



# DB (INTERNATIONAL) STOCK BROKERS LTD.

- NSE & BSE: CAPITAL MARKET, F&O & CURRENCY SEGMENTS
- MCX: COMMODITIES
- DEPOSITORY PARTICIPANT: CDSL • IPO, MUTUAL FUND & BONDS

Office: 114, New Delhi House, 27 Barakhamba Road, New Delhi-110001

Tel.: 011-43606162 • Website: www.dbonline.in • E-mail: compliance@dbonline.in

CIN: L67120GJ1992PLC121278

Date: 05<sup>th</sup> September, 2022

To, Listing Department National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex Bandra (E) Mumbai - 400051  NSE Symbol: DBSTOCKBRO	To, Department of Corporate Services. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street Mumbai-400001  Company Code:530393
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**Sub: Submission of Annual Report Along with Notice of 30th Annual General Meeting.**

Respected Sir/Madam,

As per the Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 please find enclosed the Annual Report along with the Notice of 30<sup>th</sup> Annual General Meeting which is to be held on Thursday, 29<sup>th</sup> September, 2022 at 09:30 A.M. (IST) at the Office of the Company at Unit No. 210/211/211A at 2nd floor, Dalal Street Commercial Co-operative Society Ltd, Block No.53, Zone 5, Gift City, Gandhinagar, Gujarat-382355.

The Company has commenced the dispatch of the Annual Report for the Financial Year 2021-2022 along with the Notice on 05<sup>th</sup> September, 2022 through E-Mail at their registered Email address. Hard Copy of the Annual Report is to be provided to those shareholders who requests for the same.

Kindly consider the same in your records.

For DB (International) Stock Brokers Limited



Pragya Singh  
Company Secretary and Compliance Officer

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**GLOBAL IN VISION  
ROOTED IN INDIAN VALUES**

# **ANNUAL REPORT**

**2022**



**DB (INTERNATIONAL) STOCK  
BROKERS LIMITED**

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## **BOARD OF DIRECTORS**

Mr. Shiv Narayan Daga	Managing Director	DIN: (00072264)
Mr. Chandra Mohan Bahety	Independent Director	DIN: (01013741)
Mr. Milap Chand Bothra	Independent Director	DIN: (00269198)
Mr. Brajesh Sadani	Independent Director	DIN: (00072425)
Mr. Sachin Kumar Rathi	Director	DIN: (01013130)
Ms. Shikha Mundra	Woman Director	DIN: (06882693)

## **Chief Financial Officer**

Mr. Sanjeev Kumar Rawal

## **Company Secretary**

Ms. Pragya Singh

## **Statutory Auditors**

Gupta Verma & Sethi  
Chartered Accountants  
New Delhi

## **Bankers**

AXIS Bank Limited  
Development Credit Bank Limited  
HDFC Bank Limited  
Indusind Bank Limited  
Punjab National Bank

## **Corporate Office**

114, New Delhi House  
27, Barakhamba Road,  
New Delhi-110001  
Email: investors@dbonline.in,  
compliance@dbonline.in

## **Registered Office**

Unit- P05-02A & P05-02B, 5th Floor, Tower-  
A, World Trade Center, Block-51, Road 5E,  
Zone-5, GIFT City, Gandhinagar, Gujarat-  
382355

## **Registrar**

Abhipra Capital Limited  
A-387, Dilkhush Industrial Area,  
G.T. Karnal Road, Azadpur, Delhi-110033  
Email: rta@abhipra.com

**DB (INTERNATIONAL) STOCK BROKERS LIMITED**

**Regd. Office: Unit- P05-02A & P05-02B, 5th Floor, Tower-A, World Trade Center, Block-51, Road 5E,  
Zone-5,GIFT City, Gandhinagar, Gujarat-382355**

**Corporate Office: 114, New Delhi House, 27 Barakhamba Road, New Delhi - 110001**

**CIN: L67120GJ1992PLC121278**

**Website: www.dbonline.in**

**Email Id: compliance@dbonline.in**

**Tel No: 011-43606162**

**NOTICE** is hereby given that the Thirtieth (30th) Annual General Meeting of DB (International) Stock Brokers Limited will be held on Thursday, September 29, 2022 at 09:30 A.M. (IST) at Unit No. 210/211/211A at 2nd floor Dalal Street Commercial Co-operative Society Ltd, Block No.53, Zone 5, Gift City, Gandhinagar, Gujarat-382355 to transact the following business:

**ORDINARY BUSINESS:**

**Item 1.** To receive, consider and adopt the Audited Financial Statements (Including the Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon and in this regard, pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** the Audited Financial Statements (Including the Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby received, considered and adopted.”

**Item 2.** To appoint a Director in place of Mr. Sachin Kumar Rathi (DIN: 01013130) who retires by rotation and being eligible offers himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Sachin Kumar Rathi (DIN: 01013130), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Non- Executive Director of the Company, liable to retire by rotation.”

**For and on behalf of the Board  
DB (International) Stock Brokers Limited**

**Sd/-  
Shiv Narayan Daga  
Managing Director  
DIN: 00072264**

**Sd/-  
Sachin Kumar Rathi  
Director  
DIN: 01013130**

**Place: New Delhi  
Date: 28th July, 2022**

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. THE HOLDER OF PROXY SHALL PROVE HIS IDENTITY AT THE TIME OF ATTENDING THE MEETING.

2. Corporate members intending to send their authorized representative (s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.
3. The Instrument appointing the proxy, duly completed shall be deposited at the Company's Registered office address not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force and the business set out in the Notice will be transacted through such voting. Information and instructions including details of user id and password relating to e-voting are provided in the Notice.
6. In terms of Section 152 of the Act, Mr. Sachin Kumar Rathi (DIN: 01013130) Director, retire by rotation at the Meeting and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee of the Board of Directors and the Board of Directors of the Company recommend their respective re-appointments.
7. Members/Proxies/ Authorized Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s), enclosed herewith duly completed and signed and copy(ies) of their Annual Report.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
9. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements maintained under Section 170 & 189 respectively of the Companies Act, 2013, will be available for inspection by the members at the AGM.

10. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, September 19, 2022 to Thursday, September 29, 2022 (both days inclusive).
11. The Company's Registrar and Share Transfer Agents, Abhipra Capital Limited A-387, Dilkhush Industrial Area, G.T. Karnal Road, Azadpur, Delhi-110033, Email: rta@abhipra.com
12. Members are requested to notify any change in their address, bank details/ ECS (Electronic Clearing Services) immediately at the Corporate Office of the Company/ Registrar Transfer Agent (RTA)/ Depository Participant (DP). With a view to use natural resources responsibly, we request shareholders to update their email address with their Depository Participants to enable the Company to send communications electronically.
13. Electronic copy of the notice convening the Thirtieth (30th) Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent in the permitted mode The Annual Report 2021-22, the Notice of the 30th AGM and instructions for e-voting, along with the Attendance slip and Proxy form, are being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s), unless a member has requested for a physical copy of the documents. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
14. Members may also note that the Notice of the 30<sup>th</sup> Annual General Meeting and the Annual Report 2021-22 will be available on the Company's website [www.dbonline.in](http://www.dbonline.in). The physical copies of the documents will also be available at the Company's corporate office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: [investors@dbonline.in](mailto:investors@dbonline.in).
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agents, M/s. Abhipra Capital Limited, A-387, Dilkhush Industrial Area, G.T. Karnal Road, Azadpur, Delhi-110033, Email: rta@abhipra.com.
16. M/s Surya Gupta & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
17. The facility for voting, either through ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting or by ballot form shall be able to exercise their right at the meeting.
18. A member who has not received the Ballot Form may request the Company for a duplicate form. The Ballot Form/ duplicate Ballot Form duly completed in all respects, enclosed in self-addressed, postage pre-paid envelop should reach the Scrutinizer before 05:00 P.M on Wednesday, September 28, 2022. The Ballot received after the said date will be treated as not having been received.
19. Route map & landmark of venue of AGM is enclosed with Notice.

## 20. Voting through Electronic Means

I. In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, the Company provides to its members, the facility to exercise their right to vote on resolutions proposed to be considered at the 30th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services Limited (CDSL).

### II. The instructions for shareholders voting electronically are as under:

- I. The voting period begins on September 26, 2022 (9:00 A.M.) and ends on September 28, 2022 (5:00 P.M.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (September 23, 2022) of Record Date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- III. The shareholders should log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com)
- IV. Click on Shareholders/Member.
- V. Now enter your user ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 digits client ID,
  - c. Members holding shares in physical form should enter folio number registered with the Company.
- vi. Enter the image verification as displayed and click on login.
- vii. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

**If you are a first time user follow the steps given below:**

	<b>For members holding shares in Demat form and physical form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax department (applicable for both Demat Shareholders as well as physical shareholders)</p> <p>⌘ Members who have not updated their PAN with the Company/ Depository participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on attendance slip.</p> <p>⌘ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name</p>

	is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the dividend bank details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id/folio number in the dividend bank details field as mentioned in instruction (v).

- viii. After entering these details appropriately, click on 'SUBMIT' tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this notice.
- xi. Click on the "EVSN" of DB (International) Stock Brokers Limited on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option "YES" or "NO" as desired. The option "YES" implies that you assent to the Resolution and option "NO" implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTION FILE LINK" if you wish to view the entire resolution details.
- xiv. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If a demat account holder has forgotten the changed login password then enter the user ID and the image verification code and click on "Forgot Password" & enter the details as prompted by the system.
- xviii. Shareholders can also cast their vote using CDSL's mobile app "m-Voting" available for android based mobiles. The m-Voting app can be downloaded from Google Play Store.  
Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.



- xix. Note for Non-individual Shareholders and Custodians.
- ⌘ Non-individual shareholders (i.e. other than Individuals, HUF,NRI etc.) and custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - ⌘ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - ⌘ After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
  - ⌘ The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - ⌘ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. September 23, 2022 may follow the same instructions as mentioned above for e-voting.
- xxi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**21.**Members who do not have access to remote e-voting facility may send duly completed Ballot for annexed herewith to, Mr. Suryakant Gupta, Proprietor of M/s Surya Gupta & Associates, Practicing Company Secretaries, (Membership No. F9250, COP No.10828), at the Registered office of the Company not later than September 28, 2022 (5:00 P.M. IST). Any person who becomes a member of the Company after the dispatch of the notice of the meeting and holding shares as on the cut-off date i.e. September 23, 2022 have the option to request for physical copy of the ballot form by sending an email to [investors@dbonline.in](mailto:investors@dbonline.in) by mentioning their Folio No./DPID and client ID No. Ballot form received after Wednesday, September 28, 2022 (5:00 P.M. IST) will be treated as invalid. A member can opt for only one mode of voting i.e. either through remote e-voting or by ballot. If a member casts vote by both modes, then voting done through remote e-voting shall prevail and the ballot form shall be treated as Invalid.

**22.** Members are entitled to make nomination in respect of the shares held by them in physical form. Members desirous of making nominations may send their request in form SH-13 in duplicate to the Registrars and Shares Transfer Agents (RTA) of the Company. Members may obtain a blank form SH-13 upon request to the Company or its RTA.

**23.** A blank proxy form along with attendance slip is enclosed here with.

**24.** Members/Proxies are requested to bring attendance slip duly filled in along with the copy of annual report at the meeting.

**25.**For any investor related queries, communication may be sent to us by email to [investors@dbonline.in](mailto:investors@dbonline.in).

26. Shareholders who have not encashed/received dividend for the previous Financial Year up to March 31, 2012, and whose shares are not transferred to IEPF account may please approach the Company or Registrar and Transfer Agent (RTA).

## INSTRUCTIONS

### 1. GENERAL INSTRUCTIONS

- a) There will be one postal ballot form / e-voting for every client ID No./folio No., irrespective of the number of joint holders.
- b) Members can opt for only one mode of voting i.e. either by postal ballot or through e-voting. In case you are opting for voting by postal ballot, then please do not cast your vote by e-voting and vice versa. In case members cast their votes both by postal ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through postal ballot form shall be considered invalid.
- c) Voting rights in the postal ballot/e-voting cannot be exercised by a proxy.

### 2. PROCESS FOR MEMBERS OPTING FOR VOTING BY POSTAL BALLOT

- a) Members desiring to cast their vote by postal ballot should complete and sign this postal ballot form and send it to the Scrutinizer, Mr. Suryakant Gupta, Practicing Company Secretary, at Chamber No. 11, Basement, Saraswati Bhawan, ¼, Lalita Park, Laxmi Nagar, Delhi-110092. Postal ballot forms deposited in person or sent by post or courier at the expense of the member will also be accepted.
- b) In case of joint holding, this postal ballot form should be completed and signed by the first named member and in his absence by the next named member.

In respect of shares held by corporate and institutional shareholders (companies, trusts, societies, etc.), the completed postal ballot form should be accompanied by a certified copy of the relevant board resolution / appropriate authorization, with the specimen signature(s) of the authorized signatory(ies) duly attested.

- c) The signature of the member on this postal ballot form should be as per the specimen signature furnished by National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) or registered with the Company, in respect of shares held in dematerialized form or in physical form, respectively.
- d) Completed postal ballot forms should reach the Scrutinizer not later than the close of working hours i.e. at 5.00 p.m. IST on September 28, 2022 Postal Ballot Forms received after this date will be considered invalid.
- e) Postal Ballot Forms which are incomplete or unsigned or defective in any manner are liable to be rejected. The Scrutinizer's decision in this regard shall be final and binding.
- f) A Member seeking duplicate postal ballot form or having any grievance pertaining to the postal ballot process can write to the Company at 114, New Delhi House 27, Barakhamba Road New Delhi -110001 or to the E-mail ID [investors@dbonline.in](mailto:investors@dbonline.in). Duly completed and signed duplicate postal ballot forms should, however, reach the Scrutinizer not later than the close of working hours i.e. at 5.00 p.m. IST on September 28, 2022.

Members are requested not to send any paper (other than the resolution/authority as mentioned under "Process for Members opting for voting by postal ballot" point 2c above) along with the postal ballot form in the enclosed self-addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and if any extra newspaper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer.

**For and on behalf of the Board  
DB (International) Stock Brokers Limited**

**Sd/-  
Shiv Narayan Daga  
Managing Director  
DIN: 00072264**

**Sd/-  
Sachin Kumar Rathi  
Director  
DIN: 01013130**

**Place: New Delhi  
Date: 28<sup>th</sup> July, 2022**

**DB (INTERNATIONAL) STOCK BROKERS LIMITED**

Regd. Office: Unit- P05-02A & P05-02B, 5th Floor, Tower-A, World Trade Center, Block-51, Road 5E,  
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CIN: L67120GJ1992PLC121278

Website: www.dbonline.in

Email Id: compliance@dbonline.in

Tel No: 011-43606162

**BOARD'S / DIRECTOR'S REPORT****To the Members**

Your directors have immense pleasure in presenting Thirtieth (30<sup>th</sup>) Annual Report on the business and operations of the company together with the Audited statement of Accounts for the financial year ended March 31, 2022.

**1. Financial Results**

During the year under review, the Financial Results of your Company are as follows:

**(Rs. Lacs)**

Particulars	Consolidated		Standalone	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Gross receipts	2942.59	1807.81	2751.35	1750.75
Profit before tax	1086.13	487.86	1017.21	483.58
Provision for tax	196.94	132.45	196.94	132.05
Deferred tax liability/ (assets)	13.38	0.15	13.38	0.07
Profit before share of profit of associate	863.75	31.47	794.83	28.66
Share of profit in associate	0.00	0.00	0.00	0.00
Profit after tax	863.75	31.47	794.83	28.66
Brought forward from previous year	2448.04	2417.29	2376.91	2345.53
Appropriations:				
Other comprehensive income: Re-measurement of post-employment benefit obligations (net of tax)	15.44	-0.72	9.69	2.72
Balance transferred to balance sheet	3327.23	2448.04	3181.43	2376.91
Earnings per equity share (basic)	2.47	0.09	2.27	0.08

The company does not earn income except the above; however there will be taken the best efforts to generate more income in future.

## **2. STATE OF COMPANY'S AFFAIRS AND OPERATIONS**

The total revenue of your Company for the Financial Year 2021-22 is Rs. 2751.35 lakhs as compared to Rs. 1750.75 Lakhs for the previous Financial Year 2020-2021. The Net Profit before tax stood at Rs. 1017.21 Lakhs as against Profit of Rs. 483.58 Lakhs in the previous year. The profit after tax is increased to Rs. 794.83 lakhs as against profit of Rs.28.66 lakhs in the previous year.

## **3. DIVIDEND AND TRANSFER TO RESERVES**

During the year under review, the Company has earned some profit and your Director proposes to plough back the profits in the business of the Company. Accordingly, the Board of Directors has not recommended any dividend for the financial year 2022-23 and there has been no transfer to General Reserve.

## **4. UNCLAIMED DIVIDEND**

As per provisions of Section 124 of the Companies Act, 2013 the amount of unclaimed dividend outstanding for more than seven years are not due to be transferred to IEPF A/c this year.

## **5. CAPITAL STRUCTURE**

### **Authorized Share Capital**

The Authorized Share Capital of the Company as at March 31, 2022 was Rs.10,00,00,000/-.

### **Paid up Share Capital**

The Paid-up share capital as at March 31, 2022 stands at Rs.7,00,00,000/-comprising of 3,50,00,000 equity shares of Rs.2/- each fully paid up.

## **6. DEPOSITS**

During the year under review, the company has neither invited nor accepted any deposit from public.

## **7. CHANGE IN NATURE OF BUSINESS**

During the year, there was no change in the nature of business of the Company.

## **8. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate on the date of this report.

## **9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange Inflow or Outflow during the year under review.

**10. RISK MANAGEMENT POLICY**

The Company has a well-defined risk management framework in place. Further, it has established procedures to periodically place before the Board, the risk assessment and management measures. The details of the risks faced by the Company and the mitigation & palliation thereof are discussed in detail in the Management Discussion and Analysis report **as per Annexure I to this Report**.

**11. CORPORATE GOVERNANCE**

Report on Corporate Governance pursuant to SEBI (Listing Obligation & Disclosures Requirements) Regulations, 2015 is attached and forms part of this report.

**12. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES**

CSR gets applicable on the company since the Company's Net profit for the financial year ended 31<sup>st</sup> March, 2022 exceeds Rs. 5 crores. Therefore, the Board of Directors of the Company has constituted CSR committee for the implementation of CSR activities and has adopted the CSR Policy. However, the Company will spend the required amount of CSR expenditure according to the CSR policy and in areas as decided according to the Schedule VII of the Companies Act, 2013 and on the recommendation of CSR Committee till the completion of this Financial Year 2022-2023.

**13. LOANS, GUARANTEES OR INVESTMENTS**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

**14. CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review for premises taken on lease from related party and wholly owned subsidiary company "Daga Business (International) Stock Brokers (IFSC) Private Limited".

**15. STATUTORY AUDITORS**

Pursuant to the provisions of section 139 of the Act and the rules framed thereafter, M/s Gupta Verma & Sethi, Chartered Accountants (FRN: 02605M), were appointed as Statutory Auditors of the company from the conclusion of 27<sup>th</sup> Annual General Meeting till the conclusion of the 32<sup>nd</sup> AGM of the company to be held in the year 2024.

**16. STATUTORY AUDIT & SECRETARIAL AUDIT AND ADVERSE COMMENTS BY AUDITORS**

There were no qualifications, reservations, adverse remarks or disclaimers made by M/s Gupta Verma & Sethi, Statutory Auditors & M/s Surya Gupta & Associates, Practicing Company Secretaries in their Audit Reports. The Secretarial Auditor's report by Mr. Suryakant Gupta of M/s Surya Gupta & Associates, Company Secretary in practice has been obtained and annexed as per Annexure II to this Report.

**Note:**

**For the Financial year 2022-23, the Board of Directors appointed M/s Surya Gupta & Associates, Practicing Company Secretaries to conduct the Secretarial Audit.**

**17. DIRECTORS APPOINTMENT AND REMUNERATION**

The policies of the Company on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 of the Act are in place and adhered to by the Company in word and spirit.

**18. PERFORMANCE EVALUATION OF THE BOARD**

Regulation 4 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates that the Board shall monitor and review the Board Evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its Committees and individual Directors. Schedule IV of the Companies Act, 2013 and regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the Corporate Governance Report and forms part of this report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board/Committee.

**19. ANNUAL RETURN**

The extracts of Annual Return in form MGT-9, pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is attached to this report as per Annexure III to this report.

**20. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (9) of the Companies Act, 2013 and pursuant to SEBI (Listing Obligation & Disclosures Requirements) Regulations, 2015. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them. More details on the vigil mechanism and the Whistle Blower Policy of your Company have been outlined in the Corporate Governance Report which forms part of this report.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

**21. PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

**22. BOARD MEETINGS**

The Company had four board meetings during the financial year under review on June 25, 2021; August 03, 2021; November 09, 2021 and February 01, 2022.

**23. DIRECTORS & KEY MANAGERIAL PERSONNAL**

Mr. Shiv Narayan Daga is the Managing Director who is the Key Managerial Person (KMP) within the meaning of Section 203(1) of the Act.

Ms. Shikha Mundra and Mr. Sachin Kumar Rathi hold the post of Non-Executive Women Director and Non- Executive Director respectively.

Mr. Milap Chand Bothra, Mr. Chandra Mohan Bahety and Mr. Brajesh Sadani are the Independent Directors of the Company.

Mr. Sanjeev Kumar Rawal and Ms. Pragya Singh were other KMPs designated as Chief Financial Officer and Company Secretary of the Company respectively.

**24. DECLARATION OF INDEPENDENT DIRECTORS**

All the Non-Executive and Independent Directors have confirmed to the Board that they qualify to be considered as independent as per the definition of 'Independent Director' stipulated in Section 149(6) of the Act and Pursuant to Regulation 16(i)(b) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. These confirmations have been placed before, and noted by the Board.

**25. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

- a.) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b.) The directors had 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 at the end of the financial year and of the profit of the company for that period;
- c.) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d.) The directors had prepared the annual accounts on a going concern basis;
- e.) The directors had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f.) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws that such systems were adequate and operating effectively.



**26. SUBSIDIARY COMPANY**

The Company has one wholly owned Subsidiary Company in the name of Daga Business (International) Stock Brokers (IFSC) Private Limited. The Details are annexed to Annexure-IV.

**27. BOARD COMMITTEE**

Company has Six Committees of Board, viz

- Audit Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration Committee
- Independent Directors Committee
- Credit Facility Committee
- Corporate Social Responsibility Committee (w.e.f 25.05.2022)

**28. SHARES****a. Buy Back of Securities**

The Company has not bought back any securities during the year under review.

The Company has not issued any Sweat Equity Shares during the year under review.

**b. Bonus Shares**

No Bonus shares were issued during the year under review.

**c. Employee Stock Option Plan**

The Company has not provided any Stock Option Scheme to the employees.

**29. PARTICULARS OF EMPLOYEES AND RELATED INFORMATION**

In terms of the provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has not paid remuneration to any Key managerial personnel, exceeding the limit of remuneration specified in rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, hence the information/comparative statement is either nil or is not applicable.

The information regarding employee remuneration as required pursuant to Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is available for inspection by Members at the corporate office of the Company between 2.00 p.m. IST and 4.00 p.m. IST on any working day (Monday to Friday), up to the date of the Thirtieth Annual General Meeting. Any Member interested in obtaining such information may write to the Company Secretary and the same will be furnished on such request.

**30. POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

Our policy against sexual harassment is embodied both in the Code of Conduct of the company as well as also in a specifically written policy in accordance with the sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act,2013.

During the financial year 2021-22, no cases in the nature of sexual harassment were reported at any workplace of the company.

**31. MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis Report, as stipulated under the Listing Regulations is presented in a separate Section forming part of this Annual Report.

**32. DISCLOSURE UNDER SECTION 148 OF COMPANIES ACT, 2013**

Company is not required to maintain the cost records and accounts as specified under section 148 of Companies Act, 2013 as it is not applicable on the Company.

**33. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

During the year under review, any Application is not made and there is not any pending proceeding under the Insolvency and Bankruptcy Code, 2016.

**34. THE DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.**

During the financial year 2021-22, this clause is not applicable for the Company.

**35. CAUTIONARY STATEMENT**

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations. Various factors such as economic conditions, changes in government regulations, tax regime, other statues, market forces and other associated and incidental factors may however lead to variation in actual results.

**36. ACKNOWLEDGEMENTS**

Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Directors also acknowledge gratefully the shareholders for their support and confidence reposed on your Company.

**For DB (International) Stock Brokers Limited**

Sd/-  
Shiv Narayan Daga  
(Managing Director)  
DIN: 00072264  
R/o: B-146, SurajmalVihar, Delhi-110092

Sd/-  
Sachin Kumar Rathi  
(Director)  
DIN: 01013130  
R/o: Devi Singh Bhati Ke Makan Ke Piche 351  
Maheshwari Mohalla, Jassusar Gate, KE Bahar,  
Bikaner-334004

Place: New Delhi  
Date: 28th July, 2022

**Annexure "I"**  
**DB (International) Stock Brokers Limited**  
**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**1. Operating results & financial performance:**

DB (International) Stock Brokers Limited is a listed Company. The Company is engaged in single line of business i.e. Stock Broking and provides Depository Participant services of CDSL. The company's total income for the year under review is Rs. 2751.35 Lakhs and Profit before tax amounts to Rs. 1017.21 Lakhs on standalone basis and the Company's total income for the year under review is Rs. 2942.59 Lakhs and Profit before tax amounts to Rs. 1086.13 Lakhs on consolidated basis.

**2. Industry trend and business analysis:**

The trend in the stock market is flourishing again since the Pandemic situation is in control and the retail investors have started again participating in the secondary market. Your Company endeavored to mobilize high net worth investors for secondary market and accordingly Company was able to be in profits.

**3. Opportunities and threats:**

With the globalization and electronic age, Indian stock market has changed over the past decade. The developments of high-tech and transparent markets with an increasingly wide geographic footprint have increased the number of trading avenues offering diverse pools of liquidity.

The opportunities for the Company are high purchasing power and people looking to more investment opportunities, growing rural market, earning urban youth, educating people about the benefits of investments to increase target audience, more penetration into the growing cities.

The threats are stringent economic measures by Government and RBI, entry of foreign finance firms in Indian market, increased competition to keep market share and margins under pressure, increased regulatory compliances affect margins and functioning.

For fiscal 2023, we will continue to execute our strategy along the same dimensions. The retail market segments we serve are faced with challenges and opportunities arising from the COVID-19 pandemic and its resulting impact on the economy. In our strategy, we will enable us to advise and help our clients as they tackle these market conditions. Especially in the areas of digitization of processes, migration to cloud based technologies, workplace transformation, and business model transformation.

