



DHARNI CAPITAL SERVICES LIMITED

(Formerly Known as Dharni Online Services Private Limited)

CIN: U74120KA2015PLC084050

Address: 226, Brigade Metropolis Arcade, Whitefield Main Road, Garudacharpalya, Bangalore – 560048

Phone: +91 9945164270; **Email:** hemant.dharnidharka@dharnigroup.com; **Website:** www.dharnigroup.com

DATE: 25.08.2023

ISIN: INE0M9Q01011

SCRIP CODE: 543753

SCRIP ID: DHARNI

PAN NO. AAFCD5116N

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

SUB: ANNUAL REPORT 2022-23 OF DHARNI CAPITAL SERVICES LIMITED

Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the Financial Year 2022-23. The 8th Annual General Meeting of the Company to be held on Monday, 18th September, 2023 at 11.00 AM IST at registered office of the Company.

You are requested to kindly take the same on record.

Thanking you,

For M/s. DHARNI CAPITAL SERVICES LIMITED

HEMANT DHARNIDHARKA
MANAGING DIRECTOR
DIN : 07190229



**DHARNI Capital
Services Limited**

ANNUAL REPORT

2022-23 —



CORPORATE INFORMATION

BOARD OF DIRECTORS

Hemant Dharnidharka
Managing Director

Preeti Saraogi
Non-Executive Director

Jaideep Mitra
Non-Executive And Independent Director

Vinay Agarwal
Non-Executive And Independent Director

REGISTERED OFFICE

226 Brigade Metropolis Arcade,
Whitefield Main Road, Garudacharpalya,
Bangalore KA 560048 IN
Email: info@dharnigroup.com
Website: <https://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: Csonakjhuthawat@gmail.com

STOCK EXCHANGE

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

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Disha Jain

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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FY 2022-23

H I G H L I G H T S

FINANCIAL PERFORMANCE

470.14 LAKHS
REVENUE

119.06 LAKHS
CONSOLIDATED PAT

1419.8 LAKHS
NET WORTH

MISSION

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

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

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

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

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 INVESTMENTS

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

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

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

MANAGING DIRECTOR
(DIN: 07190229)

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.

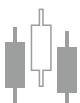
Hemant is a Commerce Graduate from St. Xavier's College, Kolkata and MBA (Finance and Strategy) From IIM-Lucknow. He has also completed Chartered Accountancy and Company Secretary Courses. He also possesses Certification from Association of Mutual Funds of India (AMFI) in Mutual Funds, NCFM Certification in Derivatives. He has an overall Experience of 10 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.



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 (RETD.)

INDEPENDENT DIRECTOR
(DIN: 08233924)

Maj. Gen. Jaideep Mittra is Independent Non-Executive Director appointed in the board meeting dated 28.03.2022.

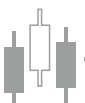
Maj Gen Jaideep Mittra retired from the Indian Army after nearly four Decades of service to the Nation. A product of the National Defence Academy and a graduate of the Defence Services Staff College. During his chequered career with the Army, he has held various prestigious Command, Staff, Instructional 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 (UNIIMOG) 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. 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 DHARNIDHARKA

CHIEF FINANCIAL OFFICER
(PAN: ACNPD3571G)

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.

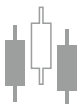


Disha Jain

COMPANY SECRETARY
(M. No. A64700)

Disha Jain in Company secretary of the Company appointed as on 08.05.2023 on the Board of Dharni. She has hands on experience in Corporate Secretarial matters. She has good exposure of Companies Act, SEBI regulations and BSE regulation and also well versed with the all matters related to MCA.

She is an associate member of the Institute of Company Secretaries of India, Bachelor of Commerce, Master in Commerce.



MESSAGE FROM CHAIRMAN

DEAR SHAREHOLDERS,

Greetings and best wishes to all of you as we step into FY2023-24 with the dream of making investments at their best for every Indian today, we are serving and facilitating customers realize their inherent dreams. We have defined our goals with the strong pace of our strategic delivery and improved performance.

Your Company was listed on BSE as on 31.01.2023. It is beginning of the growth of the Company. Business of the Company is governed by strong review mechanism at the level of senior management and the Board. Our team is working hard to give immense growth to the business.

Looking ahead, we are filled with optimism and enthusiasm for the future. Our strategic roadmap is focused on embracing emerging business and expanding our global footprint.

I hereby thank DHARNI's Board for mentoring and guiding the leadership team to achieve business objectives backed by strong principle of corporate governance. I want to take this opportunity to express my heartfelt gratitude to each and every member of our team. It is their commitment to excellence and their unwavering belief in our vision that has brought us this far.

I am grateful to all members of the DHARNI family for their team spirit and to all stakeholders for their trust, integrity and accountability and I am happy to share that your Company continues to be in absolute compliance with the guidelines issued by SEBI.

Therefore, I am optimistic of your Company's growth, and of its ability to deliver superior performance and greater shareholder value.

Yours Truly,

HEMANT DHARNIDHARKA

Chairman & Managing Director



HEMANT DHARNIDHARKA
MANAGING DIRECTOR
(DIN: 07190229)



MANAGEMENT DISCUSSION AND ANALYSIS 2022-23

GLOBAL ECONOMIC REVIEW

Global economic activity is experiencing a broad-based and sharper than expected slowdown, with inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions in most regions, Russia's invasion of Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the outlook. Global growth is forecast to slow from 6.0 percent in 2021 to 3.2 percent in 2022 and 2.7 percent in 2023. This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic.

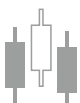
The economic outlook depends on a successful calibration of monetary and fiscal policies, the course of the war in Ukraine, and growth prospects in China. Risks remain unusually large: monetary policy could miscalculate the right stance to reduce inflation; diverging policy paths in the largest economies could exacerbate the US dollar's appreciation; tightening global financing could trigger emerging market debt distress; and a worsening of China's property sector crisis could undermine growth. Multilateral cooperation remains necessary to fast-track the green energy transition and prevent fragmentation.

The Global inflation is forecast to rise from 4.7 percent in 2021 to 8.8 percent in 2022 but to decline to 6.5 percent in 2023 and to 4.1 percent by 2024. Monetary policy should stay the course to restore price stability, and fiscal policy should aim to alleviate the cost-of-living pressures while maintaining a sufficiently tight stance aligned with monetary policy. Structural reforms can further support the fight against inflation by improving productivity and easing supply constraints, while multilateral cooperation is necessary for fast-tracking the green energy transition and preventing fragmentation.

INDIAN ECONOMIC REVIEW

The Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. India's nominal GDP or GDP at current prices for the fiscal year 2022-23 is projected to reach ₹272.41 lakh crore, (approximately \$3.30 trillion), marking a significant growth rate of 16.1 percent compared to the ₹234.71 lakh crore (approximately \$2.84 trillion) in 2021-22, indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022-2023. Substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

India's economic condition during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which reached ₹4.1 lakh crores (US\$ 49.53 billion) during April-October 2022 which is 61.5% higher than the corresponding period of last year. The resilient growth of the Indian economy in the first half of FY 2022-23 has been the fastest among major economies, thereby strengthening macroeconomic stability. India registered a broad-based expansion of 9.7% in the first half of FY 2022-23, supported by robust domestic demand and upbeat investment activity. As a result of the comeback in economic activity across all sectors, India's overall employment situation has improved



As we head into 2023, global economic developments are expected to complicate the outlook further, and therefore continued vigilance is a critical aspect in maintaining India's external resilience. Going forward, India needs to focus on medium-term challenges such as securing technology and resources for energy transition and skilling its youth for the 21st century economy, while staying the course on fiscal consolidation. With continuous efforts during the last several years, a strong platform has been erected on which the superstructure of a middle-income economy can be constructed

INDUSTRY OUTLOOK

The private sector and foreign companies were allowed to introduce new Mutual Funds to India. This led to a surge in the number of Mutual Fund Houses or Asset Management Companies, investors, and total assets under management (AUM). The AUM increased from Rs 470 billion in 1993 to ₹ 39,46,257 crore in 2023, a 25% CAGR (compound annual growth rate) in 30 years. This shows how quickly Mutual Funds gained popularity in the Indian markets

India's mutual fund market is underpenetrated. India's AUM to GDP ratio is only 16%, whereas the global average is around 75%. This shows there is a lot of scope for growth in this industry. As the masses slowly accept mutual funds, India's AUM to GDP ratio is also expected to improve over the years.

DHARNI: FUTURE OUTLOOK

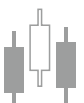
Dharni is dynamic organization of highly experienced people, dedicated professionals - committed to delivering the best value in high quality consulting in investments.

The operational business of Dharni has remained intact and has withstood the test of disruption due to Covid-19 pandemic.

The space in which Dharni operates has traditionally outpaced the overall capital market growth. Dharni, as a company, is well poised to exhibit growth in future if its focus remains in this particular segment. Dharni stands to gain from such dynamics and can look forward to making a substantial contribution to boosting Mutual fund investments in India as well as enhancing overall growth supported by quality.

CAUTIONARY STATEMENT

Statements made in the Management Discussion & Analysis describing the Company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the domestic & overseas markets in which the Company operates, changes in the government regulations, tax laws & other statutes and other incidental factors.



