

dhani

Dhani Loans and Services Limited
(CIN: U74899DL1994PLC062407)

Annual Report FY 2024-25

CORPORATE INFORMATION

Board of Directors

Mr. Sanjeev Kashyap
Mr. Amit Ajit Gandhi
Mr. Akshay Kumar Tiwary
Ms. Sargam Kataria
Brig. Labh Singh Sitara (Retd.)
Mr. Prem Prakash Mirdha

- IDFC First Bank Limited
- Kotak Mahindra Bank Limited
- RBL Bank Limited
- State Bank of India

Chief Financial Officer

Mr. Rajeev Lochan Agrawal

Company Secretary & Compliance Officer

Mr. Manish Rustagi

Investor Relations

Mr. Manish Rustagi
Tel: 91 11 41052775
Email: mrustagi@dhani.com

Statutory Auditors (FY 2024-25)

M/s KAPG & Associates
Chartered Accountants
D-7/315 Sector-6 Rohini Delhi-110085

Internal Auditors

M/s SGSJ And Associates
Chartered Accountants
(FRN: 023294N)
QU-35B, Pitampura,
New Delhi – 110034

Secretarial Auditors

Sukesh & Co.,
Company Secretaries
1st Floor, Deswal Farm, 37 KM,
Delhi Jaipur Road Near Hero Honda Chowk
and Ayushman Hospital, Gurgaon-122001

Registered Office

A-2, First Floor, Kirti Nagar, New Delhi-110015
Email: ghanisecretarial@dhani.com
Tel: 011- 41052775, Fax: 011-42137986
Website: www.dhaniloansandservices.com

Corporate Offices

One International Centre (Formerly IFC),
Senapati Bapat Marg, Elphinstone Road,
Mumbai – 400 013

Registrars & Transfer Agents:

M/s. KFin Technologies Limited
(Unit: Dhani Loans and Services Limited)
Selenium, Tower B,
Plot 31 & 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Telangana - 500 032

Bankers

- Axis Bank Limited
- Bank of Baroda
- Canara Bank
- HDFC Bank Limited
- ICICI Bank Limited

DHANI LOANS AND SERVICES LIMITED

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Registered Office: A-2, First Floor, Kirti Nagar, New Delhi-110015
Email: support@dhani.com, **Tel:** 011- 41052775, **Fax:** 011- 42137986

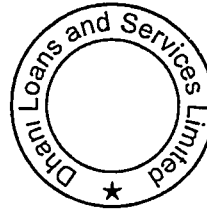
NOTICE

NOTICE is hereby given that 31st Annual General Meeting of the members of **Dhani Loans and Services Limited** will be held on Tuesday, the September 23, 2025 at 10:00 A.M. (IST) at the Registered Office of the Company at A-2, First Floor, Kirti Nagar, New Delhi-110015, to transact the following businesses:

ORDINARY BUSINESSSES:

1. To receive, consider and adopt the Audited Financial Statements of the Company as at March 31, 2025 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Amit Ajit Gandhi, (DIN: 07606699), Non-Executive Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.

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



A handwritten signature in black ink, appearing to read "Manish Rustagi".

Manish Rustagi
Company Secretary
Membership No. ACS 18479

Place: Gurugram
Date: July 23, 2025

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and on a poll to vote instead of himself and that a proxy need not be a member. The proxy form to be valid and effective should be lodged with the company at its Registered Office, duly completed and signed, not less than 48 hours before the commencement of the AGM.
2. A Proxy shall not have a right to speak at the AGM and shall not be entitled to vote except on a poll.
3. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send to the Company, a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the AGM.
4. All documents referred to in this Notice and other statutory registers are open for inspection by the Members on the date of the AGM at the venue of the meeting and also at the Registered Office of the Company between 10:00 a.m. to 4:00 p.m on all working days except Saturdays, Sundays and national holidays, from the date hereof up to the date of the AGM.
5. Members desiring any information relating to the financial statement of the Company are requested to write to the Company at the earliest, so as to enable the Board of Directors to keep the information ready at the AGM.

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U74899DL1994PLC062407

Name of the Company: **Dhani Loans and Services Limited**

Registered Office: A-2, First Floor, Kirti Nagar, New Delhi-110015

Name of the Member (s): _____

Registered address: _____

E-mail Id: _____

Folio No. / DP ID No. _____

Client ID No. _____

I / We, being the member(s) of _____ Equity Shares of the above named Company, hereby appoint:

1. Name: _____ E-mail ID: _____

Address: _____

Signature: or failing him / her

2. Name: _____ E-mail ID: _____

Address: _____

Signature: or failing him / her

3. Name: _____ E-mail ID: _____

Address: _____

Signature:

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 31st Annual General Meeting of the Company, to be held on Tuesday, the September 23, 2025 at 10:00 A.M. (IST) at the registered office of the Company at A-2, First Floor, Kirti Nagar, New Delhi-110015, and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

RESOLUTION NO.	RESOLUTIONS
ORDINARY BUSINESSES	
1	To receive, consider and adopt the Audited Financial Statements of the Company as at March 31, 2025 and the Reports of the Board of Directors and Auditors thereon.
2	To appoint a Director in place of Mr. Amit Ajit Gandhi, (DIN: 07606699), Non-Executive Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.

Signed this, 2025

Signature of Shareholder: _____

Signature of Proxy Holder(s): _____

Affix Revenue Stamp of Re. 1/-

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not later than 48 hours before the commencement of the Meeting.

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Registered Office: A-2, First Floor, Kirti Nagar, New Delhi-110015
Email: support@dhani.com, Tel: 011- 41052775, Fax: 011- 42137986

ATTENDANCE SLIP

Folio No.*: _____

No. of Shares: _____

DP ID: _____

Client ID: _____

Members or their Proxies are requested to present this Slip in accordance with the Specimen Signatures registered with the Company, at the entrance of the Meeting Hall, for admission.

Name of the attending Member / Proxy _____
(in BLOCK LETTERS)

I hereby record my presence at the 31st Annual General Meeting of the Company held on Tuesday, the September 23, 2025 at 10:00 A.M. (IST) at the registered office of the Company at A-2, First Floor, Kirti Nagar, New Delhi-110015.

Member's Signatures

Proxy's Signatures

*Applicable for Members holding shares in Physical form.



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DIRECTOR'S REPORT

Dear Shareholders,

Your Directors are pleased to present the 31st Annual Report of the Company together with the audited statements of accounts for the financial year ended March 31, 2025.

FINANCIAL RESULTS

The financial highlights of the Company, for the financial year ended March 31, 2025, are as under:

Particulars	(Amount in Rs. Lakhs)	
	For the Year ended March 31, 2025 Ind AS	For the Year ended March 31, 2024 Ind AS
Profit/(Loss) before Tax and Depreciation	17,557.85	13,591.02
<i>Less:</i> Depreciation and amortization expense	1,870.72	3,667.03
Profit/(Loss) before Tax	15,687.13	9,923.99
<i>Less:</i> Provision for Tax	4,591.20	2,550.07
Profit/(Loss) after Tax	11,095.93	7,373.92
Profit/ (Loss) brought forward	(6,611.95)	(12,707.25)
Add/(Less): Other comprehensive income	(18,285.56)	143.17
Add: Transfer from share options outstanding account	13.98	52.99
Add: Transfer from change in value of Loan Assets	0	0
Amount available for appropriation	(13,787.60)	(5,137.17)
Appropriation		
Transfer to Reserve Fund (u/s 45 IC of the RBI Act 1934)	2,219.19	1,474.78
Transfer to Capital redemption reserve	0	0
Transfer to change in value of Loan Assets	0	0
Balance carried forward to Balance Sheet	(16,006.79)	(6,611.95)

BUSINESS REVIEW

During the FY ended March 31, 2025, the Company has earned profit after Tax of Rs. 11,095.93 lakhs.

STATE OF COMPANY'S AFFAIRS

Dhani Loans and Services Limited (DLSL), is a non-deposit taking NBFC registered with the Reserve Bank of India and is a 100% subsidiary of Dhani Services Limited.

DIVIDEND

The Company has not declared any dividend during the financial year 2024-25.

COMPLIANCES

During the year under review your company has complied with all applicable regulations of the Reserve Bank of India. As per Non-Banking Finance Companies RBI Directions, as amended, the directors hereby report that the company did not accept any public deposits during the year and did not have any public deposits outstanding at the end of the year.

During the financial year 2024-25, your Company has complied with Regulations 15 to 27 applicable to the Debt Listed Companies having an outstanding value of listed Non-Convertible debt securities, on comply or explain basis until March 31, 2025.

The Company is an Unlisted Company, as its shares are not listed on any stock exchange. However, as per the provisions of the Companies Act, 2013, the Company is considered as a Listed Company as its Secured, Redeemable, Non-Convertible Debentures issued through Public issue are Listed on National Stock Exchange of India Limited and BSE Limited. Your Company has thus complied with/is in the process of complying with all the applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Company has redeemed all the outstanding Secured, Redeemable, Non-Convertible Debentures on May 16, 2025 after fully complying with all the applicable provisions to the Company.

REGULATORY GUIDELINES

Reserve Bank of India (RBI) is the regulator for Non-Banking Financial Companies. In accordance with this, the Company is in compliance with all regulations pertaining to Accounting Standards, Prudential norms for asset classification, income recognition, provisioning, capital adequacy and credit ratings.

CHANGE IN REGISTERED OFFICE OF THE COMPANY

The Registered Office of your Company has been shifted within the local limits of New Delhi from '1/1 E, First Floor, East Patel Nagar, New Delhi-110008' to 'A-2, First Floor, Kirti Nagar, New Delhi-110015', with effect from March 06, 2025.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the Financial Year 2024-25, there is no change in the Board of Directors of the Company.

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

All the Independent Directors of the Company have given declaration that they meet the criteria of independence laid down under Section 149 (6) of the Companies Act 2013 along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. In

terms of Regulation 25(8) of SEBI Listing Regulations, they have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and that they hold the highest standards of integrity. In terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors of the Company have registered themselves with the data bank of Independent Directors created and maintained by the Indian Institute of Corporate Affairs, Manesar.

Mr. Sanjeev Kashyap (DIN: 03405178), Whole Time Director & CEO, Mr. Rajeev Lochan Agrawal, Chief Financial Officer (CFO) and Mr. Manish Rustagi, Company Secretary (CS), are the Key Managerial Personnel (KMPs) of the Company.

RATING

As on March 31, 2025, Dhani Loans and Services Limited [DLSL] has a Long term credit rating of IVR BBB- (Stable) from Infomerics Valuation and Rating Pvt. Ltd.

SHARE CAPITAL

During the Financial Year 2024-25, and upto the date of this report, the Company has not raised share capital. The paid up equity share capital of the Company is Rs. 61,18,80,000/- comprising of 6,11,88,000 equity shares of face value of Rs. 10/- each.

DEMATERIALIZATION OF SHARES

As on March 31, 2025, 99.99% of the shareholding of the Company is in Demat mode.

BORROWINGS

The Company primarily sources funds through Term Loans, Non-Convertible Debentures (NCDs) and Securitisation. The outstanding debt (as per Ind AS) as on March 31, 2025 was Rs. 4,729.18 Lakhs (Including accrued interest) as compared to Rs. 17,497.60 Lakhs (Including accrued interest) as on March 31, 2024.

NON-CONVERTIBLE DEBENTURES

During the year under review, the Company has not issued any Secured, Redeemable, Non-Convertible Debentures (“NCDs”). However, the Company has redeemed total NCDs amounting to Rs. 13780.20/- lakhs during the year under review. As on March 31, 2025 total outstanding NCDs were amounting to Rs. 2665.97/- lakhs through public issue.

These NCDs are listed on National Stock Exchange of India Limited and BSE Limited.

ADDRESS FOR CORRESPONDENCE

(i) Registered Office:
A-2, First Floor, Kirti Nagar,
New Delhi-110015
Email: support@dhani.com

Tel: 011- 41052775, Fax: 011- 42137986
Website: www.dhani loansandservices.com

(ii) Corporate Office:

One International Centre (Formerly IFC),
Senapati Bapat Marg, Elphinstone Road,
Mumbai – 400 013

DEBENTURE TRUSTEES

Beacon Trusteeship Limited
5W, 5th Floor, The Metropolitan,
Bandra Kurla Complex, Bandra(East),
Mumbai, Maharashtra, India, 400051
Telephone No: 022 2655 8759
[Email: contact@beacontrustee.co.in](mailto:contact@beacontrustee.co.in)
[Website: www.beacontrustee.co.in](http://www.beacontrustee.co.in)

REGISTRAR & TRANSFER AGENT

KFin Technologies Limited
(Formerly KFin Technologies Private Limited)
Unit: Dhani Loans and Services Limited
Selenium Tower B, Plot No.31-32,
Gachibowli Financial District, Nanakramguda,
Hyderabad – 500 032, Telangana

PUBLIC DEPOSITS

Being a Non Deposit taking Non-Banking Financial Company, your Company has not accepted any deposits from the public under Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

AUDITORS

(a) Statutory Auditors

The shareholders of the Company have appointed M/s KAPG & Associate, Chartered Accountants, (firm registration no. 032569N) as statutory auditor of the Company in 30th Annual General Meeting (AGM) held on September 25, 2024, for a period of 3 (three) consecutive years to hold office from the conclusion of the 30th to 33rd AGM of the Company. In terms of applicable regulatory provisions M/s KAPG & Associate, Chartered Accountants have confirmed that they are eligible to hold the office of Statutory Auditors of the Company for FY 2025-26.

Management response on the qualification as mentioned in the Auditor's report on standalone and consolidated Financial Statements respectively, of the Company as at March 31, 2025, forming part of this Annual Report is as under:

“The Company has conducted a reassessment of the recoverability of its outstanding financial assets as of September 30, 2024. Based on this evaluation, the Company has determined that

the credit risk associated with these assets has significantly increased. As a result, the Company has derecognized loan assets amounting to Rs. 14,118.57 Lakh (net of deferred tax) Furthermore, the Company has assessed the future economic benefits expected to be derived from its certain non-financial assets and which were determined to be insignificant. As a result, the Company has recorded a provision for impairment loss of ₹ 4,123.21 Lakh (net of deferred tax). Consequently, total amount of ₹ 18,241.78 Lakh (Net of deferred Tax) has been charged to Other Comprehensive Income, instead of debiting the same to the Statement of Profit and Loss for the period from April 1, 2024, to March 31, 2025.

During the year ended 31 March 2025, the Group has recorded impairment losses resulting from decline in some of its subsidiaries' businesses and assets of trusts whose financial Information Is included in the Consolidated Financial Results. Management intends to grow its real estate business and has on a prudent approach, re-assessed the recoverability of certain financial assets, and has accordingly recorded provisions for impairment due to expected credit loss of Rs. 32,778.38 lakhs (net of deferred tax) to other comprehensive income and has recorded a provision of impairment loss of Rs.13,656.10 Lakhs(net of deferred tax) to other comprehensive income on account of impairment of certain non-financial assets.”

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

(b) Secretarial Auditors & Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the rules made thereunder, the Company has appointed M/s Sukesh & Co., a firm of Company Secretaries (Firm Registration No. S2014HR239100) as its Secretarial Auditors, to conduct the secretarial audit of the Company, for the Financial Year 2024-25. The Company has provided all assistance, facilities, documents, records and clarifications etc. to the Secretarial Auditors for conducting their audit. The Secretarial Audit Report and Secretarial Compliance Report for the Financial Year 2024-25, are annexed as **Annexure 1 & Annexure 1A** respectively, forming part of these Reports. The Reports are self-explanatory and therefore do not call for any further explanation.

(c) Cost Records

The Company is not required to prepare and maintain cost records pursuant to Section 148(1) of the Companies Act, 2013.

(d) Internal Auditor

The Company has re-appointed M/s. Sumit Mohit & Company as an internal auditor of the Company for the financial year 2025 - 26.

CORPORATE GOVERNANCE REPORT

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

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company, as at March 31, 2025 and the profit and loss of the company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis; and
- e) that proper internal financial controls were in place and that such financial controls were adequate and were operating effectively.
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

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

The information required to be disclosed pursuant to Section 134 and Section 197 of the Companies Act, 2013, read with the relevant rules (to the extent applicable), not elsewhere mentioned in this Report, are as under:

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) of the Companies Act, 2013 (“Act”), the Annual Return as on March 31, 2025 is available on the Company’s website at https://www.dhani-loansandservices.com/policies/MGT-7_Annual-Return_24-25.pdf

BOARD MEETINGS

During the FY 2024-25, 4 (Four) Board Meetings were convened by the Board of Directors of the Company.

LOANS, GUARANTEES OR INVESTMENTS

During the FY 2024-25, in terms of the provisions of Section 186 (1) of the Companies Act, 2013, the Company did not make any investments through more than two layers of investment companies. Further, the Company, being a non-banking finance company and registered with the Reserve Bank of India, loans given, guarantees provided and investments made by it, were not covered under the provisions of Section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

As required under Regulation 23(1) of the SEBI Listing Regulations, the Company has formulated a ‘Policy on Related Party Transactions’ for proper conduct and documentation of all related party transactions. The same is available on the website of the Company at

<https://www.dhaniloansandservices.com/policies-and-codes>. The Company also has in place a Framework on Related Party Transactions for the purpose of identification, monitoring and approving of such transactions as per the provisions of the Companies Act, 2013 and SEBI Listing Regulations. Further, the disclosure as per Regulation 53(f) read with Schedule V of SEBI Listing Regulations is attached as **Annexure-2**.

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

Further, Your Directors wish to draw attention of the members to Notes 43 to the financial statement which sets out related party disclosures.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an elaborate system of internal controls commensurate with the size, scale and complexity of its operations; it also covers areas like financial reporting, fraud control, compliance with applicable laws and regulations etc. Regular internal audits are conducted to check and to ensure that responsibilities are discharged effectively.

MATERIAL CHANGES AND COMMITMENTS

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

However, during the financial year 2024-25, the Company has not paid fine to RBI in respect of penalty imposed by RBI on the Company w.r.t non-compliance of the "Reserve Bank of India [Know Your Customer (KYC)] Directions, 2016".

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company being a Non-Banking Finance Company is not required to use much of energy and technology absorption, however in compliance of Section 134(3) read with Rule – 8 of Companies (Accounts) Rules, 2014, the necessary reporting with regard to conservation of energy, technology absorption and foreign exchange earnings and outgo, is an under:

A. Conservation of Energy

The Company uses energy for its office equipment such as computers, lighting and utilities at its work premises. As an ongoing process the following measures are undertaken to conserve energy:

- a) Implementation of viable energy saving proposals.
- b) Installation of automatic power controllers to save maximum charges and energy.
- c) Awareness and training sessions, at regular intervals, to concerned operational personnel on opportunities of energy conservation and their benefits.

B. Technology Absorption

The Company is investing in cutting edge technologies to upgrade its infrastructure set up and innovative technical solutions, thereby increasing customer delight & employee efficiency. Next Generation Business Intelligence & analytics tool have been implemented to ensure that while data continues to grow, decision makers get answers faster than ever for timely & critical level decision making. The Company has implemented best of the breed applications to manage and automate its business processes to achieve higher efficiency, data integrity and data security. It has helped it in implementing best business practices and shorter time to market new schemes, products, and customer services. The Company has taken major initiatives for improved employee experience, by implementing innovative solutions and empowering them by providing mobile platform to manage their work while on the go. The Company's investment in technology has improved customer services, reduced operational cost, Improve regulatory and compliance posture and development of new business opportunities.

C. Foreign Exchange Earnings and Outgo

The Company has incurred expense Rs. 21.17 Lakhs in foreign currency during the year under review.

BUSINESS RISK MANAGEMENT

Pursuant to the applicable provisions of the Companies Act, 2013, the Company has formulated robust business Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on its business objectives and enhance its competitive advantage. It defines the risk management approach across the Company including the documentation and reporting. At present, the Company has not identified any element of risk which may threaten its existence.

PARTICULARS OF EMPLOYEES

Pursuant to the applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures on Managerial Remuneration are provided in “**Annexure - 3**” forming part of this Report.

In terms of the provisions of Section 136(1) of the Act, read with the said rules, the Boards' Report is being sent to all the shareholders/debentureholders of the Company excluding the annexure on the names and other particulars of employees, required in accordance with Rule 5(2) of said rules, which is available for inspection by the members/debentureholders, subject to their specific written request, in advance, to the Company Secretary of the Company. The inspection is to be carried out at the Company's Registered Office at New Delhi, during business hours on working days (except Saturday and Sunday) of the Company up to date of ensuing Annual General Meeting.

FAMILIARISATION PROGRAMME FOR NON – EXECUTIVE DIRECTORS

Non-Executive Directors are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through presentations about the Company's strategy, business model, product and service offerings,

customers & shareholders profile, financial details, human resources, technology, facilities, internal controls and risk management, their roles, rights and responsibilities in the Company.

The Board is also periodically briefed on the various changes, if any, in the regulations governing the conduct of Non – Executive Directors including independent directors. The details of the familiarization programmes have been hosted on the website of the Company and link provided in the Report on Corporate Governance forming part of this Report.

SUBSIDIARIES/ ASSOCIATES/ JOINT VENTURES

As on March 31, 2025, the Company have four subsidiaries:

1. Transerv Limited
2. Indiabulls Urbanresidency Limited (formerly known as Indiabulls Investment Advisors Limited)
3. Indiabulls Nests Limited (formerly known as Indiabulls Distribution Services Limited)
4. Indiabulls Alternate Investments Limited, as a subsidiary of Indiabulls Nests Limited (formerly known as Indiabulls Distribution Services Limited)

The statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC - 1 relating to Statement containing salient features of the financial statement of subsidiary has been attached to this report and forms part of the financial statements as “**Annexure 4**”.

There was no material subsidiary of the Company during the year, in accordance with SEBI LODR Regulations.

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

During the FY 2024-25, no new company became or ceased to be subsidiary or joint venture or associate of the Company.

COMMITTEES OF THE BOARD

The Board has constituted Committees with specific terms of reference to focus on specific areas. These include Audit Committee, Nomination & Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee. Other Committees are also constituted as per RBI Guidelines.

The details with respect to composition, powers, roles, terms of reference, etc. of relevant Committees constituted under the Companies Act, 2013 and SEBI Listing Regulations are given in the Corporate Governance Report forming part of this Annual Report.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY

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

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

Company's Remuneration Policy is market led, based on the fundamental principles of payment for performance, for potential and for growth. It also takes into account the competitive circumstances of the business, so as to attract and retain quality talent and leverage performance significantly. The N&R Committee recommends the remuneration payable to the Directors and Key Managerial Personnel, for approval by Board of Directors of the Company, subject to the approval of its shareholders, wherever necessary.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has formulated a CSR Policy (available on your Company's website at web-link: <https://www.dhaniloansandservices.com/csr-policy>) as per the provisions of the Companies Act, 2013, read with the relevant rules. In terms of the applicable provisions of the Companies Act 2013, read with relevant Rules, the Company was not required to contribute any amount towards CSR activities during the FY 2024-25. An Annual Report on CSR, containing relevant details, is annexed as **Annexure - 5**, forming part of this Report.

CORPORATE GOVERNANCE REPORT

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

BOARD EVALUATION

The Nomination and Remuneration Committee (NRC) of the Board reassessed the framework, methodology and criteria for evaluating the performance of the Board as a whole, including Board committee(s), as well as performance of each director(s)/Chairman. The existing parameters includes effectiveness of the Board and its committees, decision making process, Directors/ members participation, governance, independence, quality and content of agenda papers, team work, frequency of meetings, discussions at meetings, corporate culture, contribution, role of the Chairman and management of conflict of interest. On the basis of these parameters, the NRC had reviewed at length the performance of each director individually and expressed satisfaction on the process of evaluation and the performance of each Director. The performance evaluation of the Board as a whole and its committees as well as the performance of each director individually, including the Chairman was carried out by the entire Board of

Directors. The performance evaluation of the Chairman, Executive Directors and Non-Executive Directors was carried out by the Independent Directors in their meeting held on March 28, 2025. The Directors expressed their satisfaction with the evaluation process.