**4. Future prospects and outlook:**

The Company's present business operations are Stock Broking and Depository Participant services of CDSL which forms part of financial services and there is no other segment apart from the main one. The management is optimistic about the future outlook of the Company.

The industry witnessed testing times with global economic slowdown and weakening profitability and tightening of financial conditions, still the Company has demonstrated its ability to with stand the challenges posed by the current environment.

**5. Risks and concerns:**

Company's business largely depend on the SEBI norms/ policies, thus, hence Company revenue growth depends on SEBI's policy of implementing broking services. However, your Company has a well laid down Risk Management System (RMS). Risk management is part of our culture across the Company. Effectively managing risk is the responsibility of all employees. Managers are accountable for allocating required resources to successfully manage the risks they own. Ensuring we have an efficient risk management system in place is key-to developing our business and achieving our objectives

**6. Internal control system and their adequacy:**

The Company has proper and adequate system of internal controls to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition of assets and that the transactions are properly recorded.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. Besides, the Audit Committee reviews the internal controls at periodic intervals

**7. Human resources:**

The company has adequate human resources, which is in commensurate with the current volume of activity. Company's management had always contributed to the promotion of the employees by enhancing their skills and efficiency by arranging regular training to the new and existing employees.

**8. Cautionary statement:**

Statements in this 'Management's Discussion and Analysis report' describing the company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include changes in the Government regulations, tax regimes, economic developments and other factors such as litigation etc.

**9. Details of Significant changes in key financial ratios:**

S. No.	Ratios	FY 2021-22	FY 2020-21
1	Debtor's turnover (days)	21.89	29.73
2	Inventory turnover (days)	NA	NA
3	Interest coverage ratio (times)	76.54	141.38
4	Current ratio (times)	1.48	2.78
5	Debt equity ratio (times)	NA	NA
6	Operating profit margin ratio (%)	NA	NA
7	Net profit margin ratio (%)	29.04	1.64

10. Details of any change in Return on Net Worth as compared to the immediately previous financial year.

		Amount in ₹	
		As at March 31, 2022	As at March 31, 2021
<b>Capital + Free Reserves</b>		<b>492,791,888</b>	<b>412,339,887</b>
<b>Less: non-allowable assets</b>			
(a)	<b>Fixed assets</b>	29,038,484	30,881,437
(b)	<b>Pledged Securities</b>	-	-
(c)	<b>Member's card</b>	-	-
(d)	<b>Non-allowable securities (unlisted securities)</b>	12,500,000	12,605,000
(e)	<b>Bad deliveries</b>	-	-
(f)	<b>Doubtful debts and advances*</b>	2,780,685	31,87,606
(g)	<b>Prepaid expenses, losses</b>	2,395,393	24,46,597
(h)	<b>Intangible assets</b>	3,02,461	81,20,727
(i)	<b>30% value of marketable securities</b>	30,259,483	1,746,720
<b>Net Worth</b>		<b>415,515,383</b>	<b>35,33,51,799</b>

\* Explanation - Includes debts/advances overdue for more than three months or given to associate

11. **Disclosure of Accounting Treatment:** Refer to Significant Accounting Policies

For DB (International) Stock Brokers Limited

Sd/-  
Shiv Narayan Daga  
(Managing Director)  
DIN: 00072264  
R/o: B-146, SurajmalVihar, Delhi-110092

Sd/-  
Sachin Kumar Rathi  
(Director)  
DIN: 01013130  
R/o: Devi Singh Bhati Ke Makan Ke Piche 351  
Maheshwari Mohalla, Jassusar Gate, K E  
Bahar, Bikaner-334004

Place: New Delhi  
Date: 28th July, 2022

**Annexure II**  
**Form MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**[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,  
**DB (INTERNATIONAL) STOCK BROKERS LIMITED**  
Unit- P05-02A &P05-02B, 5<sup>th</sup> Floor, Tower-A, World Trade Center,  
Block-51, Road 5E, Zone-5, Gift City, Gandhinagar, Gujrat-382355

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **DB (INTERNATIONAL) STOCK BROKERS LIMITED** (hereinafter called "**the Company**") for the financial year ended 31st March, 2022. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2022** ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute's books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the "Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (including the erstwhile regulation);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not Applicable**
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (SEBI LODR);
  - 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, **Not applicable for the current financial year**
  - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - e) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not applicable for the current financial year**
  - g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable for the current financial year**
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable for the current financial year**
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **Not applicable for the current financial year;**
- (vi) The other law, as informed and certified by the management of the Company which, is specifically applicable to the Company based on their sector/ industry is:
- SEBI (Stock Brokers and Sub Brokers) Regulation, 1992.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India with which the Company has generally complied with.

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

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company seems adequate to ensure compliance of laws specifically applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For Surya Gupta & Associates  
Company Secretaries**

**Date: 30.05.2022  
Place: Delhi**

**Sd/-  
Suryakant Gupta  
Prop.  
M. No.: F9250  
COP No.: 10828  
UDIN: F009250D000425853  
Peer Review: 907/2020**

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****Secretarial Audit Report of DB (International) Stock Brokers Limited**  
**for the financial year ended March 31, 2022**

To,  
The Members,  
DB (International) Stock Brokers Limited  
Unit- P05-02A & P05-02B, 5<sup>th</sup> Floor, Tower-A, World Trade Center,  
Block-51, Road 5E, Zone-5, GIFT City, Gandhinagar, Gujarat-382355

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

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

**For Surya Gupta & Associates**  
**Company Secretaries**

**Date: 30.05.2022**  
**Place: Delhi**

**Sd/-**  
**Suryakant Gupta**  
**Prop.**

**M. No.: F9250**  
**COP No.: 10828**  
**UDIN: F009250D000425853**  
**Peer Review: 907/2020**

## ANNEXURE III

## FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2022

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	Date of Incorporation	February 28, 1992
2	Name of the Company	DB (International) Stock Brokers Limited
3	Category/Sub-category of the Company	Limited by shares/ Non -Government Company
4	Address of the Registered office & contact details	P05-02A & P05-02B, 5th Floor, Tower-A, World Trade Center, Block-51, Road 5E, Zone-5,GIFT City, Gandhinagar, Gujarat 382355 Tel: 011-43606162
5	Whether listed company	Yes
6	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Abhipra Capital Limited , A- 387, Dilkhush Industrial Area, G.T.Karnal Road, Azadpur, Delhi-110033, 011-42390909

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Stock Broking activity	9971	100

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Daga Business (International) Stock Brokers (IFSC) Private Limited	U65999GJ2017 PTC097369	Subsidiary	100	2 (87)

## IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2021]				No. of Shares held at the end of the year [As on March 31, 2022]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	10,505,000	-	10,505,000	30.01%	10,505,000	-	10,505,000	30.01%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	<b>10,505,000</b>	<b>-</b>	<b>10,505,000</b>	<b>30.01%</b>	<b>10,505,000</b>	<b>-</b>	<b>10,505,000</b>	<b>30.01%</b>	<b>0.00%</b>
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>TOTAL (A)</b>	<b>10,505,000</b>	<b>-</b>	<b>10,505,000</b>	<b>30.01%</b>	<b>10,505,000</b>	<b>-</b>	<b>10,505,000</b>	<b>30.01%</b>	<b>0.00%</b>

<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIIIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>2. Non-Institutions</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
a) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Indian	15,891,143		15,891,143	45.40%	1,57,38,338	-	1,57,38,338	44.96%	0.44%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals	-	-	-	0.00%	-	-	-	-	-
i) Individual Shareholders	6,319,272	18,500	6,337,772	18.11%	7,430,326	18,500	74,48,826	21.27%	3.16%
c) Others (specify)	-	-	-	-	-	-	-	-	-
HUF	1,751,032		1,751,032	5.00%	7,84,968	-	7,84,968	2.24%	2.76%
Non Resident Indians	5,008	-	5,008	0.01%	6,469	-	6,469	0.02%	0.00%
Overseas Corporate	-	-	-	0.00%	-	-	-	0.00%	0.00%

Bodies									
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	1,332	-	1,332	0.00%	7686	-	7686	0.02%	0.02%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - DR	-	-	-	0.00%	-	-	-	0.00%	0.00%
IEPF	5,08,713	-	5,08,713	1.47%	5,08,713	-	5,08,713	1.45%	0.02%
<b>Sub-total (B)(2):-</b>	<b>24,476,500</b>	<b>18,500</b>	<b>24,495,000</b>	<b>69.96%</b>	<b>24,476,500</b>	<b>18,500</b>	<b>2,44,95,000</b>	<b>69.96%</b>	<b>0.00 %</b>
<b>Total Public (B)</b>	<b>24,476,500</b>	<b>18,500</b>	<b>24,495,000</b>	<b>69.96%</b>	<b>24,476,500</b>	<b>18,500</b>	<b>2,44,95,000</b>	<b>69.96 %</b>	<b>0.00 %</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00 %
<b>Grand Total (A+B+C)</b>	<b>349,81,500</b>	<b>18,500</b>	<b>35,000,000</b>	<b>100.00%</b>	<b>349,81,500</b>	<b>18,500</b>	<b>35,000,000</b>	<b>100.00 %</b>	<b>0.00%</b>

## (ii) Shareholding of Promoter

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% charges in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	SHIV NARAYAN DAGA	5,780,000	16.51%	0	5,780,000	16.51%	0	0
2	SHARDA DAGA	2,048,000	5.85%	0	2,048,000	5.85%	0	0
3	SHEETAL PERIWAL	752,000	2.15%	0	752,000	2.15%	0	0
4	SHIKHA MUNDRA	650,000	1.86%	0	650,000	1.86%	0	0
5	SHIV NARAYAN DAGA (HUF)	1,275,000	3.64%	0	1,275,000	3.64%	0	0
	<b>TOTAL</b>	<b>10,505,000</b>	<b>30.01 %</b>	<b>0</b>	<b>10,505,000</b>	<b>30.01 %</b>	<b>0</b>	<b>0</b>

(iii) Change in Promoters' Shareholding (please specify, if there is no change): NO CHANGE

S. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	April 01, 2021		10,505,000	30.01%	10,505,000	30.01%
	Changes during the year			-	-	-	-
	At the end of the year	March 31, 2022		10,505,000	30.01%	10,505,000	30.01%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
A	At the beginning of the year	April 01, 2021					
1	New KMS Finance Pvt. Ltd.			5,018,661	14.34%	5,018,661	14.34%
2	Mangaljyoti Syndicate Private Limited			1,753,944	5.01%	1,753,944	5.01%
3	KRG Polychem Private Limited			1,440,737	4.12%	1,440,737	4.12%
4	Roopam Financers Private Limited			1,330,000	3.8%	1,330,000	3.8%
5	Dhanleela Investment Trading Company Limited			1,182,252	3.38%	1,182,252	3.38%
6	Ankit Bahety Sons HUF .			7,84,968	2.24%	7,84,968	2.24%
7	Pawan Agarwal			6,85,000	1.96%	6,85,000	1.96%
8	KSB Fininvest Private Limited			6,80,000	1.94%	6,80,000	1.94%
9	Jayshree Bahety			5,88,130	1.68%	5,88,130	1.68%
10	P S Global Limited			5,51,435	1.58%	5,51,435	1.58%

B.	At the end of the year	March 31, 2022					
1	New KMS Finance Pvt. Ltd.			5,018,661	14.34%	5,018,661	14.34%
2	Mangaljyoti Syndicate Private Limited			1,743,944	4.98%	1,743,944	4.98%
3	KRG Polychem Private Limited			1,440,737	4.12%	1,440,737	4.12%
4	Roopam Financers Private Limited			1,330,000	3.8%	1,330,000	3.8%
5	Dhanleela Investment Trading Company Limited			1,182,252	3.38%	1,182,252	3.38%
6	Ankit Bahety Sons HUF .			7,84,968	2.24%	7,84,968	2.24%
7	Pawan Agarwal			6,85,000	1.96%	6,85,000	1.96%
8	KSB Fininvest Private Limited			6,80,000	1.94%	6,80,000	1.94%
9	Jayshree Bahety .			5,98,130	1.71%	5,98,130	1.71%
10	P S Global Limited			5,51,435	1.58%	5,51,435	1.58%

(v) Shareholding of Directors and Key Managerial Personnel:

S. No	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	SHIV NARAYAN DAGA						
	At the beginning of the year	April 01, 2021		5,780,000	16.51%	5,780,000	16.51%
	Changes during the year			-	-	-	-
	At the end of the year	March 31, 2022		5,780,000	16.51%	5,780,000	16.51 %
2	SHIKHA MUNDRA						
	At the beginning of the year	April 01, 2021		650,000	1.86%	650,000	1.86%
	Changes during the year			-	-	-	-
	At the end of the year	March 31, 2022		650,000	1.86%	650,000	1.86%

3	SANJEEV KUMAR RAWAL						
	At the beginning of the year	April 01, 2021		100	0.00029%	100	0.00029%
	Changes during the year			-	-	-	-
	At the end of the year	March 31, 2022		100	0.00029%	100	0.00029%

## (vi.) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of Financial Year	-	-	-	-
Principal Amount	-	-	-	-
Interest due but not paid	-	-	-	-
Interest Accrued but not due	-	-	-	-
Total	-	-	-	-
Changes in indebtedness during the Financial Year	-	-	-	-
*Addition	-	-	-	-
*Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the End of Financial Year	-	-	-	-
Principal Amount	-	-	-	-
Interest Due but not Paid	-	-	-	-
Interest Accrued but not due	-	-	-	-
<b>Total</b>	-	-	-	-



## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S.No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	Shiv Narayan Daga	
	Designation	Managing director	
1	Gross salary	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, Employer contribution provident fund		
	Total (A)		
	Ceiling as per the Act within the permissible limit as per the provisions of the Companies Act	Nil	Nil

## B. Remuneration to other Directors:

S.No	Particulars of Remuneration	Name of Directors			Total Amount
1	<b>Independent Directors</b>	<b>Milap Chand Bothra</b>	<b>Chandra Mohan Bahety</b>	<b>Brajesh Sadani</b>	
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify				-
	Total (1)	Nil	Nil	Nil	Nil
2	<b>Other Non-Executive Directors</b>	<b>Sachin Kumar Rathi</b>	<b>Shikha Mundra</b>	-	-
	Fee for attending board committee meetings	Nil	Nil	-	Nil
	Commission	Nil	Nil	-	Nil
	Others, please specify			-	

	Total (2)	Nil	Nil	-	Nil
	Total (B)=(1+2)	Nil	Nil	-	Nil
	Total Managerial Remuneration	Nil	Nil	-	Nil
	Overall Ceiling as per the Act	-	-	-	-

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S.No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total
	Name	Sanjeev Kumar Rawal	Pragya Singh	
	Designation	Chief Financial Officer (CFO)	Company Secretary (CS)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18,60,000	4,32,000	22,92,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, Employer's Contribution in provident fund	2,40,480	-	2,40,480
	<b>Total</b>	<b>21,00,480</b>	<b>4,32,000</b>	<b>25,32,480</b>

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
<b>B. DIRECTORS</b>					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0

Sd/-

Shiv Narayan Daga  
(Managing Director)

DIN: 00072264

Address: B-146, Surajmal Vihar

Delhi-110032

Sd/-

Sachin Kumar Rathi  
(Director)

DIN: 01013130

Address: Devi Singh Bhati

Ke Makan Ke Piche 351, Maheshwari  
Mohalla, Jassusar Gate K E Bahar,  
Bikaner- 334004

Dated: 28th July, 2022

Place: New Delhi

**REPORT ON CORPORATE GOVERNANCE**  
**Pursuant to Regulation 4 of SEBI (Listing Obligations and Disclosure Requirements)**  
**Regulations, 2015**

**Company's Philosophy**

Corporate governance represents the value framework rules, practices by which a Company conducts its business activities and evaluates the performances and working of the Company. Corporate governance essentially involves balancing the interest of many stakeholders in a Company which includes its shareholders, management, customers, bank vendors and the Regulators.

The Company's core philosophy on the code of Corporate Governance is to ensure:

- ⌘ Fair and transparent business practices.
- ⌘ Accountability for performance.
- ⌘ Compliance of applicable Statute.
- ⌘ Transparent and timely disclosure of financial and management information.
- ⌘ Effective management control and monitoring of executive performance by the Board.
- ⌘ Adequate representation of promoter, executive and independent directors on the Board.

**Board of Directors**

The composition and category of Board of Directors are as follows:

S. No.	Name	Designation	DIN	Category
1.	Mr. Shiv Narayan Daga	Managing Director	00072264	Non Independent Managing Director
2.	Mr. Chandra Mohan Bahety	Director	01013741	Independent Non-Executive Director
3.	Mr. Milap Chand Bothra	Director	00269198	Independent Non-Executive Director
4.	Mr. Brajesh Sadani	Director	00072425	Independent Non-Executive Director
5.	Mr. Sachin Kumar Rathi	Director	01013130	Non Independent Non-Executive Director
6.	Ms. Shikha Mundra	Woman Director	06882693	Non Independent Non-Executive Director

- ⌘ Ms. Shikha Mundra is the daughter of Mr. Shiv Narayan Daga and none of the other directors are related to each other.
- ⌘ None of them hold shares or convertible instruments in the company.

- ⌘ The Board members of DB (International) Stock Brokers Limited (Independent and Non-Independent) are afforded every opportunity to familiarize themselves with the Company, its management and its operations and above all, the company perspective & issues. They are made to interact with senior management personnel for enabling a good understanding of the Company, its various operations and the industry of which it is a part.
- ⌘ As the main business of the company is to provide services related to Stock Broking and Depository Participants, taking these business activities in consideration it is necessary that Board of Director should have knowledge about the same.
- ⌘ All Board of Directors of the Company is having good knowledge and experience about Stock Broking and DP operations.
- ⌘ None of the Independent Director resigned during the year from his directorship.

### Board Meetings:

During the year, the Board of Directors met 4 times on June 25, 2021, August 03, 2021, November 09, 2021 and February 01, 2022.

Name	No. of Board Meetings Attended	Whether attended last AGM	Directorship in other Companies	Committee Membership	Status in Committee
Mr. Shiv Narayan Daga	3	Yes	Daga Commodities Private Limited	-	-
			Daga Business (International) Stock Brokers (IFSC) Private Limited		
Ms. Shikha Mundra	4	Yes	NIL	-	-
Mr. Chandra Mohan Bahety	4	Yes	Megapix Tradelink Private Limited	Audit Committee	Chairman
			Balaji Nirman Private Limited	Nomination & Remuneration Committee	Member
			Mpa Finsecurities Private Limited	Independent Director's Committee	Member
Mr. Brajesh Sadani	4	Yes	Nil	Stakeholders Relationship Committee	Member

				Audit Committee	Member
				Independent Director's Committee	Member
				Nomination & Remuneration Committee	Chairman
Mr. Sachin Kumar Rath	4	Yes	Daga Business (International) Stock Brokers (IFSC) Private Limited	Nomination & remuneration Committee	Member
				Stakeholders Relationship Committee	Member
Mr. Milap Chand Bothra	4	Yes	Bothra Credit and Holdings Private Limited	Stakeholders Relationship Committee	Chairman
				Audit Committee	Member
				Independent Director's Committee	Chairman

Skills / expertise / competence matrix of the board of directors pursuant to provisions in Sub-Para 2(h) of Part C of Schedule V of the listing regulations given below is the list of core skills/expertise/ competencies that the company's board has identified as particularly valuable to the effective oversight and functioning of the company:

Skill / Experience/Competency	Available with Board
<b>Board Experience:</b> Experience as a Director of a Company	Yes
<b>Planning Experience:</b> Experience in business/corporate planning	Yes
<b>Leadership Experience:</b> Experience serving as a Chairperson of Corporate/Committee, or in other positions of leadership	Yes
<b>Financial and Accounting Expertise:</b> Qualifications and	Yes

experience in accounting and/or finance and the ability to comprehend company accounts, financial material presented to the board and financial reporting requirements	
<b>Risk Assessment:</b> Experience in the process of identifying principal corporate risks and to ensure that management has implemented the appropriate systems to manage risk	Yes
<b>Legal, Regulatory and Compliance:</b> Experience in law and compliance.	Yes
<b>Strategy:</b> Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies for the Company	Yes

### COMMITTEES OF THE BOARD

The Board has four committees namely Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Independent Directors Committee. The Committees of Board provides and evaluates the strategies direction of the Company, Management policies and their effectiveness and ensures that the long-term interests of the shareholders are being served. The details as to the composition, terms of reference, number of meetings and related attendance, etc., of these Committees are provided hereunder.

#### ❖ Audit Committee

##### Terms of Reference

In Compliance with Regulation 18 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013, the powers include investigating any activity within its terms of reference; seeking information from any employee; obtaining outside legal or other professional advice; and securing attendance of outsiders with relevant expertise, if it considers necessary. The role includes oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible; recommending the appointment, re-appointment, if required, replacement or removal of statutory auditors, fixation of audit fees and approval of payment for any other services, as permitted; reviewing the adequacy of internal audit function; discussing with internal auditors any significant findings and follow-up thereon; reviewing with the management annual and quarterly financial statements including Auditors' Report before submission to the Board for approval; approval or any subsequent modification of any transactions of the Company with related parties; review and monitor the auditors independence and performance and effectiveness of audit process; scrutiny of inter corporate loans and investments, if any; evaluation of internal financial controls and risk management system etc. and reviewing the functioning of the Whistle Blower Mechanism and carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**Composition, Meetings and Attendance**

The Board of Directors has constituted an Audit Committee comprising the following Directors:

S.No.	Name of Directors	Designation	Meetings Attended
1.	Mr. Chandra Mohan Bahety	Non-Executive - Independent Director, Chairperson	4
2.	Mr. Brajesh Sadani	Non-Executive - Independent Director, Member	4
3.	Mr. Milap Chand Bothra	Non-Executive - Independent Director, Member	4

During the year, Audit committee met four times on June 25, 2021; August 03, 2021; November 09, 2021 and February 01, 2022.

### ❖ Nomination & Remuneration Committee

**Terms of reference**

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated in Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors. The role includes formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on Board diversity and identification of 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 their appointment and removal.

**Composition, Meetings and Attendance**

The Nomination & Remuneration Committee comprises of following Directors:

S. No.	Name of Directors	Designation	Meetings Attended
1.	Mr. Brajesh Sadani	Non-Executive - Independent Director, Chairperson	4
2.	Mr. Sachin Kumar Rathi	Non-Executive - Non Independent Director, Member	4
3.	Mr. Chandra Mohan Bahety	Non-Executive - Independent Director, Member	4

During the year Nomination & Remuneration Committee met four times in a year on June 25, 2021; August 03, 2021; November 09, 2021 and February 01, 2022.

**Performance Evaluation:**

The performances of Executive Directors were evaluated on the basis of overall performance and level of Corporate Governance in the Company. The performances of Independent Directors were evaluated on the basis of the following criteria i.e. whether they act objectively and constructively while exercising their duties, exercise their responsibilities in a bona-fide manner in the best interest



of the Company, devote sufficient time and attention to their professional obligations for informed and balanced decision making, assist the Company in implementing the best Corporate Governance practices, strive to attend all meetings of the Board of Directors and the Committees, participate constructively and actively in the Committees of the Board in which they are chairpersons or members, strive to attend the General Meetings of the Company, keep themselves well informed about the Company and the external environment in which it operates, abide by Company's Memorandum and Articles of Association, Company's policies and procedures including Code of Conduct, Insider trading guidelines etc.

### Remuneration Policy

The objective and broad framework of the Remuneration Policy is to consider and determine the remuneration, based on the fundamental principles of payment for performance, for potential, and for growth. The Remuneration Policy reflects on certain guiding principles of the Company such as aligning remuneration with the long term interests of the Company and creating a linkage to corporate and individual performance, and emphasizing on professional competence and market competitiveness so as to attract the best talent. The Nomination and Remuneration Committee recommends the remuneration of Directors and Key Managerial Personnel, which is then approved by the Board of Directors, subject to the approval of shareholders, wherever necessary. The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the Directors, Key Managerial Personnel and other employees of the Company required to run the Company successfully.

### Remuneration of the Directors

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

During the Financial Year ended 31<sup>st</sup> March, 2022, the remuneration paid to Directors, is given below:

Name of The Director	Designation	Salary & Allowances (Rs. Per Month)	Benefits	Bonuses	Stock Option	Pension	Service Contract
Shiv Narayan Daga	Managing Director	-	-	-	-	-	-

#### (ii) Remuneration/Sitting Fees to Non-Executive Directors:

Name of the Non-Executive Director	Sitting Fees (Rs)
Mr. Brajesh Sadani	-
Mr. Milap Chand Bothra	-
Mr. Sachin Kumar Rathi	-
Mr. Chandra Mohan Bahety	-
Ms. Shikha Mundra	-

### ❖ Stakeholders Relationship Committee

The powers, role and terms of reference of the Stakeholders' Relationship Committee covers the areas as contemplated under Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 and Section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors.

The Committee comprises of following Directors:

S.No.	Name of Directors	Designation
1.	Mr. Milap Chand Bothra	Non-Executive - Independent Director, Chairperson
2.	Mr. Sachin Kumar Rathi	Non-Executive - Non Independent Director, Member
3.	Mr. Brajesh Sadani	Non-Executive - Independent Director, Member

During the year, Stakeholders Relationship Committee met twice on August 03<sup>rd</sup>, 2021 and February 01<sup>st</sup>, 2022.

During the year, no complaint was received from investors. The requests received for Share Transfer up to March 31, 2022 has been completed within the time frame prescribed by the statutory authorities as well as SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015.

The details of Investor Complaints received and resolved for the Financial Year 2021-2022, is as under:

No. of Investor Complaints Received	No. of Investor Complaints Resolved	No. of Investor Complaints Pending
NIL	NIL	NIL

### ❖ Independent Directors Committee

The committee comprises of following Directors:

- ⌘ Mr. Chandra Mohan Bahety (Independent Non-Executive Director)
- ⌘ Mr. Brajesh Sadani (Independent Non-Executive Directors)
- ⌘ Mr. Milap Chand Bothra (Independent Non-Executive Directors)

During the year, Independent Directors met once during the year on February 01<sup>st</sup>, 2022.

### General Body Meetings

The details of General Meeting of the Shareholders conducted in last three years are as follows:

Year	Date and Time	Location	Particulars of Special Resolution Passed
2018-2019	January 31 <sup>st</sup> , 2019 at 04:00 P.M. IST	756, Sector 23A, Gurgoan-122017 (Haryana)	I. To increase borrowing limit up to Rs. 100 Crores.
2018-2019	September 27, 2019 at 04:00 P.M. IST	756, Sector 23A, Gurgoan-122017 (Haryana)	I. Change of Registered Office of the Company from one state to another.