DIRECTOR'S REPORT

To,

The Members

DHARNI CAPITAL SERVICES LIMITED

The Board of Directors are pleased to present the Company's 8th Annual Report on the business & operations of the Company, together with the Audited Financial Statement for the financial year ended March 31, 2023.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMAMNCE OF THE COMPANY

The Company's financial performance for the financial year ended March 31st, 2023, is summarized as below: -

PARTICULARS	Year Ended 31.03.2023 (Standalone)	Year Ended 31.03.2022 (Standalone)	Year ended 31.03.2023 (Consolidated)
Gross Income	470.14	1465.28	470.14
Less : Finance Cost	0.26	0.01	0.26
Employee Benefit Exp.	1.56	0.37	1.56
Depreciation	4.70	5.46	4.70
Profit Before Tax	159.77	128.87	159.77
Less : Provision for taxation	40.71	32.29	40.71
Profit After tax	119.06	96.58	119.06
Balance Brought Forward from last year	76.74	10.16	76.74
Appropriations	119.06	96.58	119.06
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	(30.00)	1020.30
Balance Carried over to the Balance Sheet	1216.10	76.74	1216.10

BUSINESS PERFORMANCE

Standalone & Consolidated

During the year the Company has generated revenue from operations of Rs. 499.74 lakhs (including other income) and earned net profit after tax Rs. 119.06 Lakhs as compared with the corresponding figures in the previous year of Rs. 1469.40 Lakhs and Rs. 96.58 Lakhs respectively. The total revenue is decreased by Rs.



969.66 Lakhs as compared with last year but net profit after tax is increased by Rs. 22.48 Lakhs as compared with last year.

DIVIDEND

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

TRANSFER TO RESERVES

During the year under review, your Company has profit of Rs. 119.06 Lakhs and an amount of Rs. 119.06 Lakhs is proposed to be retained in the Profit and Loss Account.

SHARE CAPITAL

• Authorized Share Capital

During the year, the company increased the Authorized share capital from Rs. 1,80,00,000/- (Rupees One Crore Eighty Lacs) to Rs. 2,10,00,000/- (Rupees Two Crore and Ten Lacs) vide passing ordinary resolution in Extra Ordinary General Meeting of the members of the company held on 28.04.2022. Hence, the authorized share capital of the Company as at March 31, 2023 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 2,07,30,000 Equity Shares of Rs. 1/- each) as on March 31, 2023.

During the year under review The company has issued & allotted 5370000 equity shares of Rs. 1/- each at Rs. 19/- per share under Initial Public Offer as approved in consultation with the authorized representative of the designated stock exchange viz. BSE Limited and approved in the board meeting dated 25.01.2023. These shares are ranking pari-passu with the old equity shares of the company. Proceeds of the said Issue were utilized for expansion of business. Therefore, there are no details to be disclosed as per Regulations 32(7A) of the SEBI Listing Regulations

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, 2023.

ADOPTION AND ALTERATION IN MEMORANDUM AND ARTICLE OF ASSOCIATION:

The Company has adopted new set of MOA and AOA upon conversion into public company from private company, has also made Alteration in the Capital Clause V of the Memorandum of Association of the company by way of increasing the Authorised Share Capital in accordance with the provisions of Companies Act, 2013 by passing Ordinary Resolution vide its Extra Ordinary General Meeting (EGM) held on 28.04.2022 respectively.



BSE COMPLIANCES:

The Company was listed on SME Platform of BSE Exchange as on 31st January, 2023. Thus all the requisite compliances were applicable to the Company after 31.03.2023. Further, the Company has complied with all the applicable compliances with respect to the quarter/year ended on 31.03.2023.

INVESTOR COMPLAINTS AND COMPLIANCE:

The Company received nil investor complaint during the year and the same was submitted to BSE pursuant to SEBI (LODR) Regulation, 2015.

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.

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

The Company was listed on SME Platform of BSE exchange as on 31.01.2023.

There have been no other 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.

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').

SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES:

As on March 31, 2023 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.

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.

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

In accordance with the provision of sec 134(3) (m) of the Act, read with Rule 8 of the Companies(Accounts) Rules 2014 the requisite information relating to your Company are as under:-

A. Conservation of energy:

The Company does not fall under any of the industries covered by the Companies (Disclosure of particulars of Directors) Rules, 1988.

B. Technology absorption:

Since the company is not engage in any manufacturing activity, issues relating to technology absorption are not quite relevant to its functioning.

C. Foreign Exchange Earnings and Outgo:

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

INSURANCE:

Your Company has complied with necessary requirement.

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.

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,WhistleBlowerPolicyVigilMechanism.pdf>



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

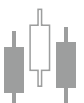
The Company is committed to manage its risk in a proactive manner and has adopted a structured and disciplined approach to risk management by developing and implementing risk management framework. With a view to manage its risk effectively your Company has in place a Comprehensive Risk Management Policy 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>

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, 2023 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, 2023**

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. Pramod Kumar Dharnidharka	Chief Financial Officer	Appointment	08.08.2022
3	Mr. Vinay Agarwal	Non-Executive & Independent Director	Appointment	10.08.2022



- **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.

STOCK OPTION (ESOP)

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

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, 2023 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.

NUMBER OF THE MEETINGS OF THE BOARD

The Board met Seven (9) times during the year under review. The details of the number of meetings of the Board held during the Financial Year 2022-23 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.	26.04.2022	3	3
2.	03.06.2022	3	3
3.	04.07.2022	4	4
4.	08.08.2022	4	4
5.	10.08.2022	4	4
6.	26.09.2022	4	4
7.	06.01.2023	4	4
8.	25.01.2023	4	4
9.	31.03.2023	4	4

Attendance of Directors in meeting:

Name	Category	Attendance at the Board Meetings	Attendance at AGM held on September 30, 2022	No. of other Directorships	Committee position In India	
					Chairman	Member
Mr. Hemant Dharnidharka	Executive Director, Chairperson & Managing Director	9 out of 9	Yes	4	0	1
Ms. Preeti Sarogi	Non-Executive Director	9 out of 9	Yes	3	0	1
Mr. Jaideep Mitra	Non-Executive Independent Director	9 out of 9	Yes	1	0	3
Mr. Vinay Agarwal	Non-Executive Independent Director	9 out of 9	Yes	1	3	0

COMMITTEES OF THE BOARD

The Board of Directors has the following Committees and its composition:

a) Audit Committee

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

- (l) 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 Mitra (Independent Non-Executive Director)
- Mr. Hemant Dharnidharka (Executive Director)

Name of the Directors	Designation	No. of Meetings attended
Mr. Hemant Dharnidharka	Managing Director	2 out of 2
Mr. Jaideep Mitra	Non-Executive Independent Director	2 out of 2
Mr. Vinay Agarwal	Non-Executive Independent Director	2 out of 2



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

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)

Name of the Directors	Designation	No. of Meetings attended
Ms. Preeti Saraogi	Non-Executive Director	1 out of 1
Mr. Jaideep Mitra	Non-Executive Independent Director	1 out of 1
Mr. Vinay Agarwal	Non-Executive Independent Director	1 out of 1



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:

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

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

SHAREHOLDER'S MEETING

During the financial year ended March 31, 2023, 3 (Three) General Meetings were held. Further, details of the meetings are as under:



Annual General Meeting (AGM) /Extra-Ordinary General Meeting (EGM)	Date of EGM(EGM)	Location & Time	SPECIAL RESOLUTION PASSED AT THE AGM
EGM	28.04.2022	226 BRIGADE METROPOLIS ARCADE, WHITEFIELD MAIN ROAD, GARUDACHARPA LYA BANGALORE	<ul style="list-style-type: none"> • CONVERSION OF THE COMPANY FROM A PRIVATE LIMITED COMPANY TO A PUBLIC LIMITED COMPANY • ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY CONTAINING REGULATIONS IN CONFORMITY WITH THE COMPANIES ACT,2013 AND CONVERSION TO A PUBLIC LIMITED COMPANY • INCREASE IN AUTHORISED SHARE CAPITAL AND CONSEQUENT ALTERATION OF MEMORANDUM OF ASSOCIATION
AGM	30.09.2022	226 BRIGADE METROPOLIS ARCADE, WHITEFIELD MAIN ROAD, GARUDACHARPA LYA BANGALORE	<ul style="list-style-type: none"> • ADOPTION OF ACCOUNTS UNDER SECTION 134 OF THE COMPANIES ACT, 2013
EGM	10.08.2022	226 BRIGADE METROPOLIS ARCADE, WHITEFIELD MAIN ROAD, GARUDACHARPA LYA BANGALORE	<ul style="list-style-type: none"> • INITIAL PUBLIC OFFERING (IPO) OF DHARNI CAPITAL SERVICES LIMITED • TO APPOINT MR. HEMANT DHARNIDHARKA AS MANAGING DIRECTOR OF THE COMPANY • TO APPROVE APPOINTMENT OF MR. VINAY AGARWAL AS INDEPENDENT DIRECTOR

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY TRANSACTIONS

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.

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.

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.

LISTING FEES:

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

CHANGE IN NATURE OF BUSINESS:

There has been no change in the nature of business of the Company during the year under review.

MAINTENANCE OF COST RECORDS

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

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.

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 2022-23. The Secretarial Audit Report for the financial year ended March 31, 2023, 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.

INTERNAL AUDIT & INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

3. Internal auditor

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 Ms. Divya Nandalike, Chartered Accountants (M. No. A231322) 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.



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.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Act, for the financial year ended on March 31, 2023, the Directors hereby confirm that:

- in the preparation of the annual financial statements for the year ended March 31, 2023, 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.

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.

MANGEMENT 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.

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>.



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.