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

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the financial year 2024-25, no case of sexual harassment was reported. The Company has complied with provisions relating to the constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received, if any, regarding sexual harassment. Below is the status on complaints of sexual harassment during financial year 2024-25:

Number of complaints of sexual harassment received during FY 2024-25	Number of complaints disposed off during the FY 2024-25	Number of cases pending for more than ninety days
Nil	Nil	Nil

STATEMENT ON COMPLIANCE OF PROVISIONS RELATING TO MATERNITY BENEFIT ACT, 1961

The Company has complied with provisions relating to Maternity Benefit Act, 1961.

SECRETARIAL STANDARDS

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

DETAILS OF PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

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

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

During the year, there was no instance of one-time settlement with Banks or Financial Institutions.

VIGIL MECHANISM

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company has implemented the Vigil Mechanism Policy ("the Policy"), to provide an avenue for employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The

Policy applies to all employees working for the Company. Pursuant to the Policy, the whistle blowers can raise concerns relating to matters such as breach of Company's Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, misappropriation of Company's funds / assets etc. A whistle-blowing or reporting mechanism, as set out in the Policy, invites all employees to act responsibly to uphold the reputation of the Company and its subsidiaries. The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices.- The details of the Whistle Blower Policy are available on the website of the Company at <https://www.dhniloansandservices.com/whistleblower-policy>.

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functional areas and the efficient utilization of all its resources for sustainable and profitable growth. Your Directors wish to place on record their appreciation of the contributions made all those who were connected with the Company, for their support during the year.

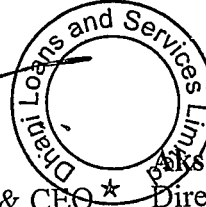
For and on behalf of the Board of Directors



Sanjeev Kashyap

Whole-time Director & CEO *

DIN : 03405178



Akshay Kumar Tiwary

Director

DIN : 00366348

Date: July 23, 2025

Place: Gurugram



Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2025
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
DHANI LOANS AND SERVICES LIMITED
CIN: U74899DL1994PLC062407
A-2, FIRST FLOOR, KIRTI NAGAR,
NEW DELHI-110015

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **31st March, 2025** ("**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 books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2025** according to the provisions (including amendments) of the following to the extent these are applicable:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities Exchange Board of India Act, 1992 ('SEBI Act'):-



- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ['SEBI (LODR) Regulations'];
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (h) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (i) Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018;
- (j) Security and Exchange Board of India (Investor Protection and Education Fund) Regulation, 2009;
- (k) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (l) Securities and Exchange Board of India (Depository and Participants) Regulations, 2018;

(vi) The Management has identified the following other laws, as applicable:

- (a) All the Rules, Regulations, Directions, Guidelines and Circulars including Master Direction – Non-Banking Financial Company – Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India, as amended from time to time;
- (b) Credit Information Companies (Regulation) Act, 2005 and Rules.
- (c) Prevention of Money Laundering Act, 2002 and the Rules and Guidelines notified there under by SEBI / Regulatory Authorities.

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

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the observations as spelt out in Statutory Auditor's report and notes to accounts.

We further report that:

(i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Director and Independent Directors. There was no change in the composition of the Board of Directors that took place during the period under review.

(ii) Adequate notice is given to all directors to schedule the Board and its Committee Meetings and agenda and detailed notes on agenda were sent at well in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining other information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



(iii) All the decisions of the Board and Committees thereof were carried out with the consent of all the directors present in the meetings.

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

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

We further report that during the Audit Period, the Company, inter-alia, has;

(a) Shifted its Registered Office from '1/1 E, First Floor, East Patel Nagar, New Delhi-110008' to 'A-2, First Floor, Kirti Nagar, New Delhi-110015' w.e.f. March 06, 2025.

(b) Updated various policies of the Company as per applicable regulatory provisions.

For Sukesh & Co,
Company Secretaries

Sukesh



Sukesh Saini

(Proprietor)

FCS No.: 11688

CP No.: 12007

UDIN: F011688G000662932

PR Certificate No: 3473/2023

Place: Gurugram

Date: 26/06/2025

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

ANNEXURE TO SECRETARIAL AUDITORS' REPORT

To,
The Members,
DHANI LOANS AND SERVICES LIMITED
CIN: U74899DL1994PLC062407
A-2, FIRST FLOOR, KIRTI NAGAR,
NEW DELHI-110015

Our Secretarial Audit Report of even date, for the financial year 2024-25 is to be read along with this letter.

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

For Sukesh & Co,
Company Secretaries


Suresh Saini
(Proprietor)
FCS No.: 11688
CP No.: 12007
UDIN: F011688G000662932
PR Certificate No: 3473/2023



Place: Gurugram
Date: 26/06/2025



**SECRETARIAL COMPLIANCE REPORT OF
"DHANI LOANS AND SERVICES LIMITED"
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025**

The provisions of regulation 16 to 27 of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been made applicable to high value debt listed entities and accordingly, We, M/s Sukesh & Co., Practicing Company Secretaries have examined:

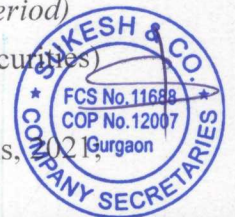
- (a) all the documents and records made available to us and explanation provided by **DHANI LOANS AND SERVICES LIMITED ("the listed entity")**,
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may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

for the year ended 31st March, 2025 ("**Review Period**") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulations) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, and guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; *(Not applicable to the Company during the review period)*
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; *(Not applicable to the Company during the review period)*
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *(Not applicable during the Review Period)*
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; *(Not applicable to the Company during the review period)*
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; *(Not applicable during the Review Period)*



- (h) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - (i) Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018;
 - (j) Security and Exchange Board of India (Investor Protection and Education Fund) Regulation, 2009;
 - (k) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (l) Securities and Exchange Board of India (Depository and Participants) Regulations, 2018;
- and circulars/ guidelines issued thereunder;

and based on the above examination, We hereby report that during the Review Period:



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

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

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

Sr. No	Observations/ Remarks of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended (the years are to be mentioned)	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
						Not Applicable



(c) We hereby report, during the review period, the compliance status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	None
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of Board of Directors of the listed entities All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI. 	Yes	None
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> The Listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the website Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website 	Yes Yes N.A.	None None In terms of NSE circular No. NSE/CML/2021/10 dated September 30, 2021 and BSE Circular No. 20220107-16 dated January 07, 2022, Annexure II of Compliance Report on Corporate Governance as prescribed by SEBI vide Circular No. SEBI/HO/CFD/CM-D-2/P/CIR/2021/1567 dated May 31, 2021 is not applicable on the listed Entity being a High Value Debt Listed Company.
4.	Disqualification of Director: None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act.	Yes	None



5.	Details related to Subsidiaries of listed entities have been examined w.r.t.: (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	Yes	None
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	None
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	None
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/ rejected by the Audit Committee.	Yes	None
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	Being a high value Debt listed Entity Regulation 30 along with Schedule III of SEBI LODR Regulations 2015 is not applicable on the Company. However the listed Entity has provided required disclosure (s) under applicable Regulation 51 read with part B of Schedule-III.
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	None
11.	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/	No	The Company is regular in filling its replies to the regulators on the queries asked from time to time.



	guidelines issued thereunder.		including payment of penalties, if any.
12	<p>Resignation of statutory auditors from the listed entity or its material subsidiaries</p> <p>In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.</p>	NA	No Statutory Auditor has resigned during the Review Period.
13.	<p>Additional Non-compliances, if any:</p> <p>No additional non-compliance observed for any SEBI regulation/circular/guidance note etc except as reported above.</p>	NA	No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.

Assumptions & Limitation of Scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For Sukesh & Co,
Company Secretaries

Sukesh

Sukesh Saini
(Proprietor)

FCS No.: 11688

CP No.: 12007

UDIN: F011688G000395786

PR No: 3473/2023



Place: Gurugram

Date: 21/05/2025

Annexure 2

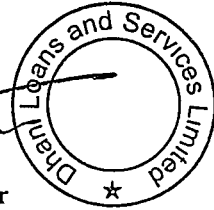
Figures in Rs. Lakhs

Particulars	Holding company		Subsidiaries	
	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2025	For the year ended 31 March 2024
Loans and advances in the nature of loans to Subsidiaries: (Maximum balance outstanding during the year)				
Investment in the shares of subsidiaries: Indiabulls Nests Limited (formerly known as Indiabulls Distribution Services Limited)	-	-	34,320.95	34,320.95
Indiabulls Urbanresidency Limited (formerly known as Indiabulls Investment Advisors Limited)	-	-	35,550.00	35,550.00
Transerv Limited	-	-	29,244.39	29,244.39

For and on behalf of the Board of Directors

Sanjeev Kashyap
DIN: 03405178

Whole Time Director & Chief Executive Officer



Annexure 3

Disclosures on Managerial Remuneration

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

Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY 2024-25

Designation	Ratio of remuneration to the median employees' remuneration
Whole time Director & CEO	45.78:1

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

No remuneration was paid to other Director(s) during the FY 2024-25 and hence, not forming part of this clause.

Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in FY 2024-25

Designation	Increase in Remuneration (%)
Whole time Director & CEO	18
Company Secretary	14

No remuneration was paid to other Director(s) during the Financial Year 2024-25 hence not forming part of this clause.

The percentage increase in the median remuneration of employees in the FY 2024-25

The median remuneration of all employees (including KMPs) has decreased by approximately 54% in FY 2024-25 in comparison to FY 2023-24. It is not meaningful to compare the median remuneration of employees with FY 2023-24 as there was a significant variation in the overall manpower count during the FY 2024-25.

Number of permanent employees on the rolls of Company.

The Company had **2591** employees on its permanent rolls, as on March 31, 2025

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

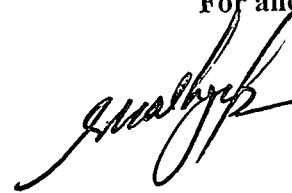
There has been an average percentile decrease of 54% in the salaries of total employees other than the key managerial personnel in the FY 2024-25. While the average increase in the percentile remuneration of key managerial personnel is 16 %. It is not meaningful to compare the average percentile salaries of total employees other than the key managerial personnel with FY 2023-24 as there was a significant variation in the overall manpower count during FY 2024-25.

The Company follows prudent remuneration practices under the guidance of the Board and Nomination & Remuneration Committee. The Company's approach to remuneration is intended to drive meritocracy and is linked to various parameters including its performance, growth, individual performance, peer comparison of other companies, within the framework of prudent Risk Management.

There were no exceptional circumstances which warranted an increase in managerial remuneration, which was not justified, by the overall performance of the Company.

The change in remuneration of Key Managerial Personnel is based on the overall performance of the Company. With the macro-economic headwinds facing the financial sector for most of the last few years, the Company has focused on conserving capital and liquidity, and consequent rationalisation of the balance sheet. The management has also looked at cost structures, taking voluntary pay cuts and reducing other operating expenses.

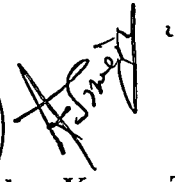
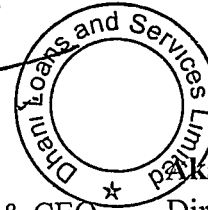
For and on behalf of the Board of Directors



Sanjeev Kashyap

Whole-time Director & CEO

DIN: 03405178



Akshay Kumar Tiwary

Director

DIN: 00366348

Place: Gurugram

Date: July 23, 2025

Annexure-4

Annexure: Statement containing the salient features of the financial statements of subsidiaries / associate companies / joint ventures

[Form AOC-1* Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014]

Part A Subsidiaries

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

Sr No.	Name of the Subsidiary Companies	Date of acquisition of subsidiary	Year	Reporting Currency	Share Capital	Other equity (Surplus / (Deficit))	Total Assets excluding investments	Total Liabilities #	Investments	Turnover	Profit / (Loss) before Taxation	Provision for Taxation / (Tax Credit)	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)	% of shareholding
1	Indiabulls Urbanresidency Limited (formerly known as Indiabulls Investment Advisors Limited)	20 03 2020	2024-25	₹	35,550 00	(11,450 49)	24,216 66	117 15	-	1,939 60	1,659 71	(6 59)	1,666 30	-	100 00%
2	Indiabulls Nests Limited (formerly known as Indiabulls Distribution Services Limited) *	26 03 2020	2024-25	₹	28 51	12,660 06	12,276 42	92 85	505 00	495 04	(1,341 32)	(218 29)	(1,123 03)	-	82 46%
3	Indiabulls Alternate Investments Limited	26 03 2020	2024-25	₹	505 00	64 29	511 46	7 47	65 30	13 94	(46 78)	(3 05)	(43 73)	-	82 46%
4	TranServ Limited	01 04 2019	2024-25	₹	1,472 92	4,884 08	7,743 31	1,386 31	-	416 17	(1,320 97)	5 67	(1,326 64)	-	100 00%

Total liabilities exclude share capital and other equity

* Wholly owned subsidiary of Indiabulls Nests Limited (formerly known as Indiabulls Distribution Services Limited)

Part "B" Associates: Not applicable

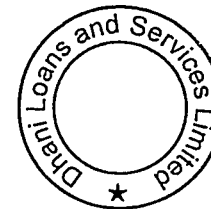
For and on behalf of the Board of Directors

Sanjeev Kashyap
DIN 03405178
Whole Time Director & Chief Executive Officer

Akshay Kumar Tiwary
DIN 00366348
Director

Rajeev Lochan Agrawal
Chief Financial Officer

Manish Rustagi
Company Secretary



Place Gurugram
Date 02 May 2025

Annexure-5

Annual Report on CSR Activities for Financial Year Ending 31st March 2025

1. Brief outline on CSR Policy of the Company

The Company's CSR Policy focuses its CSR efforts on such areas, where it could provide maximum benefits to the society at large. The Company will continue to engage with stakeholders including experts, NGOs, professional bodies/ forums and the government and would take up such CSR activities in line with the government's intent, which are important for the society at large. The Company may also undertake such other CSR projects, where societal needs are high or in special situations.

2. Composition of the CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Akshay Kumar Tiwary	Chairman (Executive Director)	1	1
2	Brig. Labh Singh Sitara (Retd.)	Member (Executive Director)	1	1
3	Ms. Sargam Kataria	Member (Executive Director)	1	1

??

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

Composition of the CSR committee shared above and is available on the Company's website at https://www.dhaniloansandservices.com/policies/Board_Directors_and_Committees_of_DLSDL.pdf and Policy of the Company is available at <https://www.dhaniloansandservices.com/csr-policy>

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

Not applicable

5. (a) Average net profit of the company as per section 135(5): Rs. (125,57,70,799).

(b) Two percent of average net profit of the company as per section 135(5): N.A

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

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

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Nil

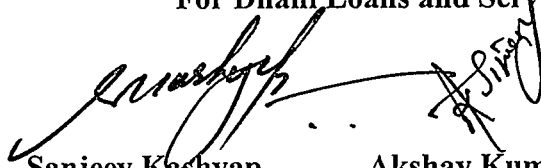
3.	2023-24	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No Asset created during the year
If Yes, enter the number of Capital assets created/ acquired: Not Applicable

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

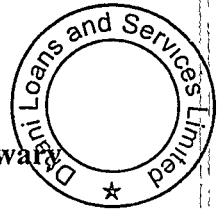
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section 5 of section 135: N.A.

For Dhani Loans and Services Limited



Sanjeev Kashyap
 Whole-time Director &
 CEO
 DIN: 03405178

Akshay Kumar Tiwari
 Chairman – CSR
 Committee
 DIN: 00366348



Place: Gurugram
 Date: July 23, 2025

REPORT ON CORPORATE GOVERNANCE

THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

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

The Board of Directors ('the Board') is responsible for and is committed to sound principles of Corporate Governance of the Company and plays a crucial role in overseeing how the management serves the short and long-term interests of stakeholders.

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

The Company is in compliance with the Master Direction – Non-Banking Financial Company and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations), to the extent applicable.

1. BOARD OF DIRECTORS

(A) Composition and size of the Board

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

Presently, as on the date of this report, the Board consists of six directors, of which one is Executive Director and three are Non-Executive, Non Independent Directors. The remaining two directors are, namely, Brig. Labh Singh Sitara (Retd.), bachelor in economics from the Punjab University (Re-appointed as Non-Executive Independent Director w.e.f. September 14, 2022) and Mr. Prem Prakash Mirdha (former Member of Merchant Navy) (appointed as Non-Executive Independent Director w.e.f. October 04, 2023).

No Director is related to any other Director on the Board. The Board comprises directors that bring a wide range of skills, expertise and experience which enhance overall board effectiveness.

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

Details of Directors, directorship in listed companies, number of directorships held by them in other companies and also the number of their memberships and chairmanships on various Board Committees, including skill sets/ expertise/competencies/practical knowledge, as on March 31, 2025, are as under:

Sl. No	Name of the Director	Nature of Office	Special Knowledge/ Practical Experience/ Skills/ Expertise/ Competencies	Names of the other listed entities where the person is a director	Category of directorship in other listed entities where the person is a director	No. of Directorships in other Listed Companies	No. of Directorship in other Companies*	No. of Memberships/ Chairmanships in Board Committees of various companies (including this Company)**	
								Memberships	Chairmanships
1	Mr. Sanjeev Kashyap (DIN: 03405178)	Whole-time Director & CEO	Banking and Finance, Business Strategy, Risk Management, Treasury, Marketing, Corporate Governance, Corporate Social Responsibility, Stakeholder Management, Operations and Process Optimization	NIL	NA	0	1	1	0
2	Ms. Sargam Kataria (DIN: 07133394)	Non-Independent Non-Executive Director	Human Resources, Risk Management, Business Strategy, Business Development and Regulatory Compliances	Indiabulls Enterprises Limited	Non-Executive - Non Independent Director	1	12	2	NIL
3	Mr. Amit Ajit Gandhi (DIN: 07606699)	Non-Independent Non-Executive Director	Business Strategy, Collections, Risk, Channel Management, Digital Lending	Dhani Services Limited	Non-Executive - Non Independent Director	1	5	1	NIL
4	Mr. Akshay Kumar Tiwary (DIN: 00366348)	Non-Independent Non-Executive Director	Security Market, Operations and Compliance, Stock Broking	NIL	NA	0	8	NIL	NIL
5	Brig. Labh Singh Sitara (Retd.) (DIN: 01724648)	Non-Executive - Independent Director	Business Strategy, Risk Management, Treasury, Marketing, Corporate Governance, Corporate Social Responsibility, Stakeholder Management, Operations and Process Optimization	NIL	NA	0	1	NIL	NIL
6	Mr. Prem Prakash Mirdh (DIN: 01352748)	Non-Executive - Independent Director	Business and General Administration, Finance, Regulatory and Projects Execution	1. Yaari Digital Integrated Services Limited 2. Dhani Services Limited 3. Indiabulls Enterprises Limited	Non Executive Independent Director Non Executive Independent Director Non Executive Independent	3	6	6	2

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

***Only memberships of the Audit Committee / Stakeholders' Relationship Committee in various public limited companies and chairmanship of the Audit Committee / Stakeholders' Relationship Committee in various equity listed limited companies excluding High Value Debt Listed Entity, as per Regulation 26 of the SEBI LODR Regulations. The Company being 'High Value Debt Listed Entity', the membership and chairmanship of Audit Committee and Stakeholder Relationship Committee in the Company have not been considered, in terms of Regulation 26(1) of Listing Regulations.*

****Only debt securities of these companies are listed on NSE & BSE.*

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

The Board had accepted all recommendations of committees of the Board which are mandatorily required, during the financial year 2024-25.

During FY 2024-25, 1 (one) meeting of the Independent Directors was held on March 28, 2025 where in all the Independent Directors attended the meeting. The Independent Directors inter-alia, reviewed the performance of the Non-Independent Directors, Board as a whole, taking into account the views of Executive Director and Non- Executive Directors.

None of the Directors are related inter-se.

None of the Non-Executive Directors held any equity share and/or convertible security of the Company during the financial year ended March 31, 2025.

The Board periodically reviews the compliance reports of all laws applicable to the Company. During FY 2024-25, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

The Company has familiarization programme for Independent Directors with regard to their roles, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. The familiarization programme along with details of the same imparted to the Independent Directors during the year are available on the website of the Company at https://www.dhani loansandservices.com/policies/DLSL-Board-Familiarisation_Programme.pdf

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

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

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

4 (Four) Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on May 17, 2024, August 09, 2024, November 14, 2024 and January 31, 2025. The necessary quorum was present for all the meetings.

The last Annual General Meeting of the Company was held on September 25, 2024.

Attendance of Directors at the Board Meetings held during the FY 2024-25 and at the last Annual General Meeting are as under:

Sr. no.	Name of the Director	No. of Board meetings attended	Attendance at the last AGM
1	Mr. Sanjeev Kashyap (DIN:03405178)	4	YES
2	Brig. Labh Singh Sitara (DIN: 01724648)	4	YES
3.	Mr. Prem Prakash Mirdha (DIN: 01352748)	4	YES
4.	Ms Sargam Kataria (DIN: 07133394)	4	YES
5.	Mr. Amit Ajit Gandhi (DIN: 07606699)	3	YES
6.	Mr. Akshay Kumar Tiwary (DIN:00366348)	4	YES

2. COMMITTEES OF THE BOARD

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

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

(A) Audit Committee Composition

Composition

The Audit Committee comprises of three members, namely, Mr. Prem Prakash Mirdha (Independent Director) as the Chairman and Brig. Labh Singh Sitara (Retd.) (Independent Director) and Mr. Sanjeev Kashyap (Executive Director), as other two members. Further, Mr. Rajeev Lochan Agrawal and Ms. Sargam Kataria shall be permanent invitees and Mr. Manish Rustagi shall act as the Secretary to the Audit Committee.

Terms of reference of the Audit Committee

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

- To oversee the financial reporting process and disclosure of financial information;
- To review with management, annual financial statements and ensure their accuracy and correctness before submission to the Board;
- To review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans/reports and reviewing the efficacy of their function, discussion and review of periodic audit reports including findings of internal investigations;
- To recommend the appointment of the auditors and their remuneration;
- To review and approve required provisions to be maintained as per IRAC norms and write off decisions and regulatory requirements on Balance Sheet Disclosures;
- To hold discussions with the Auditors;
- Review and monitoring of the auditor' independence and performance and effectiveness of the audit process;
- Examination of the auditor' report on financial statements of the Company (in addition to the examination of the financial statements) before submission to the Board;
- Approval of any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings and assets of the Company, wherever it is necessary;
- Monitoring the end use of funds raised through public offers and related matters as and when such funds are raised and also reviewing the utilization of the funds so raised for

purposes other than those stated in the relevant offer document, if any, and making appropriate recommendations to the Board in this regard;

- Review and monitoring of the performance of the statutory auditors and effectiveness of the audit process;
- To hold post audit discussions with the auditors to ascertain any area of concern;
- To review the whistle blower mechanism; and
- Approval to the appointment of the Chief Financial Officer after assessing the qualifications , experience and background etc. of the candidate.
- Review of information system audit of the internal systems and processes to access the operational risks faced by the Company and also ensures that the information system audit of the internal systems and processes is conducted periodically.

Meetings and Attendance during the year

During the financial year ended March 31, 2025 the Committee met four times. The dates of the meetings being May 17, 2024, August 09, 2024, November 14, 2024 and January 31, 2025.

Name of the Member(s)	Category	No. of Meetings	
		Held	Attended
Mr. Prem Prakash Mirdha	Chairman, Non- Executive Independent Director	4	4
Brig. Labh Singh Sitara (Retd.)	Member, Non- Executive Independent Director	4	4
Mr. Sanjeev Kashyap	Member, Executive Director	4	4

(B) Nomination & Remuneration Committee Composition

Composition

The Nomination & Remuneration Committee comprises of three members, namely, Mr. Prem Prakash Mirdha (Independent Director) as the Chairman, Brig. Labh Singh Sitara (Retd.) (Independent Director) and Mr. Akshay Kumar Tiwary, Non-Executive Director, as other members of the Committee.