2019- 2020	September 14, 2020 at 04:00 p.m. IST	70 Housing board colony,(old), Near Mini Secretariat, Rewari, Haryana - 123401	I. Consider Re-Appointment of Mr. Shiv Narayan Daga as a Managing Director. II. Shifting of Registered Office from the State of Haryana to Gujarat. III. Appoint Mr. Mukesh Chander Agarwal as an Executive Director (Finance).
2020-2021	September 28, 2021 at 09:30 A.M. (IST)	P05-02A & P05-02B, 5th Floor, Tower-A, World Trade Center, Block-51, Road 5E, Zone-5, GIFT City, Gandhinagar, Gujarat-382355	I. Consider Re-appointment of Mr. Milap Chand Bothra (DIN: 00269198) as an Independent Director

### Disclosures

- ⌘ The Company has not entered into any transaction of a material nature with the promoters, Directors or the Management, their relatives etc. that may have potential conflict with the interest of the Company.
- ⌘ No penalties have been imposed on the Company by the Stock Exchange, SEBI or other Statutory Authorities on any matter related to capital markets during last three years.
- ⌘ Whistle Blower Policy (Policy on Vigil Mechanism) the company has adopted a whistle blower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the company's code of conduct and ethics and also provides for direct access to the Chairman of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. Details of the policy are available on our website, at <https://www.dbonline.in/Admin/Pdf/449404799WHISTLE%20BLOWER%20POLICY%20AND%20VIGIL%20MECHANISM.pdf>
- ⌘ Material Subsidiary Policy adopted by the Company details of the same is available on our website at <https://www.dbonline.in/Admin/Pdf/2018436376MATERIAL%20SUBSIDIARY%20POLICY.pdf>
- ⌘ Details of Related Party Transaction policy available on our website, at <https://www.dbonline.in/Admin/Pdf/1979511712POLICY%20ON%20RELATED%20PARTY%20TRANSACTIONS.pdf>
- ⌘ No funds raised through preferential Allotment and Qualified Institutions Placement.
- ⌘ Certificate from Practicing Company Secretaries as required under Part C of Schedule V of LODR, received from Mr. Suryakant Gupta, Membership No. F9250, COP No.10828, representing M/s. Surya Gupta & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has 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 statutory authority.

⌘ Compliance with Corporate Governance Norms the Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated in Schedule V(E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015). The Company has submitted the compliance report in the prescribed format to the stock exchanges for all the quarters including the quarter ended 31st March 2022. The Statutory Auditors have certified that the Company has complied with the conditions of corporate governance as stipulated in Schedule V (E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015). The said certificate is annexed to this Report.

### **Means of Communication**

As per Regulation 47 of the SEBI (Listing Obligation & Disclosures Requirements) Regulations, 2015, the financial results of the Company were published in the "Business Standard" (English) and "Financial Express" (Gujarati)-Ahmedabad edition during the year.

⌘ Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 information like quarterly and half yearly statement and shareholding pattern are regularly updated on BSE's & NSE's website i.e. [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com)

⌘ Management Discussion & Analysis Report has been included in the annual report, which forms part of the Annual Reporting being sent to the shareholders of the Company.

### **Information for General Shareholders**

- A. 30<sup>th</sup> Annual General Meeting : Will be held on Thursday, September 29, 2022 at 09:30 A.M. (IST) at Unit No. 210/211/211A at 2nd floor Dalal Street Commercial Co-operative Society Ltd, Block No.53, Zone 5, Gift City, Gandhinagar, Gujarat-382355, the registered office of the Company.
- B. Financial Calendar : April 01, 2021 to March 31, 2022
- C. Book Closure Date : September 19, 2022 to September 29, 2022 (Both days are inclusive)
- D. Listing on Stock Exchange : The Shares of the Company are listed on the BSE Limited and National Stock Exchange and the Annual Listing Fee for the year 2022-2023 have been paid.
- E. Market Price Data : As follows

<b>MARKET PRICE DATA</b>
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	MONTH	BSE		NSE	
		HIGHEST PRICE	LOWEST PRICE	HIGHEST PRICE	LOWEST PRICE
1.	April, 2021	10.80	7.01	11.30	7.50
2.	May, 2021	15.88	7.90	15.85	7.65
3.	June, 2021	20.10	14.05	20.05	13.65
4.	July, 2021	15.75	13.73	15.80	13.40
5.	August, 2021	30.29	13.83	29.15	13.65
6.	September, 2021	23.25	16.60	21.45	16.60
7.	October, 2021	18.70	15.65	18.75	16.15
8.	November, 2021	18.20	15.20	17.95	15.00
9.	December, 2021	33.70	14.75	33.50	14.50
10.	January, 2022	48.90	25.30	49.20	25.60
11.	February, 2022	38.90	21.95	41.45	22.70
12.	March, 2022	34.50	24.30	34.50	24.25

F. NSE SYMBOL : DBSTOCKBRO (National Stock Exchange)

BSE CODE : 530393 (Bombay Stock Exchange)

G. Registrar & Share Transfer agent : Abhipra Capital Limited  
A - 387, Dilkhush Industrial Area  
G.T. Karnal Road, Azadpur Delhi-110033  
Email : rta@abhipra.com

H. ISIN : INE921B01025

Share Trading/Transfer : Trading in equity shares of the Company on NSE & BSE is permitted in dematerialized mode only. The shares received in physical form for transfers are normally processed within a period of 30 days, provided all the formalities are completed.

I. Distribution Schedule as on March 31, 2022

**Distribution Schedule**

Shareholding Nominal Value of Rs.	No. of Shareholders	No. of Shares
Upto 2500	2413	246114
2501-5000	48	87487
5001-10000	38	135556
10001-20000	16	118273

20001-30000	5	62689
30001-40000	3	54661
40001-50000	3	73884
50001-100000	5	186980
100000 & above	70	34034356
<b>TOTAL</b>	<b>2601</b>	<b>35000000</b>
Category	No of shares	% of Shareholding
Promoter & Promoter Group	10505000	30.01%
Others	24495000	69.99%
<b>TOTAL</b>	<b>35000000</b>	<b>100%</b>

J. **Dematerialization of Shares:** 3,49,81,500 equity shares representing 99.95% of total paid up capital in dematerialized form and 18,500 equity shares representing 0.05 % of total paid up capital in physical form as on March 31,2022.

K. **Address for Correspondence:** Shareholders correspondence may be addressed to the Company Secretary of DB (International) Stock Brokers Limited at its corporate office at 114, New Delhi House 27, Barakhamba Road, New Delhi-110001, Email id: investors@dbonline.in

On behalf of the Board of Directors

For DB (International) Stock Brokers Limited

Place: New Delhi  
Date: 28<sup>th</sup> July, 2022

Sd/-  
Shiv Narayan Daga  
(Managing Director)  
DIN:00072264

Sd/-  
Sanjeev Kumar Rawal  
(Chief Financial Officer)

Sd/-  
Sachin Kumar Rathi  
(Director)  
DIN:01013130

Sd/-  
Pragya Singh  
(Company Secretary)

**CEO/CFO CERTIFICATION****Certificate of Chief Financial Officer on Financial Statement under  
Pursuant to SEBI (Listing Obligation & Disclosures Requirements) Regulations, 2015**

I, Sanjeev Kumar Rawal, Chief Financial Officer (CFO) hereby certify that:

- a. I have reviewed Financial Statement and the Cash Flow Statement of the financial year ended March 31, 2022 and that to the best of my knowledge and belief:
  - I. These statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;
  - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violate of the Company's code of conduct.
- c. I am responsible for establishing and maintaining Internal Controls for financial reporting and that I have evaluated the effectiveness or internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the auditors and the Audit Committee that:
  - I. There have been no significant changes in internal control over financial reporting during the year.
  - II. There have been no significant changes in accounting policies during the year; and
  - III. There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

**Sanjeev Kumar Rawal**  
**(Chief Financial Officer)**

**Place: New Delhi**

**Date: 25<sup>th</sup> May, 2022**

**DB (INTERNATIONAL) STOCK BROKERS LIMITED**

**Regd. Office: Unit- P05-02A & P05-02B, 5th Floor, Tower-A, World Trade Center, Block-51, Road 5E,  
Zone-5,GIFT City, Gandhinagar, Gujarat-382355**

**Corporate Office: 114, New Delhi House, 27 Barakhamba Road, New Delhi - 110001**

**CIN: L67120GJ1992PLC121278**

**Website: www.dbonline.in**

**Email Id: compliance@dbonline.in**

**Tel No: 011-43606162**

**Declaration of compliance with 'Code of Conduct for Directors and Key Managerial Personnel' of the Company**

I, Shiv Narayan Daga, Managing Director of the Company, do hereby confirm that all the members of Board and the Key Managerial Personnel of the Company have complied with the 'Code of Conduct for the Directors and Key Managerial Personnel', during the financial year 2021-2022.

This declaration is based on and is in pursuance of the individual affirmations received in writing from the members of Board and the Key Managerial Personnel of the Company.

**DB (INTERNATIONAL) STOCK BROKERS LIMITED**

**Place: New Delhi**

**Date: 25<sup>th</sup> May, 2022**

**Sd/-**

**Shiv Narayan Daga  
(Managing Director)**

**DIN: 00072264**

**Address: B-146, Surajmal**

**Vihar Delhi-110092**



**Certificate on Corporate Governance**

**TO THE MEMBERS OF  
DB (INTERNATIONAL) STOCK BROKERS LIMITED**

We have examined the compliance of the conditions of Corporate Governance by DB (International) Stock Brokers Limited ('the Company') for the year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

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

**FOR SURYA GUPTA & ASSOCIATES  
COMPANY SECRETARIES**

**Sd/-  
SURYAKANT GUPTA  
PROPRIETOR  
FCS- 9250  
COP- 10828**

**Date- 05<sup>th</sup> August, 2022  
Place: Delhi**

## ANNEXURE-IV

## 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**

Sl. No.	Particulars	Details FY: 2021-22	Details FY: 2020-21
1	Name of the subsidiary	Daga Business (International) Stock Brokers (IFSC) Private Limited	Daga Business (International) Stock Brokers (IFSC) Private Limited
2	The date since when subsidiary was acquired	17/05/2017	17/05/2017
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA	NA
5	Share capital	1,25,00,000	1,25,00,000
6	Reserves & surplus	6,892,145	2,80,754
7	Total Assets	50,094,540	3,75,09,292
8	Total Liabilities	50,094,540	3,75,09,292
9	Investments	NIL	NIL
10	Turnover	19,124,504	57,06,541
11	Profit/Loss before taxation	6,892,637	4,27,796
12	Provision for taxation	492	1,47,042
13	Profit after taxation	6,892,145	2,80,754
14.	Proposed Dividend	00	00
15.	Extent of shareholding (in percentage)	99.99%	99.99%

**Notes:** The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations.
2. Names of subsidiaries which have been liquidated or sold during the year.

There are no subsidiaries which are yet to commence operations. Further, no subsidiaries have been liquidated or sold during the financial year under review

**Part "B": Associates and Joint Ventures**

Not applicable as the Company does not have any associate company / joint venture during the year under review.

**GUPTA VERMA & SETHI**  
Chartered Accountants

304 Delhi Chamber  
3453 Delhi Gate  
New Delhi- 110002  
Ph.: 011- 23272419  
Mob: 98103-01638  
Email ID: [gvskssethi@gmail.com](mailto:gvskssethi@gmail.com)

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## INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF  
DB (INTERNATIONAL) STOCK BROKERS LIMITED**

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

### **Opinion**

We have audited the accompanying Standalone Financial Statements of **DB (INTERNATIONAL) STOCK BROKERS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 ended on that date, and a summary of the Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

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

Sr. No.	Key Audit Matter	Auditor's Response
1	<p data-bbox="191 214 829 415"><i>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)</i></p> <p data-bbox="191 422 829 884">The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involve collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p data-bbox="191 890 829 953">Refer Note 2(J) to the Standalone Financial Statements</p>	<p data-bbox="857 214 1214 241">Principal Audit Procedures</p> <p data-bbox="857 281 1513 386">We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard.</p> <p data-bbox="857 392 1513 497">Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul data-bbox="857 504 1513 1913" style="list-style-type: none"> <li data-bbox="868 504 1513 606">• Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</li> <li data-bbox="868 613 1513 963">• Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls.</li> <li data-bbox="868 970 1513 1180">• Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.</li> <li data-bbox="868 1186 1513 1913">• Selected a sample of continuing and new contracts and performed the following procedures: <ul data-bbox="912 1304 1513 1913" style="list-style-type: none"> <li data-bbox="924 1304 1513 1367">• Read, analyzed and identified the distinct performance obligations in these contracts.</li> <li data-bbox="924 1373 1513 1478">• Compared these performance obligations with that identified and recorded by the Company.</li> <li data-bbox="924 1484 1513 1694">• Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.</li> <li data-bbox="924 1701 1513 1913">• Samples in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes.</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>• In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems. We also tested the access and change management controls relating to these systems.</li> <li>• Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.</li> <li>• Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</li> <li>• We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</li> </ul>
2	<p><i>Accuracy of revenues and onerous obligations in respect of fixed price contracts involves critical estimates</i></p> <p>Estimated effort is a critical estimate to determine revenues and liability for onerous obligations. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations.</p>	<p><u>Principal Audit Procedures</u></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.</li> <li>• Tested the access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorized changes to recording of efforts incurred.</li> <li>• Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to efforts incurred and estimated.</li> <li>• Selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to</li> </ul>

		<p>complete the contract.</p> <ul style="list-style-type: none"> <li>• Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations.</li> <li>• Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts.</li> </ul>
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**Information Other than the Standalone Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditor’s report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

The Annual Report is not made available to us at the date of the auditor’s report. We have nothing to report in this regard.

**Management’s Responsibility for the Standalone Financial Statements**

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

In preparing the Standalone Financial Statements, 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 responsible for overseeing the Company’s financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of Internal control.
- Obtain an understanding of Internal Financial Controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company 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 Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified mis-statements in the Financial Statements.



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

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

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

### **Report on other legal and regulatory requirements**

1. Based on our audit, we report that the Company has not paid or provided for any Managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable;
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order;
3. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021;
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company, as detailed in note 27 to the Standalone Financial Statements, has disclosed the impact of pending litigation(s) on its financial position as at March 31, 2022;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2022;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.
  - iv.
    - (a) The management has represented that, to the best of its knowledge and belief, on the date of this audit report, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
    - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - (c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year ended March 31, 2022.

**For Gupta Verma & Sethi**

Chartered Accountants

Firm Regn. No.: 02605M

**Sd/-**

**Parmod Kumar**

**Partner**

Membership No.: 081138

UDIN: 22081138AJPGJC7118

**Place: New Delhi**

**Dated: May 25, 2022**

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

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirement's section of our report to the Members of DB (International) Stock-Brokers Limited of even date)**

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. In respect of the Company's property, plant and equipment:

(a) i. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

ii. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification to cover all the items of property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2022.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The Company is a service company. Accordingly, reporting under clause 3(ii) of the Order is not applicable to the Company.

(b) The Company has working capital limits in excess of Rs 5 crore during the year, sanctioned by banks against security of fixed deposits held by the Company. However, pursuant to terms of the sanction letter(s), the Company is not required to file any quarterly return or statement with such banks or financial institutions.

iii. The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

iv. The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the

meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vii. According to the information and explanations given to us, in respect of statutory dues:

- a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax Demand	11,78,862/-	AY-2015-16	Commissioner Income Tax (Appeals), Delhi	NA
Income Tax Act, 1961	Income Tax Demand	25,72,180	AY-2016-17	Commissioner Income Tax (Appeals), Delhi	NA

viii. According to the information and explanations given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, reporting under clause 3(viii) of the Order is not applicable.

ix. (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender. The Company has not issued any Debentures.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable .

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilized for long term purposes.

- (e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or joint venture.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. The Company does not have joint-ventures or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of Related Party Transactions have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an Internal Audit System as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- xv. In our opinion and 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 to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, reporting under clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current year and preceding financial year.
- xviii. There has been no resignation of the Statutory Auditors during the year and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in notes to the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors' and management's 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.
- xx. According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of Financial Statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For Gupta Verma & Sethi**  
**Chartered Accountants**  
Firm Regn. No.: 02605M

**Sd/-**  
**Parmod Kumar**  
**Partner**  
Membership No.: 081138  
UDIN: 22081138AJPGJC7118

**Place: New Delhi**  
**Dated: May 25, 2022**

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

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of DB (INTERNATIONAL) STOCK BROKERS LIMITED of even date)**

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

In conjunction with our audit of the Standalone Financial Statements of DB (International) Stock Brokers Limited ('the Company') as at and for the year ended March 31, 2022, we have audited the Internal Financial controls with reference to financial statements of the Company as at that date.

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

The Board of Directors of the Company is responsible for establishing and maintaining Internal Financial Controls based on the Internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective 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.

#### **Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 Internal Financial Controls system over financial reporting of the Company.

#### **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.

### **Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the Internal Control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Gupta Verma& Sethi**  
**Chartered Accountants**  
Firm Regn. No.: 02605M

**Sd/-**  
**Parmod Kumar**  
**Partner**  
Membership No.: 081138  
UDIN: 22081138AJPGJC7118

**Place: New Delhi**  
**Dated: May 25, 2022**



DB (International) Stock Brokers Limited  
Standalone Balance Sheet as at March 31,2022

(₹ in Hundred)

Particulars	Note No.	As at	As at
		March 31, 2022	March 31, 2021
		₹	₹
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3(a)	55,940.41	80,915.86
Intangible assets	3(b)	478.62	2,637.81
Right to use asset	3(c)	50,458.42	-
Financial assets:			
Investments	4(i)	10,26,735.53	1,84,274.00
Other financial assets	4(ii)	14,13,892.00	3,01,427.80
Deferred tax assets (net)	5	2,545.99	78,569.46
Income tax assets (net)	6	87,010.17	3,912.50
Other non-current assets	7	1,84,416.01	2,27,898.51
<b>Total Non-current assets</b>		<b>28,21,477.15</b>	<b>8,79,635.94</b>
<b>Current assets</b>			
Financial assets:			
Investments	8(i)	1,06,913.91	23,239.32
Trade receivables	8(ii)	1,64,135.52	1,42,544.52
Cash and cash equivalents	8(iii)	13,21,790.40	5,82,702.75
Bank balances other than above	8(iv)	44,71,102.90	42,25,602.90
Other financial assets	8(v)	1,43,809.94	37,882.28
Derivatives assets receivable (at fair value)	8(vi)	1,29,991.08	-
Current tax assets (net)	9	54,455.26	22,717.21
Other current assets	10	1,19,483.00	75,453.33
<b>Total current assets</b>		<b>65,11,682.01</b>	<b>51,10,142.31</b>
<b>TOTAL ASSETS</b>		<b>93,33,159.16</b>	<b>59,89,778.25</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11	7,00,000.00	7,00,000.00
Other equity	12	42,27,918.88	34,23,398.87
<b>Total equity</b>		<b>49,27,918.88</b>	<b>41,23,398.87</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long-term provisions	13	-	30,914.90
<b>Total non-current liabilities</b>		<b>-</b>	<b>30,914.90</b>
<b>Current liabilities</b>			
Financial liabilities:			
Short-term borrowings	14(i)	-	-
Trade payables:			
- to micro and small enterprises	14(ii)	-	-
- to other than micro and small enterprises	14(ii)	42,91,020.38	16,96,754.47
Other financial liabilities	14(iii)	1,06,812.34	78,266.97
Other current liabilities	15	7,407.56	57,060.54
Short-term provisions	16	-	3,382.50
Current tax liabilities (net)	9	-	-
<b>Total current liabilities</b>		<b>44,05,240.28</b>	<b>18,35,464.48</b>
<b>Total liabilities</b>		<b>44,05,240.28</b>	<b>18,66,379.38</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>93,33,159.16</b>	<b>59,89,778.25</b>

Significant accounting policies 1-2  
The accompanying notes are an integral part of the standalone financial statements 3-31

As per our report of even date.

For Gupta Verma & Sethi  
Chartered Accountants  
Firm Registration No.02605M

Sd/-  
Parmod Kumar  
Partner  
M.No. : 081138  
UDIN:22081138AJPGJC7118

Place: New Delhi  
Date: May 25, 2022

For and on behalf of the Board of Directors

Sd/-  
Shiv Narayan Daga  
Managing Director  
DIN - 00072264

Sd/-  
Sachin Kumar Rathi  
Director  
DIN - 01013130

Sd/-  
S K Rawal  
Chief Financial Officer

Sd/-  
Pragya Singh  
Company Secretary

**DB (International) Stock Brokers Limited**  
**Standalone Statement of Profit and Loss for the year ended March 31, 2022**

(₹ in Hundred)

Particulars	Note No.	For the year ended	For the year ended
		March 31, 2022	March 31, 2021
		₹	₹
<b>Income:</b>			
Revenue from operations	17	27,36,864.85	17,49,950.96
Other income	18	14,480.82	796.23
<b>Total income</b>		<b>27,51,345.67</b>	<b>17,50,747.19</b>
<b>Expenses:</b>			
Employee benefits expense	19	3,67,858.14	2,49,476.57
Finance costs	20	57,848.78	26,824.09
Depreciation and amortisation expense	21	71,534.73	20,294.67
Other expenses	22	12,36,895.99	9,70,571.50
<b>Total expenses</b>		<b>17,34,137.64</b>	<b>12,67,166.83</b>
<b>Profit before exceptional items and tax</b>		<b>10,17,208.03</b>	<b>4,83,580.36</b>
<b>Profit before tax</b>		<b>10,17,208.03</b>	<b>4,83,580.36</b>
<b>Tax expense:</b>	23		
Current tax		1,96,936.41	1,91,438.30
Minimum alternate tax credit expense/(entitlement)		-	(59,387.88)
Income Tax under Vivad Se Vishwas		-	3,18,539.22
Deferred tax expense/(credit)		13,375.41	68.68
Adjustment for current tax of prior periods		12,069.68	4,262.94
<b>Total tax expense</b>		<b>2,22,381.50</b>	<b>4,54,921.26</b>
<b>Profit/(loss) for the year</b>		<b>7,94,826.53</b>	<b>28,659.10</b>
<b>Other comprehensive income</b>	24		
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of post employment benefit obligations		12,953.66	3,772.42
Income tax relating to these items		(3,260.18)	(1,049.49)
<b>Other comprehensive income for the year, net of tax</b>		<b>9,693.48</b>	<b>2,722.93</b>
<b>Total comprehensive income for the year</b>		<b>8,04,520.01</b>	<b>31,382.03</b>
<b>Earnings per equity share (Basic and Diluted)</b>	25	<b>0.02</b>	<b>0.00</b>

**Significant accounting policies**

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date.

**For Gupta Verma & Sethi**

Chartered Accountants

Firm Registration No.02605M

Sd/-

**Parmod Kumar**

Partner

M.No. : 081138

UDIN:22081138AJPGJC7118

Place: New Delhi

Date: May 25, 2022

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

Sd/-

**Shiv Narayan Daga**

Managing Director

DIN - 00072264

Sd/-

**S K Rawal**

Chief Financial Officer

Sd/-

**Sachin Kumar Rathi**

Director

DIN - 01013130

Sd/-

**Pragya Singh**

Company Secretary

DB (International) Stock Brokers Limited  
Standalone Statement of changes in equity for the year ended March 31, 2022

A) Change in equity share capital (₹ in Hundred)

	Amounts
Balance as at April 01, 2020	7,00,000.00
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2021</b>	<b>7,00,000.00</b>
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2022</b>	<b>7,00,000.00</b>

B) Changes in other equity (₹ in Hundred)  
For the period ended March 31, 2022

Particulars	Reserves and surplus			Total
	Securities premium account	General reserve	Retained earnings	
As at April 01, 2021	7,60,000.00	2,86,484.32	23,76,914.55	34,23,398.87
Profit for the year	-	-	7,94,826.53	7,94,826.53
Other comprehensive income: Impact of remeasurement of post employment benefit obligations	-	-	9,693.48	9,693.48
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>8,04,520.01</b>	<b>8,04,520.01</b>
<b>As at March 31, 2022</b>	<b>7,60,000.00</b>	<b>2,86,484.32</b>	<b>31,81,434.56</b>	<b>42,27,918.88</b>

For the year ended March 31, 2021 (₹ in Hundred)

Particulars	Reserves and surplus			Total
	Securities premium account	General reserve	Retained earnings	
As at April 01, 2020	7,60,000.00	2,86,484.32	23,45,532.52	33,92,016.84
Profit for the year	-	-	28,659.10	28,659.10
Other comprehensive income: Impact of remeasurement of post employment benefit obligations	-	-	2,722.93	2,722.93
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>31,382.03</b>	<b>31,382.03</b>
<b>As at March 31, 2021</b>	<b>7,60,000.00</b>	<b>2,86,484.32</b>	<b>23,76,914.55</b>	<b>34,23,398.87</b>

- a) Securities Premium Account: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.
- b) General Reserve: This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized by the Company in accordance with the provisions of the Companies Act, 2013.
- c) Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

As per our report of even date.

For Gupta Verma & Sethi  
Chartered Accountants  
Firm Registration No.02605M

Sd/-  
Parmod Kumar  
Partner  
M.No. : 081138  
UDIN:22081138AJPGJC7118

Place: New Delhi  
Date: May 25, 2022

For and on behalf of the Board of Directors

Sd/- Shiv Narayan Daga  
Managing Director  
DIN - 00072264

Sd/- Sachin Kumar Rathi  
Director  
DIN - 01013130

Sd/- S K Rawal  
Chief Financial Officer

Sd/- Pragya Singh  
Company Secretary

**DB (International) Stock Brokers Limited**  
**Standalone Cash flow statement for the year ended March 31, 2022**

(₹ in Hundred)

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
	₹	₹
<b>Cash flow from operating activities:</b>		
<b>Net profit before taxation</b>	10,17,208.03	4,83,580.36
<b>Adjustments for:</b>		
Depreciation and amortisation expense	71,534.73	20,294.67
(Gain)/loss on disposal of investments	-	-
Vivad Se Vishwas tax Expense	-	(3,18,539.22)
Interest income	-	-
Interest	13,466.28	3,420.35
<b>Operating profit before working capital changes</b>	<b>11,02,209.04</b>	<b>1,88,756.16</b>
<b>Change in operating assets and liabilities:</b>		
Change in other financial assets (non-current)	2,606.80	(9,777.80)
Change in trade receivables	(21,591.00)	1,64,586.78
Change in other financial assets (current)	(2,35,964.15)	9,742.04
Change in other current assets	(44,029.67)	(41,620.40)
Change in provisions	(21,343.74)	5,187.31
Change in trade payables	25,94,265.91	76,100.22
Change in other financial liabilities	28,545.37	46,353.14
Change in other current liabilities	(49,652.98)	48,082.44
Change in Investment non-current assets	(8,41,411.53)	-
<b>Cash generated from/(used in) operations</b>	<b>25,13,634.06</b>	<b>4,87,409.89</b>
Direct taxes paid	(3,59,414.91)	99,226.94
<b>Net cash inflow generated from/(used in) operating activities</b>	<b>21,54,219.15</b>	<b>5,86,636.83</b>
<b>Cash flows from investing activities:</b>		
Net (Investment in)/proceeds from property, plant and equipment and capital ac	41,960.34	(1,91,679.89)
Net proceeds from/ (Investment in) associate company	1,050.00	-
Net (Investment in)/ proceeds from bank deposits and other balances	(14,44,675.58)	(9,48,017.81)
<b>Net cash (used in) investing activities</b>	<b>(14,01,665.24)</b>	<b>(11,39,697.70)</b>
<b>Cash flows from financing activities:</b>		
Finance cost paid	(13,466.28)	(3,420.35)
Net proceeds from short term borrowings	-	(9,055.94)
<b>Net cash inflow generated from/(used in) financing activities</b>	<b>(13,466.28)</b>	<b>(12,476.29)</b>
Cash and cash equivalents at the beginning of the financial year	5,82,702.75	11,48,239.90
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>7,39,087.65</b>	<b>(5,65,537.15)</b>
<b>Cash and cash equivalents at end of the year</b>	<b>13,21,790.40</b>	<b>5,82,702.75</b>
<b>Cash and cash equivalents include:</b>		
Balance with bank in current accounts	13,18,796.57	5,80,118.16
Cash on hand	2,993.83	2,584.59
<b>Cash and cash equivalents at end of the year</b>	<b>13,21,790.40</b>	<b>5,82,702.75</b>

As per our report of even date.