OUTLOOK

- Focus on growth of Individual home loans segment.
- Making online loan application more effective and enhance its contribution towards the incremental business.
- Strengthening marketing offices opened during the last 3 years and making them high growth centers.
- To grow business qualitatively by consolidating position and strengthening the competitiveness on service delivery.
- Understanding the inherent risks to the business and managing it effectively.
- Widespread market studies assisting modelling of loan products to suit customer needs.
- Making use of information provided by marketing offices about ground market conditions.

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: 23.05.2023

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	31.03.2023
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Rupees
3. Share capital (Rs.)	1,00,000
4. Reserves & surplus	1,00,000
5. Total assets	1,00,000
6. Total Liabilities	1,00,000
7. Investments	0
8. Turnover	0
9. Profit before taxation	0
10. Provision for taxation	0
11. Profit after taxation	0
12. Proposed Dividend	2
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: 23.05.2023

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:

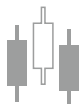
Ratio of remuneration of each Director of median remuneration of employee of the company for the FY-2022-23

S.no	Requirements	Remuneration
1	Ratio of remuneration of each Director of median remuneration of employee of the company For the FY-22-23	Executive Director 1. Hemant Dharnidharka NIL 2. Preeti Sarogi NIL
2	Percentage Increase/ (Decrease) in Remuneration of each director, CFO, CEO, CS, if any, in the Financial Year	Director 1. Hemant Dharnidharka NIL 2. Preeti Sarogi NIL KMP 1. Mr. Pramod Dharnidharka (CFO) NIL 2. Mr. Mayank Mundhra (CS) NIL
3	The Percentage Increase in the median Remuneration of Employees in Financial Year	_____%
4	No. of Permanent Employee on the roll of Company	
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-2022-23) stood at ____% where as the average Percentage increase in the remuneration of KMP'S was at ____% 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. 2022-23
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 : 23.05.2023**

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")

226 Brigade Metropolis Arcade, Whitefield Main Road, Garudacharpalya Bangalore

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 **01.04.2022 to 31.03.2023**, 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, 2023 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 (from 31.01.2023 to 31.03.2023):-
 - 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. The changes in the composition of the Board of Directors took place during the period under review 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 following 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 hereinabove::
- A. The Company got listed on SME platform of BSE exchange on 31st January 2023



B. Pursuant to the applicable provisions of the Companies Act, 2013 read with Companies (Prospectus and allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, the Company allotted 5370000 equity shares of Rs. 1/- each at Rs.19/- per share premium under IPO vide its Board meeting dated 25.01.2023

C. The Authorized Share Capital of the Company has been increased from Rs. 1,80,00,000/- (Rupees One Crore Eighty Lacs) to Rs. 2,10,00,000/- (Rupees Two Crore and Ten Lacs) and corresponding amendments to the clause v of the Memorandum of Association of the Company at the vide passing ordinary resolution in Extra Ordinary General Meeting of the members of the company held on 28.04.2022.

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- F009738E000532194

Place: Udaipur

Date: 23.05.2023

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")

226 Brigade Metropolis Arcade, Whitefield Main Road,

Garudacharpalya Bangalore

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- F009738E000532194

Place: Udaipur

Date: 23.05.2023



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

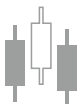
(Formally known as "DHARNI CAPITAL SERVICES PRIVATE LIMITED")

226 Brigade Metropolis Arcade, Whitefield Main Road,

Garudacharpalya Bangalore

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 226 Brigade Metropolis Arcade, Whitefield Main Road, Garudacharpalya Bangalore (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, 2023 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	28.03.2022
4	Mr. VINAY AGARWAL	09630941	10.08.2022

For, Ronak Jhuthawat & Co.
(Company Secretaries)

Sd/-

Dr Ronak Jhuthawat

Proprietor

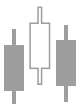
FCS: 9738 CP. 12094

Peer Review No.: 1270/2021

UDIN: F009738E000532216

Date: 23.05.2023

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, 2023, 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 2023, 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
<p>Revenue recognition Accuracy of recognition, measurement, presentation and disclosure of revenue and related balances towards Ind AS 115- Revenue from contracts with customers.</p> <p>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.</p> <p>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.</p>	<p>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.</p> <p>(A) We have assessed the appropriateness of the revenue recognition policies by comparing with the applicable Indian Accounting Standards.</p> <p>(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.</p> <p>(C) Verified the appropriate evidence considered for determining the satisfaction of performance obligation towards transfer of promised goods or services.</p> <p>(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.</p>

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)(l) 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 2023 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of section 164(2) of the Act.
- (f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure – 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.



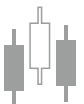
- b) No funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any 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.

Place: Bangalore

Date: 23.05.2023

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

Sd/-
Rishav Saraf
Partner
Membership No.: 230591
UDIN:23230591BGWBEB7239



ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2023

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

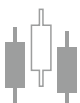
1. a) A. The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
B. The company has maintained proper records showing full particulars of intangible assets.
- b) Property, Plant and Equipment have been physically 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, 2023 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)© 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)© 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.



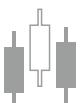
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
15. According to the information and explanations given to us, during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
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.

Place: Bangalore

Date: 23.05.2023

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

Sd/-
Rishav Saraf
Partner
Membership No.: 230591
UDIN:23230591BGWBEB7239



ANNEXURE –B TO THE INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2023

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

We have audited the Internal Financial Controls over financial reporting of 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, 2023 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

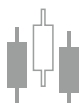
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Bangalore
Date: 23.05.2023

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

Sd/-
Rishav Saraf
Partner
Membership No.: 230591
UDIN:23230591BGWBEB7239



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, 2023**Amounts (in lakhs)**

	Particulars	Note No.	As at 31.03.2023	As at 31.03.2022
	1	2	3	4
1	ASSETS			
	Non-Current Assets			
	(a) Property, Plant and Equipment	2	74.54	11.17
	(b) Capital Work-in-Progress	2	0.00	0.00
	(c) Financial Assets			
	(i) Investments		185.99	115.20
	(d) Deferred Tax Assets (Net)	3	1.36	1.85
	(e) Other Non-Current Assets	4	0.00	0.00
		5		
2	Current Assets			
	(a) Inventories		0.00	0.00
	(b) Financial Assets			
	(i) Trade Receivables	6	0.78	20.22
	(ii) Cash and Cash Equivalents	7	1,127.09	83.63
	(c) Current Tax Assets (Net)	8	0.00	1.53
	(d) Other Current Assets	9	40.13	11.64
	Total Assets		1,429.89	245.24
1	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share Capital	10	203.70	150.00
	(b) Other Equity	11	1,216.10	76.74
2	Liabilities			
	Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	12	0.00	0.00
3	Current Liabilities			
	(a) Financial Liabilities			
	(i) Trade Payables	13	1.76	0.43
	(b) Other current liabilities	14	5.61	17.32
	(c) Provisions	15	0.25	0.50
	(d) Current Tax Liabilities (Net)	16	2.47	0.25
	Total Equity and Liabilities		1,429.89	245.24

See accompanying notes to the financial statementsPlace: Bangalore
Date: 23.05.2023

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/-
Disha Jain
Company Secretary
MN: 64700Sd/-
Rishav Saraf
Partner
Membership No: 230591
UDIN: 23230591BGWBEB7239

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 Profit and Loss for the year/period ended 31st March, 2023**Amounts (in lakhs)**

	Particulars	Note No.	For the Year ended 31st March 2023	For the Year ended 31st March 2022
I	Revenue From Operations	17	470.14	1,465.28
II	Other Income	18	29.60	4.12
III	Total Income (I+II)		499.74	1,469.40
IV	EXPENSES			
	Cost of Materials Consumed		0.00	0.00
	Employee Benefits Expense	19	1.56	0.37
	Finance Costs	20	0.26	0.01
	Depreciation and Amortization Expense	1	4.70	5.46
	Other Expenses	21	333.45	1,334.69
	Total Expenses (IV)		339.97	1,340.53
V	Profit/(Loss) Before Tax (III-IV)		159.77	128.87
	Tax Expense:			
	(1) Current Tax		40.22	32.76
VI	(2) Deferred Tax		0.49	-0.47
	(3) Tax of Earlier Years			
	(4) MAT Credit Entitlement			0.00
VII	Profit (Loss) for the Period (V-VI)		119.06	96.58
	Other Comprehensive Income			
	(i) Items that will not be reclassified to Profit/Loss			
	-Additional Depreciation due to change in estimate		0.00	0.00
VIII	(ii) Income tax relating to above			
	-Deferred Tax on above		0.00	0.00
	(I) Items that will be reclassified to Profit/Loss		0.00	0.00
	(ii) Income tax relating to above		0.00	0.00
XI	Other Comprehensive Income for the Period		-	-
X	Total Comprehensive Income for the Period (VII+IX)		119.06	96.58
	Earnings per Equity Share			
X	(1) Basic	21	0.75	3.66
	(2) Diluted		0.75	3.66

See accompanying notes to the financial statementsPlace: Bangalore
Date: 23.05.2023

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/-
Disha Jain
Company Secretary
MN: 64700Sd/-
Rishav Saraf
Partner
Membership No: 230591
UDIN: 23230591BGWBEB7239