Terms of reference

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

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

Meetings and Attendance during the year

During the financial year ended March 31, 2025 the Committee met One time. The dates of the meetings being October 01, 2024.

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

Name of the Member(s)	Category	No. of Meetings	
		Held	Attended
Mr. Prem Prakash Mirdha	Chairman, Non- Executive Independent Director	1	1

Brig. Labh Singh Sitara (Retd.)	Member, Non- Executive Independent Director	1	1
Mr. Akshay Kumar Tiwary	Member, Non- Executive Director	1	1

Policy for selection and appointment of Directors

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

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

Evaluation of the Board and Directors

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

The performance evaluation criteria for Independent Directors is based on various factors which includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

The Nomination and Remuneration Committee (NRC) of the Board reassessed the framework, methodology and criteria for evaluating the performance of the Board as a whole, including Board committee(s), as well as performance of each director(s)/Chairman. The existing parameters includes effectiveness of the Board and its committees, decision making process, Directors/members participation, governance, independence, quality and content of agenda papers, team work, frequency of meetings, discussions at meetings, corporate culture, contribution, role of the Chairman and management of conflict of interest. On the basis of these parameters, the NRC had reviewed at length the performance of each director individually and expressed satisfaction on the process of evaluation and the performance of each Director. The performance evaluation of the Board as a whole and its committees as well as the performance of each director individually, including the Chairman was carried out by the entire Board of Directors. The performance evaluation of the Chairman, Executive Directors and Non-Executive Directors was carried out by the Independent Directors in their meeting held on March 28, 2025. The Directors expressed their satisfaction with the evaluation process.

(C) Stakeholders Relationship Committee Composition

Composition

The Stakeholders Relationship Committee comprises of 3 members, namely, Mr. Akshay Kumar Tiwary, Non-Executive Director as the Chairman, and Brig. Labh Singh Sitara (Retd.), Independent Director and Ms. Sargam Kataria, Non-Executive Director, as other two members.

Terms of Reference

- To approve requests for share transfers and transmissions.
- To approve the requests pertaining to remat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc.
- To oversee all matters encompassing the shareholders' / investors' related issues.
- Resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Meetings and Attendance during the year

During the financial year ended March 31, 2025 the Committee met One time. The dates of the meetings being August 08, 2024.

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

Name of the Member(s)	Category	No. of Meetings	
		Held	Attended
Mr. Akshay Kumar Tiwary	Chairman, Non- Executive	1	1
Ms. Sargam Kataria	Member, Non-Executive Director	1	1
Brig. Labh Singh Sitara (Retd.)	Member, Non-Executive Director	1	1

Name and designation of the Compliance Officer: Mr. Manish Rustagi, Company Secretary is the Compliance Officer pursuant to Regulation 6(1) of SEBI Listing Regulations.

- During FY 2024-25, no complaints were received from the Equity Shareholders of the Company.
- Details of queries / complaints received and resolved pertaining to Non-Convertible Debentures of the Company during the year 2024-25:-

Sl. No.	Particulars	Opening	Received	Disposed	Pending
1	Legal Cases / Cases before Consumer Forums	0	0	0	0
2	Letters from SEBI / Stock Exchange.	0	0	0	0
3	Status of applications lodged for public issue(s)	0	0	0	0
4	Non-receipt of Interest/Redemption	3	91	91	3
5	Non-receipt of annual report	0	0	0	0
6	Non-receipt of Refund order	0	0	0	0
7	Non-credit/receipt of NCDs in demat account	0	0	0	0
8	Non-receipt of securities after transfer	0	3	3	0
	Total	3	94	94	3

(D) Integrated Risk Management Committee Composition

Composition

The Risk Management Committee comprises of seven members, namely, Mr. Akshay Kumar Tiwary, Non-Executive Director as the Chairman, Brig. Labh Singh Sitara (Retd.), Mr. Sanjeev Kashyap, Ms. Sargam Kataria, Mr. Amit Kindo, Mr. Rajeev Lochan Agrawal and Mr. Mahesh Arora, as other members.

Terms of reference of the Integrated Risk Management Committee

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

During the financial year ended March 31, 2025 the Committee met Twenty Five times. The dates of the meetings being April 22, 2024, May 30, 2024, July 24, 2024, August 21, 2024, August 29, 2024, September 16, 2024, September 23, 2024, September 27, 2024, October 08, 2024, October 18, 2024, October 28, 2024, November 12, 2024, November 22, 2024, November 27, 2024, December 10, 2024, December 19, 2024, December 26, 2024, January 08, 2025, January 15, 2025, January 27, 2025, February 11, 2025, February 24, 2025, March 07, 2025, March 18, 2025 and March 26, 2025:

Name of the Member(s)	Category	No. of Meetings	
		Held	Attended
Mr. Akshay Kumar Tiwary	Chairman, Non-Executive Director	25	25
Brig. Labh Singh Sitara (Retd.)	Member, Non-Executive Director	25	25
Mr. Sanjeev Kashyap	Member, Executive Director	25	25
Mr. Amit Kindos	Member	25	25
Mr. Rajeev Lochan Agrawal	Member	25	25
Mr. Amit Mittal*	Member	25	1
Ms. Sargam Kataria	Member, Non-Executive Director	25	25
Mr. Mahesh Arora ^{##}	Member	25	24

*Mr. Amit Mittal ceased to be the members of the committee w.e.f. May 09, 2024..

^{##} Mr. Mahesh Arora were appointed as members of the committee w.e.f May 09, 2024.

(E) Corporate Social Responsibility (CSR) Committee Composition

Composition

The CSR Committee comprises of three members, namely, Mr. Akshay Kumar Tiwary, Non-Executive Director, as the Chairman, Brig. Labh Singh Sitara (Retd.), Independent Director and Ms. Sargam Kataria, Non-Executive Director, as other two members.

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

- To recommend to the Board, the CSR activity to be undertaken by the Company;
- To approve the expenditure to be incurred on the CSR activity;

- To oversee and review the effective implementation of the CSR activity; and
- To ensure compliance of all related applicable regulatory requirements.

Meetings and Attendance during the year

During the financial year ended March 31, 2025 the Committee met once in the year. The date of the meeting being August 08, 2024.

Name of the Member(s)	Category	No. of Meetings	
		Held	Attended
Mr. Akshay Kumar Tiwary, Chairman	Non- Executive Director	1	1
Brig. Labh Singh Sitara (Retd.), Member	Non- Executive/ Independent Director	1	1
Ms. Sargam Kataria	Non- Executive Director	1	1

Note: There being no CSR contribution applicable for FY 2024-25, CSR Committee did not met again during FY 2024-25.

4. Director's Remuneration:

(a) Non-Executive Directors:

During the Financial Year ended March 31, 2025, the Non- Executive Independent Directors have been paid, sitting fees for attending the Board meetings of the Company, and profit linked incentives in term of the shareholders authorization, the details of which are available on the website of the Company at https://www.dhanioloansandservices.com/policies/MGT-7_Annual-Return_24-25.pdf

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

(b) Remuneration paid to Executive Directors and CEO

Details of remuneration paid to the Executive director(s) during the year under review are provided in the Annual Return as on March 31, 2025, which is available on the Company's website at https://www.dhanioloansandservices.com/policies/MGT-7_Annual-Return_24-25.pdf

5. General Body Meetings

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

Year	Meeting	Location	Date	Time	Number of special resolutions passed
2022-23	28 th AGM	1/1E, First Floor, East Patel Nagar, New Delhi, West Delhi -110008	September 29, 2022	11:30 A.M.	Four
2023-24	29 th AGM	1/1E, First Floor, East Patel Nagar, New Delhi, West Delhi -110008	September 27, 2023	11:30 A.M.	Two
2024-25	30 th AGM	1/1E, First Floor, East Patel Nagar, New Delhi, West Delhi -110008	September 25, 2024	11:30 A.M.	Nil

(B) Extraordinary General Meeting ("EGM"):

During the year 2024-25, no Extraordinary General Meeting ("EGM") was conducted by the Company.

(C) Postal Ballot during the FY 2024-25:

During the year 2024-25, no resolution was passed by the Company through Postal Ballot. No Special Resolution requiring Postal Ballot is being proposed on or before the ensuing AGM of the Company.

6. Means of Communication

The Investor Information & Financials sections on the Company's website <https://www.dhani-loansandservices.com/> keeps the investors updated on material developments in the Company by providing key and timely information such as Financial Results, Annual Reports, Contact details of persons responsible for investor grievances, etc.

7. General Shareholders Information

(A) Company Registration Details

The Company is registered in the State of Delhi, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is U74899DL1994PLC062407.

(B) Date, Time and Venue of AGM

The 31st AGM of the Company would be held on the day, date and time as mentioned in the Notice convening the said AGM.

(C) Financial year

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

(D) Dividend Payment Date:

The Company has not declared any dividend during the financial year 2024-25.

(E) Listing on Stock Exchanges

The Equity Shares of the Company are not listed. As on March 31, 2025, Secured Redeemable Non-Convertible Debentures (NCDs), issued through public issue are listed on National Stock Exchange of India and BSE Limited:

BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	National Stock Exchange of India Ltd (NSE) “Exchange Plaza”, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051
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The listing fees for the financial year 2024-2025 & 2025-26, have been paid to BSE and NSE.

The Company completed the full redemption of all outstanding Secured Redeemable Non-Convertible Debentures (NCDs) on May 16, 2025. Subsequently, the Company has been delisted from the aforesaid stock exchanges in accordance with regulatory requirements.

**(F) Stock Code/S: NSE: DHANILOANS
BSE: 936498**

(G) Market Price data- high, low during each month in last financial year – Not Applicable

(H) Market Price data- high, low during each month in last financial year – Not Applicable

(I) Performance of the Company's share in comparison to broad-based indices –Not Applicable

(J) In case of securities are suspended from trading, the directors report shall explain the reason thereof – Not Applicable

(K) Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. 99.99 % equity shares of the Company are in dematerialized form, hence, transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

Distribution of shareholding as on March 31, 2025 – Not Applicable (Dhani Loans and Services Limited is wholly owned subsidiary of Dhani Services Limited)

(L) Registrar and Transfer Agents**KFin Technologies Limited**

M/s. KFin Technologies Limited

(Unit:Dhani Loans and Services Limited)

Selenium, Tower B,

Plot 31& 32, Financial District,

Nanakramguda, Serilingampally,

Hyderabad, Telangana - 500 032

E-mail: einward.ris@kfintech.com

Website: www.kfintech.com and <https://ris.kfintech.com/>

(ii) Shareholding pattern as on March 31, 2025

Dhani Services Limited holds 6,11,88,000 Equity Shares of Rs. 10 each along with its 6 nominees holding one equity share each.

(M) Dematerialization of shares and liquidity

99.99% Equity shares of the Company are in dematerialized form as on March 31, 2025. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's equity shares is INE614X01012.

(N) Outstanding global depository receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity: Not Applicable**(O) Commodity price risk or foreign exchange risk and hedging activities: Not Applicable****(P) Plant Locations: Not Applicable****(Q) Address for Correspondence****(i) Registered Office:**

A-2, First Floor,

Kirti Nagar,

New Delhi-110015

Email: support@dhani.com

Tel: 011- 41052775, Fax: 011- 42137986

Website: www.dhani Loans and services.com

(ii) Corporate Office:

One International Centre (Formerly IFC),

Senapati Bapat Marg, Elphinstone Road,

Mumbai – 400 013

(R) Debenture Trustee

Beacon Trusteeship Limited

5W, 5th Floor, The Metropolitan,

Bandra Kurla Complex, Bandra(East),

Mumbai, Maharashtra, India, 400051

Telephone No: 022 2655 8759

[Email: contact@beacontrustee.co.in](mailto:contact@beacontrustee.co.in)

[Website: www.beacontrustee.co.in](http://www.beacontrustee.co.in)

Particulars	Details
-------------	---------

(S) Credit Ratings and Change/ Revisions in Credit Ratings for Debt Instruments:-

As on March 31, 2025, Dhani Loans and Services Limited [DLSL] has a Long term credit rating of IVR BBB- (Stable) from Infomerics Valuation and Rating Pvt. Ltd.

(T) Details of utilization of funds raised through preferential allotment or qualified institutions placement – Not Applicable

(U) Other Disclosures

<p>Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;</p>	<p>There were no material related party transactions during the year that have a conflict with the interest of the Company. Further, the Company also has a policy on dealing with related party transactions which is disclosed on its website at https://www.dhaniloansandservices.com/policies/DLSL-Policy-on-Related-Party-Transactions.pdf</p>
<p>Details of non - compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets, during the last three years;</p>	<p>i. During the financial year 2022-23 the Company had Clarified its stand w.r.t observations of NSE and BSE on few filings under Regulation 52(7)/(7A), 57(1) and 60(2) of SEBI (LODR) Regulations, 2015 and waiting for comments of the Stock Exchanges. No fines have been paid in the Financial year under review on said observations.</p> <p>ii. During the financial year 2022-23 the Company paid a fine of Rs. 7.60 lacs to RBI for the penalty imposed by RBI on the Company w.r.t non-compliance of the "Reserve Bank of India [Know Your Customer (KYC)] Directions, 2016"</p> <p>iii. During the financial year 2023-24 the Company paid a fine of Rs. 20 lacs to RBI for the penalty imposed by RBI on the Company w.r.t non-compliance of the "Reserve Bank of India [Know Your Customer (KYC)] Directions, 2016"</p> <p>iv. During the financial year 2023-24, the Company paid a penalty of Rs. 16,520/- (Including GST) each by NSE & BSE for Non-submission of statement indicating the utilization of issue proceeds for March 2022 under Regulation 52(7)(7A) of SEBI (LODR) Regulations, 2015.s</p>
<p>Details of establishment of vigil mechanism / whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;</p>	<p>The Company has a Whistle Blower Policy and has established necessary Vigil Mechanism for Directors and employees to report concerns about unethical behaviour. No person has been denied access to the Audit Committee.The details of the Whistle Blower Policy are available on the website of the Company at https://www.dhaniloansandservices.com/whistleblower-policy.</p>
<p>Details of compliance with mandatory requirements and adoption of the non- mandatory requirements;</p>	<p>Details of compliance with non-mandatory and mandatory requirements are mentioned in point no. 9 and 10 of this report respectively.</p>
<p>Web link where policy for determining 'material' subsidiaries is disclosed;</p>	<p>The Company has formulated a Policy for determining material subsidiaries, pursuant to the provisions of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, which is available on the web link https://www.dhaniloansandservices.com/policies-and-codes.</p>
<p>Web link where policy on dealing with related party transactions</p>	<p>The Company has a policy on dealing with related party transactions which is disclosed on its website at https://www.dhaniloansandservices.com/policies/DLSL-Policy-on-Related-Party-Transactions.pdf</p>

Disclosure of commodity price risks and commodity hedging activities	Not Applicable												
Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A).	Not Applicable												
Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority	The Company has obtained certificate from Practising Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The same is reproduced at the end of this report and marked as Annexure I .												
Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:	The Board had accepted all recommendations of committees of the Board which are mandatorily required, during the financial year 2024-25.												
Total fees for all services paid by the listed entity and its subsidiaries (excluding GST), for FY 2024-25, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.	<p>The particulars of payment of fees to Statutory Auditors is given below:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount(Rs.)</th> </tr> </thead> <tbody> <tr> <td>(i) Audit fees</td> <td>29,00,000</td> </tr> <tr> <td>(ii) Certification Fee</td> <td>-</td> </tr> <tr> <td>(iii) Out of pocket expenses</td> <td>-</td> </tr> <tr> <td>(iv) In connection with the issue of securities</td> <td>-</td> </tr> <tr> <td>Total</td> <td>29,00,000/-</td> </tr> </tbody> </table> <p>Further, no fees were paid to any entity in the network firm/network entity of which the Statutory Auditor is a part.</p>	Particulars	Amount(Rs.)	(i) Audit fees	29,00,000	(ii) Certification Fee	-	(iii) Out of pocket expenses	-	(iv) In connection with the issue of securities	-	Total	29,00,000/-
Particulars	Amount(Rs.)												
(i) Audit fees	29,00,000												
(ii) Certification Fee	-												
(iii) Out of pocket expenses	-												
(iv) In connection with the issue of securities	-												
Total	29,00,000/-												
Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	<table border="1"> <thead> <tr> <th>Number of complaints filed during the financial year.</th> <th>Number of complaints disposed of during the financial year.</th> <th>Number of complaints pending as on end of the financial year.</th> </tr> </thead> <tbody> <tr> <td>Nil</td> <td>NA</td> <td>NA</td> </tr> </tbody> </table>	Number of complaints filed during the financial year.	Number of complaints disposed of during the financial year.	Number of complaints pending as on end of the financial year.	Nil	NA	NA						
Number of complaints filed during the financial year.	Number of complaints disposed of during the financial year.	Number of complaints pending as on end of the financial year.											
Nil	NA	NA											
Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'	<p>All the related party transactions, entered into by the Company, during the financial year, were in its ordinary course of business and on an arm's length basis.</p> <p>Further, Your Directors wish to draw attention of the members to Notes to the financial statement which sets out related party disclosures.</p>												

Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.	Name	Date & Place of Incorporation	Name & Date of appointment of Auditors
	N.A.		
Familiarization Program:			
Details of familiarisation programmes imparted to Independent Directors is disclosed on its website at https://www.dhniloansandservices.com/policies/DLSL-Board-Familiarisation_Programme.pdf			
Summary Minutes	A summary of the minutes of the meetings of the Board of the subsidiary companies is placed before the Board for noting on a quarterly basis.		

Unclaimed Amount

8. As on March 31, 2025, there was no unpaid amount with respect to the Interest / Dividend /Redemption of NCDs of the Company.
9. Non-compliance of any requirement of corporate governance report of sub-paras above, with reasons thereof shall be disclosed:
The composition of the Board is in compliance with the requirements under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (“SEBI Listing Regulations”) relating to Board composition which have been made applicable to High Value Debt Listed entities.
10. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.

The Company has adopted the following discretionary requirements as specified in Part E of Schedule II

i. Qualified/Unqualified Financial Statements:

It has been the endeavor of the Company to have its accounting systems and controls to ensure complete adherence to the applicable accounting standards and practices obviating the possibility of the Auditors qualifying their report on the audited accounts of the Company. The Auditors’ Report on the audited annual accounts of the Company for the FY 2024-25 contains a qualification on which Management response has been adequately captured in the Boards’ Report forming part of this Annual Report.

ii. The Internal Auditor of the Company directly reports to Audit Committee of the Company:

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

11. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (a) to (i) of Regulation 62 (1A) of SEBI Listing Regulations shall be made in the section on corporate governance of the annual report.

The Company is in compliance with/is in the process of complying with all the mandatory requirements specified in Regulation 17 to 27 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 which have become applicable to the Company as a High Value Debt Listed Entity (“HVDLE”) w.e.f September 7, 2021 on a ‘comply or explain’ basis until March 31, 2025.

1. Declaration signed by the Whole Time Director & CEO stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.

The Company has adopted a Code of Conduct for its employees including the Whole Time Director & CEO. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website <https://www.dhani loans and services.com/policies/DL,SL-Code-of-Conduct-of-the-Board-of-Directors-and-Senior-Management-Personnel.pdf>.

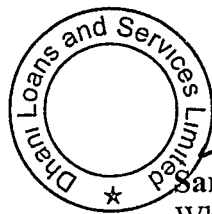
All the Directors of the Board and Senior Management Personnel of the Company have affirmed compliance with the respective Codes. A declaration signed by the Whole Time Director & CEO to this effect is reproduced at the end of this report and marked as **Annexure II**.

1. The CEO and CFO have also issued certificate pursuant to the provisions of Regulation 17(8) read with Part-B of Schedule-II of the SEBI LODR Regulations, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. A certificate signed by the CEO and CFO to this effect is reproduced at the end of this report and marked as **Annexure III**.
11. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report.

The Company has obtained compliance certificate from the Practising Company Secretaries on corporate governance. The same is reproduced at the end of this report and marked as **Annexure-IV**.

15. Disclosures with respect to demat suspense account / unclaimed suspense account: Not Applicable

For Dhani Loans and Services Limited



Sanjeev Kashyap
Sanjeev Kashyap
Whole-time Director &
CEO
DIN: 03405178

Akshay Kumar Tiwary
Akshay Kumar Tiwary
Chairman – CSR
Committee
DIN: 00366348

Place: Gurugram
Date: July 23, 2025

(B) Employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month

SL. No.	Name	Designation of the employee	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	The age of such employee	The last employment held by such employee before joining the company	The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1	Mr. Ravi Telkar	VP-Corporate Affairs	68,60,000	Permanent	B Com & ICSI	02-May-2023	53	Indiabulls Real Estate Ltd.	NA	NA
2	Mr. Jeetesh Khurana	Head of Technology	60,37,500	Permanent	M.Sc	26-Jul-2021	46	Citi Corp India Services Pvt Ltd	NA	NA

(D) The names of the top ten employees in terms of remuneration drawn during the Financial Year 2024-25:

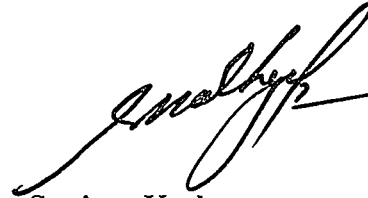
SL. No	Name	Designation of the employee	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	The age of such employee	The last employment held by such employee before joining the company	The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1	Sanjeev Kashyap	Chief Executive Officer	9636616	Permanent	MBA	14-Feb-05	53	Shri Parasram Holdings Pvt. Ltd.	NA	NA
2	Ravi Telkar	VP-Corporate Affairs	6860000	Permanent	B Com & ICSI	02-May-23	53	Indiabulls Real Estate Ltd.	NA	NA
3	Sandeep Jagdish Muzumdar	Vice President	6324399	Permanent	MBA / PGDBA	01-Oct-07	60	Star India Pvt Ltd.	NA	NA
4	Manish Rustagi	Vice President	6073715	Permanent	CA	18-Mar-05	46	Indiabulls Distribution Services Ltd.	NA	NA
5	Jeetesh Khurana	Head of Technology	6037500	Permanent	M.Sc	26-Jul-21	46	Citi Corp India Services Pvt Ltd	NA	NA
6	Amit Peter Kindo	Chief Risk Officer	5066512	Permanent	BE / B. Tech	06-Jan-20	45	Charu Farm	NA	NA
7	Mahesh Arora	Chief Compliance Officer	3990889	Permanent	GNIIT	09-Mar-06	44	Citifinancial Consumer Finance India Ltd.	NA	NA
8	Jugal R Patel	Senior Engineering Manager	3956407	Permanent	BE / B. Tech	06-Oct-15	35	Transerv Pvt. Ltd.	NA	NA
9	Abhay Kumar Pandey	Lead Cloud Engineer	3074906	Permanent	Diploma	18-Oct-21	46	AT & T	NA	NA
10	Vishal Garg	Mobile Architect	3027416	Permanent	MCA	01-Jul-16	38	Transerv Pvt. Ltd.	NA	NA

Notes -

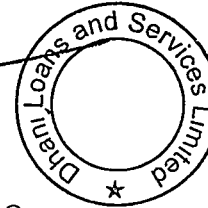
1 Remuneration includes salary, bonus, incentive, house rent allowance, supplementary allowance, Transport allowance Medical allowance, leave travel allowance, and other allowance paid in cash

2 Other Terms and Conditions All appointments are/were in accordance with the terms and conditions as per applicable Rules and Policy of the Company