**For Gupta Verma & Sethi**  
Chartered Accountants  
Firm Registration No.02605M

Sd/-  
**Parmod Kumar**  
Partner  
M.No. : 081138  
UDIN:22081138AJPGJC7118

Place: New Delhi  
Date: May 25, 2022

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

Sd/-  
**Shiv Narayan Daga**  
Managing Director  
DIN - 00072264

Sd/-  
**Sachin Kumar Rathi**  
Director  
DIN - 01013130

Sd/-  
**S K Rawal**  
Chief Financial Officer

Sd/-  
**Pragya Singh**  
Company Secretary

DB (International) Stock Brokers Limited

Notes to the standalone financial statements for the year ended March 31, 2022

3(a) Property, plant and equipment							(₹ in Hundred)	
							3(b) Intangible assets	3(c)
							Intangible assets	Right to use an asset
Particulars	Computer	Furniture & fixtures	Vehicles	Office equipment	Total	Computer software		
<b>Gross block:</b>								
As at April 1, 2021	1,06,053.52	1,883.79	36,712.02	21,337.47	1,65,986.80	10,758.43	-	
Additions during the year	16,946.39	-	-	-	16,946.39	-	92,906.35	
Sales/adjustments	18,635.00	-	-	-	18,635.00	-	-	
<b>As at March 31, 2022</b>	<b>1,04,364.91</b>	<b>1,883.79</b>	<b>36,712.02</b>	<b>21,337.47</b>	<b>1,64,298.19</b>	<b>10,758.43</b>	<b>92,906.35</b>	
<b>Accumulated depreciation/amortisation:</b>								
As at April 1, 2021	39,398.14	1,729.49	28,311.56	15,631.76	85,070.94	8,120.62	-	
Charge for the year	22,957.42	61.81	2,623.46	1,284.92	26,927.61	2,159.19	42,447.93	
Sales/adjustments	3,640.77	-	-	-	3,640.77	-	-	
<b>As at March 31, 2022</b>	<b>58,714.79</b>	<b>1,791.30</b>	<b>30,935.02</b>	<b>16,916.68</b>	<b>1,08,357.78</b>	<b>10,279.81</b>	<b>42,447.93</b>	
<b>Net block:</b>								
As at March 31, 2022	45,650.12	92.49	5,777.00	4,420.79	55,940.41	478.62	50,458.42	
As at March 31, 2021	66,655.38	154.30	8,400.46	5,705.71	80,915.86	2,637.81	-	
<b>Gross block:</b>								
As at April 1, 2020	41,949.95	1,883.79	36,712.02	20,659.66	1,01,205.42	10,758.43	-	
Additions during the year	64,103.57	-	-	677.81	64,781.38	-	-	
Sales/adjustments	-	-	-	-	-	-	-	
<b>As at March 31, 2021</b>	<b>1,06,053.52</b>	<b>1,883.79</b>	<b>36,712.02</b>	<b>21,337.47</b>	<b>1,65,986.80</b>	<b>10,758.43</b>	<b>-</b>	
<b>Accumulated depreciation:</b>								
As at April 1, 2020	26,906.83	1,624.82	24,496.71	13,907.11	66,935.46	5,961.43	-	
Charge for the year	12,491.31	104.67	3,814.85	1,724.65	18,135.48	2,159.19	-	
Sales/adjustments	-	-	-	-	-	-	-	
<b>As at March 31, 2021</b>	<b>39,398.14</b>	<b>1,729.49</b>	<b>28,311.56</b>	<b>15,631.76</b>	<b>85,070.94</b>	<b>8,120.62</b>	<b>-</b>	
<b>Net block:</b>								
As at March 31, 2021	66,655.38	154.30	8,400.46	5,705.71	80,915.86	2,637.81	-	
As at March 31, 2020	15,043.12	258.98	12,215.31	6,752.55	34,269.96	4,797.00	-	

**4 Financial assets (non-current)**

**(i) Trade investments [at amortised cost]**

In Equity instrument of subsidiary company (Unquoted)# -Daga Business (International) Stock Brokers (IFSC) Private Limited 12,50,000 (Previous Year 12,50,000) Equity Shares of ₹ 10/- each fully paid up	1,25,000.00	1,25,000.00
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**(ii) Non-trade investments: [at amortised cost]**

In Equity instrument of other company (Unquoted) (at cost): Flourishing Apartments Private Limited ^ 1,050 (previous year 1,050) equity shares of ₹ 100 each fully paid up	-	1,050.00
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**(iii) In Equity instrument of other company (Quoted) [at amortised cost]:**

Effingo Textile & Trading Limited (Formerly known as Malti Textile Mills Limited) \$ 58,22,400 (previous year 58,22,400) equity shares of ₹ 1 each fully paid up	10,480.32	58,224.00
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**(iv) In Equity instrument of other company (Quoted) [at fair value through profit & loss]:**

	Numbers			
	March 31, 2022	March 31, 2021		
Accuracy Shipping Limited (face value of ₹ 10 each)	5,000	-	11,502.50	
Bse Limited (face value of ₹ 2 each)	1,500	-	13,467.75	
Central Depository Services (India) Limited (face value of ₹ 10 each)	2,500	-	36,317.50	
Cosmo Films Ltd. (face value of ₹ 10 each)	2,000	-	34,034.00	
DCM Shriram Industries Ltd. (face value of ₹ 2 each)	5,000	-	4,607.50	
Dr. Lal PathLabs Ltd. (face value of ₹ 10 each)	700	-	18,305.35	
E.I.D.-Parry (India) Ltd. (face value of ₹ 1 each)	4,000	-	17,404.00	
Hindalco Industries Ltd. (face value of ₹ 1 each)	2,000	-	12,626.00	
Indian Railway Catering and Tourism Corporation Ltd (face value of ₹ 2 each)	1,000	-	7,676.00	
Jindal Poly Films Ltd. (face value of ₹ 10 each)	10,370	-	1,14,878.86	
Jindal Stainless (Hisar) Ltd (face value of ₹ 2 each)	2,000	-	7,458.00	
Pasupati Acrylon Ltd. (face value of ₹ 10 each)	53,000	-	20,484.50	
Polyplex Corporation Ltd. (face value of ₹ 10 each)	5,000	-	1,16,840.00	
Reliance Power Ltd. (face value of ₹ 10 each)	2,30,000	-	29,785.00	
Shri Jagdamba Polymers Ltd. (face value of ₹ 1 each)	1,600	-	14,224.00	
SMC Global Securities Ltd (face value of ₹ 2 each)	47,000	-	37,318.00	
Star Health and Allied Insurance Company Ltd (face value of ₹ 10 each)	3,000	-	20,640.00	
Uflex Ltd. (face value of ₹ 10 each)	4,500	-	27,213.75	
VLS Finance Ltd. (face value of ₹ 10 each)	2,15,000	-	3,46,472.50	
<b>Total investments</b>			<b>10,26,735.53</b>	<b>1,84,274.00</b>
Aggregate book value of quoted investment*			9,02,003.13	71,858.24
Aggregate amount of unquoted investments			1,25,000.00	1,050.00
<b>Total</b>			<b>10,27,003.13</b>	<b>72,908.24</b>

Aggregate book value of quoted investment*	9,02,003.13	71,858.24
Aggregate amount of unquoted investments	1,25,000.00	1,050.00
<b>Total</b>	<b>10,27,003.13</b>	<b>72,908.24</b>

\* Fully paid-up unless otherwise specified.

# The investment in equity shares of subsidiary is measured as per Ind AS-27 "Separate Financial Statements".

\$ Book value as at March 31, 2017 has been taken as reference for fair value because the equity share was last traded on January 06, 2015. The book value is approximately close to fair value and therefore, the instrument had been valued at cost. The investment has been sold on May 25, 2022 for Rs. 10,48,032. Accordingly, the consequent loss has been recorded in the financial statement.

^ Owing to the dilution in shareholding in Flourishing Apartments Private Limited (FAPL), it ceased to be an associate w.e.f. February 20, 2019. FAPL has made application with ROC Delhi for strike off, hence the investment has been written-off.

**(ii) Other financial assets**

**Unsecured, considered good [at amortised cost]**

Security deposits	16,641.00	19,677.80
Membership deposits	74,250.00	74,250.00
<b>Fixed deposits with original maturity more than 12 months:</b>		
-Under lien with exchange	13,23,001.00	2,07,500.00
<b>Total other financial assets</b>	<b>14,13,892.00</b>	<b>3,01,427.80</b>

**5 Deferred tax assets (net)**

**Deferred tax assets arising on account of:**

Difference in written down value of property, plant and equipment	2,545.99	1,717.71
Provision for post employment benefit obligations	-	8,631.97
Unabsorbed depreciation	-	-
Short-term capital loss	-	8,831.90
	2,545.99	19,181.58
MAT credit entitlement *	-	59,387.88
<b>Total deferred tax assets (net)</b>	<b>2,545.99</b>	<b>78,569.46</b>

**5(a) Movement in deferred tax assets (net) for the year ended March 31, 2022**

	April 1 2021	Utilisation of MAT credit	Recognized in other comprehensive income	Recognised in profit and loss	March 31, 2022
<b>Deferred tax assets arising on account of:</b>					
Difference in written down value of property, plant and equipment	1,717.71	-	-	828.28	2,545.99
Provision for post employment benefit obligations	8,631.97	-	(3,260.18)	(5,371.79)	-
Unabsorbed depreciation	-	-	-	-	-
Short-term capital loss	8,831.90	-	-	(8,831.90)	-
	19,181.58	-	(3,260.18)	(13,375.41)	2,545.99
MAT credit entitlement *	59,387.88	(59,387.88)	-	-	-
<b>Total movement in deferred tax assets</b>	<b>78,569.46</b>	<b>(59,387.88)</b>	<b>(3,260.18)</b>	<b>(13,375.41)</b>	<b>2,545.99</b>

\* Unutilisable mat credit written off

**5(b) Movement in deferred tax assets (net) for the year ended March 31, 2021**

	April 1, 2020	Utilisation of MAT credit	Recognized in other comprehensive income	Recognised in profit and loss	March 31, 2021
<b>Deferred tax assets arising on account of:</b>					
Difference in written down value of property, plant and equipment	3,191.98	-	-	(1,474.27)	1,717.71
Provision for post employment benefit obligations	8,275.87	-	(1,049.49)	1,405.59	8,631.97
Short-term capital loss	8,831.90	-	-	-	8,831.90
	20,299.75	-	(1,049.49)	(68.68)	19,181.58
MAT credit entitlement *	-	-	-	59,387.88	59,387.88
<b>Total movement in deferred tax assets</b>	<b>20,299.75</b>	<b>-</b>	<b>(1,049.49)</b>	<b>59,319.20</b>	<b>78,569.46</b>

(₹ in Hundred)  
As at  
March 31, 2022  
₹

As at  
March 31, 2021  
₹

<b>6</b>	<b>Income tax assets (net)</b>		
	Unsecured, considered good:		
	Income tax refundable (net)	87,010.17	3,912.50
	<b>Total income tax assets (net)</b>	<b>87,010.17</b>	<b>3,912.50</b>
<b>7</b>	<b>Other non-current assets</b>		
	Unsecured, considered good:		
	Prepaid expenses	430.00	-
	Capital advances *	1,83,986.01	2,27,898.51
	<b>Total other non-current assets</b>	<b>1,84,416.01</b>	<b>2,27,898.51</b>

\* The advance has been paid towards purchase of office premises of the company. The possession is expected by end of June 2022. Pending capital commitment as on 31-03-2022 is Nil

As at  
March 31, 2022  
₹

As at  
March 31, 2021  
₹

**8 Financial assets (current)**

**(i) Investments \***

In Equity instrument of other company (Quoted) [at fair value through profit & loss]:

	Numbers			
	March 31, 2022	March 31, 2021		
Yes Bank Limited (face value of ₹ 2 each)	-	200	-	21.30
Pasupati Acrylon Ltd. (face value of ₹ 10 each)	1,59,355	1,59,355	61,590.71	23,218.02
Action Reconstruction Equipment Ltd. (face value of ₹ 2 each)	2,000	-	4,282.00	-
IFGL Refractories Ltd (face value of ₹ 10 each)	2,000	-	5,277.00	-
Infibeam Avenues Ltd (face value of ₹ 1 each)	10,000	-	1,915.00	-
Jayaswal Neco Industries Ltd. (face value of ₹ 10 each)	20,000	-	4,450.00	-
Kalyan Jewellers India Ltd (face value of ₹ 10 each)	10,000	-	6,080.00	-
NBCC (India) Ltd (face value of ₹ 1 each)	10,000	-	3,650.00	-
Navneet Education Limited (face value of ₹ 2 each)	5,000	-	4,462.50	-
One 97 Communications Ltd (face value of ₹ 1 each)	400	-	2,099.20	-
Schneider Electric Infrastructure Ltd. (face value of ₹ 2 each)	5,000	-	6,077.50	-
Transformers and Rectifiers (India) Ltd. (face value of ₹ 1 each)	10,000	-	3,120.00	-
Zomato Limited (face value of ₹ 1 each)	5,000	-	3,910.00	-
<b>Total investments</b>	<b>2,38,755</b>	<b>1,59,555</b>	<b>1,06,913.91</b>	<b>23,239.32</b>

\* Fully paid-up unless otherwise specified.

**(ii) Trade receivables**

Secured, considered good \*

Trade receivables	1,64,135.52	1,42,544.52
<b>Total trade receivables</b>	<b>1,64,135.52</b>	<b>1,42,544.52</b>

\* Secured against securities given as collateral by the customer

**Ageing of Trade Receivables (Ind AS)**

As on March 31 2022

Particulars	Not Due	Outstanding for following periods from due date of payment		Total
		Less than 6 months	6 months -1 year	
(i) Undisputed Trade receivables considered good	-	1,36,387.38	27,748.14	1,64,135.52

As on March 31 2021

Particulars	Not Due	Outstanding for following periods from due date of payment		Total
		Less than 6 months	6 months -1 year	
(i) Undisputed Trade receivables considered good	-	1,10,668.45	31,876.07	1,42,544.52

**(iii) Cash and cash equivalents**

Balance with bank in current accounts	13,18,796.57	5,80,118.16
Cash on hand	2,993.83	2,584.59
<b>Total cash and cash equivalents</b>	<b>13,21,790.40</b>	<b>5,82,702.75</b>

As at  
March 31, 2022  
₹

As at  
March 31, 2021  
₹

**(iv) Bank balances other than (ii) above \* #**

Fixed deposits with original maturity within 3 to 12 months:

-As margin money against overdraft (refer note 14(i))

-Under lien with exchange

-As margin money against overdraft (refer note 14(i))	12,94,000.00	8,63,000.00
-Under lien with exchange	31,77,102.90	33,62,602.90
<b>Total bank balances</b>	<b>44,71,102.90</b>	<b>42,25,602.90</b>

\* Fixed deposit under lien with exchange includes FDR in lien with banks towards issuance of Bank Guarantes.

# Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates.

**(v) Other financial assets**

Unsecured, considered good [at amortised cost]

Receivable from subsidiary company

Security deposits (advance)

Additional base capital

Accrued interest on FDs

Accrued Income

Receivable from subsidiary company	39,134.75	1,673.25
Security deposits (advance)	86,790.10	25,010.00
Additional base capital	17,930.50	11,199.03
Accrued interest on FDs	(45.41)	-
Accrued Income	-	-
<b>Total other financial assets</b>	<b>1,43,809.94</b>	<b>37,882.28</b>

## (vi) Derivative asset recoverable

Derivative asset recoverable [fair valued through profit & loss]	1,29,991.08	-
<b>Total other financial assets</b>	<b>1,29,991.08</b>	<b>-</b>

## 9 Current tax assets (net)

<b>Current tax assets</b>		
TDS receivable	2,51,371.67	1,66,313.84
	<b>2,51,371.67</b>	<b>1,66,313.84</b>
<b>Current tax liabilities</b>		
Provision for income tax	1,96,916.41	1,43,596.63
	<b>1,96,916.41</b>	<b>1,43,596.63</b>
<b>Total current tax assets (net)</b>	<b>54,455.26</b>	<b>22,717.21</b>

## 10 Other current assets

<b>Advances other than capital advance [at amortised cost]</b>		
<b>Unsecured, considered good</b>		
Planned Assets (Excess of planned assets over defined obligation - Gratuity)	8,268.55	-
Prepaid expenses	23,523.93	24,465.97
Receivable from exchanges	85,103.68	37,048.64
GST receivable	-	9,987.76
Other advances	2,586.84	3,950.96
<b>Total other current assets</b>	<b>1,19,483.00</b>	<b>75,453.33</b>

## 11 Equity share capital

<b>Authorised share capital</b>	10,00,000.00	10,00,000.00
5,00,00,000 (previous year 5,00,00,000) equity shares of ₹ 2 each		
	<b>10,00,000.00</b>	<b>10,00,000.00</b>
<b>Issued, subscribed and paid up capital</b>	7,00,000.00	7,00,000.00
3,50,00,000 (previous year 3,50,00,000) equity shares of ₹ 2 each, fully paid up		
	<b>7,00,000.00</b>	<b>7,00,000.00</b>

## (i) Movements in equity share capital

	<b>Number of shares</b>	<b>Number of shares</b>
Balance as at the beginning of the year	3,50,00,000	3,50,00,000
Add: Issued during the year	-	-
<b>Balance as at the end of the year</b>	<b>3,50,00,000</b>	<b>3,50,00,000</b>

## (ii) Terms/rights attached to equity shares:

The Company has one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The shareholders have all other right as available to equity shareholders as per the provisions of the Companies Act, 2013 read together with the Memorandum and Articles of Association of the Company, as applicable.

## (iii) Details of shareholders holding more than 5% shares of the Company #

New KMS Finance Private Limited  
Shiv Narayan Daga  
Sharda Daga

# As per the records of the company, including register of members

As at March 31, 2022		As at March 31, 2021	
Number of shares	% holding	Number of shares	% holding
50,18,661	14.34	50,18,661	14.34
57,80,000	16.51	57,80,000	16.51
20,48,000	5.85	20,48,000	5.85

## (iv) Details of shares held by promoters

As at March 31, 2022

	S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity Shares of face value Rs. 2/-	1	Shiv Narayan Daga HUF	12,75,000	-	12,75,000	3.64%	-
	2	Shiv Narayan Daga	57,80,000	-	57,80,000	16.51%	-
	3	Sharda Daga	20,48,000	-	20,48,000	5.85%	-
	4	Sheetal Periwal	7,52,000	-	7,52,000	2.15%	-
	5	Shikha Munda	6,50,000	-	6,50,000	1.86%	-
		<b>Total</b>	<b>1,05,05,000</b>	<b>-</b>	<b>1,05,05,000</b>	<b>30.01%</b>	<b>-</b>

As at March 31, 2021

	S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity Shares of face value Rs. 2/-	1	Shiv Narayan Daga HUF	12,75,000	-	12,75,000	3.64%	-
	2	Shiv Narayan Daga	57,80,000	-	57,80,000	16.51%	-
	3	Sharda Daga	20,48,000	-	20,48,000	5.85%	-
	4	Sheetal Periwal	7,52,000	-	7,52,000	2.15%	-
	5	Shikha Munda	6,50,000	-	6,50,000	1.86%	-
		<b>Total</b>	<b>1,05,05,000</b>	<b>-</b>	<b>1,05,05,000</b>	<b>30.01%</b>	<b>-</b>

(v) The Company has not issued/allotted any class of shares as fully paid up pursuant to contract(s) without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the reporting date. Further, no shares of any class were bought back during the period of five years immediately preceding the reporting date.

	As at March 31, 2022	As at March 31, 2021
	₹	₹

## 12 Other equity

## (i) Securities premium account

Balance as at the beginning of the year	7,60,000.00	7,60,000.00
<b>Balance as at the end of the year</b>	<b>7,60,000.00</b>	<b>7,60,000.00</b>



(ii) Other reserves		
<b>General reserve</b>		
Balance as at the beginning of the year	2,86,484.32	2,86,484.32
Add: transferred from surplus in the statement of profit and loss	-	-
<b>Balance as at the end of the year</b>	<b>2,86,484.32</b>	<b>2,86,484.32</b>
<b>(iii) Retained earnings</b>		
Balance as at the beginning of the year	23,76,914.55	23,45,532.52
Profit for the year	7,94,826.53	28,659.10
Items of OCI recognised	9,693.48	2,722.93
<b>Balance as at the end of the year</b>	<b>31,81,434.56</b>	<b>23,76,914.55</b>
<b>Total other equity</b>	<b>42,27,918.88</b>	<b>34,23,398.87</b>

13 Long-term provisions		
Provision for defined benefit obligations:		
Provision for gratuity (refer to note 28)	-	30,914.90
<b>Total long-term provisions</b>	<b>-</b>	<b>30,914.90</b>

14 Financial liabilities (current)		
<b>(i) Short-term borrowings:</b>		
Bank overdraft (secured)*	-	-
<b>Total short-term borrowings</b>	<b>-</b>	<b>-</b>

\* The Company has sanctioned secured bank overdraft facility with limit upto ₹ 15,00,00,000 as on March 31, 2022 (₹ 15,00,00,000 as on March 31, 2021). The key terms are as mentioned below:

- Nature : Overdraft limit
- Rate : Highest fixed deposit rate plus 1% (as on March 31, 2021 - Highest fixed deposit rate plus 1%)
- Tenor : Repayable on demand
- Secured : Against fixed deposits with banks held as margin money

<b>(ii) Trade payables</b>		
- Due to micro and small enterprises	-	-
- Due to others	42,91,020.38	16,96,754.47
<b>Total trade payables</b>	<b>42,91,020.38</b>	<b>16,96,754.47</b>

\* There are no unbilled\* and "Not due" trade payables, hence the same are not disclosed in the ageing schedule.

#### Ageing of Trade Payables

As on March 31, 2022

Particulars	Unbill ed Dues	Outstanding for following periods from due date of payment		Total
		Less than 1 Year		
i.Others	-	42,91,020.38	-	42,91,020.38

#### Ageing of Trade Payable

As on March 31, 2021

Particulars	Unbill ed	Outstanding for following periods from due date of payment		Total
		Less than 1 Year		
i.Others	-	16,96,754.47	-	16,96,754.47

<b>(iii) Other financial liabilities</b>		
Operating Lease Liability	51,001.74	-
Other payables	55,810.60	78,266.97
<b>Total other financial liabilities</b>	<b>1,06,812.34</b>	<b>78,266.97</b>

Terms and conditions of the above financial liabilities:

- ▶ Trade payables are non-interest bearing and are normally settled on 60-day terms
- ▶ Other payables are non-interest bearing and have an average term of six months
- ▶ For terms and conditions with related parties, refer to Note 28
- ▶ For explanations on the company's credit risk management processes, refer to Note 29.