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, 2023

	Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit\ (loss) Before Tax	159.77	128.87
	Adjustments for:		
	Depreciation	4.70	5.46
	Interest & Finance Charges		
	Less: Non operating Income		
	Dividend Received	(1.42)	(0.33)
	Interest Received	(22.99)	(3.54)
	Other non operating income	(1.19)	(0.23)
	Operating Profit before Working Capital Changes		
	Adjustments for:	138.87	130.23
	Decrease/(Increase) in Trade Receivables	19.44	(20.22)
	Decrease/(Increase) in Short term Advances	0.00	0.00
	Decrease/(Increase) in Current Tax Assets	(36.47)	(34.22)
	Decrease/(Increase) in Inventories	0.00	0.00
	Increase/(Decrease) in Short term Borrowings	0.00	0.00
	Increase/(Decrease) in Payables	1.33	(0.50)
	Increase/(Decrease) in Other Current Liabilities	(11.71)	13.58
	Increase/(Decrease) in Long Term Provisions	0.00	0.00
	Increase/(Decrease) in Short Term Provisions	(0.25)	(4.07)
	Cash generated from operations		
	Income Tax paid	111.21	84.80
	Net Cash flow from Operating activities	111.21	84.80
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets(Including amount Spent on Capital Work-In-Progress)	(68.07)	(0.78)
	Decrease/(Increase) in Investments	(70.79)	(115.20)
	Decrease/(Increase) other Non-Current Assets	(28.49)	0.61
	Add: Dividend Received	1.42	0.33
	Add: Interest Received	22.99	3.54
	Add: Other non operating income	1.19	0.23
	Net Cash used in Investing activities	(141.75)	(111.27)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Increase\ (Decrease) in Long term Borrowings	0.00	(9.35)
	Increase in Share Capital (including Security Premium)	1074.00	119.00
	Interest paid	0.00	0.00
	Net Cash used in financing activities	1074.00	109.65
	Net change in cash & Cash Equivalents(A+B+C)	1043.46	83.18
	Cash and Cash equivalents at Beginning of the year	83.63	0.45
	Cash and Cash equivalents at the end of the year	1127.09	83.63
	Net change in cash & Cash Equivalents	1043.46	83.18

Note:

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

Place: Bangalore

Date: 23.05.2023

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/-
Disha Jain
Company Secretary
MN: 64700

Sd/-
Rishav Saraf
Partner
Membership No: 230591
UDIN: 23230591BGWBEB7239

Dharni Capital Services Limited
226, Brigade Metropolis Arcade, Garudacharpalya, Whitefield Road, Near ITPL, Bangalore-560048.
CIN : U74120KA2015PLC084050

Standalone Statement of Changes in Equity for the year ended 31st March, 2023

A. Equity Share Capital

Authorised equity share capital

Particulars	Number of shares	Amount (lakhs)
As at 1st April 2021	10,00,000	10.00
Increase during the year	1,70,00,000	170.00
As at 31st March 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

Subscribed and Paid up share capital

Particulars	Note No	Number of shares	Amount (lakhs)
As at 1st April 2021		1,00,000	1.00
Increase during the year	10	1,49,00,000	149.00
As at 31st March 2022		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

B. Other Equity

	Reserves and Surplus			
	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Balance as at 1st April 2021	0.00	0.00	10.16	10.16
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	96.58	96.58
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	-30.00	-30.00
Balance at the 31st March 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



Note:

1. Company has issued and allotted 3,50,000 Equity Shares of the face value of Re.1/- each in the share capital of the Company at premium of Rs.33/- per share for an amount aggregating to Rs.1,19,00,000/- on Right Basis to the existing Shareholders of the Company.

2. Company has issued and allotted Bonus shares of 1,45,50,000 Equity Shares of the face value of Re.1/- each out of its free reserves i.e., Profit and Loss Account and Securities Premium Account to the existing shareholders in the proportion of 97 new Equity Shares for every 3 existing Equity Shares held i.e. (3:97)

3. During the FY 2022-23 Company has listed in SME platform of BSE i.e, BSE SME. As a part of process company called and allotted 53,70,000 shares at 20/- each (Face value Rs.1 & Premium Rs.19/-) on 31.01.2023.

Place: Bangalore
Date: 23.05.2023

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

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Company Secretary
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Sd/-
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Partner
Membership No: 230591
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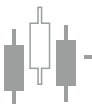


Dharni Capital Services Limited
226, Brigade Metropolis Arcade, Garudacharpalya, Whitefield Road, Near ITPL, Bangalore-560048.

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	WDV as on 31.03.2023	WDV as on 31.03.2022
I	Tangible Assets										
1	Plant and Equipment	0.00	0.00	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	0.24	0.00	0.00
3	Vehicles	27.86	1.14	0.00	29.00	17.34	3.36	0.00	20.70	8.30	10.52
4	Plant and Machinery	0.01	0.00	0.00	0.01	0.01	0.00	0.00	0.01	0.00	0.00
5	Computer and Peripherals	1.95	0.87	0.00	2.82	1.30	0.77	0.00	2.07	0.75	0.65
6	Land and Building	0.00	65.82	0.00	65.82	0.00	0.57	0.00	0.57	65.25	0.00
	Total (Current Period)	29.82	68.07	0.00	97.89	18.65	4.70	0.00	23.35	74.54	11.17
	Total (F.Y 2021-22)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



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

Note No. 2: Property, Plant and Equipment

S. No.	Particulars	Gross Block		Depreciation			Net Block			
		Value at the beginning 01.04.2021	Addition during the year	Deduction during the year	Value at the beginning 01.04.2022	Depreciation/ Ammortization	Disposals	Value at the end 31.03.2023	WDV as on 31.03.2022	WDV as on 31.03.2021
I	Tangible Assets									
1	Plant and Equipment	0.00	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	0.00	0.00	0.00	0.00	0.00	0.00
3	Vehicles	27.86	1.14	0.00	12.57	4.77	17.34	10.52	15.29	
4	Plant and Machinery	0.01	0.00	0.00	0.01	0.00	0.01	0.00	0.00	0.00
5	Computer and Peripherals	1.17	0.78	0.00	0.61	0.69	1.30	0.65	0.56	
6	Office Equipments	0.00	0.00	0.00	0.00	0.57	0.00	0.00	0.00	0.00
	Total (Current Period)	29.04	0.78	0.00	13.19	5.46	18.65	11.17	15.85	
	Total (F.Y 2021-22)	19.17	11.75	1.88	11.55	2.36	13.19	15.85	7.62	
	Capital Work-in-Progress									

Dharni Capital Services Limited	
Standalone Notes annexed to and forming part of the Financial Statements	
Note No	Particulars
1A	<p><u>Corporate Information:</u> 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 Cinsutancy 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> <p>During the year 2022-23 company has listed in SME platform of BSE i.e BSE SME.Equity shares listed on the stock exchange on 31-01-2023.</p>
1B	<p><u>Significant accounting policies:</u> a) Basis of Preparation and Presentation of Financial Statements 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 financial statements of the company for the year ended March 31, 2023, are the first financials prepared in compliance with Ind AS recognition and measurement principles.</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 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>



Dharni Capital Services Limited	
Standalone Notes annexed to and forming part of the Financial Statements	
Note No	Particulars
	<p>b) Key Estimates & Assumptions 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 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. 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,</p>



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

Note No	Particulars														
	<p>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> <p>The following are the useful lives of the various classes of the property, plant and equipment</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">Class description</th> <th style="text-align: center;">Useful life</th> </tr> </thead> <tbody> <tr> <td>Plant and Equipment</td> <td style="text-align: center;">15</td> </tr> <tr> <td>Furnitures & Fixtures</td> <td style="text-align: center;">10</td> </tr> <tr> <td>Vehicles</td> <td style="text-align: center;">6</td> </tr> <tr> <td>Plant and Machinery</td> <td style="text-align: center;">15</td> </tr> <tr> <td>Office Equipment</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Computer and Peripherals</td> <td style="text-align: center;">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>l) 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>	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														
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Dharni Capital Services Limited																	
Standalone Notes annexed to and forming part of the Financial Statements																	
Note No	Particulars																
	<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 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 l) The Company provides Financial and Management Consulting Services.</p> <p>l) Related Party Disclosures a) Individuals having control and relatives</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">- Preeti Saraogi</td> <td>(Director) Key Managerial Person</td> </tr> <tr> <td>- Hemant Dharnidharka</td> <td>(Director) Key Managerial Person</td> </tr> <tr> <td>- Mayank Mundhra</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>- Urmila Devi Dharnidharka</td> <td>Mother 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> </table>	- Preeti Saraogi	(Director) Key Managerial Person	- Hemant Dharnidharka	(Director) Key Managerial Person	- Mayank Mundhra	Company Secretary	- Pramod Dharnidharka	CFO	- Pramod Dharnidharka HUF	HUF of Father of one of the Director	- Urmila Devi Dharnidharka	Mother of one of the Director	- Khushboo Kanodia	Sister of one of the Director	- Payal Mohta	Sister of one of the Director
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Dharni Capital Services Limited			
Standalone Notes annexed to and forming part of the Financial Statements			
Note No	Particulars	31.03.2023	31.03.2022
3	Financial Assets		
	(I) Investments		
	(a) Investments in Equity Instruments		
	- Dharni Consulting Pvt Ltd.	1.00	-
	- <i>Market Value</i>		
	- 225 shares Mac Charles (India) Ltd	0.00	1.27
	- <i>Market Value</i>	0.00	1.81
	- Panchsheel Organics Ltd.	25.64	
	- <i>Market Value</i>	23.26	
	- Kamco Chew Foods Ltd	0.00	
	- <i>Market Value</i>	0.00	
	- Stellach Management Private Limited	2.50	2.50
	- <i>Market Value</i>	2.50	2.50
	(b) Investments in Trust Securities		
	- 19000 REIT of Emabssy Office Parks REIT Ltd	66.54	35.05
	- <i>Market Value</i>	58.73	36.80
	© Investments in Debentures & Bonds		
	- CCD of Stellach Management Private Limited	22.50	22.50
	- <i>Market Value</i>	22.50	22.50
	- 400 Bonds of Piramal Capital Housing Finance Ltd @ 6.75%	10.98	32.92
	- <i>Market Value</i>	3.15	32.88
	- 1 Market linked NCD of Piramal Enterprise Ltd @ 8%	10.00	10.00
	- <i>Market Value</i>	10.00	10.00
	- Morphe Foxtrot	25.00	0.00
	- <i>Market Value</i>	25.00	0.00
	- 1 unlisted NCD Incore Debenture 1 jun 2025	10.00	0.00
	- <i>Market Value</i>	10.00	0.00
	- 1 unlisted NCD of Svatontra Microfin Pvt Ltd @ 11.77%	10.23	10.23
	- <i>Market Value</i>	10.23	10.23
	(d) Investments in Mutual Fund		
	- 101.259 units of Adity Birla Sun Life Liquid Fund	0.00	0.00
	- <i>Market Value</i>	0.00	0.00
	- 236.07 units of Adity Birla Sun Life Mutual Fund	1.60	0.73
	- <i>Market Value</i>	1.46	0.71
		185.99	115.20
	*Listed investments are at market value		
	*Unlisted investments cost is taken as market value.		
4	Deferred tax assets(net)		
	Reconciliation of Deferred Tax Assets/Liabilities (Net)	1.85	1.38
	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	0.47
	On Account of Employee Benefits [Net]	0.00	0.00
	On other timing differences	0.00	0.00
	b) Deferred Tax Liabilities:	0.49	0.00
	Difference between Book Balance and Tax Balance of Fixed Asset		
	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)	1.36	1.85