For Dhani Loans and Services Limited



Sanjeev Kashyap
Whole-time Director & CEO
DIN: 03405178



Akshay Kumar Tiwary
Chairman – CSR Committee
DIN: 00366348

Place: Gurugram

Date: July 23, 2025

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

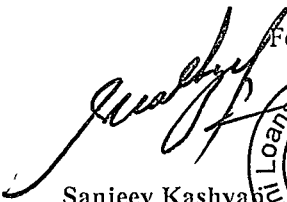
To
The Board of Directors
Dhani Loans and Services Limited
A-2, First Floor, Kirti Nagar,
New Delhi-110015

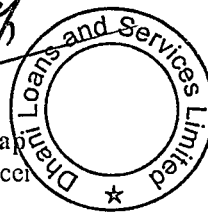
As required by Regulation 17(8) read with Part-B of Schedule-II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm to the Board that:


- A We have reviewed financial statements including the cash flow statement for the year ended March 31, 2025 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company code of conduct
- C We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies
- D We have indicated to the auditors and the Audit committee that:
- (1) There were no significant changes in internal control over financial reporting during the year,
 - (2) There were no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) There were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting

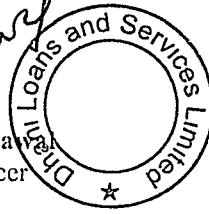
Date: May 02, 2025
Place: Gurugram

For Dhani Loans and Services Limited


Sanjeev Kashyap
 Chief Executive Officer




Rajeev Lochan Agrawal
 Chief Financial Officer



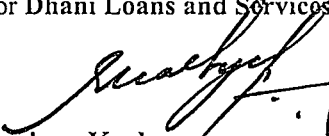
Dhani Loans and Services Limited

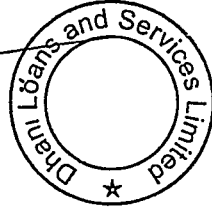
CIN U74899DL1994PLC062407
 Reg Office A-2, First Floor, Kirti Nagar, New Delhi-110015, T 011- 41052775 F 011- 42137986
 Corp Office One International Centre, Tower 1, 4th Floor, S B Marg, Elphinstone (W), Mumbai - 400013 T +91 22 6189 9016 F +91 22 6189 9001
 Website www.dhani loansandservices.com | Email support@dhani.com

ANNUAL DECLARATION BY CHIEF EXECUTIVE OFFICER PURSUANT TO REGULATION 53(f) READ WITH SCHEDULE-V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

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

For Dhani Loans and Services Limited


Sanjeev Kashyap
Chief Executive Officer



May 02, 2025

Dhani Loans and Services Limited

CIN U74899DL1994PLC062407

Reg Office A-2, First Floor, Kirti Nagar, New Delhi-110015, T 011- 41052775 F 011- 42137986

Corp Office One International Centre, Tower 1, 4th Floor, S B Marg, Elphinstone (W), Mumbai - 400013 T +91 22 6189 9016 F +91 22 6189 9001

Website www.dhani loans and services.com | Email support@dhani.com



CERTIFICATE

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

To,
The Members
Dhani Loans and Services Limited
A-2, First Floor, Kirti Nagar, New Delhi-110015

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Dhani Loans and Services Limited** having CIN U74899DL1994PLC062407 and having registered office at A-2, First Floor, Kirti Nagar, New Delhi-110015 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	Director Identification Number	Date of Appointment in Company*	Date of Cessation in the Company
1.	Mr. Akshay Kumar Tiwary	00366348	28/11/2022	-
2.	Mr. Sanjeev Kashyap	03405178	01/01/2023	-
3.	Brig. Labh Singh Sitara (Retd.)	01724648	14/09/2017	-
4.	Mr. Amit Ajit Gandhi	07606699	05/04/2023	-
5.	Ms. Sargam Kataria	07133394	01/08/2023	-
6.	Mr. Prem Prakash Mirdha	01352748	04/10/2023	-

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

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

For Sukesh & Co.
Company Secretaries

Sukesh Saini
Membership No.: F11688
CP No. 12007
UDIN: F011688G000860052



Date: July 25, 2025
Place: Gurugram



Independent Auditor's Report to The Members of Dhani Loans and Services Limited
Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying Standalone Financial Statements of Dhani Loans and Services Limited (the "Company"), which comprise the Standalone Balance Sheet as at 31 March 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended on that date and a summary of material accounting policies and other explanatory information (hereinafter referred to as the " Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph below, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at 31 March 2025, the profit and other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Qualified Opinion

As more fully explained in Note 45 to the accompanying Standalone Financial Statements, the company has created a provision for impairment losses on certain non-financial assets amounting to Rs.4,123.21 Lakh (Net of deferred tax) and derecognized certain financial assets amounting to Rs.14,118.57 Lakh (Net of deferred tax). These amounts have been debited to other Comprehensive Income (OCI) instead of debiting the same to the Standalone Statement of Profit and Loss, which is not in strict accordance with the applicable India Accounting Standards (Ind AS) and other applicable regulations. This indicates that if these were debited to the Standalone Statement of Profit and Loss for the year ended 31 March 2025, the company would have reported a net loss (after tax) of Rs. 7,145.85 Lakh. Consequently, the Profit After tax for the year ended 31 March 2025 has been overstated by the aforesaid amount.

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 ethical 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 opinion on the Standalone Financial Statements.



Emphasis of Matter

We draw attention to the Standalone Financial Statements, which describes in Note no. 30 a significant increase in employee strength during the last quarter of the financial year. This was due to the transfer of employees from a fellow subsidiary within the same group. As represented by the management, these employees were transferred in accordance with the Company's internal policy and have rendered services to the Company during the period. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended 31 March 2025. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key Audit Matters	Auditor's Response
<p>A) Impairment of Loans (expected credit loss - ECL) (Refer notes 6 and 53 to the Standalone Financial Statements)</p> <p>In accordance with the requirements of Ind AS 109, the Company is required to provide for impairment of its financial assets using the expected credit loss ('ECL') approach which involves an estimation of the probability of loss on the financial assets over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. In the process, a significant degree of judgement has been applied by the management in respect of following matters:</p> <p>(i) Classification and staging of loan portfolio, and estimation of behavioural life.</p>	<p>Principal audit procedure</p> <ul style="list-style-type: none">• Read and assessed the Company's accounting policies for the impairment of financial assets and whether such policy was in accordance with the requirements of Ind AS 109 and the governance framework approved by the Board of Directors pursuant to the applicable Reserve Bank of India guidelines/directions.• Evaluated the appropriateness of the Company's assumptions used by the Company for grouping and staging of loan portfolio into various categories and default buckets and their appropriateness for determining the probability of default (PD) and loss given default (LGD) rates



Key Audit Matters (continued)

Key Audit Matters	Auditor's Response
(ii) Classification and staging of loan portfolio, and estimation of behavioural life.	<ul style="list-style-type: none"> • Tested the operating effectiveness of the controls for application of the staging criteria of loans. Assessed the considerations applied by the Management for staging of loans.
(iii) Estimation of losses in respect of those classes of loans which had no or minimal historical defaults.	<ul style="list-style-type: none"> • Performed tests (on sample basis) to verify the staging of loans based on their past due status.
(iv) Management overlay for macro-economic factors and estimation of their impact on the credit quality of the loans	<ul style="list-style-type: none"> • Performed appropriate inquiries with the Company's management and assessed assumptions used by the management in determination of ECL provision.
(v) In accordance with the guidance in Ind AS 109, the management overlay estimate takes into account reasonably and supportable information without incurring significant cost. The actual credit losses for the next 12 months could be significantly different than the ECL estimates prepared by the Company.	<ul style="list-style-type: none"> • Tested the arithmetical accuracy of calculation of the provision for ECL performed by the Company.
(vi) The disclosures (including disclosures prescribed by RBI) regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.	<ul style="list-style-type: none"> • Assessed the appropriateness and sufficiency of disclosures in the Financial Statements in respect of provision for ECL.
(vii) The Company has developed a financial model that derives key assumptions used within the provision calculation such as probability of default (PD) and loss given default (LGD). The output of such model is then applied to the calculation for the provision for expected credit loss calculation with other information including the exposure at default (EAD).	
<p>Given the high degree of management's judgement involved in estimation of ECL, it is an area of material uncertainty and a key audit matter.</p>	



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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

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

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

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

Management's Responsibilities for the Standalone Financial Statements

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

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



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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



Report on Other Legal and Regulatory Requirements (continued)

- g) In our opinion and to the best of our information and according to the explanations given to us, the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements — Refer Note 37(i) to the Standalone Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(c), as provided under (a) and (b) above, contain any material misstatement.



Report on Other Legal and Regulatory Requirements (continued)

- v. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirement for record retention.
- vi. The Company has not declared/paid any dividend during the year and subsequent to the year-end.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For, KAPG and Associates
Chartered Accountants
Firm Registration no. 032569N



Pradeep Gupta
Partner
M.No.519337

New Delhi, 02 May 2025
UDIN: 25519337BMODRF8525



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Dhani Loans and Services Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of subsection 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of Dhani Loans and Services Limited (the "Company") as at 31 March 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For, KAPG and Associates
Chartered Accountants
Firm Registration no. 032569N

Pradeep Gupta
Partner

M.No.519337

New Delhi, 02 May 2025

UDIN: 25519337BMODRF8525



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

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

- i. In respect of the Company's property, plant and equipment and intangible assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment (including right of use assets).
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment (including right of use assets) by which all property, plant and equipment (including right of use assets) are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment (including right of use assets) were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c) Based on our examination of the property tax receipts and lease agreement for land registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the Standalone Financial Statements included under property, plant and equipment are held in the name of the Company as at the balance sheet date.
 - d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.
 - e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. a) The Company is engaged in the business of a non-banking finance company and does not hold any physical inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.



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

- b) The Company has been sanctioned working capital limits in excess of Rs. five crores, in aggregate, during the year, from a bank on the basis of security of current assets of the Company. According to the information and explanations given to us by the management, the Company is not required to submit quarterly returns or statements with such banks.
- iii. During the year, the Company has granted loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties. The Company has not made any investments in and has not provided any guarantee or security to any other entity during the year. With respect to such loans and advances:
- a) The Company is registered as a Non-Banking Finance Company engaged in the primary business of financing/ granting loans. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable.
- b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.
- c) In respect of loans and advances in the nature of loans granted by the Company (together referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note 3 (j) to the Standalone Financial Statements, explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, read with Notes 6 and 53 to the Standalone Financial Statements, loan assets with balances as at March 31, 2025 aggregating Rs. 250.08 lakh were categorized as credit impaired ("Stage 3") and Rs. 827.68 lakh were categorized as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 6, read with Note 53, to the Standalone Financial Statements. Additionally, out of total loans and advances in the nature of loans, balances as at the year-end aggregating Rs. 1,58,448.11 lakh, where credit risk has not Significantly increased since initial recognition were categorized as "Stage 1". Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemized list of loan assets where delinquencies in the repayment of principal and interest have been identified (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause). Further, except for loans where there are delays or defaults in repayment of principal and / or payment of interest as at the balance sheet date, in respect of which the Company has disclosed asset classification / staging in note 6 and 53 to the Standalone Financial Statements in accordance with Indian Accounting Standards (Ind AS) and the applicable directions/ guidelines issued by the Reserve Bank of India, in all other cases, the repayment of principal and interest is regular, as applicable.



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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

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

Information about arrears of disputed statutory dues is as follows					
S. No.	Name of the Statute	Nature of the dues	Amount (Rs. in Lakh)	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act 1961	Income Tax	10.20	FY 2017-18 (AY 2018-19)	CIT Appeals
2	Income Tax Act 1961	Income Tax	404.61	FY 2017-18 (AY 2018-19)	ITAT, Delhi
3	Income Tax Act 1961	Income Tax	307.46	FY 2019-20 (AY 2020-21)	CIT Appeals
4	Income Tax Act 1961	Income Tax	3,874.11	FY 2020-21 (AY 2021-22)	ITAT, Delhi
5	CGST ACT 2017	Demand Order U/S 73	240.54	FY 2017-18	Commissioner Appeals, Delhi
6	CGST ACT 2017	Demand Order U/S 73	8.62	FY 2017-18	Commissioner Appeals, Tamil Nadu
7	CGST ACT 2017	Demand Order U/S 73	264.24	FY 2018-19	Commissioner Appeals, Gujarat
8	CGST ACT 2017	Demand Order U/S 73	42.51	FY 2018-19	Commissioner Appeals, Gujarat
9	CGST ACT 2017	Demand Order U/S 73	113.85	FY 2018-19	Commissioner Appeals, Tamil Nadu
10	CGST ACT 2017	Demand Order U/S 73	4.14	FY 2018-19	Commissioner Appeals, West Bengal
11	CGST ACT 2017	Demand Order U/S 73	0.52	FY 2018-19	Commissioner Appeals, Rajasthan
12	CGST ACT 2017	Demand Order U/S 73	521.81	FY 2019-20	Commissioner Appeals, West Bengal
13	CGST ACT 2017	Demand Order U/S 73	76.02	FY 2019-20	Commissioner Appeals, Delhi
14	CGST ACT 2017	Demand Order U/S 73	146.27	FY 2019-20	Commissioner Appeals, Tamil Nadu



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

Information about arrears of disputed statutory dues is as follows					
S. No.	Name of the Statute	Nature of the dues	Amount (Rs. in Lakh)	Period to which the amount relates	Forum where dispute is pending
15	CGST ACT 2017	Demand Order U/S 73	734.47	FY 2019-20	Commissioner Appeals, Maharashtra
16	CGST ACT 2017	Demand Order U/S 73	83.71	FY 2019-20	Commissioner Appeals, Delhi
17	CGST ACT 2017	Demand Order U/S 73	6.58	FY 2020-21	Commissioner Appeals, West Bengal
18	CGST ACT 2017	Demand Order U/S 73	124.80	FY 2020-21	Commissioner Appeals, Delhi
19	CGST ACT 2017	Demand Order U/S 73	4.00	FY 2020-21	Commissioner Appeals, Tamil Nadu
20	CGST ACT 2017	Demand Order U/S 73	0.10	FY 2021-22	Commissioner Appeals, Uttarakhand
21	CGST ACT 2017	Demand Order U/S 73	0.50	FY 2021-22	Commissioner Appeals, Uttarakhand
22	CGST ACT 2017	Demand Order U/S 73	0.50	FY 2022-23	Commissioner Appeals, Uttarakhand
23	CGST ACT 2017	Demand Order U/S 73	0.50	FY 2022-23	Commissioner Appeals, Uttarakhand

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix.

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or any other lender during the year.



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

- c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short - term basis have been used for long-term purposes by the Company,
- e) According to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, as defined in the Act. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended March 31, 2025.
- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).
- x. a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. a) During the course of our examination of the books and records of the Company carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, there have been instances of fraud on the Company amounting to Rs. 362.87lakh (Refer Note 49 xii) to the Standalone Financial Statements). No fraud by the Company has been noticed or reported during the year. We have not been informed of any such case by the management.
b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.



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

- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xiv. a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) The internal audit is performed as per a planned program approved by the Audit Committee of the Board of Directors of the Company. We have considered the internal audit reports for the year under audit, issued to the Company during the year.
- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a) According to the information and explanations given to us, the Company is engaged in business of Non-Banking Financial Institution as defined under section 45-IA of Reserve Bank of India Act, 1934 ("RBI Act") and is duly registered under section 45-IA of the RBI Act, holding certificate of registration (CoR) as a Non-Banking Financial Institution without accepting public deposits under section 45-IA of the said RBI Act.
- b) In our opinion and according to the information and explanations given to us, the Company has conducted its business activities of a Non-Banking Financial Company and is duly registered under section 45-IA of the RBI Act, holding certificate of registration (CoR) as a Non-Banking Financial Institution without accepting public deposits under section 45-IA of the said RBI Act.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC as part of the Group.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year.



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

- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, Asset Liability Maturity (ALM) pattern as disclosed in the Notes to the Standalone Financial Statements, other information accompanying the Standalone Financial Statements and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when fall due.
- xx. In our opinion and according to the information and explanations given to us, the provisions related to corporate social responsibility in terms of section 135 of the Act are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For, KAPG and Associates

Chartered Accountants

Firm Registration no. 032569N



Pradeep Gupta

Partner

M.No.519337

New Delhi, 02 May 2025

UDIN: 25519337BMODRF8525



DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Standalone Balance Sheet as at 31 March 2025

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

	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	4	3,709.39	4,319.61
(b) Bank balance other than cash and cash equivalents	5	3,886.56	4,420.98
(c) Loans	6	1,57,733.83	1,66,596.51
(d) Investments	7	1,04,552.71	1,09,710.65
(e) Other financial assets	8	419.16	677.04
Total financial assets		2,70,301.65	2,85,724.79
2 Non-financial assets			
(a) Current tax assets (net)	9	3,001.06	6,091.78
(b) Deferred tax assets (net)	10	46,243.63	44,589.51
(c) Property, plant and equipment	11(a)	740.71	4,130.54
(d) Right-of-use assets	11(b)	1,835.84	2,647.78
(e) Intangible assets under development	11(c)	-	-
(f) Other intangible assets	11(d)	110.62	2,931.46
(g) Other non-financial assets	12	2,449.34	2,446.61
Total non-financial assets		54,381.20	62,837.68
TOTAL ASSETS		3,24,682.85	3,48,562.47
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial liabilities			
(a) Payables			
(I) Trade payables	13		
(i) Dues of micro enterprises and small enterprises		-	-
(ii) Other than micro enterprises and small enterprises		255.48	943.88
(II) Other payables	14		
(i) Dues of micro enterprises and small enterprises.		-	-
(ii) Other than micro enterprises and small enterprises.		2,542.26	4,658.01
(b) Debt securities	15	2,854.54	13,728.76
(c) Borrowings (other than debt securities)	16	1,874.64	3,768.84
(d) Lease liabilities	17	2,108.83	3,079.02
(e) Others financial liabilities	18	2,078.47	3,003.29
Total financial liabilities		11,714.22	29,181.80
2 Non-financial liabilities			
(a) Provisions	19	1,337.47	438.48
(b) Other non-financial liabilities	20	558.41	755.44
Total non-financial liabilities		1,895.88	1,193.92
3 EQUITY			
(a) Equity share capital	21	6,118.80	6,118.80
(b) Other equity	22	3,04,953.95	3,12,067.95
Total equity		3,11,072.75	3,18,186.75
TOTAL LIABILITIES AND EQUITY		3,24,682.85	3,48,562.47

The accompanying notes form an integral part of these Standalone Financial Statements.
This is the Standalone Balance Sheet referred to in our report of even date.

For KAPG & Associates

Chartered Accountants

ICAI Firm registration no. : 032569N

Pradeep Gupta
Pradeep Gupta

Partner
Membership No.: 519337

Place: New Delhi
Date: 02 May 2025



For and on behalf of the board of directors

Sanjeev Kashyap
Sanjeev Kashyap

Whole Time Director &
Chief Executive Officer
DIN: 03405178
Place: Gurugram
Date: 02 May 2025

Akshay Kumar Tiwary
Akshay Kumar Tiwary

Director
DIN: 00366348

Rajeev Lochan Agrawal
Rajeev Lochan Agrawal

Chief Financial Officer

Manish Rustagi
Manish Rustagi

Company Secretary



Particulars	Notes	Year ended	
		31 March 2025	31 March 2024
I Revenue from operations			
(i) Interest income	23	22,935.06	23,529.37
(ii) Fees and commission income	24	2,333.73	3,874.35
(iii) Net gain on fair value changes	25	444.58	-
Total revenue from operations		25,713.37	27,403.72
II Other income	26	3,070.58	4,354.34
III Total Income (I + II)		28,783.95	31,758.06
IV Expenses			
(i) Finance costs	27	1,803.75	4,031.26
(ii) Net loss on fair value changes	28	-	144.42
(iii) Impairment on financial instruments	29	(420.95)	749.54
(iv) Employee benefits expense	30	4,209.31	7,694.91
(v) Depreciation, amortisation and impairment	31	1,870.72	3,667.03
(vi) Other expenses	32	5,633.99	5,546.91
IV Total Expenses		13,096.82	21,834.07
V Profit before tax (III-IV)		15,687.13	9,923.99
VI Tax Expense:	33		
(i) Current tax		95.38	-
(ii) Deferred tax credit		4,495.82	2,550.07
		4,591.20	2,550.07
VII Profit for the year (V-VI)		11,095.93	7,373.92
VIII Other Comprehensive Income			
(i) Items that will not be reclassified to statement of profit and loss			
(a) Remeasurement of defined benefit plans		(58.50)	191.32
(b) Income tax expense relating to above items		14.72	(48.15)
(ii) Items that will be reclassified to statement of profit and loss			
(a) Changes in fair valuation of financial and non-financial assets (refer note - 45)		(24,376.98)	-
(b) Income tax expense relating to above items.		6,135.20	-
Other comprehensive income(i + ii)		(18,285.56)	143.17
IX Total comprehensive income for the year (VII+VIII)		(7,189.63)	7,517.09
X Earnings per equity share (face value of ₹ 10 each)	34		
Basic (₹)		18.13	12.05
Diluted (₹)		18.13	12.05

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

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

For KAPG & Associates

Chartered Accountants

ICAI Firm registration no. : 032569N

Pradeep Gupta

Pradeep Gupta

Partner

Membership No.: 519337

Place: New Delhi

Date: : 02 May 2025



For and on behalf of the board of directors

Sanjeev Kashyap

Sanjeev Kashyap

Whole Time Director &
Chief Executive Officer

DIN: 03405178

Place: Gurugram

Date: : 02 May 2025

Akshay Kumar Tiwary

Akshay Kumar Tiwary

Director

DIN: 00366348

Rajeev Lochan Agrawal

Rajeev Lochan Agrawal

Chief Financial

Officer

Manish Rustagi

Manish Rustagi

Company Secretary



DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Standalone Statement of Profit and Loss for the year ended 31 March 2025

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

	For the year ended 31 March 2025	For the year ended 31 March 2024
A Cash flow from operating activities:		
Net Profit before tax	15,687.13	9,923.99
Adjustments for :		
Depreciation/ amortisation	1,870.72	3,667.03
Loss on derecognition of property, plant and equipment	27.18	108.24
Impairment on financial instruments	(420.95)	749.54
Provision for gratuity and compensated absences	203.83	92.90
Interest income	(22,935.06)	(23,529.37)
Interest expenses	1,390.15	3,571.24
Interest on lease liabilities	406.32	448.12
Loss/(Profit) on fair value changes	(444.58)	144.42
Excess provision for expenses and liabilities written back	(2,637.93)	(1,814.41)
Gain on modification/ derecognition of financial assets	(328.25)	(243.84)
Effective interest rate adjustment for financial instruments	(444.14)	(799.76)
Share based payments to employees	75.63	(65.80)
	<u>(23,237.08)</u>	<u>(17,671.69)</u>
Operating loss before working capital changes	(7,549.95)	(7,747.70)
Adjustments for:		
Loans	(7,583.92)	(30,252.00)
Other financial assets	938.54	(452.84)
Other non financial assets	(2.73)	556.98
Trade payables	(688.40)	(86.12)
Other payables	522.18	1,801.26
Other financial liabilities	(924.82)	(4,083.07)
Provisions	578.61	(469.27)
Other non financial liabilities	(197.03)	(213.80)
	<u>(7,357.57)</u>	<u>(33,198.86)</u>
Cash used in operating activities	(14,907.52)	(40,946.56)
Interest received	23,077.22	22,340.47
Interest paid	(1,609.11)	(4,037.49)
Income taxes paid (including tax deducted at source)	515.43	11,072.08
Net cash generated from/(used in) operating activities	7,076.02	(11,571.50)
B Cash flows from investing activities:		
Purchase of property, plant and equipment, intangible assets under development and intangible assets	(199.99)	(114.68)
Investment made in Subsidiary/ Associates	-	4,013.95
Sale/(Purchase) of investments (net)	5,602.52	22,205.83
Interest received	309.30	750.49
Net cash generated from investing activities	5,711.83	26,855.59
C Cash flows from financing activities:		
Repayment of debt securities	(10,211.12)	(17,102.47)
Repayment of borrowings other than debt securities	(1,894.20)	(3,426.07)
Payment of lease liabilities	(1,292.75)	(1,461.29)
Net cash used in financing activities	(13,398.07)	(21,989.83)
D Net decrease in cash and cash equivalents (A+B+C)	(610.22)	(6,705.74)
E Cash and cash equivalents at the beginning of the year	4,319.61	11,025.35
F Cash and cash equivalents at the end of the year (D + E)	3,709.39	4,319.61



	For the year ended 31 March 2025	For the year ended 31 March 2024
Reconciliation of cash and cash equivalents as above with other bank balances		
Cash and Cash equivalents at the end of the year as per above	3,709.39	4,319.61
Add: Fixed deposits with original maturity over 3 months	3,886.56	4,420.98
Cash and cash equivalents and other bank balance as at the end of the year	7,595.95	8,740.59

Notes:

1 The above cash flow statement has been prepared under the " Indirect Method " as set out in Indian Accounting Standard (Ind AS) -7 'Statement of Cash Flows' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.