15 Other current liabilities		
Statutory dues payable	7,407.56	57,060.54
<b>Total other current liabilities</b>	<b>7,407.56</b>	<b>57,060.54</b>

16 Short-term provisions		
Provision for defined benefit obligations:		
Provision for gratuity (refer to note 28)	-	3,382.50
<b>Total short-term provisions</b>	<b>-</b>	<b>3,382.50</b>

**DB (International) Stock Brokers Limited**

Notes to the standalone financial statements for the year ended March 31, 2022

	(₹ in Hundred)	
	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
	₹	₹
<b>17 Revenue from operations</b>		
At the time of delivery of services		
Brokerage and related income	6,70,427.80	4,29,422.29
Incentive income from exchange	1,04,226.87	1,21,162.50
Income from trading in securities and derivatives, net	16,61,951.04	9,34,385.39
Over the period of time		
Interest income on financial assets (fixed deposits)	3,00,259.14	2,64,980.78
<b>Total revenue</b>	<b>27,36,864.85</b>	<b>17,49,950.96</b>
<b>18 Other income</b>		
Other income	14,480.82	796.23
<b>Total other income</b>	<b>14,480.82</b>	<b>796.23</b>
<b>19 Employee benefits expense</b>		
Salaries and other allowances	3,52,906.94	2,38,120.70
Contribution to provident and other funds (refer note 28)	5,861.01	3,944.71
Post employment benefit obligation (gratuity)	7,273.54	6,629.61
Staff welfare expenses	1,816.65	781.55
<b>Total employee benefit expense</b>	<b>3,67,858.14</b>	<b>2,49,476.57</b>
<b>20 Finance costs</b>		
Interest on borrowings	13,466.28	3,420.35
Bank guarantee commission	44,382.50	23,403.74
<b>Total finance costs</b>	<b>57,848.78</b>	<b>26,824.09</b>
<b>21 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment (refer note 3(a))	26,927.61	18,135.48
Amortisation of intangible assets (refer note 3(b))	44,607.12	2,159.19
<b>Total depreciation and amortisation expense</b>	<b>71,534.73</b>	<b>20,294.67</b>
<b>22 Other expenses</b>		
Stock exchange expenses	2,81,875.99	2,05,013.95
Rates and taxes	3,87,856.20	3,28,264.49
Clearing charges	2,961.63	5,280.18
SEBI fee	7,419.55	2,790.25
SEBI Settlement Scheme	-	44,175.06
Donation	-	2,510.00
Depository charges	6,991.21	6,528.67
Client introduction charges	64,969.08	39,664.72
Power and water charges	15,747.81	12,663.76
Rent	5,528.18	41,237.25
<i>Repairs and maintenance:</i>		
- Computer	20,720.24	34,324.87
- Vehicle	1,090.01	103.00
- Office	5,604.82	3,295.06
- Others	1,363.51	4,965.29
Input credit expense	43,898.88	36,538.20
Travelling and conveyance	1,177.16	651.02
Legal and professional	17,930.13	15,501.50
Fees and subscription	8,725.77	8,053.06
Software Expenses	1,43,336.35	37,600.00
Insurance	836.35	600.26
Annual maintenance charges	11,017.83	33,256.22
Connectivity expenses	1,72,135.41	1,05,169.63
Printing and stationery	1,422.63	1,230.66
Miscellaneous expenses	34,287.25	1,154.40
<b>Total other expenses</b>	<b>12,36,895.99</b>	<b>9,70,571.50</b>

(₹ in Hundred)

	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
	₹	₹
<b>22(i) Legal and professional expenses include payment to auditor</b>		
<b>As auditor*:</b>		
Audit fee	251.50	151.50
Limited review	150.00	50.00
Tax audit	100.00	100.00
<b>Total</b>	<b>501.50</b>	<b>301.50</b>
<b>* exclusive of Goods and Services Tax (GST)</b>		
<b>23 Tax Expense</b>		
Income Tax paid under Vivad Se Vishwas	-	3,18,539.22
<b>Total</b>	<b>-</b>	<b>3,18,539.22</b>
<b>23 Income tax expense</b>		
<b>Current tax</b>		
- Current tax (including earlier years)	1,76,289.94	1,95,701.24
<b>Total current tax expense</b>	<b>1,76,289.94</b>	<b>1,95,701.24</b>
<b>Deferred tax</b>		
- Minimum alternate tax credit entitlement	-	(59,387.88)
- Deferred tax expense/(credit)	13,375.41	68.68
<b>Total deferred tax (credit)/ expense</b>	<b>13,375.41</b>	<b>(59,319.20)</b>
<b>Total income tax expense</b>	<b>1,89,665.35</b>	<b>1,36,382.04</b>
<b>23(a) Effective tax reconciliation</b>		
<b>Profit/(loss) before tax</b>	<b>10,17,208.03</b>	<b>4,83,580.36</b>
Income tax expense/(Deferred tax credit) in profit and loss as per effective tax rate#	2,56,010.92	1,21,707.51
(i) Impact of other comprehensive income	13,375.41	1,049.49
(ii) Impact of change in tax rate for earlier year for deferred tax	-	23,157.49
(iv) Impact of MAT credit	-	(59,387.88)
(v) Impact of other miscellaneous items	(47,004.83)	3,68,394.65
<b>Expected tax after adjustments</b>	<b>2,22,381.50</b>	<b>4,54,921.26</b>
<b>As per statement of profit and loss</b>		
Tax charged to statement of profit and loss:		
Current tax (including earlier years)	1,96,936.41	1,91,438.30
Minimum alternate tax credit expense/(entitlement)	-	(59,387.88)
Income Tax under Vivad se Vishwas	-	3,18,539.22
Deferred tax charge/(credit)	13,375.41	68.68
Adjustment for current tax of prior periods	12,069.68	4,262.94
	<b>2,22,381.50</b>	<b>4,54,921.26</b>
#The tax rates used for the financial year 2021-22 and 2020-21 reconciliations above are the corporate tax rate of 25.168% and 27.820% respectively, payable on taxable profits under the Income Tax Act, 1961. The company has opted for new tax regime.		
<b>24 Other comprehensive income</b>		
<i>Items that will not be reclassified to profit or loss:</i>		
Remeasurement of post employment benefit obligations	12,953.66	3,772.42
Income tax relating to these items	(3,260.18)	(1,049.49)
<b>Total other comprehensive income</b>	<b>9,693.48</b>	<b>2,722.93</b>
<b>25 Earnings/(loss) per equity share (basic and diluted)</b>		
Total number of equity shares outstanding during the year	3,50,00,000	3,50,00,000

**DB (International) Stock Brokers Limited**
**Notes to the standalone financial statements for the year ended March 31, 2022**
**(₹ in Hundred)**

Weighted average number of equity shares for basic and diluted earnings per share (face value of ₹ 2 per share)	3,50,00,000	3,50,00,000
Profit/(loss) before OCI attributable to equity shareholder's before exceptional items (for basic and diluted earning)	7,94,826.53	28,659.10
<b>Earnings/(loss) per equity share before exceptional items (basic and diluted)</b>	<b>0.02</b>	<b>0.00</b>
Profit before OCI attributable to equity shareholder's after exceptional items (for basic and diluted earning)	7,94,826.53	28,659.10
<b>Earnings per equity share after exceptional items (basic and diluted)</b>	<b>0.02</b>	<b>0.00</b>

**26 Detail of dues to micro and small enterprises defined under the MSMED Act, 2006**

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue Principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly, there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

**27 Contingent liabilities**
**Claims against the company not acknowledged as debts**

	₹ in Hundred	
	₹	₹
Guarantee Issued by Bank	45,92,000.00	25,27,000.00
Income tax matters, disputed and under appeal*	37,510.42	-
	<b>46,29,510.42</b>	<b>25,27,000.00</b>

\* The above amount includes demand from tax authorities for Assessment Year 2015-16 & 2016-17. The company has filed appeals and the appeals are pending before the appellate authorities. The company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required. Considering the facts of the matter, no further provision is considered necessary by management.

**28 Post-employment benefit plans**

- i) The Company has a defined benefit gratuity plan. Gratuity is payable to all eligible employees of the Company on retirement or separation from the Company after completion of five years of service with the Company and the maximum limit is ₹ 20 Lacs.

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹	₹
<b>a. Changes in defined benefit obligation</b>	<b>[Funded]</b>	<b>[Unfunded]</b>
Liability at the beginning of the year	34,297.40	32,882.51
Interest cost	2,486.56	2,301.78
Current service cost	4,779.71	4,327.83
Benefits paid (if any)	-	(1,442.30)
Actuarial (gain)/loss	(12,953.66)	(3,772.42)
<b>Liability at the end of the year</b>	<b>28,610.01</b>	<b>34,297.40</b>
<b>b. Bifurcation of total actuarial (gain) / loss on liabilities</b>		
Actuarial gain / losses from changes in demographics assumptions (mortality)	Not Applicable	Not Applicable
Actuarial (gain) / losses from changes in financial assumptions	(569.36)	-
Experience adjustment (gain)/ loss for plan liabilities	(12,384.30)	(3,772.42)
<b>Total amount recognized in other comprehensive Income</b>	<b>(12,953.66)</b>	<b>(3,772.42)</b>
<b>c. Key results (the amount to be recognized in the balance sheet):</b>		
Present value of the obligation at the end of the year	28,610.01	34,297.40
Fair value of plan assets at end of year	36,878.56	-
Net liability/(asset) recognized in balance sheet and related analysis	(8,268.55)	34,297.40
Funded status - surplus/ (deficit)	8,268.55	(34,297.40)
<b>d. Expense recognized in the statement of profit and loss:</b>		
Interest cost	2,486.56	2,301.78
Current service cost	4,779.71	4,327.83
Past service cost	-	-
Expected return on plan asset	-	-
<b>Expenses to be recognized in statement of profit and loss</b>	<b>7,266.27</b>	<b>6,629.61</b>

DB (International) Stock Brokers Limited  
Notes to the standalone financial statements for the year ended March 31, 2022

(₹ in Hundred)

<b>e. Other comprehensive (income)/ expenses (remeasurement)</b>		
Cumulative unrecognized actuarial (gain)/loss opening. B/F	(5,645.49)	(1,873.07)
Actuarial (gain)/loss - obligation	(12,999.07)	(3,772.42)
Actuarial (gain)/loss - plan assets		-
<b>Total actuarial (gain)/loss</b>	<b>(12,999.07)</b>	<b>(3,772.42)</b>
<b>Cumulative total actuarial (gain)/loss</b>	<b>(18,644.56)</b>	<b>(5,645.49)</b>
	<b>For the year ended</b>	<b>For the year ended</b>
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
	<b>₹</b>	<b>₹</b>
<b>f. Net interest cost</b>		
Interest cost on defined benefit obligation	2,486.56	2,301.78
Interest income on plan assets	(4,541.00)	-
<b>Net interest cost (income)</b>	<b>(2,054.44)</b>	<b>2,301.78</b>
<b>g. Experience adjustment:</b>		
Experience adjustment (gain)/ loss for plan liabilities	(12,384.30)	(3,772.42)
Experience adjustment Gain/ (loss) for Plan assets	45.41	-
	<b>As at</b>	<b>As at</b>
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
	<b>₹</b>	<b>₹</b>
<b>h. Summary of membership data at the date of valuation and statistics based thereon:</b>		
Number of employees	31	27
Total monthly salary	11,76,540	11,67,040
Average past service (years)	5.9	7.4
Average future service (years)	16.9	15.7
Average age (years)	43.1	44.3
Weighted average duration (based on discounted cash flows) in years	13	13
Average monthly salary	37,953	43,224
<b>i. The assumptions employed for the calculations are tabulated:</b>		
Discount rate	7.00 % per annum	7.00 % per annum
Salary growth rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Expected rate of return	-	-
Withdrawal rate (per annum)	5.00% p.a.	5.00% p.a.
The discount rate is based on the market yields of Government bonds as at the balance sheet date for the estimated term of the obligation. The salary escalation rate takes into account inflation, seniority, promotion and other relevant factors.		
<b>j. Benefits valued:</b>		
Normal retirement age	60 years	60 years
Salary	Last drawn qualifying salary	Last drawn qualifying salary
Vesting period	5 Years of service	5 Years of service
Benefits on normal retirement	15/26 * Salary * Past Service (year)	15/26 * Salary * Past Service (year)
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Maximum limit	20,00,000	20,00,000
<b>k. Current liability (*expected payout in next year as per schedule III to the Companies act, 2013) :</b>		
Current liability (short term)*	-	3,382.50
Non current liability (long term)	-	30,914.90
<b>Total Liability</b>	<b>-</b>	<b>34,297.40</b>

(₹ in Hundred)

As at  
March 31, 2022

₹

ii) Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Year

April 01, 2021 to March 31, 2022	2,56,555
April 01, 2022 to March 31, 2023	72,040
April 01, 2023 to March 31, 2024	72,481
April 01, 2024 to March 31, 2025	75,967
April 01, 2025 to March 31, 2026	78,492
April 01, 2026 onwards	23,05,466

iii) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Period As on March 31, 2022

Defined benefit obligations (base)	28,61,001 @ Salary Increase Rate : 5%, and discount rate :7%
Liability with x% increase in discount rate	26,42,831; x=1.00% [Change (8)% ]
Liability with x% decrease in discount rate	31,09,265; x=1.00% [Change 9% ]
Liability with x% increase in salary growth rate	31,12,424; x=1.00% [Change 9% ]
Liability with x% decrease in salary growth rate	26,36,498; x=1.00% [Change (8)% ]
Liability with x% increase in withdrawal rate	28,81,089; x=1.00% [Change 1% ]
Liability with x% decrease in withdrawal rate	28,37,108; x=1.00% [Change (1)% ]

For the year ended March 31, 2022	For the year ended March 31, 2021
₹	₹

m. Reconciliation of liability in balance sheet:

Opening gross defined benefit liability/ (asset)	34,297.40	32,882.51
Expenses to be recognized in P&L	7,266.27	6,629.61
OCI- actuarial (gain)/ loss-total current year	(12,999.07)	(3,772.42)
Benefits paid (if any)	(36,833.15)	(1,442.30)
<b>Closing gross defined benefit liability/ (asset)</b>	<b>(8,268.55)</b>	<b>34,297.40</b>

n. Description of risk exposures:

i) Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as

a) Salary increases- actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

b) Investment risk - as the plan is not funded, there is no investment risk

c) Discount rate : reduction in discount rate in subsequent valuations can increase the plan's liability.

d) Mortality & disability - actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

e) Withdrawals - actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

ii) During the year the Company has recorded an expense of ₹ 5,86,101 (previous year ₹ 3,94,471) towards provident fund, a defined contribution plan.

iii) Leaves are encashed at the end of the year and not carried forwarded.

iv) Post employment benefits are determined by an Independent Actuary on overall basis and hence have not been separately provided for Key Management Personnel.

**28 Related party disclosure**

Name of related parties and description of relationship with whom transactions have taken place during the year:-

(a) Subsidiary:

Daga Business (International) Stock Brokers (IFSC) Private Limited (wholly owned subsidiary company)

(b) Name of key management personnel and their relatives (KMP) (where transactions have taken place during the year):

Mr. Shiv Narayan Daga (Managing Director)  
Ms. Sharda Daga (wife of Mr. Shiv Narayan Daga)  
Ms. Shikha Mundra (Director) (Daughter of Mr. Shiv Narayan Daga)  
Ms. Sheetal Periwal (Executive Vice President) (Daughter of Mr. Shiv Narayan Daga)  
Mr. Sanjeev Kumar Rawal (appointed on February 12, 2021)  
Ms. Pragya Singh (Company Secretary & Compliance Officer) (appointed on June 25, 2021)

(i) Transactions with related parties:

(a) Salary and allowances:

Ms. Sheetal Periwal (Executive Vice President) (Daughter of Mr. Shiv Narayan Daga)  
Mr. Vishnu Kumar Sharma (CFO)  
Ms. Divya Saluja (Company Secretary & Compliance Officer) (resigned on June 25, 2021)  
Mr. Sanjeev Kumar Rawal (appointed on February 12, 2021)  
Ms. Pragya Singh (Company Secretary & Compliance Officer) (appointed on June 25, 2021)

(b) Defined contribution plan (employer's contribution)\*:

Ms. Sheetal Periwal (Executive Vice President) (Daughter of Mr. Shiv Narayan Daga)  
Mr. Sanjeev Kumar Rawal (appointed on February 12, 2021)

(c) Rent:

Ms. Sharda Daga (wife of Mr. Shiv Narayan Daga)

(d) Reimbursement of expenses (incurred on behalf of subsidiary)

Daga Business (International) Stock Brokers (IFSC) Private Limited

(ii) Closing balance as at the year end:

(a) Reimbursement of expenses (recoverable)

Daga Business (International) Stock Brokers (IFSC) Private Limited

	₹ in Hundred	
	Year ended	Year ended
	March 31, 2022	March 31, 2021
	₹	₹
	21,000.00	21,000.00
	-	7,875.00
	750.00	2,308.33
	18,600.00	2,761.64
	4,320.00	2,720.00
	<b>44,670.00</b>	<b>36,664.97</b>
	2,520.00	2,520.00
	2,404.80	-
	<b>4,924.80</b>	<b>2,520.00</b>
	2,280.00	1,320.00
	<b>2,280.00</b>	<b>1,320.00</b>
	39,134.75	1,673.25
	<b>39,134.75</b>	<b>1,673.25</b>
	391.35	16.73
	<b>391.35</b>	<b>16.73</b>

\*Does not include post-employment benefit based on actuarial valuation as this is done for the Company as a whole.

**29 Financial instruments by category:**

Particulars	Fair value hierarchy (levels)	₹ in Hundred		₹ in Hundred	
		FVTPL	Amortised cost*	FVTPL	Amortised cost*
<b>Financial assets</b>					
Investments (current)	3	1,06,913.91	-	23,239.32	-
Investments (non current)	3	8,91,255.21	1,35,480.32	-	1,84,274.00
Other financial assets (non current)	3	-	14,13,892.00	-	3,01,427.80
Trade receivables	3	-	1,64,135.52	-	1,42,544.52
Cash and cash equivalents	3	-	13,21,790.40	-	5,82,702.75
Bank balance other than above	3	-	44,71,102.90	-	42,25,602.90
Derivative instruments not designated as hedging instruments	2	1,29,991.08	-	-	-
Other financial assets (current)	3	-	13,818.86	-	37,882.28
<b>Total financial assets</b>		<b>11,28,160.20</b>	<b>75,20,220.00</b>	<b>23,239.32</b>	<b>54,74,434.25</b>
<b>Financial liabilities</b>					
Short-term borrowings	3	-	-	-	-
Trade payables	3	-	42,91,020.38	-	16,96,754.47
Derivative instruments not designated as hedging instruments	2	1,29,991.08	-	-	-
Other financial liabilities	3	-	1,06,812.34	-	78,266.97
<b>Total financial liabilities</b>		<b>1,29,991.08</b>	<b>43,97,832.72</b>	<b>-</b>	<b>17,75,021.44</b>

For instruments measured at amortised costs, carrying value represents best estimate of the fair value. These instruments are level 3 instruments.

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

**Level 1:** Quoted prices (unadjusted) in active market for identical assets or liabilities. [Though, presently the Company does not have any Level 1 financial instruments.]

**Level 2:** Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Derivatives [call & put options, un-hedged] are valued using valuation techniques with market observable inputs and these are marked to market based on prevailing quoted rates, as applicable.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year. [Though, presently the Company does not have any Level 1 financial instruments.]

#### Financial risk management objectives and policies

The Company's principal financial liabilities comprises trade and other payables, security deposits, employee liabilities. The Company's principal financial assets include trade and other receivables, cash and short-term deposits/ loan that derive directly from its operations.

- 29(a) Credit risk:** Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Company's trade receivables does not have any expected credit loss as these are secured by a collateral.
- 29(b) Fair value:** The Company has made investment in quoted security (level I investment) for which discrete financial information is not available with the Company and hence, the Company has used adjusted net assets value method to arrive at fair value.
- 29(c) Price risk:** The Company has open positions in derivatives [call & put options, un-hedged] and these are open to volatility in market.
- 29(d) Liquidity risk:** Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. All current the financial liabilities of the Company are current in nature as disclosed in the financial statements.

#### 30 Financial instruments and cash deposits

₹	₹ in Hundred		
Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount
Investments (non current)	10,26,735.53	-	10,26,735.53
Investments (current)	1,06,913.91	-	1,06,913.91
Other financial assets (non current)	14,13,892.00	-	14,13,892.00
Trade receivables	1,64,135.52	-	1,64,135.52
Cash and cash equivalents	13,21,790.40	-	13,21,790.40
Bank balance other than above	44,71,102.90	-	44,71,102.90
Derivative instruments not designated as hedging instruments	1,29,991.08	-	1,29,991.08
Other financial assets (current)	13,818.86	-	13,818.86

₹	₹ in Hundred		
Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount
Investments (non current)	1,84,274.00	-	1,84,274.00
Other financial assets (non current)	3,01,427.80	-	3,01,427.80
Trade receivables	1,42,544.52	-	1,42,544.52
Cash and cash equivalents	5,82,702.75	-	5,82,702.75
Bank balance other than above	42,25,602.90	-	42,25,602.90
Derivative instruments not designated as hedging instruments	-	-	-
Other financial assets (current)	37,882.28	-	37,882.28



## 31 Schedule III ( Additional Disclosures)

## Financial Ratios

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	1.48	2.78	-46.91%	-
Debt- Equity Ratio	Total Debt	Shareholder's Equity	-	-	-	-
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	64.34	14.31	349.51%	-
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	2.27	0.08	2673.38%	-
Inventory Turnover ratio	Cost of goods sold	Average Inventory	NA	NA	NA	-
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	NA	NA	NA	-
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	NA	NA	NA	-
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	1.30	0.53	143.13%	-
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.29	0.02	1673.30%	-
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.21	0.12	77.09%	-
Return on Investment (Refer Guidance Note)	{MV(T1) - MV(T0) - Sum [C(t)]}	{MV(T0) + Sum [W(t) * C(t)]}	xx	xx	xx	-

\* Average= (Opening+Closing)/2

For Gupta Verma & Sethi  
Chartered Accountants  
Firm Registration No.02605M

Sd/-  
Parmod Kumar  
Partner  
M.No. : 081138  
UDIN:22081138AJPGJC7118

Place: New Delhi  
Date: May 25, 2022

For and on behalf of the Board of Directors

Sd/-  
Shiv Narayan Daga  
Managing Director  
DIN - 00072264

Sd/-  
Sachin Kumar Rathi  
Director  
DIN - 01013130

Sd/-  
S K Rawal  
Chief Financial Officer

Sd/-  
Pragya Singh  
Company Secretary

## **DB (International) Stock Brokers Limited**

### **Summary of Significant Accounting Policies and other explanatory information to the Standalone Financial Statements for the year ended March 31, 2022**

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#### **1. Background of the Reporting entity**

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DB (International) Stock Brokers Limited (the 'Company'), a public limited listed Company is engaged in Stock Broking and Depository Participant services of CDSL. The Company is domiciled in India and its registered office is situated at Unit No.P05-02A & P05-02B, 5Th Floor Tower-A, World Trade center, Block-51, Road 5E, Zone-5, GIFT City Gandhinagar, Gujarat - 382355. The Company was incorporated in India on February 28, 1992.

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#### **2. Significant Accounting Policies**

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##### **A) Basis of preparation**

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###### **i) Statement of compliance**

These Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards (IND-AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements for the year ended March 31, 2022 were authorized and approved for issue by the Board of Directors on May 25, 2022.

###### **ii) Current versus non-current classification**

The Company presents Assets and Liabilities in the Balance Sheet based on current/non-current classification.

*An asset is treated as current when it is:*

- Expected to be realised or intended to be sold or consumed in normal operating cycle of the Company
- Held primarily for the purposes of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period all other assets are classified as non-current.

*A liability is treated as current when it is:*

- Expected to be settled in normal operating cycle of the Company
- It is held primarily for the purposes of trading
- It is due to be settled within twelve months from the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as Non-Current Assets and Liabilities.

### iii) Basis of measurement

These Standalone Financial Statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of defined benefit obligations and plan assets

### iv) Use of estimates and judgements

In preparing these Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of Assets, Liabilities, Income and Expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised prospectively.

#### *Judgments:*

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the Standalone Financial Statements is included in the following notes:

#### *Assumptions and estimation uncertainties:*

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended March 31, 2022 is included in the following notes:

- Note 5- recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 28- measurement of defined benefit obligations: key actuarial assumptions;

### **B) Recent accounting pronouncement**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. The notifications include Additional Disclosures in Financial Statements- Schedule III applicable from April 01, 2021 with the following details:

- Shareholding of promoters at the end of the year and changes during the year.
- Use of borrowings from Banks and FIs for other purpose.
- Ageing Schedule of Trade payables, Trade receivables, capital work in progress and Intangible asset under development.
- Title deeds of Immovable Property not held in name of the Company in prescribed format.
- Loans granted to promoters, directors, KMPs & their relatives in prescribed format.
- Details of Benami Property held.
- Disclosure with respect to wilful defaulter.
- Compliance with approved Scheme of Arrangement.

- Relationship with struck off companies if companies has any transaction with such companies.
- Details of pending Registration or satisfaction of charge.
- Compliance with number of layers of companies.
- Utilization of Borrowed funds and share premium for third party funding.
- Specified accounting ratios.
- Details of undisclosed income not recorded in the books of accounts.
- Details of CSR & Crypto Currency or virtual currency.

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## **C) Financial instruments**

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### *Initial recognition and measurement:*

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below:

### **Derivatives and hedge accounting**

Derivatives are initially recognised at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item.

The Company complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Company documents the relationship between the hedge instrument and the hedged item, along with the risk management objectives and its strategy for undertaking hedge transaction, which can be a fair value hedge or a cash flow hedge.

#### **(i) Fair value hedges:**

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in Statement of Profit and Loss in the line item relating to the hedged item. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

#### **(ii) Cash flow hedges:**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion are recognised in the Statement of Profit and Loss. Amounts previously recognised and accumulated in other comprehensive income are reclassified to profit or loss when the hedged item affects the Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains/losses are transferred from equity (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset. Hedge

accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains/losses recognised in other comprehensive income and accumulated in equity at that time remains in equity and is reclassified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity is recognised immediately in the Statement of Profit and Loss.

### **Non-derivative financial assets**

*Subsequent measurement:*

**Financial assets carried at amortised cost** – a financial asset is measured at the amortised cost, if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

### **Investment in equity instruments of subsidiary**

Investment in equity instruments of subsidiary is measured at cost in accordance with IND - AS 27 Separate Financial Statements.

*De-recognition of financial assets:*

A financial asset is primarily de-recognized when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

### **Non-derivative financial liabilities**

*Subsequent measurement:*

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

*De-recognition of financial liabilities:*

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

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## **D) Foreign currency translation or transaction**

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*Functional and presentation currency:*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

*Transactions and balances:*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in Statement of Profit and Loss.

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**E) Property, plant and equipment**

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*Recognition and measurement:*

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

*Subsequent expenditure:*

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

*Depreciation:*

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method and is generally recognised in the Statement of Profit and Loss. Freehold land is not depreciated.

Depreciation on fixed assets is provided as per the guidance set out in the schedule II to the Companies Act, 2013. Depreciation is charged on written down value method based on estimated useful life of the asset after considering residual value as set out in schedule II to the Companies Act, 2013.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

Leasehold improvements are amortised over the lease period or the estimated useful life, whichever is shorter.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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## **F) Intangible assets**

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### *i) Initial recognition:*

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

### *ii. Subsequent expenditure:*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the Statement of Profit and Loss as incurred.

### *iii. Others:*

Intangible assets are amortised on a written down value basis over the estimated useful life not exceeding three years.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

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## **G) Employee benefits**

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### *Short-term employee benefits:*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

### *Long-term employee benefits:*

#### *i. Defined contribution plans:*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes monthly contributions to Statutory Provident Fund (Government administered provident fund scheme) in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the period(s) during which the related services are rendered by employees.

ii. *Defined benefit plans:*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a post-employment benefit and is in the nature of a defined benefit plan.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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**H) Exceptional items**

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Items of income or expense from ordinary activities which are of such size, nature or incidence that, their disclosure is relevant to explain the performance of the enterprise for the period, are disclosed separately in the Statement of Profit and Loss.

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**I) Measurement of fair values**

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A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:



Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Derivatives [call & put options, un-hedged] are valued using valuation techniques with market observable inputs and these are marked to market based on prevailing quoted rates, as applicable.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

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## **J) Revenue**

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### *i. Rendering of services:*

The company recognizes income on accrual basis. Revenue is recognised to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

### *ii. Brokerage and related income:*

Brokerage Income, Income from depository participants is recognized as & when assured.

### *iii. Recognition of dividend income, interest income or expense:*

Dividend income is recognised in Statement of Profit and Loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

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## **K) Leases**

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The Company's lease asset classes primarily consist of leases for Buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company has applied the exemption to not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

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**L) Income tax**

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Income tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

*i. Current tax:*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

*ii. Deferred tax:*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences related to investments in subsidiary and associate to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity and in this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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**M) Earnings per share**

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The basic earnings/(loss) per share is computed by dividing the net profit/(loss) before other comprehensive income attributable to owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/(loss) per share comprises the weighted average shares considered for deriving basic earnings/(loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

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**N) Provisions and contingent liabilities**

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Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

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**O) Impairment**

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*Impairment of non-financial assets:*

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Statement of Profit and Loss.