Dharni Capital Services Limited					
Standalone Notes annexed to and forming part of the Financial Statements					
Note No	Particulars	31.03.2023	31.03.2022		
5	Other Non-Current Asset	0.00	0.00		
	MAT Credit Entitlement	0.00	0.00		
6	Trade Receivables (Current)				
	i) Unsecured, Considered good	0.78	20.22		
	ii) Debts due by Private Companies in which Director is Interested	0.00	0.00		
		0.78	20.22		
	Less: Allowance for bad and doubtful debts	0.00	0.00		
		0.78	20.22		
	Trade Receivables Ageing Schedule				
	Trade Receivables	31.03.2023		31.03.2022	
		< 6 months	> 6 months	< 6 months	> 6 months
	(i) Undisputed Trade Receivables - considered good	0.78	0.00	20.22	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
		0.78	0.00	20.22	0.00
7	Cash and Cash Equivalents				
	Cash in Hand		2.98	0.00	
	Balance with Banks- in Current Account		1.44	32.54	
	Balance with Banks- with less than 12 months maturity		1,122.67	51.09	
			1,127.09	83.63	
8	Current Tax Assets(Net)				
	TDS & Advance Tax		0.00	0.00	
	Less: Provision for Tax		0.00	0.00	
	IT Refund Receivable		0.00	1.53	
	TCS Receivable		0.00	0.00	
			0.00	1.53	
9	Other Current Assets				
	Advances receivable in cash or in kind		0.01	7.40	
	Advances paid to vendors		1.78	0.00	
	IPO Capitalised Expenses		12.14	0.00	
	Balances with Government authorities		0.00	0.00	
	Preliminary expenses		0.00	0.00	
	Interest Receivable		11.15	0.03	
	ICICI Bank FD		0.00	0.00	
	Rent and Security Deposit		15.05	4.21	
			40.13	11.64	
10	Equity Share Capital				
	i) Authorised share capital				
	2,10,00,000 Equity shares (31.03.2022: 1,80,00,000) of Rs. 1/- each		210.00	180.00	
			210.00	180.00	
	ii) Issued, subscribed & fully paid share capital				
	2,03,70,000 Equity shares (31.03.2022: 1,50,00,000) of Rs. 1/- each		203.70	150.00	
			203.70	150.00	



Dharni Capital Services Limited																							
Standalone Notes annexed to and forming part of the Financial Statements																							
Note No	Particulars	31.03.2023		31.03.2022																			
	<p>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.</p> <p>Details of share holders holding more than 5% shares</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="text-align: left;">Holder</th> <th colspan="2" style="text-align: center;">31.03.2023</th> <th colspan="2" style="text-align: center;">31.03.2022</th> </tr> <tr> <th style="text-align: center;">No. of shares</th> <th style="text-align: center;">%age</th> <th style="text-align: center;">No. of shares</th> <th style="text-align: center;">%age</th> </tr> </thead> <tbody> <tr> <td>Preeti Saraogi</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">10,00,000</td> <td style="text-align: center;">6.67%</td> </tr> <tr> <td>Hemant Dharnidharka</td> <td style="text-align: center;">1,39,50,000</td> <td style="text-align: center;">68.48%</td> <td style="text-align: center;">1,39,50,000</td> <td style="text-align: center;">93.00%</td> </tr> </tbody> </table>				Holder	31.03.2023		31.03.2022		No. of shares	%age	No. of shares	%age	Preeti Saraogi	-	-	10,00,000	6.67%	Hemant Dharnidharka	1,39,50,000	68.48%	1,39,50,000	93.00%
Holder	31.03.2023		31.03.2022																				
	No. of shares	%age	No. of shares	%age																			
Preeti Saraogi	-	-	10,00,000	6.67%																			
Hemant Dharnidharka	1,39,50,000	68.48%	1,39,50,000	93.00%																			
	Reconciliation of no. of shares	31.03.2023		31.03.2022																			
	Shares outstanding as at the beginning of the year	1,50,00,000		1,00,000																			
	Less : Brought-back	0		0																			
	Add : Issued during the year	53,70,000		1,49,00,000																			
	Shares outstanding as at the end of the year	2,03,70,000		1,50,00,000																			
11	Other Equity	31.03.2023		31.03.2022																			
	a) Retained Earnings																						
	Opening balance .i.e. Statement of Profit & Loss	76.74		10.16																			
	Profit/(Loss) for the period	119.06		96.58																			
	Less: Utilized during the year for Bonus Issue	0.00		-30.00																			
		195.80		76.74																			
	b) Security Premium Account																						
	Opening balance	0.00		0.00																			
	Add: Received during the year	1,020.30		0.00																			
	Less: Utilized during the year	0.00		0.00																			
		1,020.30		0.00																			
		1,216.10		76.74																			



Dharni Capital Services Limited						
Standalone Notes annexed to and forming part of the Financial Statements						
Note No	Particulars	31.03.2023		31.03.2022		
12	Borrowings (Non Current)					
	Unsecured Loans					
	a) Loans from related parties*	0.00	0.00			
	Intercorporate 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	1.76	0.43			
		1.76	0.43			
		31th March 2023				
Particulars		Outstanding for following period from due date of payment				Total
		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
		31th March 2022				
Particulars		Outstanding for following period from due date of payment				Total
		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	0.43	0.00	0.00	0.00	0.43
	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			
Standalone Notes annexed to and forming part of the Financial Statements			
Note No	Particulars	31.03.2023	31.03.2022
	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	5.61	17.32
	Outstanding expenses payable	0.00	0.00
		5.61	17.32



Dharni Capital Services Limited			
Standalone Notes annexed to and forming part of the Financial Statements			
Note No	Particulars	31.03.2023	31.03.2022
15	Provisions (Current)		
	Audit Fees Payable	0.25	0.50
		0.25	0.50
16	Current Tax Liability (Net)		
	TDS Payable	0.00	0.00
	Provision for Income tax	40.22	32.76
	Less: TDS & Advance Tax	-37.75	-32.51
		2.47	0.25
Note No	Particulars	31.03.2023	31.03.2022
17	Revenue From Operations		
	Commission Received	200.37	171.78
	Professional Services	125.00	0.00
	Technical Services	104.50	1,293.50
	Export Services	40.27	-
		470.14	1,465.28
18	Other Income		
	Interest on Income Tax Refund	0.14	0.02
	Interest received on FDs	14.72	0.78
	Interest from CCD	1.55	1.15
	Interest from REIT	0.39	0.12
	Dividend Income	1.42	0.33
	SPV proceeds from REIT	1.19	0.23
	Interest from NCD	3.78	1.49
	Interest from Incor Debentures	1.00	0.00
	Interest from Morphe Foxtrot	1.55	0.00
	Short Term Capital Gains	2.32	0.00
	Long Term Capital Gain on Bonds	1.28	0.00
	Misc Income	0.26	0.00
		29.60	4.12



Dharni Capital Services Limited			
Standalone Notes annexed to and forming part of the Financial Statements			
Note No	Particulars	31.03.2023	31.03.2022
19	Employee Benefit Expenses		
	Salary	1.56	0.37
		1.56	0.37
20	Finance Costs		
	Bank Charges	0.23	0.01
	Interest Expenses	0.03	0.00
		0.26	0.01
21	Other Expenses		
	Audit fees	0.74	0.50
	Business Promotion Expenses	6.73	7.37
	Commission Paid	53.89	69.90
	Electricity	0.65	0.65
	Fees	11.63	4.91
	Insurance	0.17	0.30
	IT Services	1.75	1.08
	Office Expenses	0.51	0.45
	Postage, telephone and telegram	0.38	0.56
	Printing & stationery	0.13	0.08
	Professional/consultancy charges	239.62	1,226.78
	Professional Tax Paid	0.00	0.00
	Rates and taxes	0.00	0.00
	Zerodha Expenses	0.03	0.00
	Exchange Rate Difference	-0.14	0.00
	Rent	12.03	10.56
	Refreshment	0.06	1.36
	Repairs & Maintenance	0.98	1.40
	Tally Software Services	0.00	0.00
	Transaction Charges	0.00	0.02
	Travelling & Conveyance	4.29	8.77
	Housekeeping	0.00	0.00
	Written off	0.00	0.00
		333.45	1,334.69
	Total other expenses(a+b)	333.45	1,334.69



