounting year | 0.00 | 0.00 |
| | b) Interest due thereon remaining unpaid to the supplier as at the end of the year | 0.00 | 0.00 |
| | c) The amount of Interest paid along with the amount of principal payment made to the supplier beyond the appointed day during the year | 0.00 | 0.00 |
| | d) The amount of interest due or payable for the year. | 0.00 | 0.00 |
| | e) Interest accrued and remaining unpaid at the end of the year. | 0.00 | 0.00 |
| | f) Interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid | 0.00 | 0.00 |
| | ii) The identification of vendors as a 'Supplier' under the Micro, Small and Medium Enterprises Development Act, 2006, has been done on the basis of the information to the extent provided by the vendors of the Company. | 0.00 | 0.00 |
| 14 | Other Current Liabilities | | |
| | Advance received from customers | 0.00 | 0.00 |
| | Other statutory liabilities | 18.42 | 5.61 |
| | Outstanding expenses payable | 0.00 | 0.00 |
| | | 18.42 | 5.61 |

| Dharni Capital Services Limited Notes annexed to and forming part of the Conolidated Financial Statements | | | |
|--|---|-------------------|-------------------|
| Note No | Particulars | 31.03.2024 | 31.03.2023 |
| 15 | Provisions (Current) | | |
| | Audit Fees Payable | 0.65 | 0.25 |
| | | 0.65 | 0.25 |
| 16 | Current Tax Liability (Net) | | |
| | TDS Payable | 0.05 | 0.00 |
| | Provision for Income tax | 0.00 | 40.22 |
| | Less: TDS & Advance Tax | 0.00 | (37.75) |
| | | 0.05 | 2.47 |
| 17 | Revenue From Operations | | |
| | Commission Received | 588.78 | 200.37 |
| | Professional Services | 231.03 | 125.00 |
| | Technical Services | 0.00 | 104.50 |
| | Export Services | 0.00 | 40.27 |
| | | 819.81 | 470.14 |
| 18 | Other Income | | |
| | Interest on Income Tax Refund | 0.00 | 0.14 |
| | Interest received on FDs | 39.14 | 14.72 |
| | Interest from CCD | 0.00 | 1.55 |
| | Interest from REIT | 0.52 | 0.39 |
| | Dividend Income | 1.38 | 1.42 |
| | SPV proceeds from REIT | 1.20 | 1.19 |
| | Interest from NCD | 2.50 | 3.78 |
| | Interest from Incor Debentures | 1.20 | 1.00 |
| | Interest from Morphe Foxtrot | 1.86 | 1.55 |
| | Interest from Stellach | 1.77 | 0.00 |
| | Short Term Capital Gains | 2.60 | 2.32 |
| | Long Term Capital Gain on Bonds and Equity | (0.61) | 1.28 |
| | Interest from Krazybee | 13.15 | 0.00 |
| | Interest from ICD-Granary Wholesale pvt. Ltd. | 39.19 | 0.00 |
| | Interest from Aaproksha Financials | 2.23 | 0.00 |
| | Misc Income | 0.00 | 0.26 |
| | | 22.19 | 0.00 |
| | | 9.34 | 0.00 |
| | | 137.66 | 29.60 |

| Dharni Capital Services Limited Notes annexed to and forming part of the Conolidated Financial Statements | | | |
|--|----------------------------------|-------------------|-------------------|
| Note No | Particulars | 31.03.2024 | 31.03.2023 |
| 19 | Employee Benefit Expenses | | |
| | Salary | 90.58 | 1.56 |
| | | 90.58 | 1.56 |
| 20 | Finance Costs | | |
| | Bank Charges | 0.01 | 0.23 |
| | Interest Expenses | 0.01 | 0.03 |
| | | 0.02 | 0.26 |
| 21 | Other Expenses | | |
| | Audit fees | 0.95 | 0.74 |
| | Business Promotion Expenses | 4.50 | 6.73 |
| | Commission Paid | 139.00 | 53.89 |
| | Electricity | 1.49 | 0.65 |
| | Fees | 14.52 | 11.63 |
| | Insurance | 1.07 | 0.17 |
| | IT Services | 2.02 | 1.75 |
| | Office Expenses | 1.33 | 0.51 |
| | Postage, telephone and telegram | 0.68 | 0.38 |
| | Printing & stationery | 0.72 | 0.13 |
| | Professional/consultancy charges | 248.73 | 239.62 |
| | Professional Tax Paid | 0.00 | 0.00 |
| | Rates and taxes | 0.00 | 0.00 |
| | Zerodha Expenses | 0.16 | 0.03 |
| | Exchange Rate Difference | 0.00 | (0.14) |
| | Rent | 14.35 | 12.03 |
| | Refreshment | 0.00 | 0.06 |
| | Repairs & Maintainance | 1.78 | 0.98 |
| | Tally Software Services | 0.06 | 0.00 |
| | Director Fees | 0.22 | 0.00 |
| | Amortisation Expense | 3.06 | 0.00 |
| | Travelling & Conveyance | 4.04 | 4.29 |
| | Housekeeping | 0.00 | 0.00 |
| | Written off | 0.00 | 0.00 |
| | | 438.68 | 333.45 |
| | Total other expenses(a+b) | 438.68 | 333.45 |