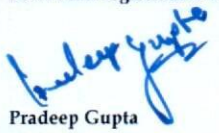
	As at 31 March 2025	As at 31 March 2024
2 Cash and cash equivalents as at the end of the year include:		
Cash in hand	0.06	0.17
Balances with banks:		
- in current accounts	3,642.63	4,173.90
- in term deposits with original maturity of less than three months	66.70	-
Cheques on hand	-	145.54
Cash and cash equivalents at the end of the year	3,709.39	4,319.61

3 For disclosures relating to changes in liabilities arising from financing activities, refer note 46

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

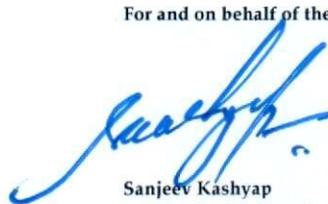



This is the Standalone Cash Flow Statement referred to in our report of even date.

For KAPG & Associates
Chartered Accountants
ICAI Firm registration no. : 032569N


Pradeep Gupta
Partner
Membership No.: 519337

Place: New Delhi
Date: 02 May 2025

For and on behalf of the board of directors

Sanjeev Kashyap Akshay Kumar Tiwary Rajeev Lochan Agrawal Manish Rustagi
Whole Time Director & Director Chief Financial Officer Company Secretary
Chief Executive Officer DIN: 00366348
DIN: 03405178
Place: Gurugram
Date: 02 May 2025



Standalone Statement of Changes in Equity for the year ended 31 March 2025

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

(A) Equity share capital (refer note 21)

Particulars	Balance as at 1 April 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2024	Changes in equity share capital during the year	Balance as at 31 March 2025
Equity share capital	6,118.80	-	6,118.80	-	6,118.80
Particulars	Balance as at 1 April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2023	Changes in equity share capital during the year	Balance as at 31 March 2024
Equity share capital	6,118.80	-	6,118.80	-	6,118.80

(B) Other equity (refer note 22)

(1) Current reporting period:

Particulars	Reserves and Surplus					Total		
	Securities premium	Capital redemption reserve	Reserve Fund (U/s 45-IC of RBI Act, 1934)	Surplus/(Deficit) in the statement of profit and loss	Other component of equity		Deemed equity contribution by Holding Company	Share options outstanding account
Balance as at 1 April 2024	2,97,573.15	900.82	14,744.79	(6,611.95)	3,652.97	1,461.22	346.95	3,12,067.95
Profit/(loss) for the year	-	-	-	11,095.93	-	-	-	11,095.93
Transfer from retained earnings	-	-	2,219.19	(2,219.19)	-	-	-	-
Share based payment to employees	-	-	-	-	-	-	75.63	75.63
Transfer to retained earnings	-	-	-	13.98	-	-	(13.98)	-
Other comprehensive income/(loss) (net of tax)	-	-	-	(43.78)	-	-	-	(43.78)
a) Re-measurement loss on defined benefit plans	-	-	-	(43.78)	-	-	-	(43.78)
b) Provision for impairment of financial and non-financial assets (refer note - 45)	-	-	-	(18,241.78)	-	-	-	(18,241.78)
Balance as at 31 March 2025	2,97,573.15	900.82	16,963.98	(16,006.79)	3,652.97	1,461.22	408.60	3,04,953.95



Standalone Statement of Changes in Equity for the year ended 31 March 2025

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

(B) Other equity (refer note 22) (continued):

(2) Previous reporting period:

Particulars	Reserves and Surplus						Total	
	Securities premium	Capital redemption reserve	Reserve Fund (U/s 45-1C of RBI Act, 1934)	Surplus/ (Deficit) in the statement of profit and loss	Other component of equity	Deemed equity contribution by Holding Company		Share options outstanding account
Balance as at 1 April 2023	2,97,573.15	900.82	13,270.01	(12,707.25)	3,652.97	1,461.22	465.74	3,04,616.66
Profit/(loss) for the year	-	-	-	7,373.92	-	-	-	7,373.92
Transfer from retained earning	-	-	-	(1,474.78)	-	-	-	-
Share based payment to employees	-	-	1,474.78	-	-	-	(65.80)	(65.80)
Transfer to retained earnings	-	-	-	52.99	-	-	(52.99)	-
Other comprehensive income/(loss) (net of tax)	-	-	-	143.17	-	-	-	143.17
a) Re-measurement loss on defined benefit plans	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	2,97,573.15	900.82	14,744.79	(6,611.95)	3,652.97	1,461.22	346.95	3,12,067.95

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

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

For KAPG & Associates

Chartered Accountants

ICAI Firm registration no. : 032569N



Pradeep Gupta

Partner

Membership No.: 519337

For and on behalf of the board of directors



Sanjeev Kashyap

Whole Time Director &

Chief Executive Officer



Akshay Kumar Tiwary

Director

DIN: 00366348



Manish Rustagi

Company Secretary



Place: New Delhi

Date: : 02 May 2025

DIN: 03405178

Place: Gurugram

Date: : 02 May 2025



DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to Standalone financial statements for the year ended 31 March 2025

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

1. Company overview

Dhani Loans and Services Limited ('the Company'), CIN: U74899DL1994PLC062407 is a public limited Company incorporated under the provisions of the Companies Act, 1956 and is engaged in the business of financing and investing related activities. The Company is a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') and is registered as a Non-Banking Financial Company with the Reserve Bank of India ("RBI") under section 45-IA of the Reserve Bank of India Act, 1934. During the year, the registered office of Company has been shifted within the city i.e. from "1/1 E, First Floor, East Patel Nagar, New Delhi-110008" to "A-2, First Floor, Kirti Nagar, New Delhi-110015", with effect from 06 March 2025.

2. Basis of preparation

(i) Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Act, other relevant provisions of the Act, the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 as amended from time to time ('the RBI Directions, 2016') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI. The Company uses accrual basis of accounting except in case of significant uncertainties and other accounting principles generally accepted in India. Any application guidance / clarifications/directions issued by RBI or other regulators are implemented as and when they are issued / applicable. The Company has uniformly applied the accounting policies for all the periods presented in these financial statements.

These standalone financial statements for the year ended 31 March 2025 were authorized and approved for issue by the Board of Directors on 02 May 2025.

(ii) Presentation of Standalone financial statements

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

(iii) Historical cost convention

The standalone financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the standalone financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

3. Summary of material accounting policies

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

a) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit and loss.

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

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



DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to Standalone financial statements for the year ended 31 March 2025

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

3. Summary of material accounting policies (continued)

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

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss, when the asset is derecognised.

b) Intangible assets*Recognition and initial measurement*

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortisation method, useful lives and residual value)

Asset class	Useful life
Software	4 - 10 years

Intangible assets are amortised from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

The Company had developed a software that is used to enhance the company's business in e-wallet segment. Useful life of that software were estimated 4 year basis the expected economic benefit from the software. However, the company has reassessed the expected pattern of consumption of economic benefit basis technical estimate of the software and expect benefits will flow to the Company till 10 years.

c) Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost. Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. These are recognised as assets when the Company can demonstrate following recognition requirements:

- The development costs can be measured reliably
- The project is technically and commercially feasible
- The Company intends to and has sufficient resources to complete the project
- The Company has the ability to use or sell such intangible asset
- The asset will generate probable future economic benefits.

Amortisation of the asset begins when development is complete and the asset is available for use.

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DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to Standalone financial statements for the year ended 31 March 2025

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

3. Summary of material accounting policies (continued)

d) Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

The Company recognises revenue from the following sources:

i. Interest income

Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. Interest income are recognised by applying the effective interest method ('EIR') to the gross carrying amount of financial assets other than credit-impaired assets. Calculation of the EIR includes all fees received or cost incurred that are incremental and directly attributable to the acquisition of a financial asset. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company recognises the interest to the extent recoverable. If the financial assets cures and is no longer credit-impaired, the Company reverts to recognising interest income.

ii. Net gain on fair value changes

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

iii. Dividend income

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

iv. Fees and commission income

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

v. Income from assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss and correspondingly EIS receivable is recognised under head other financial asset. EIS evaluated and adjusted for ECL and expected prepayment.



DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to Standalone financial statements for the year ended 31 March 2025

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

3. Summary of material accounting policies (continued)

e) Borrowing costs

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

f) Taxation

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

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other

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

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

g) Employee benefits

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Other long-term employee benefits

The Company also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after one year from the balance sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

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

Defined contribution plans

The Company has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Company in respect of these plans are charged to the Statement of Profit and Loss.

Defined benefit plans

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.



DHANI LOANS AND SERVICES LIMITED

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Notes to Standalone financial statements for the year ended 31 March 2025

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

3. Summary of material accounting policies (continued)

h) Share based payments

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

i) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

j) Impairment of financial assets

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 (1-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 (31-90 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) - LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) - EAD is based on the amounts the Company expects to be owed at the time of default. For a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Other financial assets

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

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

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.



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Notes to Standalone financial statements for the year ended 31 March 2025

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

3. Summary of material accounting policies (continued)

k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term highly liquid investments (certificate of deposits) that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. For cash flow statement purposes, cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

l) Equity investment in associate/subsidiaries

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

m) Provisions, contingent assets and contingent liabilities

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

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

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.

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

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

Non-derivative financial assets

Subsequent measurement

i. Financial assets carried at amortised cost:

A financial asset is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

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

A financial asset is measured at FVOCI if both the following conditions are met:

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

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



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Notes to Standalone financial statements for the year ended 31 March 2025

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

3. Summary of material accounting policies

iii. **Investments in equity instruments** - Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

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

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities

Subsequent measurement

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

De-recognition of financial liabilities

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

Financial guarantee

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

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o) Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per equity share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Segment reporting

The Company identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly reviewed by the CODM ('chief operating decision maker') in deciding how to allocate resources and in assessing performance.



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Notes to Standalone financial statements for the year ended 31 March 2025

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

3. Summary of material accounting policies (continued)

q) Foreign currency

Functional and presentation currency

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

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

r) Classification of leases

The Company enters into leasing arrangements for various premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

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Notes to Standalone financial statements for the year ended 31 March 2025

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

3. Summary of material accounting policies (continued)

s) Material management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Material management judgements

Recognition of deferred tax assets - The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Business model assessment - The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Evaluation of indicators for impairment of assets - The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Expected credit loss ('ECL') - The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Company makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Provisions - At each reporting date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Useful lives of depreciable/amortisable assets - Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) - Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements - Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

t) New Accounting Pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



Note - 4

Cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Cash on hand	0.06	0.17
Balances with banks		
- Current accounts	3,642.63	4,173.90
- Fixed deposit with original maturity of three months or less (including interest accrued)*	66.70	-
Cheques on hand	-	145.54
	<u>3,709.39</u>	<u>4,319.61</u>

*Including interest accrued ₹ 0.03 Lakh (31 March 2024: Nil)

Note - 5

Bank balance other than cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Fixed deposits with original maturity of more than 3 months (including interest accrued)*	3,886.56	4,420.98
	<u>3,886.56</u>	<u>4,420.98</u>

*Including interest accrued ₹ 25.84 Lakh (31 March 2024: ₹ 32.69 Lakh)

Note: The amount under lien as security against overdraft facility availed, corporate credit cards and bank guarantee are as follows (included above in Note - 4 and Note - 5):

Particulars	As at 31 March 2025	As at 31 March 2024
Deposits pledged with banks for overdraft facilities availed by the Company	3,853.88	4,326.23
Deposits pledged for District Consumer Disputes Redressal Commission	-	0.03
Deposits pledged with bank against bank guarantees	25.16	25.18
Deposits pledged with bank against corporate credit cards	74.22	69.54
	<u>3,953.26</u>	<u>4,420.98</u>

Note - 6

Loans

Term Loans

	As at 31 March 2025		
	At amortised cost	At fair value through other comprehensive income	Total
Secured	10,146.00	-	10,146.00
Unsecured	1,49,379.87	-	1,49,379.87
Total - Gross	<u>1,59,525.87</u>	<u>-</u>	<u>1,59,525.87</u>
Less: impairment loss allowance	(1,792.04)	-	(1,792.04)
Total - Net	<u>1,57,733.83</u>	<u>-</u>	<u>1,57,733.83</u>
Secured by tangible assets	10,146.00	-	10,146.00
Secured by other assets	-	-	-
Unsecured	1,49,379.87	-	1,49,379.87
Total - gross	<u>1,59,525.87</u>	<u>-</u>	<u>1,59,525.87</u>
Less: impairment loss allowance	(1,792.04)	-	(1,792.04)
Total - net	<u>1,57,733.83</u>	<u>-</u>	<u>1,57,733.83</u>

Loans in India

(i) Public sector	-	-	-
(ii) Others	1,59,525.87	-	1,59,525.87
Total - gross	<u>1,59,525.87</u>	<u>-</u>	<u>1,59,525.87</u>
Less: impairment loss allowance	(1,792.04)	-	(1,792.04)
Total - net	<u>1,57,733.83</u>	<u>-</u>	<u>1,57,733.83</u>

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Note - 6

Loans (continued)

Loans	As at 31 March 2024		
	At amortised cost	At fair value through other comprehensive income	Total
Term Loans			
Secured	13,877.17	-	13,877.17
Unsecured	1,57,296.26	-	1,57,296.26
Total - Gross	1,71,173.43	-	1,71,173.43
Less: impairment loss allowance	(4,576.92)	-	(4,576.92)
Total - Net	1,66,596.51	-	1,66,596.51
Secured by tangible assets	13,877.17	-	13,877.17
Secured by other assets	-	-	-
Unsecured	1,57,296.26	-	1,57,296.26
Total - gross	1,71,173.43	-	1,71,173.43
Less: impairment loss allowance	(4,576.92)	-	(4,576.92)
Total - net	1,66,596.51	-	1,66,596.51
Loans in India			
(i) Public sector	-	-	-
(ii) Others	1,71,173.43	-	1,71,173.43
Total - gross	1,71,173.43	-	1,71,173.43
Less: impairment loss allowance	(4,576.92)	-	(4,576.92)
Total - net	1,66,596.51	-	1,66,596.51

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

The Company is mainly engaged in the business of financing by way of loans in the nature of consumer finance and loans against property (LAP), mortgage backed SME loans, and certain other purposes in India. The Company has assessed each of its loan portfolios and performed a comprehensive analysis of the staging of each of its borrower segments. Further, the Company has also analysed its outstanding exposures. Based on the above analysis, the Company has recorded a provision for impairment due to expected credit loss (ECL), of ₹ 1,792.04 Lakh in respect of its loans and advances as at 31 March 2025 (Previous year: ₹ 4,576.92 Lakh).

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

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

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

The Company did not hold any financial instrument for which no loss allowance is recognised because of collateral at 31 March 2025. There was no change in the Company's collateral policy or collateral quality during the year.

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Note - 7

Investments

Investments	As at 31 March 2025			
	At amortised cost	At fair value through profit or loss	At cost	Total
Mutual funds	-	1,887.66	-	1,887.66
Security receipts	-	3,549.71	-	3,549.71
Equity instruments (of subsidiary company) (refer footnote below)	-	-	99,115.34	99,115.34
Total (A)	-	5,437.37	99,115.34	1,04,552.71
(i) Investments outside India	-	-	-	-
(ii) Investments in India	-	5,437.37	99,115.34	1,04,552.71
Total (B)	-	5,437.37	99,115.34	1,04,552.71
Less: Allowance for Impairment loss (C)	-	-	-	-
Total (D) = (A)-(C)	-	5,437.37	99,115.34	1,04,552.71

Investments	As at 31 March 2024			
	At amortised cost	At fair value through profit or loss	At cost	Total
Mutual funds	-	2,861.62	-	2,861.62
Security receipts	-	7,733.69	-	7,733.69
Equity instruments (of subsidiary company) (refer footnote below)	-	-	99,115.34	99,115.34
Total (A)	-	10,595.31	99,115.34	1,09,710.65
(i) Investments outside India	-	-	-	-
(ii) Investments in India	-	10,595.31	99,115.34	1,09,710.65
Total (B)	-	10,595.31	99,115.34	1,09,710.65
Less: Allowance for Impairment loss (C)	-	-	-	-
Total (D) = (A)-(C)	-	10,595.31	99,115.34	1,09,710.65

Notes:

7.1. Equity investments in subsidiaries are measured at cost as per the provisions of Ind AS 27 on 'Separate Financial Statements'

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

Name of the Subsidiaries	As at 31 March 2025	As at 31 March 2024
TranServ Limited [No. of equity share 147,29,129 (31 March 2024: 147,29,129) face value ₹ 10 each]	29,244.39	29,244.39
Indiabulls Nests Limited (formerly known as Indiabulls Distribution Services Limited) [No. of equity share 2,35,075 (31 March 2024: 2,35,075) face value ₹ 10 each]	34,320.95	34,320.95
Indiabulls Urbanresidency Limited (formerly known as Indiabulls Investment Advisors Limited) [No. of equity share 355,500,000 (31 March 2024: 355,500,000) face value ₹ 10 each]	35,550.00	35,550.00
Total investment in equity instruments of subsidiaries	99,115.34	99,115.34

Note - 8

Other financial assets

	As at 31 March 2025	As at 31 March 2024
Security deposits	1,177.67	1,512.63
Less: Impairment loss allowance	(845.38)	(905.31)
Net Security deposits (A)	332.29	607.32
Advances to employees	100.29	58.78
Less: Impairment loss allowance	(13.61)	(11.73)
Net Advance to Employees (B)	86.68	47.05
Others receivables	148.29	170.77
Less: Impairment loss allowance	(148.10)	(148.10)
Net Other Receivable (C)	0.19	22.67
Total (A+B+C)	419.16	677.04

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Note - 9

Current tax assets (net)

Advance income tax/tax deducted at source
(Net of provision for taxation)

As at
31 March 2025
3,001.06

As at
31 March 2024
6,091.78

Note - 10

Deferred tax assets (net)

Deferred Tax Assets

- Impairment loss allowance
- Disallowance under Section 40A(7) of the Income-tax Act, 1961
- Disallowance under Section 43B of the Income-tax Act, 1961
- Difference between book balance and tax balance of property, plant and equipment and other intangible assets
- Financial assets measured at amortised cost
- Financial liabilities measured at amortised cost
- Share based payments
- Unused tax losses carried forward

As at
31 March 2025
5,303.35
236.72
99.90
1,242.73
71.21
-
102.84
39,186.88
46,243.63

As at
31 March 2024
1,339.37
38.64
13.02
-
125.69
18.63
87.32
42,981.49
44,604.16

Total (A)

Less: Deferred Tax Liabilities

- Depreciation and amortisation

Total (B)

-
-

(14.65)
(14.65)

Deferred Tax Assets(Net) (A-B)

46,243.63

44,589.51

Movement in deferred tax assets

Particulars	As at 1 April 2024	Recognised in profit and loss	Recognised in other comprehensive income	Recognised in Equity	As at 31 March 2025
Deferred Tax Assets					
- Impairment loss allowance	1,339.37	(784.47)	4,748.45	-	5,303.35
- Disallowance under Section 40A(7) of the Income-tax Act, 1961	38.64	183.36	14.72	-	236.72
- Disallowance under Section 43B of the Income-tax Act, 1961	13.02	86.88	-	-	99.90
- Difference between book balance and tax balance of property, plant and equipment and other intangible assets	-	(144.02)	1,386.75	-	1,242.73
- Financial assets measured at amortised cost	125.69	(54.48)	-	-	71.21
- Share based payments	87.32	15.52	-	-	102.84
- Unused tax losses carried forward	42,981.49	(3,794.61)	-	-	39,186.88
Deferred tax liabilities					
- Financial liabilities measured at amortised cost	18.63	(18.63)	-	-	-
- Depreciation and amortisation	(14.65)	14.65	-	-	-
Deferred tax assets (net)	44,589.51	(4,495.80)	6,149.92	-	46,243.63

Particulars	As at 1 April 2023	Recognised in profit and loss	Recognised in other comprehensive income	Recognised in Equity	As at 31 March 2024
Deferred tax assets					
- Impairment loss allowance	1,334.87	4.50	-	-	1,339.37
- Disallowance under Section 40A(7) of the Income-tax Act, 1961	306.00	(219.21)	(48.15)	-	38.64
- Disallowance under Section 43B of the Income-tax Act, 1961	150.24	(137.22)	-	-	13.02
- Financial assets measured at amortised cost	121.50	4.19	-	-	125.69
- Share based payments	117.22	(29.90)	-	-	87.32
- Unused tax losses carried forward	45,260.16	(2,278.67)	-	-	42,981.49
- Derecognition of financial instruments measured under amortised cost category	103.52	(103.52)	-	-	-
Deferred tax liabilities					
- Financial liabilities measured at amortised cost	(24.25)	42.88	-	-	18.63
- Depreciation and amortisation	(181.52)	166.87	-	-	(14.65)
Deferred tax assets(net)	47,187.74	(2,550.07)	(48.15)	-	44,589.51



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

Particulars	Gross Block			Accumulated depreciation			Net Block		
	As at 1 April 2024	Additions	Disposals/ adjustment	As at 31 March 2025	As at 1 April 2024	Additions	Deletion	As at 31 March 2025	As at 31 March 2024
Freehold land	12.98	-	-	12.98	-	-	-	12.98	12.98
Computers	3,777.04	16.54	351.92	3,441.66	3,466.34	200.52	242.45	3,424.41	3,424.41
Server and networks	1,139.38	-	304.17	835.21	554.29	103.60	-	657.89	177.32
Office Equipment	1,665.37	10.88	197.01	1,479.24	1,270.76	122.57	63.85	1,329.48	585.09
Furniture	4,554.94	0.40	2,526.04	2,029.30	1,867.96	128.07	42.96	1,953.07	394.61
Vehicles	185.74	194.08	-	379.82	45.56	27.09	-	72.65	2,686.98
Total	11,335.45	221.90	3,379.14	8,178.21	7,204.91	581.85	349.26	7,437.50	4,130.51

Particulars	Gross Block			Accumulated depreciation			Net Block		
	As at 1 April 2023	Additions	Disposals/ adjustment	As at 31 March 2024	As at 1 April 2023	Additions	Deletion	As at 31 March 2024	As at 31 March 2023
Freehold land	12.98	-	-	12.98	-	-	-	12.98	12.98
Computers	3,988.10	3.61	214.67	3,777.04	3,107.35	567.45	208.46	3,466.34	880.75
Servers and networks	1,135.86	3.52	-	1,139.38	364.47	189.82	-	554.29	585.09
Office equipment	1,724.10	8.06	66.79	1,665.37	1,052.39	276.09	57.72	1,270.76	771.39
Furniture	4,789.00	8.08	242.14	4,554.94	1,493.07	481.98	107.09	1,867.96	671.71
Vehicles	59.43	126.31	-	185.74	32.90	12.66	-	45.56	3,295.93
Total	11,709.47	149.58	523.60	11,335.45	6,050.18	1,528.00	373.27	7,204.91	5,659.29