### *Impairment of financial assets:*

In accordance with IND AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets, Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

### *Trade receivables:*

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

### *Other financial assets:*

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-months expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

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### **P) Cash and cash equivalents**

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Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

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### **Q) Cash flow statement**

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Cash flows are reported using the indirect method, whereby net profit/(loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

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**R) Trade and other payables**

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These amounts represent liabilities for services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per the credit terms.

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**S) Trade receivables**

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Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment/allowance for credit loss.

**GUPTA VERMA & SETHI**  
Chartered Accountants

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## INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF  
DB (INTERNATIONAL) STOCK BROKERS LIMITED**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of **DB (INTERNATIONAL) STOCK BROKERS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated 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 Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p data-bbox="196 210 799 416"><i>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers"(new revenue accounting standard)</i></p> <p data-bbox="196 423 799 958">The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involve collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p data-bbox="196 965 799 1030">Refer Note 2(L) to the Consolidated Financial Statements</p>	<p data-bbox="821 210 1187 241"><u>Principal Audit Procedures</u></p> <p data-bbox="821 280 1485 383">We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard.</p> <p data-bbox="821 389 1485 492">Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul data-bbox="821 499 1485 2058" style="list-style-type: none"> <li data-bbox="821 499 1485 604">• Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</li> <li data-bbox="821 611 1485 969">• Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls.</li> <li data-bbox="821 976 1485 1191">• Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.</li> <li data-bbox="821 1198 1485 2058">• Selected a sample of continuing and new contracts and performed the following procedures: <ul data-bbox="869 1303 1485 2058" style="list-style-type: none"> <li data-bbox="869 1303 1485 1368">• Read, analyzed and identified the distinct performance obligations in these contracts.</li> <li data-bbox="869 1375 1485 1480">• Compared these performance obligations with that identified and recorded by the Company.</li> <li data-bbox="869 1487 1485 1697">• Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.</li> <li data-bbox="869 1704 1485 1915">• Samples in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes.</li> <li data-bbox="869 1921 1485 2058">• In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual</li> </ul> </li> </ul>



		<p>and estimated efforts from the time recording and budgeting systems. We also tested the access and change management controls relating to these systems.</p> <ul style="list-style-type: none"> <li>• Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.</li> <li>• Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</li> <li>• We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</li> </ul>
2	<p><b><i>Accuracy of revenues and onerous obligations in respect of fixed price contracts involves critical estimates</i></b></p> <p>Estimated effort is a critical estimate to determine revenues and liability for onerous obligations. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of Internal Controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.</li> <li>• Tested the access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorized changes to recording of efforts incurred.</li> <li>• Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to efforts incurred and estimated.</li> <li>• Selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to complete the contract.</li> <li>• Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations.</li> </ul>

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|  |  | <ul style="list-style-type: none"><li>• Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts.</li></ul> |
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### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

The Annual Report is not made available to us at the date of the Auditor's Report. We have nothing to report in this regard.

### **Management's Responsibility for the Consolidated 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 Consolidated Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated 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 responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of Internal Financial Controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company 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 Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified mis-statements in the financial statements.

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

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

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

## Report on other legal and regulatory requirements

1. Based on our audit, we report that the Company has not paid or provided for any Managerial Remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable;
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order;
3. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021;
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company, as detailed in note 28 to the Consolidated Financial Statements, has disclosed the impact of pending litigation(s) on its financial position as at March 31, 2022;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2022;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, on the date of this audit report, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether,

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

- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended March 31, 2022.

**For Gupta Verma & Sethi**  
Chartered Accountants  
Firm Regn. No.: 02605M

**Sd/-**  
**Parmod Kumar**  
**Partner**  
Membership No.: 081138  
UDIN: 22081138AJPGYU8048

**Place: New Delhi**  
**Dated: May 25, 2022**

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

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirement's section of our report to the Members of DB (International) Stock Brokers Limited of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. In respect of the Company's property, plant and equipment:
  - (a) i. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
    - ii. The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of verification to cover all the items of property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
  - (d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2022.
  - (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii.
  - (a) The Company is a service company. Accordingly, reporting under clause 3(ii) of the Order is not applicable to the Company.
  - (b) The Company has working capital limits in excess of Rs.5 crore during the year, sanctioned by banks against security of fixed deposits held by the Company. However, pursuant to terms of the sanction letter(s), the Company is not required to file any quarterly return or statement with such banks or financial institutions.
- iii. The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- iv. The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits)

Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

vii. According to the information and explanations given to us, in respect of statutory dues:

a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax Demand	11,78,862/-	AY-2015-16	Commissioner Income Tax (Appeals), Delhi	NA
Income Tax Act, 1961	Income Tax Demand	25,72,180	AY-2016-17	Commissioner Income Tax (Appeals), Delhi	NA

viii. According to the information and explanations given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, reporting under clause 3(viii) of the Order is not applicable.

ix. (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender. The Company has not issued any Debentures.

(b) The Company has not been declared wilful defaulter by any bank or Financial Institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable .

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the Financial Statements of the Company, funds raised by the Company on short term basis have not been utilized for long term purposes.

(e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company

does not have any associate or joint venture.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. The Company does not have joint-ventures or associate companies.

- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Consolidated Financial Statements as required by the applicable accounting standards.

- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an Internal Audit System as required under section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

- xv. In our opinion and 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 to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, reporting under clause (xvi)(b) of the Order is not applicable to the Company.



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

(d) There is no Core Investment Company as a part of the Group. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

- xvii. The Company has not incurred cash losses in the current year and preceding financial year.
- xviii. There has been no resignation of the Statutory Auditors during the year and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in notes to the Consolidated Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Consolidated Financial Statements, our knowledge of the Board of Directors' and management's 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.
- xx. According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For Gupta Verma & Sethi**  
**Chartered Accountants**  
Firm Regn. No.: 02605M

**Sd/-**  
**Parmod Kumar**  
**Partner**  
Membership No.: 081138  
UDIN: 22081138AJPGYU8048

**Place: New Delhi**  
**Dated: May 25, 2022**

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

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of DB (INTERNATIONAL) STOCK BROKERS LIMITED of even date)**

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

In conjunction with our audit of the Consolidated Financial Statements of DB (International) Stock Brokers Limited ('the Company') as at and for the year ended March 31, 2022, we have audited the Internal Financial controls with reference to financial statements of the Company as at that date.

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

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

#### **Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 Internal Financial Controls system over financial reporting of the Company.

#### **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.

### **Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at March 31, 2022, based on the Internal Control over financial reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Gupta Verma & Sethi**  
**Chartered Accountants**  
Firm Regn. No.: 02605M

**Sd/-**  
**Parmod Kumar**  
**Partner**  
Membership No.: 081138  
UDIN: 22081138AJPGYU8048

**Place: New Delhi**  
**Dated: May 25, 2022**

**DB (International) Stock Brokers Limited**  
**Consolidated Balance Sheet as at March 31,2022**

₹ in Hundred

Particulars	Note No.	As at	As at
		March 31, 2022	March 31, 2021
		₹	₹
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3(a)	59,172.54	85,324.12
Intangible assets	3(b)	478.62	2,637.81
Right to use asset		64,573.73	16,641.95
Financial assets:			
Investments	4(i)	9,01,735.53	59,274.00
Other financial assets	4(ii)	14,13,892.00	3,01,427.80
Deferred tax assets (net)	5	2,460.91	78,569.46
Income tax assets (net)	6	87,010.17	3,912.50
Other non-current assets	7	1,84,416.03	2,27,898.51
<b>Total Non-current assets</b>		<b>27,13,739.53</b>	<b>7,75,686.15</b>
<b>Current assets</b>			
Financial assets:			
Investments	8(i)	1,06,913.91	23,239.32
Trade receivables	8(ii)	1,64,135.51	1,42,544.52
Cash and cash equivalents	8(iii)	14,54,271.30	6,41,513.56
Bank balances other than above	8(iv)	47,35,985.64	44,82,869.35
Other financial assets	8(v)	2,16,156.09	71,374.81
Derivatives assets receivable (at fair value)		1,29,991.07	-
Current tax assets (net)	9	65,387.96	25,338.37
Other current assets	10	1,22,438.45	77,305.10
<b>Total current assets</b>		<b>69,95,279.93</b>	<b>54,64,185.03</b>
<b>TOTAL ASSETS</b>		<b>97,09,019.46</b>	<b>62,39,871.18</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11	7,00,000.00	7,00,000.00
Other equity	12	43,73,702.56	34,94,515.95
<b>Total equity</b>		<b>50,73,702.56</b>	<b>41,94,515.95</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities:			
Long-term borrowings	13(i)	1,51,614.20	1,47,009.40
Other financial liabilities	13(ii)	16,108.99	17,024.20
Deferred Tax Liability		-	80.16
Long-term provisions	14	-	30,914.90
<b>Total non-current liabilities</b>		<b>1,67,723.19</b>	<b>1,95,028.66</b>
<b>Current liabilities</b>			
Financial liabilities:			
Short-term borrowings	15(i)	-	-
Trade payables:			
- to micro and small enterprises	15(ii)	-	-
- to others	15(ii)	42,91,020.38	16,96,754.47
Other financial liabilities	15(iii)	1,69,165.77	92,732.10
Other current liabilities	16	7,407.56	57,457.49
Short-term provisions	17	-	3,382.50
Current tax liabilities (net)	9	-	-
<b>Total current liabilities</b>		<b>44,67,593.71</b>	<b>18,50,326.56</b>
<b>Total liabilities</b>		<b>46,35,316.90</b>	<b>20,45,355.22</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>97,09,019.46</b>	<b>62,39,871.18</b>

Significant accounting policies 1-2  
The accompanying notes are an integral part of the consolidated financial statements 3-32

As per our report of even date.

**For Gupta Verma & Sethi**  
Chartered Accountants  
Firm Registration No.02605M

Sd/-  
**Parmod Kumar**  
Partner  
M.No. : 081138  
UDIN:22081138AJPGYU8048

Place: New Delhi  
Date: May 25,2022

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

Sd/-  
**Shiv Narayan Daga**  
Managing Director  
DIN - 00072264

Sd/-  
**Sachin Kumar Rathi**  
Director  
DIN - 01013130

Sd/-  
**S K Rawal**  
Chief Financial Officer

Sd/-  
**Pragya Singh**  
Company Secretary

DB (International) Stock Brokers Limited  
Statement of Consolidated Profit and Loss for the year ended March 31, 2022

₹ in Hundred

Particulars	Note No.	For the year ended	For the year ended
		March 31, 2022	March 31, 2021
		₹	₹
<b>Income:</b>			
Revenue from operations	18	29,28,109.89	18,07,016.37
Other income	19	14,480.82	796.23
<b>Total income</b>		<b>29,42,590.71</b>	<b>18,07,812.60</b>
<b>Expenses:</b>			
Employee benefits expense	20	3,77,859.11	2,60,842.01
Finance costs	21	64,543.35	36,310.42
Depreciation and amortisation expense	22	75,477.50	24,019.40
Other expenses	23	13,38,576.36	9,98,782.45
<b>Total expenses</b>		<b>18,56,456.32</b>	<b>13,19,954.28</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>10,86,134.39</b>	<b>4,87,858.32</b>
<b>Profit/(loss) before tax</b>		<b>10,86,134.39</b>	<b>4,87,858.32</b>
<b>Tax expense:</b>	24		
Current tax		1,96,936.41	1,91,838.72
Minimum alternate tax credit expense/(entitlement)		-	(59,387.88)
Income Tax under Vivad Se Vishwas		-	3,18,539.22
Deferred tax expense/(credit)		13,380.34	148.84
Adjustment for current tax of prior periods		12,069.68	5,252.78
<b>Total tax expense</b>		<b>2,22,386.43</b>	<b>4,56,391.68</b>
<b>Share of profit from associate</b>		<b>-</b>	<b>-</b>
<b>Profit/(loss) for the period</b>		<b>8,63,747.96</b>	<b>31,466.64</b>
<b>Other comprehensive income</b>	25		
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of post employment benefit obligations		12,953.66	3,772.42
Exchange rate difference gain/ (loss)		5,745.17	(3,447.82)
Income tax relating to these items		(3,260.18)	(1,049.49)
<b>Other comprehensive income for the period, net of tax</b>		<b>15,438.65</b>	<b>(724.89)</b>
<b>Total comprehensive income for the period</b>		<b>8,79,186.61</b>	<b>30,741.75</b>
<b>Earnings/(loss) per equity share before exceptional items (Basic and Diluted)</b>	26	<b>2.47</b>	<b>0.09</b>
<b>Earnings/(loss) per equity share after exceptional items (Basic and Diluted)</b>		<b>2.47</b>	<b>0.00</b>

**Significant accounting policies**

1-2

The accompanying notes are an integral part of the consolidated financial statements

3-32

As per our report of even date.

For Gupta Verma & Sethi  
Chartered Accountants  
Firm Registration No.02605M

For and on behalf of the Board of Directors

Sd/-  
Parmod Kumar  
Partner  
M.No. : 081138  
UDIN:22081138AJPGYU8048

Sd/-  
Shiv Narayan Daga  
Managing Director  
DIN - 00072264

Sd/-  
Sachin Kumar Rathi  
Director  
DIN - 01013130

Sd/-  
S K Rawal  
Chief Financial Officer

Sd/-  
Pragya Singh  
Company Secretary

Place: New Delhi  
Date: May 25,2022

DB (International) Stock Brokers Limited  
Statement of consolidated changes in equity for the year ended March 31, 2022

A) Change in equity share capital	₹ in Hundred
	Amounts
Balance as at March 31, 2020	7,00,000.00
Changes in equity share capital during the year	-
Balance as at March 31, 2021	7,00,000.00
Changes in equity share capital during the year	-
Balance as at March 31, 2022	7,00,000.00

B) Changes in other equity  
For the year ended March 31, 2022

Particulars	Reserves and surplus				Total
	Securities premium account	General reserve	Foreign currency translation reserve	Retained earnings	
As at April 01, 2021	7,60,000.00	2,86,484.32	-	24,29,827.84	34,76,312.16
Profit for the year	-	-	-	8,63,747.96	8,63,747.96
Other comprehensive income:					
Impact of remeasurement of post employment benefit obligations	-	-	-	9,693.48	9,693.48
Exchange rate difference gain/ (loss)	-	-	-	-	-
Transferred to foreign currency translation reserve	-	-	-	-	-
Total comprehensive income	-	-	-	8,73,441.44	8,73,441.44
As at March 31, 2022	7,60,000.00	2,86,484.32	-	33,03,269.28	43,49,753.60

For the year ended March 31, 2021

Particulars	Reserves and surplus				Total
	Securities premium account	General reserve	Foreign currency translation reserve	Retained earnings	
As at April 01, 2020	7,60,000.00	2,86,484.32	-	23,95,646.12	34,42,130.44
Profit for the year	-	-	-	31,466.64	31,466.64
Other comprehensive income:					
Impact of remeasurement of post employment benefit obligations	-	-	-	2,715.08	2,715.08
Exchange rate difference gain/ (loss)	-	-	-	-	-
Transferred to foreign currency translation reserve	-	-	-	-	-
Total comprehensive income	-	-	-	34,181.72	34,181.72
As at March 31, 2022	7,60,000.00	2,86,484.32	-	24,29,827.84	34,76,312.16

- a) Securities Premium Account: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.
- b) General Reserve: This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized by the Company in accordance with the provisions of the Companies Act, 2013.
- c) Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

As per our report of even date.

For Gupta Verma & Sethi  
Chartered Accountants  
Firm Registration No.02605M

Sd/-  
Parmod Kumar  
Partner  
M.No. : 081138  
UDIN:22081138AJPGYU8048

Place: New Delhi  
Date: May 25,2022

For and on behalf of the Board of Directors

Sd/-  
Shiv Narayan Daga  
Managing Director  
DIN - 00072264

Sd/-  
S K Rawal  
Chief Financial Officer

Sd/-  
Sachin Kumar Rathie  
Director  
DIN - 01013130

Sd/-  
Pragya Singh  
Company Secretary

DB (International) Stock Brokers Limited  
Consolidated Cash flow statement for the year ended March 31, 2022

₹ in Hundred

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
	₹	₹
<b>Cash flow from operating activities:</b>		
<b>Net profit before taxation</b>	10,86,134.39	4,87,858.32
<b>Adjustments for:</b>		
Depreciation and amortisation expense	75,477.50	24,019.40
(Gain)/loss on disposal of investments	-	-
Vivad Se Vishwas Tax Expense	-	(3,18,539.22)
Interest income	-	-
Interest	20,160.85	12,906.67
Unrealised foreign exchange (gain)/loss	5,745.17	(3,447.82)
<b>Operating profit before working capital changes</b>	<b>11,87,517.91</b>	<b>2,02,797.35</b>
<b>Change in operating assets and liabilities:</b>		
Change in other financial assets (non-current)	2,606.80	(9,777.80)
Change in trade receivables	(21,590.99)	1,64,586.78
Change in other financial assets (current)	(2,74,772.35)	15,541.63
Change in other current assets	(45,133.35)	(42,080.52)
Change in provisions	(21,343.74)	5,187.31
Change in trade payables	25,94,265.91	76,100.22
Change in other financial liabilities	75,518.46	54,756.64
Change in other current liabilities	(50,049.93)	48,479.39
Change in investments non-current assets	(8,42,461.53)	-
<b>Cash generated from/(used in) operations</b>	<b>26,04,557.20</b>	<b>5,15,591.00</b>
Direct taxes paid	(3,66,721.85)	93,315.74
<b>Net cash inflow generated from/(used in) operating activities</b>	<b>22,37,835.35</b>	<b>6,08,906.74</b>
<b>Cash flows from investing activities:</b>		
Net (Investment in)/proceeds from property, plant and equipment and capital a	41,720.34	(1,97,599.59)
Net proceeds from/ (Investment in) associate company	1,050.00	-
Share application money paid for investment in subsidiary	-	-
Interest received	-	-
Net (Investment in)/ proceeds from bank deposits and other balances	(14,52,291.88)	(10,16,819.51)
<b>Net cash (used in) investing activities</b>	<b>(14,09,521.54)</b>	<b>(12,14,419.10)</b>
<b>Cash flows from financing activities:</b>		
Finance cost paid	(20,160.85)	(12,906.67)
Net proceeds from long term borrowings	4,604.80	71,623.50
Net proceeds from short term borrowings	-	(9,055.94)
<b>Net cash inflow generated from/(used in) financing activities</b>	<b>(15,556.05)</b>	<b>49,660.89</b>
Cash and cash equivalents at the beginning of the financial year	6,41,513.56	11,97,365.03
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>8,12,757.74</b>	<b>(5,55,851.47)</b>
Unrealised foreign exchange gain/(loss)		
<b>Cash and cash equivalents at end of the year</b>	<b>14,54,271.30</b>	<b>6,41,513.56</b>
<b>Cash and cash equivalents include:</b>		
Balance with bank in current accounts	14,51,277.47	6,38,928.97
Cash on hand	2,993.83	2,584.59
<b>Cash and cash equivalents at end of the year</b>	<b>14,54,271.30</b>	<b>6,41,513.56</b>

As per our report of even date.

For Gupta Verma & Sethi  
Chartered Accountants  
Firm Registration No.02605M

Sd/-  
Parmod Kumar  
Partner  
M.No. : 081138  
UDIN:22081138AJPGYU8048

Place: New Delhi  
Date: May 25,2022

For and on behalf of the Board of Directors

Sd/- Shiv Narayan Daga  
Managing Director  
DIN - 00072264

Sd/- Sachin Kumar Rathi  
Director  
DIN - 01013130

Sd/- S K Rawal  
Chief Financial Officer

Sd/- Pragya Singh  
Company Secretary

## DB (International) Stock Brokers Limited

Notes to the consolidated financial statements for the year ended March 31, 2022

₹ in Hundred

3(a) Property, plant and equipment						3(b) Intangible assets	
	Computer	Furniture & fixtures	Vehicles	Office equipment	Total	Computer software	Right to use asset
<b>Gross block:</b>							
As at April 1, 2021	1,11,973.23	1,883.79	36,712.02	21,337.47	1,71,906.51	10,758.43	19,592.99
Additions during the year	17,186.39	-	-	-	17,186.39	-	92,906.35
Sales/adjustments	18,635.00	-	-	-	18,635.00	-	-
<b>As at March 31, 2022</b>	<b>1,10,524.62</b>	<b>1,883.79</b>	<b>36,712.02</b>	<b>21,337.47</b>	<b>1,70,457.90</b>	<b>10,758.43</b>	<b>1,12,499.34</b>
<b>Accumulated depreciation:</b>							
As at April 1, 2021	40,909.59	1,729.49	28,311.56	15,631.76	86,582.39	8,120.62	2,951.04
Charge for the year	24,373.55	61.81	2,623.46	1,284.92	28,343.74	2,159.19	44,974.57
Sales/adjustments	3,640.77	-	-	-	3,640.77	-	-
<b>As at March 31, 2022</b>	<b>61,642.37</b>	<b>1,791.30</b>	<b>30,935.02</b>	<b>16,916.68</b>	<b>1,11,285.36</b>	<b>10,279.81</b>	<b>47,925.61</b>
<b>Net block:</b>							
As at March 31, 2022	48,882.25	92.49	5,777.00	4,420.79	59,172.55	478.62	64,573.73
As at March 31, 2021	71,063.64	154.30	8,400.46	5,705.71	85,324.12	2,637.81	16,641.95
<b>Gross block:</b>							
As at April 1, 2020	41,949.95	1,883.79	36,712.02	20,659.66	1,01,205.42	10,758.43	19,592.99
Additions during the year	70,023.28	-	-	677.81	70,701.09	-	-
Sales/adjustments	-	-	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>1,11,973.23</b>	<b>1,883.79</b>	<b>36,712.02</b>	<b>21,337.47</b>	<b>1,71,906.51</b>	<b>10,758.43</b>	<b>19,592.99</b>
<b>Accumulated depreciation:</b>							
As at April 1, 2020	26,906.83	1,624.82	24,496.71	13,907.11	66,935.46	5,961.43	737.76
Charge for the year	14,002.76	104.67	3,814.85	1,724.65	19,646.93	2,159.19	2,213.28
Sales/adjustments	-	-	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>40,909.59</b>	<b>1,729.49</b>	<b>28,311.56</b>	<b>15,631.76</b>	<b>86,582.39</b>	<b>8,120.62</b>	<b>2,951.04</b>
<b>Net block:</b>							
As at March 31, 2021	71,063.64	154.30	8,400.46	5,705.71	85,324.12	2,637.81	16,641.95
As at March 31, 2020	15,043.12	258.98	12,215.31	6,752.55	34,269.96	4,797.00	-



**DB (International) Stock Brokers Limited**

Notes to the consolidated financial statements for the year ended March 31, 2022

	As at March 31, 2022	As at March 31, 2021
	₹	₹
<b>4 Financial assets (non-current)</b>		
<b>(i) Non-trade investments: [at amortised cost]</b>		
In Equity instrument of other company (Unquoted) (at cost):		
Flourishing Apartments Private Limited ^	-	1,050.00
Less: Provision for diminution in the value of investments	-	-
Add: Cumulative post acquisition profit	-	-
1,050 (previous year 1,050) equity shares of ₹ 100 each fully paid up		
<b>(ii) In Equity instrument of other company (Quoted) [at amortised cost]</b>		
Effingo Textile & Trading Limited (Formerly known as Malti Textile Mills Limited) \$	10,480.32	58,224.00
58,22,400 (previous year 58,22,400) equity shares of ₹ 1 each fully paid up		
<b>(iii) In Equity instrument of other company* (Quoted) [at fair value through profit &amp; loss]:</b>		
	Numbers	
	March 31, 2022	March 31, 2021
Accuracy Shipping Limited (face value of ₹ 10 each)	5,000	11,502.50
Bse Limited (face value of ₹ 2 each)	1,500	13,467.75
Central Depository Services (India) Limited (face value of ₹ 10 each)	2,500	36,317.50
Cosmo Films Ltd. (face value of ₹ 10 each)	2,000	34,034.00
DCM Shriram Industries Ltd. (face value of ₹ 2 each)	5,000	4,607.50
Dr. Lal PathLabs Ltd. (face value of ₹ 10 each)	700	18,305.35
E.I.D.-Parry (India) Ltd. (face value of ₹ 1 each)	4,000	17,404.00
Hindalco Industries Ltd. (face value of ₹ 1 each)	2,000	12,626.00
Indian Railway Catering and Tourism Corporation Ltd (face value of ₹ 2 each)	1,000	7,676.00
Jindal Poly Films Ltd. (face value of ₹ 10 each)	10,370	1,14,878.86
Jindal Stainless (Hisar) Ltd (face value of ₹ 2 each)	2,000	7,458.00
Pasupati Acrylon Ltd. (face value of ₹ 10 each)	53,000	20,484.50
Polyplex Corporation Ltd. (face value of ₹ 10 each)	5,000	1,16,840.00
Reliance Power Ltd. (face value of ₹ 10 each)	2,30,000	29,785.00
Shri Jagdamba Polymers Ltd. (face value of ₹ 1 each)	1,600	14,224.00
SMC Global Securities Ltd (face value of ₹ 2 each)	47,000	37,318.00
Star Health and Allied Insurance Company Ltd (face value of ₹ 10 each)	3,000	20,640.00
Uflex Ltd. (face value of ₹ 10 each)	4,500	27,213.75
VLS Finance Ltd. (face value of ₹ 10 each)	2,15,000	3,46,472.50
<b>Total investments</b>	<b>9,01,735.53</b>	<b>59,274.00</b>
Aggregate book value of quoted investment*	9,02,003.13	71,858.24
Aggregate amount of unquoted investments	-	1,050.00
<b>Total</b>	<b>9,02,003.13</b>	<b>72,908.24</b>
* Fully paid-up unless otherwise specified.		
\$ Book value as at March 31, 2017 has been taken as reference for fair value because the equity share was last traded on January 06, 2015. The book value is approximately close to fair value and therefore, the		
^ Owing to the dilution in shareholding in Flourishing Apartments Private Limited (FAPL), it ceased to be an associate w.e.f. February 20, 2019. FAPL has made application with ROC Delhi for strike off, hence the		
<b>(ii) Other financial assets</b>		
<b>Unsecured, considered good:</b>		
Security deposits	16,641.00	19,677.80
Membership deposits	74,250.00	74,250.00
Interest accrued but not due on deposits	-	-
<b>Fixed deposits with original maturity more than 12 months:</b>		
-Under lien with exchange	13,23,001.00	2,07,500.00
<b>Total other financial assets</b>	<b>14,13,892.00</b>	<b>3,01,427.80</b>
<b>5 Deferred tax assets (net)</b>		
<b>Deferred tax assets arising on account of:</b>		
Difference in written down value of property, plant and equipment	2,460.91	1,717.71
Provision for post employment benefit obligations	-	8,631.97
Business loss	-	-
Unabsorbed depreciation	-	-
Short-term capital loss	-	8,831.90
	2,460.91	19,181.58
MAT credit entitlement	-	59,387.88
<b>Total deferred tax assets (net)</b>	<b>2,460.91</b>	<b>78,569.46</b>