| Dharni Capital Services Limited | | | |
|---|---|-------------------|-------------------|
| Notes annexed to and forming part of the Conolidated Financial Statements | | | |
| Note No | Particulars | | |
| 22 | Earnings per share Basic earnings per share is computed by dividing Net Profit after tax (attributable to equity share holders) by weighted average number of equity shares outstanding for the period. Dilutive earnings per share is not calculated as the company has not issued any dilutive potential equity shares. | | |
| | Particulars | 31.03.2024 | 31.03.2023 |
| | Nominal value of shares of Rs.10/- each | | |
| | Profit/(Loss) after tax | 310.71 | 119.06 |
| | Average no. of shares outstanding | 2,03,70,000 | 1,59,71,014 |
| | Basic earnings per share | 1.53 | 0.75 |
| | Diluted earnings per share | 1.53 | 0.75 |
| 23 | Contingent liabilities and commitments- Nil | | |
| | | 31.03.2024 | 31.03.2023 |
| 24 | Payment to auditors | | |
| | For audit | 0.54 | 0.54 |
| | For tax audit | 0.00 | 0.00 |
| | For other services | 0.20 | 0.20 |
| | | 0.74 | 0.74 |
| 25 | Earnings per share Basic earnings per share has been calculated by dividing the profit/(loss) attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year. For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares. | | |
| 26 | Income & Expenditure in foreign currency <u>Inflow of foreign Currency:</u> FOB Value of Exports during the year is Rs. 0/- <u>Outflow of foreign Currency:</u> CIF Value of Imports: Nil Travelling Expenses: Nil Overseas Commission etc.: Nil | | |

Dharni Capital Services Limited
Notes annexed to and forming part of the Conolidated Financial Statements

27 Details of related party transactions during the Financial year ended 31 Mar, 2023 and balances outstanding as at 31 Mar, 2024:

| Particulars | 2023-24 | 2022-23 |
|--------------------|----------------|----------------|
|--------------------|----------------|----------------|

Transactions during the year (Net)

Key Managerial Person Transaction

| | | | |
|---------------------|------------------------------------|-------|------|
| Hemant Dharnidharka | Salary | 36.00 | 0.00 |
| Hemant Dharnidharka | Reimbursement on behalf of company | 1.36 | 0.00 |
| | | 36.00 | 0.00 |
| Preeti Saraogi | Salary | 0.70 | 0.00 |
| Disha Jain | Salary | 0.83 | 0.00 |
| Antima Kataria | Salary | 0.00 | 1.56 |
| Mayank Mundhra | Salary | | |

Related Party

| | | | |
|-------------------------|-------------------|-------|------|
| Pramod Dharnidharka HUF | Commission | 0.00 | 0.00 |
| Khushboo Kanodia | Professional Fees | 18.31 | 4.00 |
| Payal Mohta | Professional Fees | 6.61 | 4.00 |
| Vinay Agarwal | Director Fee | 0.22 | 0.00 |

Balance outstanding at the end of the year

Key Managerial Person Transaction

| | | | |
|---------------------|----------------|------|------|
| Hemant Dharnidharka | Unsecured Loan | 0.00 | 0.00 |
| Preeti Saraogi | Unsecured Loan | 0.00 | 0.00 |
| Hemant Dharnidharka | Reimbursement | 0.00 | 0.00 |
| Mayank Mundhra | Salary | 0.00 | 0.12 |

28 Previous year's figures have been re-grouped/re-arranged whenever necessary to make them comparable with current year's figures.

29 Amounts in paises have been rounded off to the nearest Rupee lakhs (presented along with two decimals.)

Place: Bangalore
Date: 10.05.2024

For and on behalf of Dharni Capital Services Ltd.

As per our report of even date
For B S D & Co.,
Chartered Accountants
Firm Regn No: 000312S

Sd/-
Hemant Dharnidharka
Director
DIN: 07190229

Sd/-
Preeti Saraogi
Director
DIN: 07339758

Sd/-
Pramod Kumar Dharnidharka
CFO

Sd/-
Antima Kataria
Company Secretary
MN: A53005

Sd/-
Rishav Saraf
Partner
Membership No: 230591
UDIN: 24230591BKACYX7017



**DHARNI Capital
Services Limited**

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