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

Particulars	Gross Block			Accumulated depreciation			Net Block		
	As at 1 April 2024	Additions	Disposals/ adjustment	As at 31 March 2025	As at 1 April 2024	Additions	Deletion	As at 31 March 2025	As at 31 March 2024
Buildings	11,117.58	1,384.23	1,446.37	11,055.44	8,469.80	997.20	247.40	1,835.84	2,647.78
Total	13,107.80	1,671.89	3,662.11	11,117.58	9,133.85	1,110.86	1,774.91	8,469.80	3,973.95

Notes:

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



Note - 12 Other non-financial assets	As at	As at
	31 March 2025	31 March 2024
Prepaid expenses	515.14	669.45
Balance with government authorities	1,728.54	1,718.61
Advances to suppliers	58.85	58.55
Security Deposits	146.81	-
	<u>2,449.34</u>	<u>2,446.61</u>

Note - 13 Trade payables	As at	As at
	31 March 2025	31 March 2024
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	255.48	943.88
	<u>255.48</u>	<u>943.88</u>

13.1. Trade Payables aging schedule

Particulars	As at 31 March 2025				Total
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	167.80	5.44	75.96	6.28	255.48
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Particulars	As at 31 March 2024				Total
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	282.21	536.30	125.28	0.09	943.88
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Note - 14 Other Payable	As at	As at
	31 March 2025	31 March 2024
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,542.26	4,658.01
	<u>2,542.26</u>	<u>4,658.01</u>

Note - 15 Debt securities (at amortised cost)	As at	As at
	31 March 2025	31 March 2024
(A) Secured Loans		
Non-convertible debentures	2,854.54	13,728.76
Total	<u>2,854.54</u>	<u>13,728.76</u>
(B) Unsecured Loans	-	-
Out of above		
In India	2,854.54	13,728.76
Outside India	-	-
Total	<u>2,854.54</u>	<u>13,728.76</u>

Notes:

15.1 Secured redeemable non convertible debentures include:

Interest rate/Effective yield	Face value (Amount in ₹)	Issue date	Redemption date	As at 31 March 2025			
				Number of NCDs	Amount	Impact of interest accrued and Ind AS	Total outstanding amount
11%	1,000.00	17-May-2022	16-May-2025	71,492	714.92	67.66	782.58
11.01% (Effective yield)	1,000.00	17-May-2022	16-May-2025	38,482	384.82	134.44	519.26
10.49%	1,000.00	17-May-2022	16-May-2025	1,54,835	1,548.35	4.35	1,552.70
Total					<u>2,648.09</u>	<u>206.45</u>	<u>2,854.54</u>



Note - 15

Debt securities (at amortised cost) (continued)

Interest rate/Effective yield	Face value (Amount in ₹)	Issue date	Redemption date	As at 31 March 2024			
				Number of NCDs	Amount	Impact of interest accrued and Ind AS	Total outstanding amount
10.50%	1,000.00	17-May-2022	17-May-2024	17,125	171.25	6.28	177.53
10.50%(Effective yield)	1,000.00	17-May-2022	17-May-2024	11,847	118.47	24.10	142.57
10.03%	1,000.00	17-May-2022	17-May-2024	42,615	426.15	0.66	426.81
10.13%	1,000.00	27-Jun-2019	27-Jun-2024	1,56,425	1,564.25	0.56	1,564.81
10.61%	1,000.00	27-Jun-2019	27-Jun-2024	1,26,043	1,260.43	99.37	1,359.80
10.60% (Effective yield)	1,000.00	27-Jun-2019	27-Jun-2024	41,232	412.32	252.32	664.64
10%	1,000.00	6-Sep-2019	6-Sep-2024	37,907	379.07	2.44	381.51
10.52%	1,000.00	6-Sep-2019	6-Sep-2024	1,18,087	1,180.87	69.03	1,249.90
10.50% (Effective yield)	1,000.00	6-Sep-2019	6-Sep-2024	9,656	96.56	55.60	152.16
11.00%	1,000.00	2-Feb-2022	31-Jan-2025	1,13,954	1,139.54	11.85	1,151.39
11.00% (Effective yield)	1,000.00	2-Feb-2022	31-Jan-2025	90,192	901.92	221.26	1,123.18
10.49%	1,000.00	2-Feb-2022	31-Jan-2025	2,56,028	2,560.28	3.28	2,563.56
11%	1,000.00	17-May-2022	16-May-2025	71,492	714.92	58.95	773.87
11.01% (Effective yield)	1,000.00	17-May-2022	16-May-2025	38,482	384.82	77.56	462.38
10.49%	1,000.00	17-May-2022	16-May-2025	1,54,835	1,548.35	(13.70)	1,534.65
Total					12,859.20	869.56	13,728.76

15.2. Non-convertible debentures are secured by way of first ranking pari-passu charge on the current assets (including investments) of the Company, both present and future; and on present and future loan assets of the Company, including all monies receivable for the principal amount and interest thereon to the extent as stated in the respective information memorandum/offering documents/prospectus. Further, the Company has maintained asset cover as stated in the respective information memorandum/offering documents/prospectus.

Note - 16

Borrowings (other than debt securities) at amortised cost

(A) Secured Loans

(i) Other Loans

- Securitisation liabilities

Total (A)

(B) Unsecured Loans

(i) Loan taken from other

Total (B)

Total (A+B)

Out of above

In India

Outside India

Total

	As at 31 March 2025	As at 31 March 2024
Total (A)	1,874.64	3,768.84
Total (B)	-	-
Total (A+B)	1,874.64	3,768.84
In India	1,874.64	3,768.84
Outside India	-	-
Total	1,874.64	3,768.84

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

(i) Securitisation liabilities :

In the course of its finance activity, the Company makes transfers of financial assets, where legal rights to the cash flows from the asset are passed to the counterparty and where the Company retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty. Securitisation liabilities includes following arrangements:

Name of Counter Party	As at 31 March 2025	As at 31 March 2024
India Retail Pool Opportunities Trust 2	1,874.64	3,768.84
Total	1,874.64	3,768.84

(a) Interest rate on securitisation liabilities is at a floating rate of 13.50% per annum which equal to long term reference rate of Aditya Birla Finance Limited less the spread of 6.95%. (31 March 2024: 6.95%)

(b) The above mentioned amount of Securitisation liabilities is considered after netting off investment (Minimum retention amount) of ₹ 1,688.07 Lakh made by the Company in the Securitisation deal.

Note - 17

Lease liability

Finance lease obligations (refer note - 36)

	As at 31 March 2025	As at 31 March 2024
Finance lease obligations	2,108.83	3,079.02
	2,108.83	3,079.02



DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to the standalone financial statements for the year ended 31 March 2025

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

Note - 18**Others financial liabilities**

Interest accrued on assigned loan
Unpaid matured debentures and interest accrued
Others
- Amount payable on assigned/secured loans

As at 31 March 2025	As at 31 March 2024
129.43	189.44
100.74	83.88
1,848.30	2,729.97
<u>2,078.47</u>	<u>3,003.29</u>

Note - 19**Provisions****Provision for employee benefits**

Provision for gratuity (refer note -35 B)
Provision for compensated absences

As at 31 March 2025	As at 31 March 2024
940.56	329.26
396.91	109.22
<u>1,337.47</u>	<u>438.48</u>

Note - 20**Other non-financial liabilities**

Advance from customers
Statutory dues payable

As at 31 March 2025	As at 31 March 2024
447.29	480.92
111.12	274.52
<u>558.41</u>	<u>755.44</u>

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DHANI LOANS AND SERVICES LIMITED

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Notes to the standalone financial statements for the year ended 31 March 2025

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

Note - 21

Share capital

	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
A. Authorised				
Equity shares of face value of ₹ 10 each	7,70,00,000	7,700.00	7,70,00,000	7,700.00
Preference shares of face value of ₹ 10 each	85,00,000	850.00	85,00,000	850.00
	<u>8,55,00,000</u>	<u>8,550.00</u>	<u>8,55,00,000</u>	<u>8,550.00</u>
B. Issued, subscribed and paid up				
Equity shares of face value of ₹ 10 each	6,11,88,000	6,118.80	6,11,88,000	6,118.80
	<u>6,11,88,000</u>	<u>6,118.80</u>	<u>6,11,88,000</u>	<u>6,118.80</u>

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

Equity shares	For the year ended 31 March 2025		For the year ended 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Opening balance at the beginning of the year	6,11,88,000	6,118.80	6,11,88,000	6,118.80
Add: issued during the year	-	-	-	-
Outstanding at the end of the year	<u>6,11,88,000</u>	<u>6,118.80</u>	<u>6,11,88,000</u>	<u>6,118.80</u>

D. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to received remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

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

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	% of holding	No. of shares	% of holding
Dhani Services Limited and its nominees (Holding Company)	6,11,88,000	100%	6,11,88,000	100%

F. Shares held by promoters:

Particulars	As at 31 March 2025			As at 31 March 2024		
	No. of shares	% of holding	% Change during the year	No. of shares	% of holding	% Change during the year
Dhani Services Limited and its nominees (Holding Company)	6,11,88,000	100%	-	6,11,88,000	100%	-

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

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

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

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

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DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to the standalone financial statements for the year ended 31 March 2025

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

Note - 22	As at 31 March 2025	As at 31 March 2024
Other equity		
Statutory reserves	16,963.98	14,744.79
Securities premium	2,97,573.15	2,97,573.15
Capital redemption reserve	900.82	900.82
Share options outstanding account	408.60	346.95
Retained earnings	(16,006.79)	(6,611.95)
Deemed equity contribution by Holding Company	1,461.22	1,461.22
Other component of equity	3,652.97	3,652.97
	<u>3,04,953.95</u>	<u>3,12,067.95</u>

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

The reserve is created as per the provision of Section 45(IC) of Reserve Bank of India Act, 1934. This is a restricted reserve and no appropriation can be made from this reserve fund except for the purpose as may be prescribed by Reserve Bank of India.

Securities premium

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

Capital redemption reserve

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

Share options outstanding account

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

Change in fair value of loan assets through other comprehensive income

This reserve has been created against change in business model for loan against property ("LAP"), business instalments loan and personal loan from "hold to collect" to "hold to collect and sale".

Deemed equity contribution by Holding Company

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

Other component of equity

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

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DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to the standalone financial statements for the year ended 31 March 2025

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

Note - 23

Interest income

On financial assets measured at amortised cost

Interest on loans

Interest on deposits with banks

Other interest income

- Unwinding of interest income

On financial assets classified at fair value through profit or loss

Interest income from investments

- Compulsory convertible debentures

**For the year ended
31 March 2025**

**For the year ended
31 March 2024**

22,596.80

22,713.32

302.48

212.94

35.78

62.14

-

540.97

22,935.06

23,529.37

Note - 24

Fees and commission income

Subscription income and Processing fee

Foreclosure fees and other related income

**For the year ended
31 March 2025**

**For the year ended
31 March 2024**

619.97

1,010.61

1,713.76

2,863.74

2,333.73

3,874.35

Note - 25

Net gain on fair value changes

Net gain on financial instruments at fair value through profit or loss

On trading portfolio

- Investments

Total Net gain on fair value changes

Fair Value Changes

- Realised

- Unrealised

Total Net gain on fair value changes

**For the year ended
31 March 2025**

**For the year ended
31 March 2024**

444.58

-

444.58

-

418.54

-

26.04

-

444.58

-

Note - 26

Other income

Liabilities written back

Provision written back

Charge back for common expenses

Gain on modification/derecognition of leases

Interest income on income tax refund

Miscellaneous Income

**For the year ended
31 March 2025**

**For the year ended
31 March 2024**

2,376.82

1,314.68

261.11

499.73

13.33

13.33

328.25

243.84

90.92

2,279.09

0.15

3.67

3,070.58

4,354.34



DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to the standalone financial statements for the year ended 31 March 2025

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

Note - 27

Finance costs

On financial liabilities measured at amortised cost

	<u>For the year ended 31 March 2025</u>	<u>For the year ended 31 March 2024</u>
Interest on borrowings	7.16	27.36
Interest on debt securities	988.60	2,885.06
Other interest expenses		
- Interest on securitisation transactions	394.39	658.82
- Interest on lease liability	406.32	448.12
- Others	7.28	11.90
	<u>1,803.75</u>	<u>4,031.26</u>

Note - 28

Net loss on fair value changes

Net loss on financial instruments at fair value through profit or loss

On trading portfolio

	<u>For the year ended 31 March 2025</u>	<u>For the year ended 31 March 2024</u>
- Investments	-	(851.08)
Loss on sale/redemption of investments	-	995.50
Total Net loss on fair value changes	<u>-</u>	<u>144.42</u>
Fair Value Changes		
- Realised	-	117.99
- Unrealised	-	26.43
Total Net loss on fair value changes	<u>-</u>	<u>144.42</u>

Note - 29

Impairment on financial instruments

	<u>For the year ended 31 March 2025</u>	<u>For the year ended 31 March 2024</u>
Impairment allowance on financial assets	1,339.91	400.04
Loans written off (Net of recoveries)*	(1,760.86)	351.29
Impairment allowance on interest spread on assigned assets	-	(1.79)
	<u>(420.95)</u>	<u>749.54</u>

* Net of bad debts recovered of ₹ 3,005.93 Lakh (Previous year: ₹ 1,685.56 Lakh)

Note - 30

Employee benefits expense

	<u>For the year ended 31 March 2025</u>	<u>For the year ended 31 March 2024</u>
Salaries and wages *	3,950.28	7,551.05
Contribution to Provident Fund and Other Funds (refer note - 35 A)	102.35	144.78
Share based payments to employees (refer note - 59 D)	75.63	(65.80)
Staff welfare expenses	81.05	64.88
	<u>4,209.31</u>	<u>7,694.91</u>

* There is a significant increase in employee strength during the last quarter of the financial year. This was due to the transfer of employees from a fellow subsidiary within the same group. These employees were transferred in accordance with the Company's internal policy and have rendered services to the Company during the year.



DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to the standalone financial statements for the year ended 31 March 2025

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

Note - 31	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation, amortisation and impairment		
Depreciation on property, plant and equipment	581.84	1,528.00
Amortisation on intangible assets	291.68	1,028.17
Depreciation on right-of-use assets	997.20	1,110.86
	1,870.72	3,667.03

Note - 32	For the year ended 31 March 2025	For the year ended 31 March 2024
Other Expenses		
Repair and maintenance	161.85	133.72
Insurance	0.25	0.69
Communication expenses	151.13	166.99
Lease line Charges	58.19	92.80
Printing and stationery	23.17	30.26
Lease rent	288.63	352.98
Professional charges	1,602.79	1,353.35
Payment to statutory auditors (refer note (a) below)	31.61	38.15
Rates and taxes	216.94	45.49
Electricity expenses	205.47	216.31
Business promotion	161.35	541.29
Office maintenance	393.91	275.62
Travelling expenses	39.33	135.94
Software expenses	2,079.78	1,772.47
Bank charges	122.91	116.22
Web hosting charges	51.20	60.92
Director's fee, allowances and expenses	8.72	16.35
Loss on sale of property, plant and equipment	27.18	108.24
Miscellaneous expenses	9.58	89.12
	5,633.99	5,546.91

Note (a): Payment to statutory auditors: (including goods and services tax)	For the year ended 31 March 2025	For the year ended 31 March 2024
As auditor		
- audit and limited review	29.00	35.00
Sub Total	29.00	35.00
GST	2.61	3.15
Total	31.61	38.15

- in connection with issue of securities (including GST)*	-	5.45
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*recognised as transaction cost in computing effective interest rate adjustment for the respective borrowings.



DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to the standalone financial statements for the year ended 31 March 2025

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

Note -33	For the year ended 31 March 2025	For the year ended 31 March 2024
Tax expense		
Current tax	95.38	-
Deferred tax credit	4,495.82	2,550.07
Income tax expense reported in the statement of profit and loss	4,591.20	2,550.07

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.17% (31 March 2024: 25.17%) and the reported tax expense in statement of profit and loss are as follows:

Accounting profit/(loss) before tax expense	15,687.13	9,923.99
Income tax rate	25.17%	25.17%
Expected tax expense	3,948.14	2,497.67
Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense		
Tax impact of expenses which will never be allowed	104.04	13.34
Tax impact on items exempt under income tax	(68.67)	14.47
Income chargeable under capital gain (difference of tax rates)	(105.34)	45.00
Others	713.03	(20.41)
Tax expense	4,591.20	2,550.07

Note - 34	For the year ended 31 March 2025	For the year ended 31 March 2024
Earnings per equity share		
Profit available for equity shareholders	11,095.93	7,373.92
Nominal value of equity share (₹)	10.00	10.00
Weighted-average number of equity shares for basic earnings per share	6,11,88,000	6,11,88,000
Effect of dilution:		
Weighted-average number of equity shares used to compute diluted earnings per share	6,11,88,000	6,11,88,000
Basic earnings per share (₹)	18.13	12.05
Diluted earnings per share (₹)	18.13	12.05

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Note - 35**Employee benefits**

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under:

A Defined contribution plans

The Company pays fixed contribution to provident fund at predetermined rates to a registered provident fund administered by the Government of India, which invests the funds in permitted securities. Both the Company and employees make predetermined contributions to the Provident Fund. The contributions are normally based on a certain proportion of the employee's salary. Amount of ₹ 102.35 lakh (31 March 2024 ₹ 144.78 lakh) pertaining to employers' contribution to provident and other fund is recognised as an expense and included in "Employee benefits expense" in the Standalone Statement of Profit and Loss.

B Defined benefit plans**Gratuity**

The Company has a defined benefit unfunded gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The liability of Gratuity is recognised on the basis of actuarial valuation.

Risks associated with plan provisions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(i) Amount recognised in the balance sheet is as under:

Particulars	As at 31 March 2025	As at 31 March 2024
Present value of obligation	940.56	329.26
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	940.56	329.26

(ii) Amount recognised in the statement of profit and loss is as under:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	107.31	114.12
Past service cost including curtailment gains/losses	-	-
Interest cost on defined benefit obligation	24.18	72.61
Interest income on plan assets	-	-
Net impact on profit/loss (before tax)	131.49	186.73

(iii) Amount recognised in the other comprehensive income:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial (gain)/loss recognised during the year	58.50	(191.32)

(iv) Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:

Particulars	As at 31 March 2025	As at 31 March 2024
Present value of defined benefit obligation as at the beginning of year	329.26	1,215.83
Acquisition adjustment	471.44	(701.24)
Current service cost	107.31	114.12
Interest cost	24.18	72.61
Past service cost including curtailment gains/losses	-	-
Benefits paid	(50.13)	(180.75)
Actuarial loss/(gain) on obligation	-	-
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	17.59	7.58
Actuarial (gain)/loss on arising from experience adjustment	40.91	(198.90)
Present value of defined benefit obligation as at the end of the year	940.56	329.26
Expected contribution for the next Annual reporting period	284.84	77.88



Note - 35

Employee benefits (continued)

(v) Actuarial assumptions

Particulars	As at 31 March 2025	As at 31 March 2024
Discounting rate	6.99%	7.22%
Future salary increase rate	5.00%	5.00%
Retirement age (years)	60.00	60.00
Withdrawal rate	100% of IALM (2012-14) Withdrawal	100% of IALM (2012-14) Withdrawal
Ages	Rate	Rate
Up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
Weighted average duration	20.51	17.57

Mortality rates inclusive of provision for disability -100% of IALM 2012-14

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2012-13) Ultimate table.

(vi) Sensitivity analysis for gratuity liability

Particulars	As at 31 March 2025	As at 31 March 2024
Impact of the change in discount rate		
Present value of obligation at the end of the year	940.56	329.26
- Impact due to increase of 0.50 %	(60.28)	(18.82)
- Impact due to decrease of 0.50 %	66.41	20.47
Impact of the change in salary increase		
Present value of obligation at the end of the year	940.56	329.26
- Impact due to increase of 0.50 %	67.40	20.81
- Impact due to decrease of 0.50 %	(61.64)	(19.29)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated.

Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

(vii) Maturity profile of defined benefit obligation

	As at 31 March 2025	As at 31 March 2024
0 to 1 year	42.33	8.41
1 to 2 year	25.52	24.29
2 to 3 year	21.88	7.05
3 to 4 year	33.63	7.70
4 to 5 year	21.71	4.87
5 to 6 year	22.55	4.77
6 year onwards	772.94	272.17

C Other long-term employee benefit plans

The Company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. A provision of ₹ Nil (Previous year: ₹ 93.83 Lakh) have been written back on the basis of actuarial valuation at the year end and credited to the Statement of Profit and Loss.

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Note - 36**Leases**

The Company has entered into lease arrangements for office buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a corresponding lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Short-term leases	288.63	352.98
Leases of low value assets	-	-
Variable lease payments	-	-

B Total cash outflow for leases (excluding short term lease) for the year ended 31 March 2025 was ₹ 1,292.75 lakh (31 March 2024 was ₹ 1,394.52 lakh).

C The Company has total commitment for short-term leases of ₹ Nil as at 31 March 2025 (31 March 2024: ₹ Nil)

D Maturity of lease liabilities

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

31 March 2025	Minimum lease payment due						Total
	Within 1 year	1 - 2 Years	2 - 3 Years	3 - 4 Years	4 - 5 Years	More than 5 years	
Lease Payment	1,073.17	846.61	264.85	146.51	91.56	71.71	2,494.41
Interest Expense	194.47	103.36	45.16	24.64	13.05	4.90	385.58
Net Present Value	878.70	743.25	219.69	121.87	78.51	66.81	2,108.83

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

31 March 2024	Minimum lease payment due						Total
	Within 1 year	1 - 2 Years	2 - 3 Years	3 - 4 Years	4 - 5 Years	More than 5 years	
Lease Payment	868.72	806.94	737.69	622.60	484.23	632.38	4,152.56
Interest Expense	324.13	261.39	198.39	138.95	89.72	60.96	1,073.54
Net Present Value	544.59	545.55	539.30	483.65	394.51	571.42	3,079.02

E Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31 March 2025 is of ₹ Nil (31 March 2024 ₹ Nil).

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

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
As at 31 March 2025	88	2 Months to 76 Months	27.58 Months	-	-	88
Office Building						

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
As at 31 March 2024	88	3 Months to 88 Months	46 Months	-	-	88
Office Building						

G The total future cash outflows as at 31 March 2025 for leases that had not yet commenced is Nil (31 March 2024: Nil).