**5(a) Movement in deferred tax assets (net) for the year ended March 31, 2021**

	March 31, 2021	Utilisation of MAT credit	Recognized in other comprehensive income	Recognised in profit and loss	March 31, 2022
<b>Deferred tax liabilities arising on account of:</b>					
Difference in written down value of property, plant and equipment	1,717.71	-	-	743.20	2,460.91
Provision for post employment benefit obligations	8,631.97	-	(3,260.18)	(5,371.79)	-
Short-term capital loss	8,831.90	-	-	(8,831.90)	-
	19,181.58	-	(3,260.18)	(13,460.49)	2,460.91
MAT credit entitlement	59,387.88	(59,387.88)	-	-	-
<b>Total movement in deferred tax assets</b>	<b>78,569.46</b>	<b>(59,387.88)</b>	<b>(3,260.18)</b>	<b>(13,460.49)</b>	<b>2,460.91</b>
* Unutilisable mat credit written off					

**5(b) Movement in deferred tax assets (net) for the year ended March 31, 2021**

	March 31, 2020	Utilisation of MAT credit	Recognized in other comprehensive income	Recognised in profit and loss	March 31, 2021
<b>Deferred tax liabilities arising on account of:</b>					
Difference in written down value of property, plant and equipment	3,191.98	-	-	(1,474.27)	1,717.71
Provision for post employment benefit obligations	8,275.87	-	-	356.10	8,631.97
Short-term capital loss	8,831.90	-	-	-	8,831.90
	20,299.75	-	-	(1,118.17)	19,181.58
MAT credit entitlement	-	-	-	59,387.88	59,387.88
<b>Total movement in deferred tax assets</b>	<b>20,299.75</b>	<b>-</b>	<b>-</b>	<b>58,269.71</b>	<b>78,569.46</b>

₹ in Hundred

	As at March 31, 2022	As at March 31, 2021
	₹	₹

<b>6</b>	<b>Income tax assets (net)</b>		
	<b>Unsecured, considered good:</b>		
	Income tax refundable (net)	87,010.17	3,912.50
	<b>Total income tax assets (net)</b>	<b>87,010.17</b>	<b>3,912.50</b>

<b>7</b>	<b>Other non-current assets</b>		
	<b>Unsecured, considered good:</b>		
	Capital advances	1,83,986.01	2,27,898.51
	Prepaid expenses	430.00	-
	<b>Total other non-current assets</b>	<b>1,84,416.01</b>	<b>2,27,898.51</b>

	As at March 31, 2022	As at March 31, 2021
	₹	₹

**8 Financial assets (current)****(i) Investments***(At lower of cost and fair value)*

	Status	Numbers		Costs	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Yes Bank Limited (face value of ₹ 2 each)		-	200	-	21.30
Pasupati Acrylon Ltd. (face value of ₹ 10 each)		1,59,355	1,59,355	61,590.71	23,218.02
Action Construction Equipment Ltd. (face value of ₹ 2 each)	Fully paid	2,000		4,282.00	-
IFGL Refractories Ltd (face value of ₹ 10 each)	Fully paid	2,000		5,277.00	-
Infibeam Avenues Ltd (face value of ₹ 1 each)	Fully paid	10,000		1,915.00	-
Jayaswal Neco Industries Ltd. (face value of ₹ 10 each)	Fully paid	20,000		4,450.00	-
Kalyan Jewellers India Ltd (face value of ₹ 10 each)	Fully paid	10,000		6,080.00	-
NBCC (India) Ltd (face value of ₹ 1 each)	Fully paid	10,000		3,650.00	-
Navneet Education Limited (face value of ₹ 2 each)	Fully paid	5,000		4,462.50	-
One 97 Communications Ltd (face value of ₹ 1 each)	Fully paid	400		2,099.20	-
Schneider Electric Infrastructure Ltd. (face value of ₹ 2 each)	Fully paid	5,000		6,077.50	-
Transformers and Rectifiers (India) Ltd. (face value of ₹ 1 each)	Fully paid	10,000		3,120.00	-
Zomato Limited (face value of ₹ 1 each)	Fully paid	5,000		3,910.00	-
<b>Total investments</b>		<b>2,38,755</b>	<b>1,59,555</b>	<b>-</b>	<b>-</b>
				<b>1,06,913.91</b>	<b>23,239.32</b>

**(ii) Trade receivables**

Secured, considered good \*

Trade receivables

1,64,135.51

1,42,544.52

**Total trade receivables****1,64,135.51****1,42,544.52**

\* Secured against securities given as collateral by the customer

**Ageing of Trade Receivables (Ind AS)**

As on March 31 2022

Particulars	Not Due	Outstanding for following periods from due date of payment		Total
		Less than 6 months	6 months -1 year	
(i) Undisputed Trade receivables considered good	-	1,36,387.37	27,748.14	1,64,135.51

As on March 31 2021

Particulars	Not Due	Outstanding for following periods from due date of payment		Total
		Less than 6 months	6 months -1 year	
(i) Undisputed Trade receivables considered good	-	1,10,668.46	31,876.06	1,42,544.52

**(iii) Cash and cash equivalents**

Balance with bank in current accounts

14,51,277.47

6,38,928.97

Cash on hand

2,993.83

2,584.59

**Total cash and cash equivalents****14,54,271.30****6,41,513.56**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

**(iv) Bank balances other than (ii) above****Fixed deposits with original maturity within 3 to 12 months:**

-As margin money against overdraft (refer note 15(i))

12,94,000.00

2,84,000.00

-Under lien with exchange

34,41,985.64

41,98,869.35

**Total bank balances****47,35,985.64****44,82,869.35****(v) Other financial assets****Unsecured, considered good:**

Receivable from subsidiary company

39,134.75

1,673.25

Security deposits (advance)

-

-

-For leasehold property

12,312.49

12,122.63

Additional base capital

99,298.27

37,138.28

Accrued interest on FDs

17,930.50

12,028.60

Accrued Income (incentive)

47,480.08

8,412.05

Deferred option premium

-

-

**Total other financial assets**

**2,16,156.09**

**71,374.81**

**Derivative asset recoverable**

Derivative asset recoverable [at fair value]

1,29,991.07

-

**Total Derivative asset recoverable**

**1,29,991.07**

**-**

	₹ in Hundred	
	As at March 31, 2022	As at March 31, 2021
	₹	₹
<b>9 Current tax assets (net)</b>		
<b>Current tax assets</b>		
TDS receivable	2,62,723.59	1,69,335.42
	<b>2,62,723.59</b>	<b>1,69,335.42</b>
<b>Current tax liabilities</b>		
Provision for income tax	1,97,335.63	1,43,997.04
	<b>1,97,335.63</b>	<b>1,43,997.04</b>
<b>Total current tax assets (net)</b>	<b>65,387.96</b>	<b>25,338.37</b>

<b>10 Other current assets</b>		
<b>Advances other than capital advances:</b>		
<b>Unsecured, considered good</b>		
Planned Assets (Excess of planned assets over defined obligation - Gratuity)	8,268.55	-
Prepaid expenses	25,135.62	24,465.97
Prepaid rent	-	585.03
Receivable from exchanges	85,103.69	37,048.64
GST Receivable	1,343.75	11,254.49
Other advances	2,586.84	3,950.96
<b>Total other current assets</b>	<b>1,22,438.45</b>	<b>77,305.10</b>

<b>11 Equity share capital</b>		
<b>Authorised share capital</b>	10,00,000.00	10,00,000.00
5,00,00,000 (previous year 5,00,00,000) equity shares of ₹ 2 each	<b>10,00,000.00</b>	<b>10,00,000.00</b>
<b>Issued, subscribed and paid up capital</b>	7,00,000.00	7,00,000.00
3,50,00,000 (previous year 3,50,00,000) equity shares of ₹ 2 each, fully paid up	<b>7,00,000.00</b>	<b>7,00,000.00</b>

<b>(j) Movements in equity share capital</b>		
Balance as at the beginning of the year	3,50,00,000	3,50,00,000
Add: Issued during the year	-	-
<b>Balance as at the end of the year</b>	<b>3,50,00,000</b>	<b>3,50,00,000</b>

**(ii) Terms/rights attached to equity shares:**  
The Company has one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The shareholders have all other right as available to equity shareholders as per the provisions of the Companies Act, 2013 read together with the Memorandum and Articles of Association of the Company, as applicable.

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% holding	Number of shares	% holding
New KMS Finance Private Limited	58,46,544	16.70	58,46,544	16.70
Shiv Narayan Daga	57,80,000	16.51	57,80,000	16.51
Sharda Daga	20,48,000	5.85	20,48,000	5.85
Mangalyoti Syndicate Private Limited	-	-	17,52,781	5.01

# As per the records of the company, including register of members

**(iv) Details of shares held by promoters**

As at March 31 2022							
	S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity Shares of face value Rs. 2/-	1	Shiv Narayan Daga	12,75,000	-	12,75,000	3.64%	-
	2	Shiv Narayan Daga	57,80,000	-	57,80,000	16.51%	-
	3	Sharda Daga	20,48,000	-	20,48,000	5.85%	-
	4	Sheetal Periwal	7,52,000	-	7,52,000	2.15%	-
	5	Shikha Munda	6,50,000	-	6,50,000	1.86%	-
		<b>Total</b>	<b>1,05,05,000</b>	<b>-</b>	<b>1,05,05,000</b>	<b>30.01%</b>	<b>-</b>

**As at March 31 2021**

	S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity Shares of face value Rs. 2/-	1	Shiv Narayan Daga	12,75,000	-	12,75,000	3.64%	-
	2	Shiv Narayan Daga	57,80,000	-	57,80,000	16.51%	-
	3	Sharda Daga	20,48,000	-	20,48,000	5.85%	-
	4	Sheetal Periwal	7,52,000	-	7,52,000	2.15%	-
	5	Shikha Munda	6,50,000	-	6,50,000	1.86%	-
		<b>Total</b>	<b>1,05,05,000</b>	<b>-</b>	<b>1,05,05,000</b>	<b>30.01%</b>	<b>-</b>

**(v)** The Company has not issued/allotted any class of shares as fully paid up pursuant to contract(s) without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the reporting date. Further, no shares of any class were bought back during the period of five years immediately preceding the reporting date.

	As at March 31, 2022 ₹	₹ in Hundred As at March 31, 2021 ₹	
<b>12 Other equity</b>			
<b>(i) Securities premium account</b>			
Balance as at the beginning of the year	7,60,000	7,60,000	
<b>Balance as at the end of the year</b>	<b>7,60,000</b>	<b>7,60,000</b>	
<b>(ii) Other reserves</b>			
<b>General reserve</b>			
Balance as at the beginning of the year	2,86,484.32	2,86,484.32	
Add: transferred from surplus in the statement of profit and loss	-	-	
<b>Balance as at the end of the year</b>	<b>2,86,484.32</b>	<b>2,86,484.32</b>	
<b>Foreign currency translation reserve</b>			
Balance as at the beginning of the year	18,203.79	21,651.61	
Add: transferred from surplus in the statement of profit and loss	5,745.17	(3,447.82)	
<b>Balance as at the end of the year</b>	<b>23,948.96</b>	<b>18,203.79</b>	
<b>(iii) Retained earnings</b>			
Balance as at the beginning of the year	24,29,827.84	23,95,646.12	
Profit for the year	8,63,747.96	31,466.64	
Items of OCI recognised	9,693.48	2,715.08	
<b>Balance as at the end of the year</b>	<b>33,03,269.28</b>	<b>24,29,827.84</b>	
<b>Total other equity</b>	<b>43,73,702.56</b>	<b>34,94,515.95</b>	
<b>13 Financial liabilities (non-current)</b>			
<b>(i) Long-term borrowings:</b>			
Unsecured loans	1,51,614.20	1,47,009.40	
<b>Total long-term borrowings</b>	<b>1,51,614.20</b>	<b>1,47,009.40</b>	
* The Company has taken unsecured loan of \$2,00,000 (₹ 1,51,61,420/-) as on March 31, 2022 (₹ 1,47,59,560/- as on March 31, 2021). The key terms are as mentioned below:			
- Nature : Unsecured loan			
- Rate : 7% p.a.			
- Tenor : 2 years			
- Secured : No			
- Related party or not : Yes			
<b>(ii) Other financial liabilities</b>			
Operating lease liabilities	16,108.99	17,024.20	
<b>Total other financial liabilities</b>	<b>16,108.99</b>	<b>17,024.20</b>	
<b>14 Long-term provisions</b>			
Provision for defined benefit obligations:			
Provision for gratuity (refer to note 29)	-	30,914.90	
<b>Total long-term provisions</b>	<b>-</b>	<b>30,914.90</b>	
<b>15 Financial liabilities (current)</b>			
<b>(i) Short-term borrowings:</b>			
Bank overdraft (secured)*	-	-	
<b>Total short-term borrowings</b>	<b>-</b>	<b>-</b>	
* The Company has sanctioned secured bank overdraft facility with limit upto ₹ 15,00,00,000 as on March 31, 2022 (₹ 15,00,00,000 as on March 31, 2021). The key terms are as mentioned below:			
- Nature : Overdraft limit			
- Rate : Highest fixed deposit rate plus 1% (as on March 31, 2021 - Highest fixed deposit rate plus 1%)			
- Tenor : Repayable on demand			
- Secured : Against fixed deposits with banks held as margin money			
<b>(ii) Trade payables</b>			
- Due to micro and small enterprises	-	-	
- Due to others	42,91,020.38	16,96,754.47	
<b>Total trade payables</b>	<b>42,91,020.38</b>	<b>16,96,754.47</b>	
* There are no unbilled* and "Not due" trade payables, hence the same are not disclosed in the ageing schedule.			
<b>Ageing of Trade Payable</b>			
<b>As on March 31 2022</b>			
	Unbilled Dues	Outstanding for following periods from due date of payment	Total
		Less than 1 Year	
i.Others	-	42,91,020.38	-
			42,91,020.38
<b>Ageing of Trade Payable</b>			
<b>As on March 31 2021</b>			
	Unbilled Dues	Outstanding for following periods from due date of payment	Total
		Less than 1 Year	
i.Others	-	16,96,754.47	-
			16,96,754.47
<b>(iii) Other financial liabilities</b>			
Reimbursement of expenses payable to holding Company	40,192.90	-	
Derivative liability payable	-	-	
Interest accrued but not due on borrowings	16,056.22	11,158.28	
Other payables	60,307.53	79,966.44	
Operating lease liabilities	52,609.12	1,607.38	
<b>Total other financial liabilities</b>	<b>1,69,165.77</b>	<b>92,732.10</b>	
Terms and conditions of the above financial liabilities:			
▶ Trade payables are non-interest bearing and are normally settled on 60-day terms			
▶ Other payables are non-interest bearing and have an average term of six months			
▶ For terms and conditions with related parties, refer to Note 28			
▶ For explanations on the company's credit risk management processes, refer to Note 29.			
<b>16 Other current liabilities</b>			
Statutory dues payable	7,407.56	57,457.49	
<b>Total other current liabilities</b>	<b>7,407.56</b>	<b>57,457.49</b>	
<b>17 Short-term provisions</b>			
Provision for defined benefit obligations:			
Provision for gratuity (refer to note 29)	-	3,382.50	
<b>Total short-term provisions</b>	<b>-</b>	<b>3,382.50</b>	

	₹ in Hundred	
	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
	₹	₹
<b>18 Revenue from operations</b>		
At the time of delivery of services		
Brokerage and related income	670,427.80	429,422.29
Incentive income from exchange	322,168.98	194,394.89
Income from trading in securities and derivatives, net	1,631,536.26	914,346.84
Over the period of time		
Interest income on financial assets (fixed deposits)	303,976.85	268,852.35
<b>Total revenue</b>	<b>2,928,109.89</b>	<b>1,807,016.37</b>
<b>19 Other income</b>		
Other income	14,480.82	796.23
<b>Total other income</b>	<b>14,480.82</b>	<b>796.23</b>
<b>20 Employee benefits expense</b>		
Salaries and other allowances	362,907.91	249,486.14
Contribution to provident and other funds (refer note 29)	5,861.01	3,944.71
Post employment benefit obligation (gratuity)	7,273.54	6,629.61
Staff welfare expenses	1,816.65	781.55
<b>Total employee benefit expense</b>	<b>377,859.11</b>	<b>260,842.01</b>
<b>21 Finance costs</b>		
Interest on borrowings	18,306.01	12,906.67
Bank guarantee commission	44,382.50	23,403.75
Interest on lease liabilities	1,854.84	-
<b>Total finance costs</b>	<b>64,543.35</b>	<b>36,310.42</b>
<b>22 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment (refer note 3(a))	28,343.74	19,646.93
Amortisation of intangible assets (refer note 3(b))	2,159.19	2,159.19
Depreciation on right to use (refer note 3(b))	44,974.57	2,213.28
<b>Total depreciation and amortisation expense</b>	<b>75,477.50</b>	<b>24,019.40</b>
<b>23 Other expenses</b>		
Stock exchange expenses	301,238.52	205,013.95
Clearing charges	60,358.69	17,771.48
Rates and taxes	390,319.69	328,264.49
SEBI fee	7,419.55	6,498.15
SEBI Settlement Scheme	-	44,175.06
Donation Exp	-	2,510.00
Depository charges	6,991.21	6,528.67
Client introduction charges	64,969.08	39,664.72
Power and water charges	15,747.81	12,663.76
Rent	5,621.84	45,300.18
Repairs and maintenance:		
- Computer	20,861.38	35,245.56
- Vehicle	1,090.01	103.00
- Office	6,013.71	4,445.93
- Others	1,363.51	4,965.29
Input credit written off	43,898.88	36,538.20
Travelling and conveyance	1,177.16	651.02
Legal and professional	18,803.34	16,241.51
Fees and subscription	8,733.31	10,286.42
Trading Software Running & Maintenance	143,336.36	37,600.00
Insurance	836.35	600.26
Annual maintenance charges	11,017.83	33,256.22
Communication expenses	192,500.78	107,124.16
Printing and stationery	1,422.63	1,230.67
Exchange Fluctuation Expenses	-	473.40
Miscellaneous expenses	34,854.72	1,630.35
<b>Total other expenses</b>	<b>1,338,576.36</b>	<b>998,782.45</b>

₹ in Hundred

	For the year ended March 31, 2022	For the year ended March 31, 2021
	₹	₹
<b>23(i) Legal and professional expenses include payment to auditor</b>		
<b>As auditor*:</b>		
Audit fee	276.50	176.50
Limited review	150.00	50.00
Tax audit	100.00	100.00
<b>Total</b>	<b>526.50</b>	<b>326.50</b>
<b>* exclusive of Goods and Services Tax (GST)</b>		
<b>24A Exceptional items</b>		
Income Tax Expense under Vivad Se Vishwas	-	318,539.22
<b>Total exceptional items</b>	<b>-</b>	<b>318,539.22</b>
<b>24 Income tax expense</b>		
<b>Current tax</b>		
- Current tax (including earlier years)	209,006.09	197,091.50
<b>Total current tax expense</b>	<b>209,006.09</b>	<b>197,091.50</b>
<b>Deferred tax</b>		
- Minimum alternate tax credit entitlement	-	(59,387.88)
- Deferred tax expense/(credit)	13,380.34	148.84
<b>Total deferred tax (credit)/ expense</b>	<b>13,380.34</b>	<b>(59,239.04)</b>
<b>Total income tax expense</b>	<b>222,386.43</b>	<b>137,852.46</b>
<b>24(a) Effective tax reconciliation</b>		
<b>Profit/(loss) before tax</b>	<b>1,086,134.39</b>	<b>487,858.32</b>
Income tax expense/(Deferred tax credit) in profit and loss as per effective tax rate#	279,809.81	122,784.18
(i) Impact of other comprehensive income	3,260.18	1,049.49
(ii) Impact of change in tax rate for earlier year for deferred tax	16,640.51	-
(iv) Impact of MAT credit written off	-	(59,387.88)
(v) Impact of other miscellaneous items	(77,324.08)	73,406.67
<b>Expected tax after adjustments</b>	<b>222,386.42</b>	<b>137,852.46</b>
<b>As per statement of profit and loss</b>		
Tax charged to statement of profit and loss:		
Current tax (including earlier years)	196,936.41	191,838.72
Minimum alternate tax credit expense/(entitlement)	-	(59,387.88)
Deferred tax charge/(credit)	13,380.34	148.84
Adjustment for current tax of prior periods	12,069.68	5,252.78
	<b>222,386.43</b>	<b>137,852.46</b>
<b>#The tax rates used for the financial year 2021-22 and 2020-21 reconciliations above are the corporate tax rate of 25.168% and 27.820% respectively, payable on taxable profits under the Income Tax Act, 1961. The company has opted for new tax regime.</b>		
<b>25 Other comprehensive income</b>		
<i>Items that will not be reclassified to profit or loss:</i>		
Remeasurement of post employment benefit obligations	12,953.66	3,772.42
Exchange rate difference gain/(loss)	2,143.59	
Income tax relating to these items	(3,260.18)	(1,049.49)
<b>Total other comprehensive income</b>	<b>11,837.07</b>	<b>2,722.93</b>
	₹	₹
<b>26 Earnings per equity share (basic and diluted)</b>		
Total number of equity shares outstanding during the year	35,000,000	35,000,000
Weighted average number of equity shares for basic and diluted earnings per share (face value of ₹ 2 per share)	35,000,000	35,000,000
Profit before OCI attributable to equity shareholder's before exceptional items (for basic and diluted earning)	863,747.96	3,146,664.00
<b>Earnings per equity share before exceptional items (basic and diluted)</b>	<b>2.47</b>	<b>0.09</b>
Profit before OCI attributable to equity shareholder's after exceptional items (for basic and diluted earning)	863,747.96	31,466.64
<b>Earnings per equity share after exceptional items (basic and diluted)</b>	<b>2.47</b>	<b>0.00</b>

**27 Detail of dues to micro and small enterprises defined under the MSMED Act, 2006**

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue Principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly, there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

	₹ in Hundred	
	₹	₹
<b>28 Contingent liabilities</b>		
<b>Claims against the company not acknowledged as debts</b>		
Guarantee Issued by Bank	4,592,000.00	2,527,000.00
Income tax matters, disputed and under appeal*	37,510.42	-
	<b>4,629,510.42</b>	<b>2,527,000.00</b>

\* The above amount includes demand from tax authorities for Assessment Year 2015-16 & 2016-17. The company has filed appeals and the appeals are pending before the appellate authorities. The company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required. Considering the facts of the matter, no further provision is considered necessary by management.

	As at	As at
	March 31, 2022	March 31, 2021
<b>29 Post-employment benefit plans</b>		
i) The Company has a defined benefit gratuity plan. Gratuity is payable to all eligible employees of the Company on retirement or separation from the Company after completion of five years of service with the Company and the maximum limit is ₹ 20 Lacs.		
	<b>For the year ended</b>	<b>For the year ended</b>
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
	₹	₹
a. <b>Changes in defined benefit obligation</b>	<b>[Funded]</b>	<b>[Unfunded]</b>
Liability at the beginning of the year	34,297.40	32,882.51
Interest cost	2,486.56	2,301.78
Current service cost	4,779.71	4,327.83
Benefits paid (if any)	-	(1,442.30)
Actuarial (gain)/loss	(12,953.66)	(3,772.42)
<b>Liability at the end of the year</b>	<b>28,610.01</b>	<b>34,297.40</b>
b. <b>Bifurcation of total actuarial (gain) / loss on liabilities</b>		
Actuarial gain / losses from changes in demographics assumptions (mortality)	Not Applicable	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	(569.36)	-
Experience adjustment (gain)/ loss for plan liabilities	(12,384.30)	(3,772.42)
<b>Total amount recognized in other comprehensive Income</b>	<b>(12,953.66)</b>	<b>(3,772.42)</b>
c. <b>Key results (the amount to be recognized in the balance sheet):</b>		
Present value of the obligation at the end of the year	28,610.01	34,297.40
Fair value of plan assets at end of year	-	-
Net liability/(asset) recognized in balance sheet and related analysis	28,610.01	34,297.40
Funded status - surplus/ (deficit)	(28,610.01)	(34,297.40)
d. <b>Expense recognized in the statement of profit and loss:</b>		
Interest cost	2,486.56	2,301.78
Current service cost	4,779.71	4,327.83
Past service cost	-	-
Expected return on plan asset	-	-
<b>Expenses to be recognized in statement of profit and loss</b>	<b>7,266.27</b>	<b>6,629.61</b>
e. <b>Other comprehensive (income) / expenses (remeasurement)</b>		
Cumulative unrecognized actuarial (gain)/loss opening. B/F	(5,645.49)	(1,873.07)
Actuarial (gain)/loss - obligation	(12,999.07)	(3,772.42)
Actuarial (gain)/loss - plan assets	-	-
<b>Total actuarial (gain)/loss</b>	<b>(12,999.07)</b>	<b>(3,772.42)</b>
<b>Cumulative total actuarial (gain)/loss</b>	<b>(18,644.56)</b>	<b>(5,645.49)</b>

₹ in Hundred

	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
	₹	₹
<b>f. Net interest cost</b>		
Interest cost on defined benefit obligation	2,486.56	2,301.78
Interest income on plan assets	(45.41)	-
<b>Net interest cost (income)</b>	<b>2,441.15</b>	<b>2,301.78</b>
<b>g. Experience adjustment:</b>		
Experience adjustment (gain)/ loss for plan liabilities	(12,384.30)	(3,772.42)
Experience adjustment Gain/ (loss) for Plan assets	45.41	-
	<b>As at</b>	<b>As at</b>
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
	₹	₹
<b>h. Summary of membership data at the date of valuation and statistics based thereon:</b>		
Number of employees	31	27
Total monthly salary	1,176,540	1,167,040
Average past service (years)	5.9	7.4
Average future service (years)	16.9	15.7
Average age (years)	43.1	44.3
Weighted average duration (based on discounted cash flows) in years	13	13
Average monthly salary	37,953	43,224
<b>i. The assumptions employed for the calculations are tabulated:</b>		
Discount rate	7.00 % per annum	7.00 % per annum
Salary growth rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Expected rate of return	-	-
Withdrawal rate (per annum)	5.00% p.a.	5.00% p.a.
The discount rate is based on the market yields of Government bonds as at the balance sheet date for the estimated term of the obligation. The salary escalation rate takes into account inflation, seniority, promotion and other relevant factors.		
<b>j. Benefits valued:</b>		
Normal retirement age	60 years	60 years
Salary	Last drawn qualifying salary	Last drawn qualifying salary
Vesting period	5 Years of service	5 Years of service
Benefits on normal retirement	15/26 * Salary * Past Service (year)	15/26 * Salary * Past Service (year)
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Maximum limit	2,000,000	2,000,000
<b>k. Current liability (*expected payout in next year as per schedule III to the Companies act, 2013) :</b>		
Current liability (short term)*	-	3,382.50
Non current liability (long term)	-	30,914.90
<b>Total Liability</b>	<b>-</b>	<b>34,297.40</b>

As at  
March 31, 2022

₹

**ii) Estimate of expected benefit payments (In absolute terms i.e. undiscounted)**

Year	
April 01, 2020 to March 31, 2021	256,555
April 01, 2021 to March 31, 2022	72,040
April 01, 2022 to March 31, 2023	72,481
April 01, 2023 to March 31, 2024	75,967
April 01, 2024 to March 31, 2025	78,492
April 01, 2025 onwards	2,305,466



- iii) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Period	As on March 31, 2022
Defined benefit obligations (base)	28,61,001 @ Salary Increase Rate : 5%, and discount rate :7%
Liability with x% increase in discount rate	26,42,831; x=1.00% [Change (8)% ]
Liability with x% decrease in discount rate	31,09,265; x=1.00% [Change 9% ]
Liability with x% increase in salary growth rate	31,12,424; x=1.00% [Change 9% ]
Liability with x% decrease in salary growth rate	26,36,498; x=1.00% [Change (8)% ]
Liability with x% increase in withdrawal rate	28,81,089; x=1.00% [Change 1% ]
Liability with x% decrease in withdrawal rate	28,37,108; x=1.00% [Change (1)% ]

	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
	₹	₹
<b>m. Reconciliation of liability in balance sheet:</b>		
Opening gross defined benefit liability/ (asset)	34,297.40	32,882.51
Expenses to be recognized in P&L	7,266.27	6,629.61
OCI- actuarial (gain)/ loss-total current year	(12,999.07)	(3,772.42)
Benefits paid (if any)	(36,833.15)	(1,442.30)
<b>Closing gross defined benefit liability/ (asset)</b>	<b>(8,268.55)</b>	<b>34,297.40</b>

**n. Description of risk exposures:**

- i) Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow:
- Salary increases- actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
  - Investment risk - as the plan is not funded, there is no investment risk
  - Discount rate : reduction in discount rate in subsequent valuations can increase the plan's liability.
  - Mortality & disability - actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
  - Withdrawals - actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.
- ii) During the year the Company has recorded an expense of ₹ 5,86,101 (previous year ₹ 3,94,471) towards provident fund, a defined contribution plan.
- iii) Leaves are encashed at the end of the year and not carried forwarded.
- iv) Post employment benefits are determined by an Independent Actuary on overall basis and hence have not been separately provided for Key Management Personnel.