Dharni Capital Services Limited			
Standalone Notes annexed to and forming part of the Financial Statements			
Note No	Particulars	31.03.2023	31.03.2022
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	31.03.2023	31.03.2022
	Nominal value of shares of Rs.10/- each		
	Profit/(Loss) after tax	119.06	96.58
	Average no. of shares outstanding	1,59,71,014	26,41,667
	Basic earnings per share	0.75	3.66
	Diluted earnings per share	0.75	3.66
23	Contingent liabilities and commitments- Nil		
		31.03.2023	31.03.2022
24	Payment to auditors		
	For audit	0.54	0.30
	For tax audit	0.00	0.00
	For other services	0.20	0.20
		0.74	0.50
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, 2022:

Particulars	2022-23	2021-22
Transactions during the year (Net)		
Key Managerial Person	Transaction	
Hemant Dharnidharka	Unsecured Loan Received	0.00
		37.95
Hemant Dharnidharka	Unsecured Loan Repaid	0.00
		45.30
Preeti Saraogi	Unsecured Loan Received	0.00
		7.50
Preeti Saraogi	Unsecured Loan Repaid	0.00
		9.50
Pramod Dharnidharka	Professional Fees	0.00
		2.00
Mayank Mundhra	Salary	1.56
		0.37
Related Party		
Pramod Dharnidharka HUF	Commission	0.00
		9.00
Urmila Devi Dharnidharka	Professional Fees	0.00
		0.00
Khushboo Kanodia	Professional Fees	4.00
		8.30
Payal Mohta	Professional Fees	4.00
		9.00
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
		0.31
Mayank Mundhra	Salary	0.12
		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: 23.05.2023

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/-
Disha Jain
Company Secretary
MN: 64700

Sd/-
Rishav Saraf
Partner
Membership No: 230591
UDIN: 23230591BGWBEB7239



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 Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of M/s. Dharni Capital Services Limited Formerly known as Dharni Online Services Private Limited and Dharni Capital Services Private Limited), Bangalore (hereinafter referred to as "the Holding Company"), its subsidiary (Holding Company and its subsidiaries together referred to as "the Group"), for the year ended 31st March 2023, 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 (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 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 2023, 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 consolidated 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 consolidated 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 Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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
<p>Revenue recognition Accuracy of recognition, measurement, presentation and disclosure of revenue and related balances towards Ind AS 115- Revenue from contracts with customers.</p> <p>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.</p> <p>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.</p>	<p>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.</p> <p>A) We have assessed the appropriateness of the revenue recognition policies by comparing with the applicable Indian Accounting Standards.</p> <p>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.</p> <p>C) Verified the appropriate evidence considered for determining the satisfaction of performance obligation towards transfer of promised goods or services.</p> <p>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.</p>

Other information

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

Our opinion on the consolidated 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 consolidated 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 Consolidated Financial Statements

The Holding 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 consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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.

Those 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 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 consolidated 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 consolidated 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 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 Company 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.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS 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 of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended 31 March 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters:

The consolidated financial statements include the company's share of net profit of Rs. Nil for the year ended 31st March, 2023, as considered in the consolidated financial statements, in respect of the subsidiary company M/s. Dharni Consulting Private Limited, whose financial statements / financial information has been audited by us. These financial statements / financial information has been audited by us whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on such reports.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. 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 of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
 - (c) The consolidated balance sheet, the consolidated statement of profit and loss, consolidated statement of equity 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 the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary and associate companies,



incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31st March, 2023 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.

- (i) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure – A'.
- (f) 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 Group does not have any pending litigations as on balance sheet date which would impact its financial position.
 - ii. the Group and its associate did not have any material foreseeable losses on long term contracts including derivatives;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary and associate company incorporated in India; and
 - 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 or its subsidiaries 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 or its subsidiaries 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 and its subsidiaries, 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.
 - . According to the explanation given to us, the company and its subsidiaries have complied with the provisions of section 123 while declaring and paying the dividend.

Place: Bangalore
Date: 23.05.2023

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

Sd/-
Rishav Saraf
Partner
Membership No.: 230591
UDIN:23230591BGWBEB7239



ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2023

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2023, 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 Holding Company"), its subsidiary and associate companies which are company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company and associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". 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

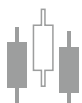
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on 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 Holding Company and its subsidiary company and associate company, which are Companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on "the 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".

Place: Bangalore
Date: 23.05.2023

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

Sd/-
Rishav Saraf
Partner
Membership No.: 230591
UDIN:23230591BGWBEB7239



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, 2023

Amounts (in lakhs)

	Particulars	Note No.	As at 31.03.2023
	1	2	3
1	ASSETS		
	Non-Current Assets		
	(a) Property, Plant and Equipment	2	74.54
	(b) Capital Work-in-Progress	2	0.00
	(c) Financial Assets		
	(i) Investments	3	185.99
	(d) Deferred Tax Assets (Net)	4	1.36
	(e) Other Non-Current Assets	5	0.00
2	Current Assets		
	(a) Inventories		0.00
	(b) Financial Assets		
	(i) Trade Receivables	6	0.78
	(ii) Cash and Cash Equivalents	7	1,128.09
	(c) Current Tax Assets (Net)	8	0.00
	(d) Other Current Assets	9	40.13
	Total Assets		1,429.89
1	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share Capital	10	203.70
	(b) Other Equity	11	1,216.10
2	Liabilities		
	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	12	0.00
3	Current Liabilities		
	(a) Financial Liabilities		
	(i) Trade Payables	13	1.76
	(b) Other current liabilities	14	5.61
	(c) Provisions	15	0.25
	(d) Current Tax Liabilities (Net)	16	2.47
	Total Equity and Liabilities		1,429.89

See accompanying notes to the financial statementsPlace: Bangalore
Date: 23.05.2023

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/-
Disha Jain
Company Secretary
MN: 64700Sd/-
Rishav Saraf
Partner
Membership No: 230591
UDIN: 23230591BGWBEB7239

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, 2023

Amounts (in lakhs)

	Particulars	Note No.	For the Year ended 31st March 2023
I	Revenue From Operations	17	470.14
II	Other Income	18	29.60
III	Total Income (I+II)		499.74
IV	EXPENSES		
	Cost of Materials Consumed		0.00
	Employee Benefits Expense	19	1.56
	Finance Costs	20	0.26
	Depreciation and Amortization Expense	1	4.70
	Other Expenses	21	333.45
	Total Expenses (IV)		339.97
V	Profit/(Loss) Before Tax (III-IV)		159.77
	Tax Expense:		
	(1) Current Tax		40.22
VI	(2) Deferred Tax		0.49
	(3) Tax of Earlier Years		
	(4) MAT Credit Entitlement		
VII	Profit (Loss) for the Period (V-VI)		119.06
	Other Comprehensive Income		
	(i) Items that will not be reclassified to Profit/Loss		
	-Additional Depreciation due to change in estimate		0.00
VIII	(ii) Income tax relating to above		0.00
	-Deferred Tax on above		0.00
	(i) Items that will be reclassified to Profit/Loss		0.00
	(ii) Income tax relating to above		0.00
IX	Other Comprehensive Income for the Period		
X	Total Comprehensive Income for the Period (VII+IX)		119.06
	Earnings per Equity Share		
X	(1) Basic	21	0.75
	(2) Diluted		0.75

See accompanying notes to the financial statements

Place: Bangalore

Date: 23.05.2023

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/-
Disha Jain
Company Secretary
MN: 64700

Sd/-
Rishav Saraf
Partner
Membership No: 230591
UDIN: 23230591BGWBEB7239



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, 2023

	Particulars	For the Year ended March 31, 2023
A	CASH FLOW FROM OPERATING ACTIVITIES	
	Net Profit\ (loss) Before Tax	159.77
	Adjustments for:	
	Depreciation	4.70
	Interest & Finance Charges	
	Less: Non operating Income	(1.42)
	Dividend Received	(22.99)
	Interest Received	(1.19)
	Other non operating income	
	Operating Profit before Working Capital Changes	138.87
	Adjustments for:	
	Decrease/(Increase) in Trade Receivables	19.44
	Decrease/(Increase) in Short term Advances	0.00
	Decrease/(Increase) in Current Tax Assets	(36.47)
	Decrease/(Increase) in Inventories	0.00
	Increase/(Decrease) in Short term Borrowings	0.00
	Increase/(Decrease) in Payables	1.33
	Increase/(Decrease) in Other Current Liabilities	(11.71)
	Increase/(Decrease) in Long Term Provisions	0.00
	Increase/(Decrease) in Short Term Provisions	(0.25)
	Cash generated from operations	111.21
	Income Tax paid	
	Net Cash flow from Operating activities	111.21
B	CASH FLOW FROM INVESTING ACTIVITIES	
	Purchase of Fixed Assets(Including amount Spent on Capital Work-In-Progress)	(68.07)
	Decrease/(Increase) in Investments	(69.79)
	Decrease/(Increase) other Non-Current Assets	(28.49)
	Add: Dividend Received	1.42
	Add: Interest Received	22.99
	Add: Other non operating income	1.19
	Net Cash used in Investing activities	(140.75)
C	CASH FLOW FROM FINANCING ACTIVITIES	
	Increase\ (Decrease) in Long term Borrowings	0.00
	Increase in Share Capital (including Security Premium)	1074.00
	Interest paid	0.00
	Net Cash used in financing activities	1074.00
	Net change in cash & Cash Equivalents(A+B+C)	1044.46
	Cash and Cash equivalents at Beginning of the year	83.63
	Cash and Cash equivalents at the end of the year	1128.09
	Net change in cash & Cash Equivalents	1044.46