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

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	3,079.02	4,564.58
Additions	1,384.23	1,671.89
Finance cost accrued during the year	406.32	448.12
Deletion	1,467.99	2,144.28
Payment of lease liabilities	1,292.75	1,461.29
Closing Balance	2,108.83	3,079.02



Note - 37

Contingent liabilities and commitments

i. Contingent liabilities

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

(A) In respect of Income Tax:

Particulars	Financial year to which the demand pertains	As at 31 March 2025
a) The case has been opened by Ho'ble PCIT u/s 263, wherein the assessee's income has been enhanced on account of disallowance u/s 14A. Against this order the assessee has filed an appeal before Hon'ble Delhi ITAT.	2017-18	404.61
b) Income tax demand on account of penalty u/s 270A in respect of assessment year 2018-19 against which the Company has preferred an appeal before the CIT (Appeals)	2017-18	10.20
c) Income tax demand on account of penalty u/s 270A against which the Company has preferred an appeal before the CIT (Appeals).	2019-20	307.46
d) The case has been opened by Ho'ble PCIT u/s 263, wherein the assessee's income has been enhanced on account of disallowance u/s 36(1)(viiia) towards provision for bad debts. Against this order, the assessee has filed an appeal before Hon'ble Delhi ITAT.	2020-21	3,874.11
Total		4,596.38

(B) In respect of Goods and Service Tax:

Particulars	Financial year to which the demand pertains	As at 31 March 2025
a) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Delhi under Section 73 of the Central Goods and Service Tax Act, 2017/ Delhi Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2017-18	240.54
b) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Tamil Nadu under Section 73 of the Central Goods and Service Tax Act, 2017/ Tamil Nadu Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2017-18	8.62
c) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Gujarat under Section 73 of the Central Goods and Service Tax Act, 2017/ Gujarat Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2018-19	264.24
d) Demand notice (Includes tax and penalty) issued by the Deputy Commissioner, Tamil Nadu under Section 73 of the Central Goods and Service Tax Act, 2017/ Tamil Nadu Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2018-19	113.85
e) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, West Bengal under Section 73 of the Central Goods and Service Tax Act, 2017/ West Bengal Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2018-19	4.14
f) Demand notice (Includes tax and penalty) issued by the Deputy Commissioner, Rajasthan under Section 73 of the Central Goods and Service Tax Act, 2017/ Rajasthan Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2018-19	0.52
g) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Gujarat under Section 73 of the Central Goods and Service Tax Act, 2017/ Gujarat Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2018-19	42.51
h) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, West Bengal under Section 73 of the Central Goods and Service Tax Act, 2017/ West Bengal Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2019-20	521.81
i) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Delhi under Section 73 of the Central Goods and Service Tax Act, 2017/ Delhi Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2019-20	76.02
j) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Tamil Nadu under Section 73 of the Central Goods and Service Tax Act, 2017/ Tamil Nadu Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2019-20	146.27
k) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Maharashtra under Section 73 of the Central Goods and Service Tax Act, 2017/ Maharashtra Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2019-20	734.47



Note - 37

Contingent liabilities and commitments

i. Contingent liabilities (Continued)

(B) In respect of Goods and Service Tax:

Particulars	Financial year to which the demand pertains	As at 31 March 2025
l) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Delhi under Section 73 of the Central Goods and Service Tax Act, 2017/ Delhi Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2019-20	83.71
m) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Delhi under Section 73 of the Central Goods and Service Tax Act, 2017/ Delhi Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2020-21	124.80
n) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Tamil Nadu under Section 73 of the Central Goods and Service Tax Act, 2017/ Tamil Nadu Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2020-21	4.00
o) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, West Bengal under Section 73 of the Central Goods and Service Tax Act, 2017/ West Bengal Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2020-21	6.58
p) Demand notice (Includes penalty thereon) issued by the Deputy Commissioner, Uttarakhand under Section 73 of the Central Goods and Service Tax Act, 2017/ Uttarakhand Goods and Service Tax Act, 2017 in respect of late filing of return and subsequently appeal filed.	2021-22	0.10
q) Demand notice (Includes penalty thereon) issued by the Deputy Commissioner, Uttarakhand under Section 73 of the Central Goods and Service Tax Act, 2017/ Uttarakhand Goods and Service Tax Act, 2017 in respect of late filing of return and subsequently appeal filed.	2021-22	0.50
r) Demand notice (Includes penalty thereon) issued by the Deputy Commissioner, Uttarakhand under Section 73 of the Central Goods and Service Tax Act, 2017/ Uttarakhand Goods and Service Tax Act, 2017 in respect of late filing of return and subsequently appeal filed.	2022-23	0.50
s) Demand notice (Includes penalty thereon) issued by the Deputy Commissioner, Uttarakhand under Section 73 of the Central Goods and Service Tax Act, 2017/ Uttarakhand Goods and Service Tax Act, 2017 in respect of late filing of return and subsequently appeal filed.	2022-23	0.50
Total		2,373.68

ii. Capital commitments

(to the extent not provided for)

Particulars	As at 31 March 2025	As at 31 March 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance paid)	-	-

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Note - 38

Financial instruments

A Financial assets and liabilities

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

Particulars	Note	As at 31 March 2025	As at 31 March 2024
Financial assets measured at fair value			
Investments measured at fair value through profit or loss	Note - 7	5,437.37	10,595.31
Financial assets measured at amortised cost			
Cash and cash equivalents	Note - 4	3,709.39	4,319.61
Bank balance other than cash and cash equivalents	Note - 5	3,886.56	4,420.98
Loans	Note - 6	1,57,733.83	1,66,596.51
Other financial assets	Note - 8	419.16	677.04
Financial assets measured at cost			
Investments*	Note - 7	99,115.34	99,115.34
Total		2,70,301.65	2,85,724.79
Financial liabilities measured at amortised cost			
Trade payables	Note - 13	255.48	943.88
Other payables	Note - 14	2,542.26	4,658.01
Debt securities (including interest accrued)	Note - 15	2,854.54	13,728.76
Borrowings (other than debt securities) [including interest accrued]	Note - 16	1,874.64	3,768.84
Lease liabilities	Note - 17	2,108.83	3,079.02
Other financial liabilities	Note - 18	2,078.47	3,003.29
Total		11,714.22	29,181.80

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

B Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

B.1 a) Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2025	Level 1	Level 2	Level 3	Total
Financial assets				
Investments at fair value through profit and loss				
Mutual fund	1,887.66	-	-	1,887.66
Security receipts	-	3,549.71	-	3,549.71
As at 31 March 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Investments at fair value through profit and loss				
Mutual funds	2,861.62	-	-	2,861.62
Security receipts	-	7,733.69	-	7,733.69

Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

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

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

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



Note - 38

Financial instruments (continued)

B.2 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	3,709.39	3,709.39	4,319.61	4,319.61
Bank balance other than cash and cash equivalents	3,886.56	3,886.56	4,420.98	4,420.98
Loans	1,57,733.83	1,57,733.83	1,66,596.51	1,66,596.51
Other financial assets	419.16	419.16	677.04	677.04
Total	1,65,748.94	1,65,748.94	1,76,014.14	1,76,014.14
Financial liabilities				
Trade payables	255.48	255.48	943.88	943.88
Other payables	2,542.26	2,542.26	4,658.01	4,658.01
Debt securities	2,854.54	2,872.86	13,728.76	13,662.17
Borrowings (other than debt securities)	1,874.64	1,874.64	3,768.84	3,768.84
Lease liabilities	2,108.83	2,108.83	3,079.02	3,079.02
Other financial liabilities	2,078.47	2,078.47	3,003.29	3,003.29
Total	11,714.22	11,732.54	29,181.80	29,115.21

The management assessed that fair values of cash and cash equivalents, other financial assets and other financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Financial instruments measured at fair value and fair value of financial instruments carried at amortized cost

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable inputs and fair value and sensitivity
Financial assets and liabilities measured at amortized cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates	Not applicable	Not applicable
Financial assets measured at FVTPL	NAV based method.	Not applicable	Not applicable
Financial assets measured at FVOCI	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates	The discount rate is the average lending rate at which the loans are disbursed	There is an inverse correlation. Higher the discount rate i.e average lending rate for the disbursed loans, lower the fair value of the assets

The following methods and assumptions were used to estimate the fair values for other assets and liabilities:

- The fair values of the Company's fixed interest bearing loans are determined by applying discounted cash flows ('DCF') method. For variable rate interest-bearing loans, carrying value represent best estimate of their fair value.
- The fair values of the Company's fixed rate interest-bearing debt securities and borrowings are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. For variable rate interest-bearing debt securities and borrowings, carrying value represent best estimate of their fair value as these are subject to changes in underlying interest rate indices as and when the changes happen.
- The fair value of the Company's non interest bearing security deposits and other financial liabilities are determined by applying Discounted Cash Flows (DCF) method.

Note - 39

Financial risk management

i) Risk Management

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

In order to avoid excessive concentration of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

A) Credit risk

Credit risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, bank balances other than cash and cash equivalents, loan assets and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.



Note - 39

Financial risk management (continued)

a) Credit risk management

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets:

- (i) Low credit risk
- (ii) Moderate credit risk
- (iii) High credit risk

The Company provides for expected credit loss based on the following:

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Cash and cash equivalents, other bank balance, loans, Mutual fund & Security receipt and other financial assets	12 month expected credit loss
Moderate credit risk	Loans	Life time expected credit loss
High credit risk	Loans and Investment in security receipt	Life time expected credit loss or fully provided for

Financial assets that expose the entity to credit risk*

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Low credit risk		
Cash and cash equivalents	3,709.39	4,319.61
Bank balance other than cash and cash equivalents	3,886.56	4,420.98
Loans	1,58,448.11	1,60,000.15
Investments	5,437.37	10,595.31
Other financial assets	419.16	677.04
(ii) Moderate credit risk		
Loans	827.68	7,950.15
(iii) High credit risk		
Other financial assets	1,007.09	1,065.14
Loans	250.08	3,223.13

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

Cash and cash equivalents and bank deposits

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

Other financial assets measured at amortized cost

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

Loans

The Company closely monitors the credit-worthiness of the borrower's through internal systems and project appraisal process (wherever applicable) to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for the amounts loan assets that become past due and default is considered to have been occurred when amounts receivable become one year past due.

The major guidelines for selection of the client includes:

- The client's income and indebtedness levels
- The client must possess the required Know Your Customer (KYC) documents
- Client must agree to follow the rules and regulations of the Company
- Credit bureau check - In order to deal with the problem of over extension of credit and indebtedness of the client, the Company undertakes credit bureau checks for every client. The credit bureau check helps the Company in identifying clients with poor repayment histories and multiple loans.

Category*	Inputs	Assumptions
Corporate borrowers	1. Historical data as per industry trends 2. Supplemental external information that could affect the borrowers behaviour	1. Recoverability assumptions for stage 3 loan assets and related assessment with value of collateral
Retail borrowers	3. Discount rate is based on internal rate of return on the loan	2. Management judgement is applied to determine the economic scenarios and the application of probability weights

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

Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.



Note - 39

Financial risk management (continued)

b) Credit risk exposure

i) Expected credit losses for financial assets other than loans

As at 31 March 2025	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	3,709.39	-	3,709.39
Bank balance other than cash and cash equivalents	3,886.56	-	3,886.56
Investments	1,04,552.71	-	1,04,552.71
Other financial assets	1,426.25	1,007.09	419.16

As at 31 March 2024	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	4,319.61	-	4,319.61
Bank balance other than cash and cash equivalents	4,420.98	-	4,420.98
Investments	1,09,710.65	-	1,09,710.65
Other financial assets	1,742.18	1,065.14	677.04

ii) Expected credit loss for loans

Definition of default:

The Company considers default in all cases when the borrower becomes 90 days past due on its contractual payments. The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the probability of default, exposure at default and loss given default.

Changes in the gross carrying amount in relation to loans from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at 01 April 2023	1,30,244.40	5,827.89	5,842.33
Assets originated	1,52,077.30	-	-
Net transfer between stages and de-recognition	(1,22,321.55)	2,122.26	(2,617.19)
Assets written-off	-	-	(2.01)
Gross carrying amount as at 31 March 2024	1,60,000.15	7,950.15	3,223.13
Assets originated	45,378.50	-	-
Net transfer between stages and de-recognition	(46,930.54)	(347.69)	10,762.22
Assets written-off	-	(6,774.78)	(13,735.27)
Gross carrying amount as at 31 March 2025	1,58,448.11	827.68	250.08

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

Reconciliation of loss allowance	Stage 1	Stage 2	Stage 3
Loss allowance as on 01 April 2023	545.63	508.92	4,137.08
Increase of provision due to assets originated during the year	608.31	-	-
Net transfer between stages and written back	317.57	(334.33)	(1,204.25)
Loss allowance written-off	-	-	(2.01)
Loss allowance as at 31 March 2024	1,471.51	174.59	2,930.82
Increase of provision due to assets originated during the year	181.51	-	-
Net transfer between stages and written back	(89.90)	(160.76)	1,407.18
Loss allowance written-off	-	-	(4,122.91)
Loss allowance as at 31 March 2025	1,563.12	13.83	215.09

c) Concentration of loans

Prudent risk management involves the minimisation of concentration risk by diversifying the loan portfolio. Setting up exposure limit for particular industry, sector, geographical area, product, etc. is essential to reduce the concentration of the loan portfolio.

Particulars	As at 31 March 2025	As at 31 March 2024
Corporate borrowers	93,315.72	89,890.03
Retail borrowers	66,210.15	81,283.40
Total	1,59,525.87	1,71,173.43

d) Loans secured against collateral

Company's secured portfolio has security base as follows:

Particulars	Value of loans	
	As at 31 March 2025	As at 31 March 2024
Secured by tangible assets*	10,146.00	13,877.17
Secured by other assets	-	-

*Equitable mortgage of property/ hypothecation of assets

Wherever required, the Company holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, pledge of securities, guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts, etc.

The Company does not physically possess properties or other assets in its normal course of business but makes efforts toward recovery of outstanding amounts on delinquent loans. Once contractual loan repayments are more than 90 days past due, possession of property may be initiated. Possessed property is disposed of in the manner prescribed under the regulatory guidance to recover outstanding debt.



Note - 39

Financial risk management (continued)

e) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. The Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Company's (through Asset Liability Management Committee) liquidity positions (also comprising the undrawn borrowing facilities), matching of the financial assets and financial liabilities position and cash and cash equivalents on the basis of expected cash flows. The Company also takes into account liquidity of the market in which the entity operates.

(f) Financing arrangements

The Company had access to the following funding facilities:

As at 31 March 2025	Total facility	Drawn	Undrawn
- Expiring within one year	10,275.00	-	10,275.00
- Expiring beyond one year	-	-	-
Total	10,275.00	-	10,275.00

As at 31 March 2024	Total facility	Total facility	Undrawn
- Expiring within one year	11,285.00	-	11,285.00
- Expiring beyond one year	-	-	-
Total	11,285.00	-	11,285.00

(ii) Maturities of financial assets and liabilities

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

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

As at 31 March 2025	Less than 1 year	1-3 years	More than 3 years	Total
Financial assets				
Cash and cash equivalents	3,709.39	-	-	3,709.39
Bank balance other than cash and cash equivalents	3,886.56	-	-	3,886.56
Loans	44,069.00	72,567.00	42,889.87	1,59,525.87
Investments	5,437.37	-	99,115.34	1,04,552.71
Other financial assets	1,100.65	197.77	127.83	1,426.25
Total undiscounted financial assets	58,202.97	72,764.77	1,42,133.04	2,73,100.78
Financial liabilities				
Debt Securities	2,854.54	-	-	2,854.54
Borrowings (other than debt securities)	352.61	514.00	1,008.03	1,874.64
Trade payables	255.48	-	-	255.48
Other payable	2,542.26	-	-	2,542.26
Lease liabilities	878.70	962.94	267.19	2,108.83
Other financial liabilities	2,078.47	-	-	2,078.47
Total undiscounted financial liabilities	8,962.06	1,476.94	1,275.22	11,714.22
Net financial assets/(liabilities)	49,240.91	71,287.83	1,40,857.82	2,61,386.56

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

As at 31 March 2024	Less than 1 year	1-3 year	More than 3 years	Total
Financial assets				
Cash and cash equivalents	4,319.61	-	-	4,319.61
Bank balance other than cash and cash equivalents	4,420.98	-	-	4,420.98
Loans	14,521.00	54,040.00	1,02,612.43	1,71,173.43
Investments	10,595.31	-	99,115.34	1,09,710.65
Other financial assets	1,272.60	49.78	419.80	1,742.18
Total undiscounted financial assets	35,129.50	54,089.78	2,02,147.57	2,91,366.85
Financial liabilities				
Debt securities	11,045.00	2,683.76	-	13,728.76
Borrowings (other than debt securities)	958.28	2,810.56	-	3,768.84
Trade payables	943.88	-	-	943.88
Other payable	4,658.01	-	-	4,658.01
Lease liabilities	544.59	1,084.85	1,449.58	3,079.02
Other financial liabilities	3,003.29	-	-	3,003.29
Total undiscounted financial liabilities	21,153.05	6,579.17	1,449.58	29,181.80
Net financial assets/(liabilities)	13,976.45	47,510.61	2,00,697.99	2,62,185.05



Note - 39

Financial risk management (continued)

C) Market risk

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

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

a) Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at 31 March 2025, the Company is exposed to changes in market interest rates borrowings other than debt securities at variable interest rates.

Interest rate risk exposure

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

Particulars	As at 31 March 2025	As at 31 March 2024
Fixed rate liabilities*		
Debt securities	2,648.09	12,859.20
Borrowings (other than debt securities)	-	-
Variable rate liabilities*		
Borrowings (other than debt securities)	1,874.64	3,768.84
Total	4,522.73	16,628.04

* Above borrowing amounts exclude accrued interest

Sensitivity

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

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest sensitivity*		
Interest rates - increase by 0.50%	9.37	18.84
Interest rates - decrease by 0.50%	(9.37)	(18.84)

* Holding all other variables constant

ii) Assets

The Company's term deposits and commercial paper/deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

b) Price risk

i) Exposure

The Company's exposure price risk arises from investments held and classified in the balance sheet at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

ii) Sensitivity

The table below summarises the impact of increases/decreases of the index on the Company's profit for the period:

Impact on profit after tax

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Mutual funds		
Net assets value - increase by 5%	94.38	143.08
Net assets value - decrease by 5%	(94.38)	(143.08)

Note - 40

Capital management

The Company's capital management objectives are

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

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	As at 31 March 2025	As at 31 March 2024
Net debt*	1,019.79	13,177.99
Total equity	3,11,072.75	3,18,186.75
Net debt to equity ratio	0.00	0.04

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



DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to the standalone financial statements for the year ended 31 March 2025

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

Note - 41

Maturity analysis of assets and liabilities

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

	As at 31 March 2025		As at 31 March 2024	
	Within 12 months	After 12 months	Within 12 months	After 12 months
ASSETS				
Financial assets				
Cash and cash equivalents	3,709.39	-	4,319.61	-
Bank balance other than cash and cash equivalents	3,886.56	-	4,420.98	-
Loans	43,573.95	1,14,159.88	55,650.12	1,10,946.39
Investments	5,437.37	99,115.34	2,861.62	1,06,849.03
Other financial assets	93.56	325.60	207.23	469.81
	56,700.83	2,13,600.82	67,459.56	2,18,265.23
Non-financial assets				
Current tax assets (net)	3,001.06	-	6,091.78	-
Deferred tax assets (net)	-	46,243.63	-	44,589.51
Property, plant and equipment	-	740.71	-	4,130.54
Right-of-use assets	857.48	978.36	639.54	2,008.24
Other intangible assets	-	110.62	-	2,931.46
Other non-financial assets	2,356.74	92.60	2,260.49	186.12
	6,215.28	48,165.92	8,991.81	53,845.87
TOTAL ASSETS	62,916.11	2,61,766.74	76,451.37	2,72,111.10
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Trade payables				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	255.48	-	943.88	-
Other payables				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,542.26	-	4,658.01	-
Debt securities	2,854.54	-	11,029.38	2,699.38
Borrowings (other than debt securities)	352.61	1,522.03	1,393.68	2,375.16
Lease liabilities	878.70	1,230.13	544.59	2,534.43
Other financial liabilities	2,078.47	-	3,003.29	-
	8,962.06	2,752.16	21,572.83	7,608.97
Non-financial liabilities				
Provisions	58.47	1,279.00	11.18	427.30
Other non-financial liabilities	558.41	-	755.44	-
	616.88	1,279.00	766.62	427.30
TOTAL LIABILITIES	9,578.94	4,031.16	22,339.45	8,036.27
Net equity	53,337.17	2,57,735.58	54,111.92	2,64,074.83

(This space has been intentionally left blank)



Note - 42**Operating segments****General information**

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

Note - 43**Related party disclosure****(a) Details of related parties:**

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

Fellow subsidiary companies**(with whom transactions took place)**

Indiabulls Asset Reconstruction Company Limited and its Trusts
Indiabulls Cityheights Limited (formerly known as Dhani Healthcare Limited)
Indiabulls Securities Limited (formerly known as Dhani Stocks Limited)
Indiabulls Urbanheights Limited (formerly known as Evinos Buildwell Limited)
Juventus Estate Limited

Key management personnel

Mr. Sanjeev Kashyap, Whole Time Director and Chief Executive Officer
Mr. Labh Singh Sitara, Director
Ms. Ritu Kapoor Puri, Director (till 31 July 2023)
Ms. Sargam Kataria, Director (w.e.f. 01 August 2023)
Mr. Akhil Gupta, Director (26 April 2022 to 05 April 2023)
Mr. Akshay Kumar Tiwary, Non Executive Director
Mr. Amit Ajit Gandhi Director (w.e.f. 05 April 2023)
Dr. Prem Prakash Mirdha, Director (w.e.f. 04 October 2023)
Mr. Rajeev Lochan Agrawal, Chief Financial Officer
Mr. Divyesh B Shah, Whole Time Director and Chief Executive Officer of Dhani Services Limited

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

Particulars	Holding company		Subsidiaries/Fellow subsidiaries/ Step-down subsidiaries		Key management personnel	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Finance						
- Loans given (net)	-	-	9,256.50	26,198.00	-	-
Investment/redemption/buyback						
- Investment in security receipts	-	-	1,700.01	8,000.11	-	-
- Redemption of security receipts	-	-	(5,883.99)	(3,876.80)	-	-
- Redemption of Compulsory Convertible Debentures	-	-	-	(9,999.78)	-	-
- Buy Back/Sale of Equity shares	-	-	-	(10,679.17)	-	-
- Investment of Equity Shares	-	-	-	16,665.00	-	-
Liabilities						
- Employee benefits liabilities transferred/(received)	154.01	-	(840.80)	1,028.76	-	-
Income						
- Interest income from loan	-	-	7,107.69	5,392.28	-	-
- Interest income from Compulsorily Convertible Debentures	-	-	-	540.97	-	-
- Service fee	-	-	14.06	23.11	-	-
- Sale of Non Performing Assets (NPA)	-	-	-	5,100.00	-	-
- Charge back for common expenses	2.40	2.40	10.93	10.93	-	-
Expenses						
- Professional charges and other charges	-	-	-	0.62	-	-
Compensation to key management personnel						
- Short term employee benefits	-	-	-	-	84.37	123.36
- Sitting fees	-	-	-	-	8.00	7.00
- Post employee benefits- gratuity	-	-	-	-	-	15.14
- Share based payment expenses	-	-	-	-	10.29	11.70



Note - 43

Related party disclosure (continued)

(c) Outstanding at year ended 31 March 2025:

Nature of transaction	Holding company		Subsidiaries/Fellow subsidiaries	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Loans given (Maximum balance outstanding during the year):	-	-	90,604.50	88,008.00
Investment in security receipts	-	-	3,549.71	7,733.69

Note - 44

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

(a) Details of trade payable dues to micro and small enterprises as defined under the MSME act, 2006

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

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

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

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

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

Note - 45

The Company has determined that the credit risk associated with certain assets has significantly increased. As a result, the Company has derecognized loan assets amounting to ₹14,118.57 Lakh (net of deferred tax). Furthermore, the Company has assessed the future economic benefits expected to be derived from its certain non-financial assets and which were determined to be insignificant. As a result, the Company has recorded a provision for impairment loss of ₹4,123.21 Lakh (net of deferred tax). Consequently, total amount of ₹18,241.78 Lakh (net of deferred tax) has been charged to other comprehensive income, instead of debiting the same to the statement of profit and loss for the period from 01 April 2024 to 31 March 2025.

Note - 46

Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Debt securities	Borrowings (other than debt)	Lease liabilities	Total
01 April 2023	32,025.44	7,194.91	4,564.58	43,784.92
Cash flows:				
- Proceeds	-	-	-	-
- Repayment	(17,102.47)	(3,426.07)	(1,461.29)	(21,989.83)
Non cash:				
- Amortisation of upfront fees and others	(799.76)	-	-	(799.76)
- Addition during the year	-	-	1,671.89	1,671.89
- Addition/(reduction) in interest accrued	(466.25)	-	-	(466.25)
- Others	71.80	-	(1,696.16)	(1,624.36)
31 March 2024	13,728.76	3,768.84	3,079.02	20,576.61
Cash flows:				
- Proceeds	-	-	-	-
- Repayment	(10,211.12)	(1,894.20)	(1,292.75)	(13,398.07)
Non cash:				
- Amortisation of upfront fees and others	(444.14)	-	-	(444.14)
- Addition during the year	-	-	1,384.23	1,384.23
- Addition/(reduction) in interest accrued	(218.96)	-	-	(218.96)
- Others	-	-	(1,061.67)	(1,061.67)
31 March 2025	2,854.54	1,874.64	2,108.83	6,838.00



Note - 47

Transfer of financial assets

(Also Refer Note - 57 and 58)

A) Securitisation

The Company uses securitisations as a source of finance. Such transactions resulted in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Such deals resulted in continued recognition of the securitised assets since the Company retains substantial risks and rewards.