**29 Related party disclosure**

Name of related parties and description of relationship with whom transactions have taken place during the year:-

## (a) Subsidiary:

Daga Business (International) Stock Brokers (IFSC) Private Limited (wholly owned subsidiary company)

## (b) Name of key management personnel and their relatives (KMP) (where transactions have taken place during the year):

Mr. Shiv Narayan Daga (Managing Director)

Ms. Sharda Daga (wife of Mr. Shiv Narayan Daga)

Ms. Shikha Mundra (Director) (Daughter of Mr. Shiv Narayan Daga)

Ms. Sheetal Periwal (Executive Vice President) (Daughter of Mr. Shiv Narayan Daga)

Mr. Sanjeev Kumar Rawal (appointed on February 12, 2021)

Ms. Pragya Singh (Company Secretary &amp; Compliance Officer) (appointed on June 25, 2021)

## (i) Transactions with related parties:

## (a) Salary and allowances:

Ms. Sheetal Periwal (Executive Vice President) (Daughter of Mr. Shiv Narayan Daga) 21,000.00 21,000.00  
 Mr. Vishnu Kumar Sharma (CFO) - 7,875.00  
 Ms. Divya Saluja (Company Secretary & Compliance Officer) (resigned on June 25, 2021) 750.00 2,308.33  
 Mr. Sanjeev Kumar Rawal (appointed on February 12, 2021) 18,600.00 2,761.64  
 Ms. Pragya Singh (Company Secretary & Compliance Officer) (appointed on June 25, 2021) 4,320.00 2,720.00  
**44,670.00 36,664.97**

## (b) Defined contribution plan (employer's contribution)\*:

Ms. Sheetal Periwal (Executive Vice President) (Daughter of Mr. Shiv Narayan Daga) 2,520.00 5,040.00  
 Mr. Sanjeev Kumar Rawal (appointed on February 12, 2021) 2,400.00 -  
**4,920.00 5,040.00**

\*Does not include post-employment benefit based on actuarial valuations as this is done for the Company as a whole.

## (c) Rent:

Ms. Sharda Daga (wife of Mr. Shiv Narayan Daga)

2,280.00 1,320.00

**2,280.00 1,320.00****30 Financial instruments by category:**

Particulars	Fair value hierarchy (levels)	₹ in Hundred		₹ in Hundred	
		FVTPL	Amortised cost*	FVTPL	Amortised cost*
<b>Financial assets</b>					
Investments (current)	3	-	1,06,913.91	-	23,239.32
Investments (non current)	3	-	9,01,735.53	-	59,274.00
Other financial assets (non current)	3	-	14,13,892.00	-	3,01,427.80
Trade receivables	3	-	1,64,135.51	-	1,42,544.52
Cash and cash equivalents	3	-	14,54,271.30	-	6,41,513.56
Bank balance other than above	3	-	47,35,985.64	-	44,82,869.35
Derivative instruments not designated as hedging instruments	2	1,29,991.07	-	-	-
Other financial assets (current)	3	-	86,165.02	-	71,374.81
<b>Total financial assets</b>		<b>1,29,991.07</b>	<b>88,63,098.91</b>	<b>-</b>	<b>57,22,243.36</b>
<b>Financial liabilities</b>					
Short-term borrowings	3	-	-	-	-
Trade payables	3	-	42,91,020.38	-	16,96,754.47
Derivative instruments not designated as hedging instruments	2	1,29,991.07	-	-	-
Other financial liabilities	3	-	39,174.70	-	76,266.97
<b>Total financial liabilities</b>		<b>1,29,991.07</b>	<b>43,30,195.08</b>	<b>-</b>	<b>17,73,021.44</b>

For instruments measured at amortised costs, carrying value represents best estimate of the fair value. These instruments are level 3 instruments.

## Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

**Level 1:** Quoted prices (unadjusted) in active market for identical assets or liabilities. [Though, presently the Company does not have any Level 1 financial instruments.]**Level 2:** Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Derivatives [call &amp; put options, un-hedged] are valued using valuation techniques with market observable inputs and these are marked to market based on prevailing quoted rates, as applicable.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year. [Though, presently the Company does not have any Level 1 financial instruments.]

#### Financial risk management objectives and policies

The Company's principal financial liabilities comprises trade and other payables, security deposits, employee liabilities. The Company's principal financial assets include trade and other receivables, cash and short-term deposits/ loan that derive directly from its operations.

- 30(a) Credit risk:** Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Company's trade receivables does not have any expected credit loss as these are secured by a collateral.
- 30(b) Fair value:** The Company has made investment in quoted security (level I investment) for which discrete financial information is not available with the Company and hence, the Company has used adjusted net assets value method to arrive at fair value.
- 30(c) Price risk:** The Company has open positions in derivatives [call & put options, un-hedged] and these are open to volatility in market.
- 30(d) Liquidity risk:** Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. All current the financial liabilities of the Company are current in nature as disclosed in the financial statements.

#### 31 Financial instruments and cash deposits

₹	₹ in Hundred		
Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount
Investments (non current)	9,01,735.53	-	9,01,735.53
Other financial assets (non current)	14,13,892.00	-	14,13,892.00
Trade receivables	1,64,135.51	-	1,64,135.51
Cash and cash equivalents	14,54,271.30	-	14,54,271.30
Bank balance other than above	47,35,985.64	-	47,35,985.64
Derivative instruments not designated as hedging instruments	1,29,991.07	-	1,29,991.07
Other financial assets (current)	86,165.02	-	86,165.02

₹	₹ in Hundred		
Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount
Investments (non current)	59,274.00	-	59,274.00
Other financial assets (non current)	3,01,427.80	-	3,01,427.80
Trade receivables	1,42,544.52	-	1,42,544.52
Cash and cash equivalents	6,41,513.56	-	6,41,513.56
Bank balance other than above	44,82,869.35	-	44,82,869.35
Derivative instruments not designated as hedging instruments	-	-	-
Other financial assets (current)	71,374.81	-	71,374.81

32 Schedule III ( Additional Disclosures)  
Financial Ratios

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reason for variance
<b>Current ratio</b>	Current Assets	Current Liabilities	1.48	2.78	-46.91%	-
<b>Debt- Equity Ratio</b>	Total Debt	Shareholder's Equity	-	-	-	-
<b>Debt Service Coverage ratio</b>	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	19.52	2.09	833.23%	-
<b>Return on Equity ratio</b>	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	2.27	0.08	2673.38%	-
<b>Inventory Turnover ratio</b>	Cost of goods sold	Average Inventory	NA	NA	NA	-
<b>Trade Receivable Turnover Ratio</b>	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	NA	NA	NA	-
<b>Trade Payable Turnover Ratio</b>	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	NA	NA	NA	-
<b>Net Capital Turnover Ratio</b>	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	1.30	0.53	143.13%	-
<b>Net Profit ratio</b>	Net Profit	Net sales = Total sales - sales return	0.29	0.02	1673.30%	-
<b>Return on Capital Employed</b>	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.22	0.12	75.21%	-
<b>Return on Investment (Refer Guidance Note)</b>	{MV(T1) - MV(T0) - Sum [C(t)]}	{MV(T0) + Sum [W(t) * C(t)]}	xx	xx	xx	-

\* Average= (Opening+Closing)/2

As per our report of even date.

**For Gupta Verma & Sethi**  
Chartered Accountants  
Firm Registration No.02605M

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

Sd/-  
**Parmod Kumar**  
Partner  
M.No. : 081138  
UDIN:22081138AJPGYU8048

Sd/-  
**Shiv Narayan Daga**  
Managing Director  
DIN - 00072264

Sd/-  
**Sachin Kumar Rathi**  
Director  
DIN - 01013130

Sd/-  
**S K Rawal**  
Chief Financial Officer

Sd/-  
**Pragya Singh**  
Company Secretary

Place: New Delhi  
Date: May 25,2022

## **DB (International) Stock Brokers Limited**

### **Summary of Significant Accounting Policies and other explanatory information to the Consolidated Financial Statements for the year ended March 31, 2022**

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#### **1. Background of the Reporting entity**

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DB (International) Stock Brokers Limited (the 'Holding Company'), a public limited listed Company, together with its subsidiary and associate (collectively referred to as the 'Group'), is engaged in Stock Broking and Depository Participant services of CDSL. The Group is also engaged as an intermediary as per the Securities and Exchange Board of India Guidelines, 2015 in an IFSC (International Financial Service Centre). The Holding Company is domiciled in India and its registered office is situated at Unit No.P05-02A & P05-02B, 5 Th Floor Tower-A, World Trade center, Block-51, Road 5E, Zone-5, GIFT City Gandhinagar, Gujarat - 382355. The Holding Company was incorporated in India on February 28, 1992.

#### **2. Significant Accounting Policies**

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##### **A) Overall consideration**

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The Consolidated Financial Statements have been prepared using the Significant Accounting Policies and measurement bases summarised below. These were used throughout all periods presented in the Financial Statements, except where the Group has applied certain accounting policies and exemptions upon transition to IND-AS.

##### **B) Basis of consolidation**

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###### **i) Subsidiary**

Subsidiary is entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiary is fully consolidated from the date on which control is transferred to the Group. Statement of Profit and Loss (including other comprehensive income ('OCI')) of subsidiary acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the Financial Statements of the Holding Company and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group Companies are eliminated. Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's Statement of Profit and Loss and net assets that is not held by the Group. Statement of Profit and Loss balance (including other comprehensive income ('OCI')) is attributed to the equity holders of the Holding Company and to the non-controlling interests basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the

carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

## **ii) Associate**

Investment in entity in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition changes in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated Statement of Profit and Loss (including the other comprehensive income) includes the Group's share of the results of the operations of the investee. The Group discontinues the use of equity method from the date when investment ceases to be an associate.

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## **C) Basis of preparation**

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### **i) Statement of compliance**

These Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (IND - AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Financial statements for the year ended March 31, 2022 were authorized and approved for issue by the Board of Directors on May 25, 2022.

### **ii) Current versus non-current classification**

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

*An asset is treated as current when it is:*

- Expected to be realised or intended to be sold or consumed in normal operating cycle of the Group
- Held primarily for the purposes of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period all other assets are classified as non-current.

*A liability is treated as current when it is:*

- Expected to be settled in normal operating cycle of the Group
- Held primarily for the purposes of trading
- Due to be settled within twelve months from the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

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

### iii) Basis of measurement

These Consolidated Financial Statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of defined benefit obligations and plan assets

### iv) Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised prospectively.

#### *Judgments:*

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the Consolidated Financial Statements is included in the following notes:

#### *Assumptions and estimation uncertainties:*

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended March 31, 2022 is included in the following notes:

- Note 5 - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 30 - measurement of defined benefit obligations: key actuarial assumptions;

### D) Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. The notifications include Additional Disclosures in Financial Statements- Schedule III applicable from April 01, 2021 with the following details:

- Shareholding of promoters at the end of the year and changes during the year.
- Use of borrowings from Banks and FIs for other purpose.
- Ageing Schedule of Trade payables, Trade receivables, capital work in progress and Intangible asset under development.
- Tittle deeds of Immovable Property not held in name of the Company in prescribed format.
- Loans granted to promoters, directors, KMPs & their relatives in prescribed format.
- Details of Benami Property held.
- Disclosure with respect to wilful defaulter.
- Compliance with approved Scheme of Arrangement.
- Relationship with struck off companies if companies has any transaction with such companies.
- Details of pending Registration or satisfaction of charge.

- Compliance with number of layers of companies.
- Utilization of Borrowed funds and share premium for third party funding.
- Specified accounting ratios.
- Details of undisclosed income not recorded in the books of accounts.
- Details of CSR & Crypto Currency or virtual currency.

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## **E) Financial instruments**

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### *Initial recognition and measurement:*

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below:

### **Derivatives and hedge accounting**

Derivatives are initially recognised at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item.

The Group complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Group documents the relationship between the hedge instrument and the hedged item, along with the risk management objectives and its strategy for undertaking hedge transaction, which can be a fair value hedge or a cash flow hedge.

#### (i) Fair value hedges:

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in Statement of Profit and Loss in the line item relating to the hedged item. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

#### (ii) Cash flow hedges:

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion are recognised in the Statement of Profit and Loss. Amounts previously recognised and accumulated in other comprehensive income are reclassified to profit or loss when the hedged item affects the Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains/losses are transferred from equity (but not as reclassification adjustment) and



included in the initial measurement cost of the non-financial asset. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains/losses recognised in other comprehensive income and accumulated in equity at that time remains in equity and is reclassified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity is recognised immediately in the Statement of Profit and Loss.

### **Non-derivative financial assets**

*Subsequent measurement:*

**Financial assets carried at amortised cost** – a financial asset is measured at the amortised cost, if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

### **Investments in equity instruments of subsidiary**

Investment in equity instruments of subsidiary is measured at cost in accordance with IND-AS 27 Separate Financial Statements.

*De-recognition of financial assets:*

A financial asset is primarily de-recognized when the contractual rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

### **Non-derivative financial liabilities**

*Subsequent measurement:*

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

*De-recognition of financial liabilities:*

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

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**F) Foreign currency translation or transaction**

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*Functional and presentation currency:*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is entity's functional and presentation currency.

*Transactions and balances:*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in Statement of Profit and Loss.

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**G) Property, plant and equipment**

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*Recognition and measurement:*

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

*Subsequent expenditure:*

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

### *Depreciation:*

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method and is generally recognised in the Statement of Profit and Loss. Freehold land is not depreciated.

Depreciation on fixed assets is provided as per the guidance set out in the schedule II to the Companies Act, 2013. Depreciation is charged on written down value method based on estimated useful life of the asset after considering residual value as set out in schedule II to the Companies Act, 2013.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

Leasehold improvements are amortised over the lease period or the estimated useful life, whichever is shorter.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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## **H) Intangible assets**

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### *i) Initial recognition:*

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

### *ii. Subsequent expenditure:*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the Statement of Profit and Loss as incurred.

### *iii. Others:*

Intangible assets are amortised on a written down value basis over the estimated useful life not exceeding three years.

Gains or losses arising from de recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

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## **I) Employee benefits**

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### *Short-term employee benefits:*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g.,

under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

*Long-term employee benefits:*

*i. Defined contribution plans:*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes monthly contributions to statutory provident fund (Government administered provident fund scheme) in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the period(s) during which the related services are rendered by employees.

*ii. Defined benefit plans:*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a post-employment benefit and is in the nature of a defined benefit plan.

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income (OCI). The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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## **J) Exceptional items**

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Items of income or expense from ordinary activities which are of such size, nature or incidence that, their disclosure is relevant to explain the performance of the enterprise for the period, are disclosed separately in the Statement of Profit and Loss.

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## **K) Measurement of fair values**

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A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Derivatives [call & put options, un-hedged] are valued using valuation techniques with market observable inputs and these are marked to market based on prevailing quoted rates, as applicable.

Level 3:—Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Group has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

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## **L) Revenue**

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*i. Rendering of services:*

The Group recognizes income on accrual basis. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

*ii. Brokerage and related income:*

Brokerage Income, Income from Depository Participants is recognized as & when assured.

*iii. Recognition of dividend income, interest income or expense:*

Dividend income is recognised in Statement of Profit and Loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

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## **M) Leases**

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The Company's lease asset classes primarily consist of leases for Buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in

circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company has applied the exemption to not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

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## **N) Income tax**

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Income tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

### *i. Current tax:*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

### *ii. Deferred tax:*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences related to investments in subsidiary and associate to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be

available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity and in this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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## **O) Earnings per share**

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The basic earnings/(loss) per share is computed by dividing the net profit/(loss) before other comprehensive income attributable to owner's of the Group for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/(loss) per share comprises the weighted average shares considered for deriving basic earnings/(loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

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## **P) Provisions and contingent liabilities**

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Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.



Contingent assets are neither recognized nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

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## **Q) Impairment**

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### *Impairment of non-financial assets:*

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Statement of Profit and Loss.

### *Impairment of financial assets:*

In accordance with IND AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider:

All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets, Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

### *Trade receivables:*

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

### *Other financial assets:*

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-months expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a

default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

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**R) Cash and cash equivalents**

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Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

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**S) Cash flow statement**

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Cash flows are reported using the indirect method, whereby net profit/(loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated.

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**T) Trade and other payables**

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These amounts represent liabilities for services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per the credit terms.

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**U) Trade receivables**

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Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment/allowance for credit loss.

**DB (INTERNATIONAL) STOCK BROKERS LIMITED**

**Regd. Office: Unit- P05-02A & P05-02B, 5th Floor, Tower-A, World Trade Center, Block-51, Road 5E,  
Zone-5,GIFT City, Gandhinagar, Gujarat-382355**

**Corporate Office: 114, New Delhi House, 27 Barakhamba Road, New Delhi - 110001**

**CIN: L67120GJ1992PLC121278**

**Website: www.dbonline.in**

**Email Id: compliance@dbonline.in**

**Tel No: 011-43606162**

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**ATTENDANCE SLIP**

Please complete this Attendance Slip and hand it over at the entrance of the meeting hall. Joint shareholders may obtain Additional attendance slip on request.

<b>Ledger Folio No.: DP ID/CLIENT ID</b>	<b>No. of Shares held :</b>
<b>Name :</b>	
<b>Address :</b>	

I hereby record my presence at the 30<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, September 29, 2021 at 09:30 A.M IST at Unit No. 210/211/211A at 2nd floor Dalal Street Commercial Co-operative Society Ltd, Block No.53, Zone 5, Gift City, Gandhinagar, Gujarat-382355.

Signature of Shareholder / Proxy:
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<b>Electronic Voting Particulars</b>		
<b>EVSN (E Voting Sequence Number)</b>	<b>User ID</b>	<b>Password</b>
220804002	As per the Notes in the Notice	As per the Notes in the Notice

**Note:** Please refer to the Instructions printed under the Notes to the Notice of the 30<sup>th</sup> Annual General Meeting. The E-voting period starts from September 26, 2022 (9:00 A.M.) and ends on September 28, 2022 (5:00 P.M.)

.....

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**PROXY FORM**

{Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(1) of the Companies (Management and Administration) Rules, 2014}

I/We.....holding.....no of shares being a member of DB (International) Stock Brokers Limited hereby appoint ..... of ..... or failing him.....of.....as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf on Thursday, September 29, 2022 at 09:30 A.M IST at Unit No. 210/211/211A at 2nd floor Dalal Street Commercial Co-operative Society Ltd, Block No.53, Zone 5, Gift City, Gandhinagar, Gujarat-382355, or at any adjournment thereof.

Signed this .....day of\_\_\_\_\_2022

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy holder(s):\_\_\_\_\_

<b>Ledger Folio No.:</b>	<b>No. of Shares held :</b>
<b>Name :</b>	
<b>Address :</b>	

**NOTE:**

- a) The Proxy in order to be effective must be deposited at the registered office of the Company duly stamped, completed and signed, at least 48 hours before the time for holding of the meeting.
- b) The Proxy form should be signed across the stamp as per specimen signature registered with the Company.

**DB (INTERNATIONAL) STOCK BROKERS LIMITED**

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Tel No: 011-43606162

**FORM NO. MGT-12**

**BALLOT PAPER**

[Pursuant to Section 109(5) of the Companies Act, 2013 and Rule21 (1)(c) of the Companies  
(Management and Administration) Rules,2014]

**30<sup>th</sup> ANNUAL GENERAL MEETING - To be Held on Thursday, September 29, 2022 at  
09:30 A.M. IST**

S.N O.	Particulars	Details
1.	Name of the first named Shareholder/Proxy Holder (IN BLOCK LETTERS)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of share	

I hereby exercise my vote in respect of resolutions enumerated below, by recording my assent or dissent to the said resolution in the following manner:

S. No.	Item No.	No. of shares held by me	I assent to the resolution (‘For’) (No of Shares)	I dissent from the resolution (‘Against’) (No of Shares)
<b>Ordinary Business</b>				
1.	Adoption of Audited Financial Statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon.			

2.	To appoint a Director in place of Mr. Sachin Kumar Rathi (DIN: 01013130) who retires by rotation and being eligible offers himself for re-appointment			
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**Place: New Delhi**

**Date:**

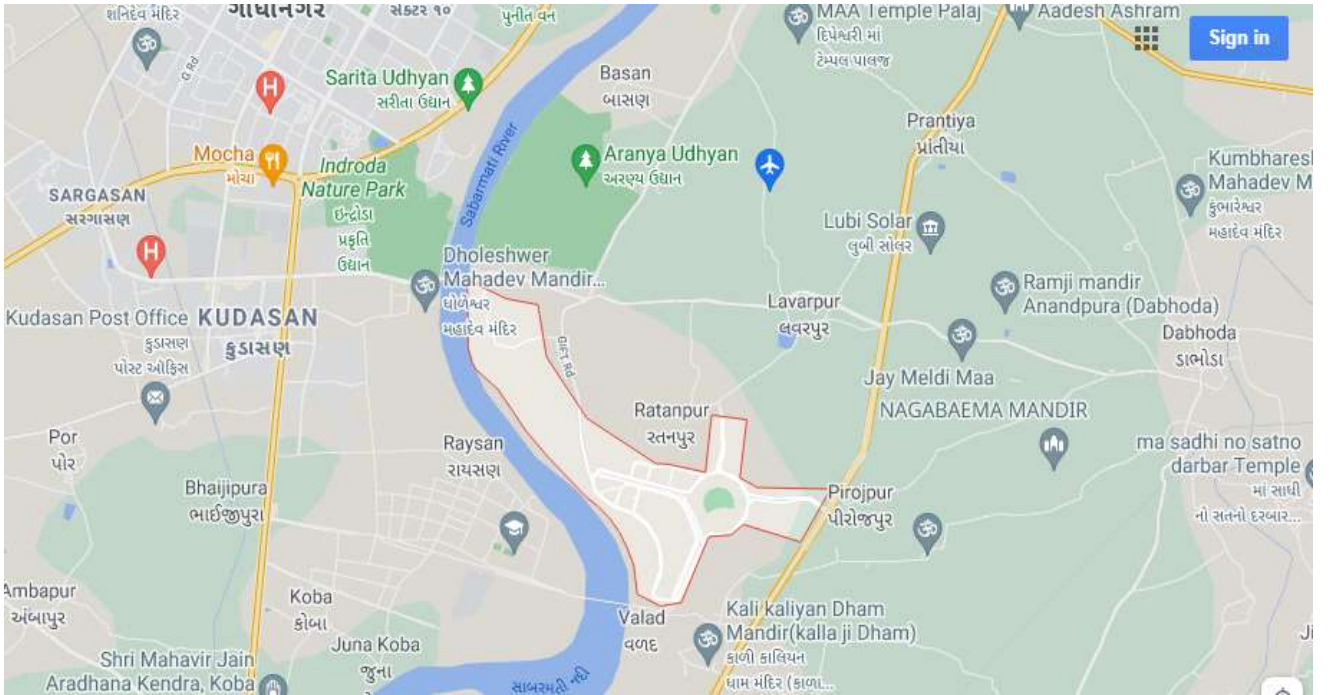
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**Signature of Shareholder/Proxy/Authorised Representative**



## ROUTE MAP TO THE AGM VENUE

**Unit No. 210/211/211A at 2nd floor Dalal Street Commercial Co-operative Society Ltd,  
Block No.53, Zone 5, Gift City, Gandhinagar, Gujarat-382355**



**Link:**

<https://www.google.com/maps/search/google+map+address++Dalal+Street+Commercial+Cooperative+Society+Ltd,+Block+No.53,+Zone+5,+Gift+City,+Gandhinagar,+Gujarat-382355/@23.1698948,72.6313695,13z>



**IF UNDELIVERED PLEASE RETURN TO:**

**DB (INTERNATIONAL) STOCK BROKERS LIMITED**

**114, NEW DELHI HOUSE, 27, BARAKHAMBA ROAD,  
NEW DELHI-110001**