Note:

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

Place: Bangalore

Date: 23.05.2023

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/-
Pranod Kumar
Dharnidharka
CFO

Sd/-
Disha Jain
Company Secretary
MN: 64700

Sd/-
Rishav Saraf
Partner
Membership No: 230591
UDIN: 23230591BGWBEB7239

Dharni Capital Services Limited
226, Brigade Metropolis Arcade, Garudacharpalya, Whitefield Road, Near ITPL, Bangalore-560048.
CIN : U74120KA2015PLC084050

Statement of Changes in Equity
Statement of Changes in Equity for the year ended 31st March, 2023

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

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

B. Other Equity

	Reserves and Surplus			
	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Balance as at 1st April 2022	0.00	0.00	1,187.75	1,187.75
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	1,306.81	2,327.11

Note:

1. Company has issued and allotted 3,50,000 Equity Shares of the face value of Re.1/- each in the share capital of the Company at premium of Rs.33/- per share for an amount aggregating to Rs.1,19,00,000/- on Right Basis to the existing Shareholders of the Company.

2. Company has issued and allotted Bonus shares of 1,45,50,000 Equity Shares of the face value of Re.1/- each out of its free reserves i.e., Profit and Loss Account and Securities Premium Account to the existing shareholders in the proportion of 97 new Equity Shares for every 3 existing Equity Shares held i.e. (3:97)

Place: Bangalore
Date: 23.05.2023

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
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Dharni Capital Services Limited
226, Brigade Metropolis Arcade, Garudacharpalya, Whitefield Road, Near ITPL, 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	WDV as on 31.03.2023	WDV as on 31.03.2022
I	<u>Tangible Assets</u>										
1	Plant and Equipment	0.00	0.00	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	0.24	0.00
3	Vehicles	27.86	1.14	0.00	29.00	17.34	3.36	0.00	20.70	8.30	10.52
4	Plant and Machinery	0.01	0.00	0.00	0.01	0.01	0.00	0.00	0.01	0.00	0.00
5	Computer and Peripherals	1.95	0.87	0.00	2.82	1.30	0.77	0.00	2.07	0.75	0.65
6	Land and Building	0.00	65.82	0.00	65.82	0.00	0.57	0.00	0.57	65.25	0.00
	Total (Current Period)	29.82	68.07	0.00	97.89	18.65	4.70	0.00	23.35	74.54	11.17
	Total (F.Y 2021-22)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Dharni Capital Services Limited	
Notes annexed to and forming part of the Conolidated Financial Statements	
Note No	Particulars
1	<p><u>Significant accounting policies:</u></p> <p>a) Basis of Preparation and Presentation of Financial Statements 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. 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 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 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 consolidated 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>



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

Note No	Particulars														
	<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> <p>The following are the useful lives of the various classes of the property, plant and equipment</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Class description</th> <th style="text-align: center;">Useful life</th> </tr> </thead> <tbody> <tr> <td>Plant and Equipment</td> <td style="text-align: center;">15</td> </tr> <tr> <td>Furnitures & Fixtures</td> <td style="text-align: center;">10</td> </tr> <tr> <td>Vehicles</td> <td style="text-align: center;">6</td> </tr> <tr> <td>Plant and Machinery</td> <td style="text-align: center;">15</td> </tr> <tr> <td>Office Equipment</td> <td style="text-align: center;">5</td> </tr> <tr> <td>Computer and Peripherals</td> <td style="text-align: center;">3</td> </tr> </tbody> </table>	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														
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Dharni Capital Services Limited	
Notes annexed to and forming part of the Consolidated Financial Statements	
Note No	Particulars
	<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>l) 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 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. Provisions and Contingent Liabilities</p>



Dharni Capital Services Limited																									
Notes annexed to and forming part of the Conolidated Financial Statements																									
Note No	Particulars																								
	<p>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 style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20px;">-</td> <td style="width: 40%;">Preeti Saraogi</td> <td style="width: 40%;">(Director) Key Managerial Person</td> </tr> <tr> <td>-</td> <td>Hemant Dharnidharka</td> <td>(Director) Key Managerial Person</td> </tr> <tr> <td>-</td> <td>Mayank Mundhra</td> <td>Company Secretary</td> </tr> <tr> <td>-</td> <td>Pramod Dharnidharka</td> <td>CFO</td> </tr> <tr> <td>-</td> <td>Pramod Dharnidharka HUF</td> <td>HUF of Father of one of the Director</td> </tr> <tr> <td>-</td> <td>Urmila Devi Dharnidharka</td> <td>Mother of one of the Director</td> </tr> <tr> <td>-</td> <td>Khushboo Kanodia</td> <td>Sister of one of the Director</td> </tr> <tr> <td>-</td> <td>Payal Mohta</td> <td>Sister of one of the Director</td> </tr> </table>	-	Preeti Saraogi	(Director) Key Managerial Person	-	Hemant Dharnidharka	(Director) Key Managerial Person	-	Mayank Mundhra	Company Secretary	-	Pramod Dharnidharka	CFO	-	Pramod Dharnidharka HUF	HUF of Father of one of the Director	-	Urmila Devi Dharnidharka	Mother of one of the Director	-	Khushboo Kanodia	Sister of one of the Director	-	Payal Mohta	Sister of one of the Director
-	Preeti Saraogi	(Director) Key Managerial Person																							
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Dharni Capital Services Limited		
Notes annexed to and forming part of the Consolidated Financial Statements		
Note No	Particulars	31.03.2023
3	Financial Assets (I) Investments (a) Investments in Equity Instruments - 225 shares Mac Charles (India) Ltd 0.00 - <i>Market Value</i> 0.00 - Panchsheel Organics Ltd. 25.64 - <i>Market Value</i> 23.26 - Kamco Chew Foods Ltd 0.00 - <i>Market Value</i> 0.00 - Stellach Management Private Limited 2.50 - <i>Market Value</i> 2.50 (b) Investments in Trust Securities - 19000 REIT of Emabssy Office Parks REIT Ltd 66.54 - <i>Market Value</i> 58.73 © Investments in Debentures & Bonds - CCD of Stellach Management Private Limited 22.50 - <i>Market Value</i> 22.50 - 400 Bonds of Piramal Capital Housing Finance Ltd @ 6.75% 10.98 - <i>Market Value</i> 3.15 - 1 Market linked NCD of Piramal Enterprise Ltd @ 8% 10.00 - <i>Market Value</i> 10.00 - Morphe Foxtrot 25.00 - <i>Market Value</i> 25.00 - 1 unlisted NCD Incore Debenture 1 jun 2025 10.00 - <i>Market Value</i> 10.00 - 1 unlisted NCD of Svantra Microfin Pvt Ltd @ 11.77% 10.23 - <i>Market Value</i> 10.23 (d) Investments in Mutual Fund - 101.259 units of Adity Birla Sun Life Liquid Fund 0.00 - <i>Market Value</i> 0.00 - 236.07 units of Adity Birla Sun Life Mutual Fund 1.60 - <i>Market Value</i> 1.46	184.99
	*Investments are recorded at Cost	
4	Deferred tax assets(net) <i>Reconciliation of Deferred Tax Assets/Liabilities (Net)</i> Opening balance of Deffered Tax Assets(net) 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 On Account of Employee Benefits [Net] 0.00 On other timing differences 0.00 b) Deferred Tax Liabilities: Difference between Book Balance and Tax Balance of Fixed Asset 0.49 <i>Changes during the Year in Other Comprehensive Income</i> a) Deferred Tax Assets: On Account of Fixed Assets 0.00	1.36



Dharni Capital Services Limited		
Notes annexed to and forming part of the Consolidated Financial Statements		
Note No	Particulars	31.03.2023
5	Other Non-Current Asset	0.00
	MAT Credit Entitlement	<u>0.00</u>
6	Trade Receivables (Current)	
	i) Unsecured, Considered good	0.78
	ii) Debts due by Private Companies in which Director is Interested	<u>0.00</u>
		0.78
	Less: Allowance for bad and doubtful debts	<u>0.00</u>
		0.78
	Trade Receivables Ageing Schedule	
	Trade Receivables	31.03.2023
		< 6 months > 6 months
	(i) Undisputed Trade Receivables - considered good	0.78 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
		0.78 0.00
7	Cash and Cash Equivalents	
	Cash in Hand	2.98
	Balance with Banks- in Current Account	2.44
	Balance with Banks- with less than 12 months maturity	<u>1,122.67</u>
		1,128.09
8	Current Tax Assets(Net)	
	TDS & Advance Tax	0.00
	Less: Provision for Tax	0.00
	IT Refund Receivable	0.00
	TCS Receivable	<u>0.00</u>
		0.00
9	Other Current Assets	
	Advances receivable in cash or in kind	0.01
	Advances paid to vendors	1.78
	IPO Capitalised Expenses	12.14
	Balances with Government authorities	0.00
	Preliminary expenses	0.00
	Interest Receivable	11.15
	ICICI Bank FD	0.00
	Rent and Security Deposit	<u>15.05</u>
		40.13
10	Equity Share Capital	
	i) Authorised share capital	
	2,10,00,000 Equity shares (31.03.2022: 1,80,00,000) of Rs. 1/- each	210.00
		210.00
	ii) Issued, subscribed & fully paid share capital	
	2,03,70,000 Equity shares of Rs. 1/- each	203.70
		203.70



Dharni Capital Services Limited														
Notes annexed to and forming part of the Conolidated Financial Statements														
Note No	Particulars	31.03.2023	31.03.2022											
	<p>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.</p> <p>Details of share holders holding more than 5% shares</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="text-align: left;">Holder</th> <th colspan="2" style="text-align: center;">31.03.2023</th> </tr> <tr> <th style="text-align: center;">No. of shares</th> <th style="text-align: center;">%age</th> </tr> </thead> <tbody> <tr> <td>Preeti Saraogi</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Hemant Dharnidharka</td> <td style="text-align: center;">1,39,50,000</td> <td style="text-align: center;">68.48%</td> </tr> </tbody> </table>	Holder	31.03.2023		No. of shares	%age	Preeti Saraogi	-	-	Hemant Dharnidharka	1,39,50,000	68.48%		
Holder	31.03.2023													
	No. of shares	%age												
Preeti Saraogi	-	-												
Hemant Dharnidharka	1,39,50,000	68.48%												
	Reconciliation of no. of shares		31.03.2023											
	Shares outstanding as at the beginning of the year		1,50,00,000											
	Less : Brought-back		0											
	Add : Issued during the year		53,70,000											
	Shares outstanding as at the end of the year		2,03,70,000											
11	Other Equity		31.03.2023											
	a) Retained Earnings													
	Opening balance .i.e. Statement of Profit & Loss		76.74											
	Profit/(Loss) for the period		119.06											
	Less: Utilized during the year for Bonus Issue		0.00											
			195.80											
	b) Security Premium Account													
	Opening balance		0.00											
	Add: Received during the year		1,020.30											
	Less: Utilized during the year		0.00											
			1,020.30											
			1,216.10											



Dharni Capital Services Limited						
Notes annexed to and forming part of the Conolidated Financial Statements						
Note No	Particulars	31.03.2023				
12	Borrowings (Non Current)					
	Unsecured Loans					
	a) Loans from related parties*	0.00				
	Intercorporate Loans	0.00				
	From Other Related Parties	0.00				
		0.00				
	Less: Current Maturities	0.00				
		0.00				
13	Trade Payables (Current)					
	Total outstanding dues of Micro Enterprises and Small Enterprises	0.00				
	Total outstanding dues of creditors other than Micro and Small Enterprises	1.76				
		1.76				
		31th March 2023				
	Particulars	Outstanding for following period from due date of payment				Total
		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 Conolidated Financial Statements		
Note No	Particulars	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
	a) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.00
	b) Interest due thereon remaining unpaid to the supplier as at the end of the year	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
	d) The amount of interest due or payable for the year.	0.00
	e) Interest accrued and remaining unpaid at the end of the year.	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
	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
14	Other Current Liabilities	
	Advance received from customers	0.00
	Other statutory liabilities	5.61
	Outstanding expenses payable	0.00
		5.61



Dharni Capital Services Limited		
Notes annexed to and forming part of the Conolidated Financial Statements		
Note No	Particulars	31.03.2023
15	Provisions (Current)	
	Audit Fees Payable	0.25
		0.25
16	Current Tax Liability (Net)	
	TDS Payable	0.00
	Provision for Income tax	40.22
	Less: TDS & Advance Tax	-37.75
		2.47
17	Revenue From Operations	
	Commission Received	200.37
	Professional Services	125.00
	Technical Services	104.50
	Export Services	40.27
		470.14
18	Other Income	
	Interest on Income Tax Refund	0.14
	Interest received on FDs	14.72
	Interest from CCD	1.55
	Interest from REIT	0.39
	Dividend Income	1.42
	SPV proceeds from REIT	1.19
	Interest from NCD	3.78
	Interest from Incor Debentures	1.00
	Interest from Morphe Foxtrot	1.55
	Short Term Capital Gains	2.32
	Long Term Capital Gain on Bonds	1.28
	Misc Income	0.26
		29.60



Dharni Capital Services Limited		
Notes annexed to and forming part of the Conolidated Financial Statements		
Note No	Particulars	31.03.2023
19	Employee Benefit Expenses	
	Salary	1.56
		1.56
20	Finance Costs	
	Bank Charges	0.23
	Interest Expenses	0.03
		0.26
21	Other Expenses	
	Audit fees	0.74
	Business Promotion Expenses	6.73
	Commission Paid	53.89
	Electricity	0.65
	Fees	11.63
	Insurance	0.17
	IT Services	1.75
	Office Expenses	0.51
	Postage, telephone and telegram	0.38
	Printing & stationery	0.13
	Professional/consultancy charges	239.62
	Professional Tax Paid	0.00
	Rates and taxes	0.00
	Zerodha Expenses	0.03
	Exchange Rate Difference	-0.14
	Rent	12.03
	Refreshment	0.06
	Repairs & Maintainance	0.98
	Tally Software Services	0.00
	Transaction Charges	0.00
	Travelling & Conveyance	4.29
	Housekeeping	0.00
	Written off	0.00
		333.45
	Total other expenses(a+b)	333.45



Dharni Capital Services Limited											
Notes annexed to and forming part of the Conolidated Financial Statements											
Note No	Particulars										
22	<p>Earnings per share</p> <p>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.</p>										
	31.03.2023										
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Nominal value of shares of Rs.10/- each</td> <td style="width: 20%;"></td> </tr> <tr> <td>Profit/(Loss) after tax</td> <td style="text-align: right;">119.06</td> </tr> <tr> <td>Average no. of shares outstanding</td> <td style="text-align: right;">1,59,71,014</td> </tr> <tr> <td>Basic earnings per share</td> <td style="text-align: right;">0.75</td> </tr> <tr> <td>Diluted earnings per share</td> <td style="text-align: right;">0.75</td> </tr> </table>	Nominal value of shares of Rs.10/- each		Profit/(Loss) after tax	119.06	Average no. of shares outstanding	1,59,71,014	Basic earnings per share	0.75	Diluted earnings per share	0.75
Nominal value of shares of Rs.10/- each											
Profit/(Loss) after tax	119.06										
Average no. of shares outstanding	1,59,71,014										
Basic earnings per share	0.75										
Diluted earnings per share	0.75										
23	Contingent liabilities and commitments- Nil										
	31.03.2023										
24	<p>Payment to auditors</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">For audit</td> <td style="width: 20%; text-align: right;">0.54</td> </tr> <tr> <td>For tax audit</td> <td style="text-align: right;">0.00</td> </tr> <tr> <td>For other services</td> <td style="text-align: right;">0.20</td> </tr> <tr> <td></td> <td style="text-align: right;">0.74</td> </tr> </table>	For audit	0.54	For tax audit	0.00	For other services	0.20		0.74		
For audit	0.54										
For tax audit	0.00										
For other services	0.20										
	0.74										
25	<p>Earnings per share</p> <p>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.</p>										
26	<p>Income & Expenditure in foreign currency</p> <p><u>Inflow of foreign Currency:</u> FOB Value of Exports during the year is Rs. 0/-</p> <p><u>Outflow of foreign Currency:</u> CIF Value of Imports: Nil Travelling Expenses: Nil Overseas Commission etc.: Nil</p>										



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

27 Details of related party transactions during the Financial year ended 31 Mar, 2023 and balances outstanding as at 31 Mar, 2022:

Particulars	2022-23
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Transactions during the year (Net)

Key Managerial Person	Transaction	
Hemant Dharnidharka	Unsecured Loan Received	0.00
Hemant Dharnidharka	Unsecured Loan Repaid	0.00
Preeti Saraogi	Unsecured Loan Received	0.00
Preeti Saraogi	Unsecured Loan Repaid	0.00
Pramod Dharnidharka	Professional Fees	0.00
Mayank Mundhra	Salary	1.56

Related Party

Pramod Dharnidharka HUF	Commission	0.00
Urmila Devi Dharnidharka	Professional Fees	0.00
Khushboo Kanodia	Professional Fees	4.00
Payal Mohta	Professional Fees	4.00

Balance outstanding at the end of the year

Key Managerial Person	Transaction	
Hemant Dharnidharka	Unsecured Loan	0.00
Preeti Saraogi	Unsecured Loan	0.00
Hemant Dharnidharka	Reimbursement	0.00
Mayank Mundhra	Salary	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:

As per our report of even date

For B S D & Co.,

Chartered Accountants

Firm Regn No: 000312S

For and on behalf of Dharni Capital Services Ltd.

Sd/-
Hemant Dharnidharka
Director
DIN: 07190229

Sd/-
Preeti Saraogi
Director
DIN: 07339758

Sd/-
Pramod Kumar Dharnidharka
CFO

Sd/-
Disha Jain
Company Secretary
MN: 64700

Sd/-
Rishav Saraf
Partner
Membership No: 230591
UDIN: 23230591BGWBEB7239



CORPORATE EVENT





**DHARNI Capital
Services Limited**

226 Brigade Metropolis Arcade, Whitefield Main
Road, Garudacharpalya, Bangalore – 560048
E.: info@dharnigroup.com