The Company has securitized its loan assets to an unrelated and unconsolidated entity. As per the terms of the agreement with counterparty, the Company is exposed to interest servicing on the securitised amount at the rate of 13.50% (31 March 2024: 13.50%) and therefore continues to be exposed to significant risk and rewards relating to the underlying receivables. Hence, these loan assets are not derecognised and proceeds received are presented as other financial liabilities.

The table below outlines the carrying amounts and fair values of financial assets transferred that are not derecognised in their entirety and their associated liabilities:

Securitisations	As at 31 March 2025	As at 31 March 2024
Gross carrying amount of securitised assets (at amortised cost)	5,379.44	6,526.62
Gross carrying amount of associated liabilities	1,874.64	3,768.84
Carrying value and fair value of securitised assets	5,352.03	6,493.07
Carrying value and fair value of associated liabilities	1,874.64	3,768.84
Net position at Fair value	3,477.39	2,724.23

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

B) Assignment

During the year ended 31 March 2025: ₹ Nil (31 March 2024: ₹ 3,526.35 lakh), the Company has sold certain loans by way of direct bilateral assignment, as a source of finance. As per the terms of such deals, since the derecognition criteria as per Ind AS 109 are met, (including transfer of substantial risks and rewards) relating to assets being transferred to the buyer, the assets have been derecognised from the books of the Company.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition.

Particulars	As at 31 March 2025	As at 31 March 2024
Carrying amount of de-recognised financial assets	-	3,526.35
Gain on sale of the de-recognised financial assets	-	-

Since the Company has derecognized the above loan assets in entirety (100% assigned and Sold), and as per the agreement there was no interest spread as on the date of derecognition, hence there was no profit/loss on derecognition of financial assets.

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Note - 48

Disclosures in terms of Annex VI of Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023:

i. Funding Concentration based on significant counterparty for the year ended 31 March 2025:

Sr. no.	Number of Significant Counterparties	Amount (₹ in crore)	% of Total Deposits	% of Total Liabilities
1	1	18.75	N.A	13.77%

Funding Concentration based on significant counterparty for the year ended 31 March 2024:

Sr. no.	Number of Significant Counterparties	Amount (₹ in crore)	% of Total Deposits	% of Total Liabilities
1	1	37.69	N.A	12.41%

Notes:

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

ii. Top 20 large deposits:

- There is no deposit outstanding as at 31 March 2025 (FY 2023-24: ₹ Nil)

iii. Top 10 borrowings:

As at 31 March 2025	Amount (₹ in crore)	% of Total Borrowings
Top 10 Borrowings	18.75	100.00%

As at 31 March 2024	Amount (₹ in crore)	% of Total Borrowings
Top 10 Borrowings	37.69	100.00%

iv. Funding Concentration based on significant instrument/product for the year ended 31 March 2025

Sr. no.	Particulars	Amount (₹ in crore)	% of Total Liabilities
1	Non- convertible debentures	28.55	20.97%

Funding Concentration based on significant instrument/product for the year ended 31 March 2024

Sr. no.	Particulars	Amount (₹ in crore)	% of Total Liabilities
1	Non- convertible debentures	137.29	45.20%

Notes:

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

v. Stock Ratios:

a. Commercial papers

- There is no commercial papers outstanding as at 31 March 2025 (FY 2023-24: ₹ Nil).

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

- There is no Non-convertible debentures with original maturity of less than one year outstanding as at 31 March 2025 (FY 2023-24: ₹ Nil).



Note - 48 (continued)

Disclosures in terms of Annex VI of Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023:

c. Other short-term liabilities

Particulars	% of Total Public Funds	% of Total Liabilities	% of Total Assets
As at 31 March 2025			
Loans repayable on demand from banks	0.00%	0.00%	0.00%

Particulars	% of Total Public Funds	% of Total Liabilities	% of Total Assets
As at 31 March 2024			
Loans repayable on demand from banks	0.00%	0.00%	0.00%

vi. Institutional set-up for liquidity risk management

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

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Note - 49

Disclosures in terms of Annexure VII of the Master Direction- Reserve Bank of India (Non-Banking Financial Company - Scale based regulation) Directions, 2023:

i. Exposures:

i. (a) Exposure to real estate sector:

(Amount in ₹ crore)

Category	As at 31 March 2025	As at 31 March 2024
Direct exposure		
(i) Residential mortgages: Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	51.98	64.10
(ii) Commercial real estate*: Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure will also include non-fund based (NFB) limits.	29.42	35.22
(iii) Investments in mortgage backed securities (MBS) and other securitised exposures:		
a. Residential	-	-
b. Commercial real estate	-	-
Indirect exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).		
Total Exposure to Real Estate Sector	81.40	99.32

* as per contractual receivables at balance sheet date.

i. (b) Exposure to capital market:

(Amount in ₹ crore)

Particulars	As at 31 March 2025	As at 31 March 2024
i. direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
ii. advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii. advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv. advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
v. secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi. loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii. bridge loans to companies against expected equity flows / issues;	-	-
viii. Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix. Financing to stockbrokers for margin trading	-	-
x. All exposures to Alternative Investment Funds:	-	-
a) Category I	-	-
b) Category II	-	-
c) Category III	-	-
Total exposure to capital market	-	-

i. (c) Sectoral exposure:

(Amount in ₹ crore)

Sr.	Sectors	As at 31 March 2025			As at 31 March 2024		
		Total Exposure (includes on balance sheet and off- balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off- balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1	Agriculture and Allied Activities	-	-	0%	-	-	0%
2	Industry	-	-	0%	-	-	0%
3	Services	101.46	2.27	2.24%	138.77	3.61	2.60%
4	Personal Loans	4.20	0.23	5.48%	33.23	26.63	80.14%
5	Others	1,489.60	-	0.00%	1,539.73	1.99	0.13%



Note - 49 (continued)

Disclosures in terms of Annexure VII of the Master Direction- Reserve Bank of India (Non-Banking Financial Company - Scale based regulation) Directions, 2023:

i. (d) Intra-group exposures:

(Amount in ₹ crore)

Particulars	As at 31 March 2025	As at 31 March 2024
i) Total amount of intra-group exposures	765.55	672.98
ii) Total amount of top 20 intra-group exposures	765.55	672.98
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	47.99%	39.32%

i. (e) Unhedged foreign currency exposure:

The Company has no unhedged foreign currency exposures as on 31 March 2025 (31 March 2024: Nil).

ii. Related Party disclosures:

Please refer note no. 43 - Related party disclosure.

iii. Disclosure of Complaints

iii. (a) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Complaints received by the NBFC from its customers		
1. No. of complaints pending at the beginning of the year	7	22
2. No. of complaints received during the year	1,571	3,202
3. No. of complaints disposed during the year	1,555	3,217
3.1 of which, number of complaints rejected by the NBFC	-	-
4. No. of complaints pending at the end of the year	23	7
Maintainable complaints received by the NBFC from Office of Ombudsman		
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	528	794
5.1 of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	520	788
5.2 of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	8	6
5.3 of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

iii. (b) Top five grounds of complaints received by the NBFCs from customers:

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
For the year ended 31 March 2025					
KYC Mis-Use	3	849	(14%)	19	-
CIBIL Database Updation	-	226	(75%)	3	-
Collection related	-	132	(64%)	-	-
Closure related	1	68	(80%)	-	-
Third Party Fraud Related	-	51	(2%)	-	-
Others	3	245	(46%)	1	-
Total	7	1,571		23	-
For the year ended 31 March 2024					
KYC Mis-Use	4	985	(68%)	3	-
CIBIL Database Updation	5	890	(65%)	-	-
Collection related	6	364	(38%)	-	-
Closure related	1	344	(60%)	1	-
Charges Related	3	112	(46%)	-	-
Others	3	507	(86%)	3	-
Total	22	3,202		7	-



Note - 49 (continued)

Disclosures in terms of Annexure VII of the Master Direction- Reserve Bank of India (Non-Banking Financial Company - Scale based regulation) Directions, 2023:

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

(Amount in ₹ crore)

Items	As at	As at
	31 March 2025	31 March 2024
(i) CRAR (%)	79.90%	88.39%
(ii) CRAR - Tier I Capital (%)	78.77%	87.20%
(iii) CRAR - Tier II Capital (%)	1.13%	1.18%
(iv) Amount of subordinated debt raised as Tier-II capital	Nil	Nil
(v) Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

v. Investments:

(Amount in ₹ crore)

Particulars	As at	As at
	31 March 2025	31 March 2024
A. Value of investments		
(I). Gross value of investments		
a) In India	1,045.53	1,097.11
b) Outside India	-	-
(II) Provision for depreciation		
a) In India	-	-
b) Outside India	-	-
(III) Net value of investments		
a) In India	1,045.53	1,097.11
b) Outside India	-	-
B. Movement of provisions held towards depreciation on investments.		
Opening balance	-	-
Add : Provisions made during the year	-	-
Less : Write-off / write-back of excess provisions during the year	-	-
Closing balance	-	-

vi. Disclosures relating to derivatives:

The Company does not have any forward rate agreement / interest rate swaps / exchange traded interest rate (IR) derivatives during the year (31 March 2024: ₹ Nil).



Note - 49 (continued)

Disclosures in terms of Annexure VII of the Master Direction- Reserve Bank of India (Non-Banking Financial Company - Scale based regulation) Directions, 2023:

vii. Asset Liability Management Maturity pattern of certain items of Asset and Liabilities:

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

Maturity pattern of assets and liabilities as at 31 March 2025:

(Amount in ₹ crore)

	Deposits	Advances	Investments	Foreign currency assets	Borrowings	Foreign currency liabilities
1 day to 7 days	-	0.57	-	-	-	-
8 day to 14 days	-	0.04	1.00	-	-	-
15 day to 30/31 days (One month)	-	-	18.00	-	0.34	-
Over one month and upto 2 months	-	16.62	13.01	-	28.20	-
Over two months and upto 3 months	-	0.63	-	-	0.35	-
Over 3 months and upto 6 months	-	1.88	-	-	0.97	-
Over 6 months and upto 1 year	-	420.95	22.37	-	1.52	-
Over 1 year and upto 3 years	-	725.67	-	-	5.14	-
Over 3 years and upto 5 years	-	343.91	-	-	1.31	-
Over 5 years	-	84.99	991.15	-	8.77	-

Maturity pattern of assets and liabilities as at 31 March 2024:

(Amount in ₹ crore)

	Deposits	Advances	Investments	Foreign currency assets	Borrowings	Foreign currency liabilities
1 day to 7 days	-	24.81	10.02	-	-	-
8 day to 14 days	-	10.04	-	-	-	-
15 day to 30/31 days (One month)	-	16.70	15.00	-	0.43	-
Over one month and upto 2 months	-	0.92	55.50	-	7.74	-
Over two months and upto 3 months	-	41.15	-	-	35.42	-
Over 3 months and upto 6 months	-	22.46	-	-	18.50	-
Over 6 months and upto 1 year	-	29.13	25.43	-	50.83	-
Over 1 year and upto 3 years	-	540.40	-	-	36.56	-
Over 3 years and upto 5 years	-	780.04	-	-	3.42	-
Over 5 years	-	246.08	991.15	-	19.20	-

Notes:

(a) The above borrowings exclude accrued interest.

(b) The advances comprises of gross loan portfolio, accrued interest and other Ind AS adjustments.

viii. Exposures:

viii. (a) Details of financing of parent company products

- There is no financing during the current year.

viii. (b) Details of Single Borrower Limits (SBL)/ Group Borrower Limits (GBL) exceeded

- The Company has not exceeded the SBL/GBL prudential exposure limits during the year as set by the Reserve Bank of India.

viii. (c) Unsecured advances - Refer note no. 6 of financial statements

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Note - 49 (continued)

Disclosures in terms of Annexure VII of the Master Direction- Reserve Bank of India (Non-Banking Financial Company - Scale based regulation) Directions, 2023:

ix. Corporate governance:

ix. (a) Composition of the Board of Directors as at 31 March 2025:

Sl. No	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/)	DIN	Number of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Brig. Labh Singh Sitara(Retd)	14-09-2017	Chairman, Independent Director	01724648	4	4	1	-	4.00	-	-
2	Mr. Sanjeev Kashyap	01-01-2023	Executive Director & CEO	03405178	4	4	1	84.37	-	-	1 equity share as a nominee of Dhani Services Limited
3	Mr. Prem Prakash Mirdha	04-10-2023	Independent Director	02435444	4	4	8	-	4.00	-	-
4	Mr. Akshay Kumar Tiwary	28-11-2022	Non-Executive Director	00366348	4	4	13	-	-	-	1 equity share as a nominee of Dhani Services Limited
5	Mr. Amit Ajit Gandhi	05-04-2023	Non-Executive Director	7606699	4	3	6	-	-	-	-
6	Ms. Sargam kataria	01-08-2023	Non-Executive Director	7133394	4	4	13	-	-	-	-

Composition of the Board of Directors as at 31 March 2024:

Sl. No	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/)	DIN	Number of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Brig. Labh Singh Sitara(Retd)	14-09-2017	Chairman, Independent Director	01724648	4	3	1	-	3.00	-	-
2	Mr. Sanjeev Kashyap	01-01-2023	Whole time Director & CEO	03405178	4	4	1	83.56	-	-	1 equity share as a nominee of Dhani Services Limited
3	Mr. Prem Prakash	04-10-2023	Independent Director	01352748	4	2	7	-	2.00	-	-
4	Mr. Akshay Kumar Tiwary	28-11-2022	Non-Executive Director	00366348	4	4	13	-	-	-	1 equity share as a nominee of Dhani Services Limited
5	Mr. Amit Ajit Gandhi	05-04-2023	Non-Executive Director	7606699	4	3	6	-	-	-	-
6	Ms. Sargam kataria	01-08-2023	Non-Executive Director	7133394	4	2	13	-	-	-	-

Details of change in composition of the Board of Directors during the year ended 31 March 2025:

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	-	-	-	-

Details of change in composition of the Board of Directors during the year ended 31 March 2024:

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Ms. Sargam Kataria	Non-Executive Director	Appointment	01/08/2023
2	Ms. Ritu Kapoor Puri	Executive Director	Resignation	31/07/2023
3	Mr. Amit Ajit Gandhi	Non-Executive Director	Appointment	05/04/2023
4	Mr. Akhil Gupta	Non-Executive Director	Resignation	05/04/2023
5	Mr. Prem Prakash Mirdha	Independent Director	Appointment	04/10/2023
6	Dr. Narendra Damodar Jadhav	Independent Director	Resignation	04/10/2023

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Note - 49 (continued)

Disclosures in terms of Annexure VII of the Master Direction- Reserve Bank of India (Non-Banking Financial Company - Scale based regulation) Directions, 2023:

ix. Corporate governance: (continued)

ix. (b) Committees of the Board and their composition

(I). There are following Committees of the Board:

- (A) Audit Committee
- (B) Nomination and Remuneration Committee
- (C) Stakeholders Relationship Committee
- (D) Integrated Risk Management Committee
- (E) Corporate Social Responsibility (CSR) Committee

(II). For each committee, the summarized terms of reference are as per following:

(A) Audit Committee as at 31 March 2025:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter)	Number of Meetings of		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Prem Prakash Mirdha	04-10-2023	Chairman, Independent Director	4	4	-
2.	Brig. Labh Singh Sitara (Retd.)	03-04-2018	Member, Independent Director	4	4	-
3.	Mr. Sanjeev Kashyap	01-01-2023	Member, Executive Director & CEO	4	4	1 equity share as a nominee of Dhani Services Limited

(A) Audit Committee as at 31 March 2024:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Prem Prakash Mirdha	04-10-2023	Chairman, Independent Director	4	2	-
2.	Brig. Labh Singh Sitara (Retd.)	03-04-2018	Member, Independent Director	4	3	-
3.	Mr. Sanjeev Kashyap	01-01-2023	Member, Whole time Director & CEO	4	4	1 equity share as a nominee of Dhani Services Limited

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

- To oversee the financial reporting process and disclosure of financial information;
- To review with management, annual financial statements and ensure their accuracy and correctness before submission to the Board;
- To review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans/reports and reviewing the efficacy of their function, discussion and review of periodic audit reports including findings of internal investigations;
- To recommend the appointment of the auditors and their remuneration;
- To review and approve required provisions to be maintained as per IRAC norms and write off decisions and regulatory requirements on Balance Sheet Disclosures;
- To hold discussions with the Auditors;
- Review and monitoring of the auditor' independence and performance and effectiveness of the audit process;
- Examination of the auditor' report on financial statements of the Company (in addition to the examination of the financial statements) before submission to the Board;
- Approval of any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings and assets of the Company, wherever it is necessary;
- Monitoring the end use of funds raised through public offers and related matters as and when such funds are raised and also reviewing the utilization of the funds so raised for purposes other than those stated in the relevant offer document, if any, and making appropriate recommendations to the Board in this regard;
- Review and monitoring of the performance of the statutory auditors and effectiveness of the audit process;
- To hold post audit discussions with the auditors to ascertain any area of concern;
- To review the whistle blower mechanism; and
- Approval to the appointment of the Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.
- Review of information system audit of the internal systems and processes to access the operational risks faced by the Company and also ensures that the information system audit of the internal systems and processes is conducted periodically.

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Note - 49 (continued)

Disclosures in terms of Annexure VII of the Master Direction- Reserve Bank of India (Non-Banking Financial Company - Scale based regulation) Directions, 2023:

ix. Corporate governance: (continued)

ix. (b) Committees of the Board and their composition

(B) Nomination & Remuneration Committee as at 31 March 2025:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Prem Prakash Mirdha	04-10-2023	Chairman, Independent Director	1	1	-
2.	Brig. Labh Singh Sitara (Retd.)	03-04-2018	Member, Independent Director	1	1	-
3.	Mr. Akshay Kumar Tiwary	28-11-2022	Member, Non-Executive Director	1	1	1 equity share as a nominee of Dhani Services Limited

Nomination & Remuneration Committee as at 31 March 2024:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Prem Prakash Mirdha	04-10-2023	Chairman, Independent Director	3	1	-
2.	Brig. Labh Singh Sitara (Retd.)	03-04-2018	Member, Independent Director	3	3	-
3.	Mr. Akshay Kumar Tiwary	28-11-2022	Member, Non-Executive Director	3	3	1 equity share as a nominee of Dhani Services Limited

Nomination & Remuneration Committee:

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

(C) Stakeholders Relationship Committee as at 31 March 2025:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Akshay Kumar Tiwary	28-11-2022	Chairman, Non-Executive Director	1	1	1 equity share as a nominee of Dhani Services Limited
2.	Brig. Labh Singh Sitara (Retd.)	12-03-2019	Member, Independent Director	1	1	-
3.	Ms. Sargam Kataria	01-08-2023	Member, Non- Executive Director	1	1	-

Stakeholders Relationship Committee as at 31 March 2024:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Akshay Kumar Tiwary	28-11-2022	Chairman, Non-Executive Director	2	2	1 equity share as a nominee of Dhani Services Limited
2.	Brig. Labh Singh Sitara (Retd.)	12-03-2019	Member, Independent Director	2	2	-
3.	Ms. Sargam Kataria	01-08-2023	Member, Non- Executive Director	2	1	-

Stakeholders Relationship Committee:

- To approve requests for share transfers and transmissions.
- To approve the requests pertaining to remat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc.
- To oversee all matters encompassing the shareholders'/investors' related issues.
- Resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants /annual reports/statutory notices by the shareholders of the Company.



Note - 49 (continued)

Disclosures in terms of Annexure VII of the Master Direction- Reserve Bank of India (Non-Banking Financial Company - Scale based regulation) Directions, 2023:

ix. Corporate governance: (continued)

ix. (b) Committees of the Board and their composition

(D) Integrated Risk Management Committee as at 31 March 2025:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Akshay Kumar Tiwary	01-01-2023	Chairman, Non-Executive Director	25	25	1 equity share as a nominee of Dhani Services Limited
2.	Brig. Labh Singh Sitara (Retd.)	01-01-2023	Member, Independent Director	25	25	-
3.	Ms. Sargam Kataria	01-08-2023	Member, Non-Executive Director	25	25	-
4.	Mr. Sanjeev Kashyap	25-04-2019	Member, Executive Director & CEO	25	25	1 equity share as a nominee of Dhani Services Limited
5.	Mr. Amit Kindo	01-01-2023	Member	25	25	-
6.	Mr. Rajeev Lochan Agrawal	01-01-2023	Member, Chief Financial Officer	25	25	-
7.	Mr. Mahesh Arora	09-05-2024	Member	24	24	-

Integrated Risk Management Committee as at 31 March 2024:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Akshay Kumar Tiwary	01-01-2023	Chairman, Non-Executive Director	15	15	1 equity share as a nominee of Dhani Services Limited
2.	Brig. Labh Singh Sitara (Retd.)	01-01-2023	Member, Independent Director	15	10	-
3.	Ms. Sargam Kataria	01-08-2023	Member, Non-Executive Director	15	10	-
4.	Mr. Sanjeev Kashyap	25-04-2019	Member, Whole time Director & CEO	15	15	1 equity share as a nominee of Dhani Services Limited
5.	Mr. Amit Kindo	01-01-2023	Member	15	15	-
6.	Mr. Rajeev Lochan Agrawal	01-01-2023	Member, Chief Financial Officer	15	15	-
7.	Mr. Amit Mittal	09-06-2023	Member	15	12	-

Integrated Risk Management Committee:

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

(E) Corporate Social Responsibility (CSR) Committee as at 31 March 2025:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Akshay Kumar Tiwary	01-01-2023	Chairman, Non-Executive Non Independent Director	1	1	1 equity share as a nominee of Dhani Services Limited
2.	Brig. Labh Singh Sitara (Retd.)	14-09-2017	Member, Independent Director	1	1	-
3.	Ms. Sargam Kataria	01.08.2023	Member, Non-Executive Director	1	-	-

Corporate Social Responsibility (CSR) Committee as at 31 March 2024:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Akshay Kumar Tiwary	01-01-2023	Chairman, Non-Executive Non Independent Director	1	1	1 equity share as a nominee of Dhani Services Limited
2.	Brig. Labh Singh Sitara (Retd.)	14-09-2017	Member, Independent Director	1	1	-
3.	Ms. Sargam Kataria	01-08-2023	Member, Non-Executive Director	1	-	-

Corporate Social Responsibility (CSR) Committee

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



Note - 49 (continued)

Disclosures in terms of Annexure VII of the Master Direction- Reserve Bank of India (Non-Banking Financial Company - Scale based regulation) Directions, 2023:

ix. Corporate governance: (continued)

ix. (c) General Body Meetings

Details of the date, place and special resolutions passed at the General Body Meetings during the year ended 31 March 2025:

Sl.No.	Type of Meeting (Annual/ Extra-Ordinary)	Date	Place	Special resolutions passed
1	Annual General Meeting	25-09-2024	1/1 E, First Floor, East Patel Nagar, New Delhi-110008.	NIL

Details of the date, place and special resolutions passed at the General Body Meetings during the year ended 31 March 2024:

Sl.No.	Type of Meeting (Annual/ Extra-Ordinary)	Date	Place	Special resolutions passed
1	Annual General Meeting	29-09-2023	1/1 E, First Floor, East Patel Nagar, New Delhi-110008.	1. Appointment of Ms. Sargam Kataria (DIN: 07133394) as Non-Independent Non-Executive Director of the Company with effect from August 01, 2023 2. Payment of remuneration to Dr. Narendra Damodar Jadhav (Din: 02435444), Independent Director Of The Company In Excess Of The Limits Prescribed Under The Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 3. Amendment Of Article Of Association By Insertion Of Clause 27A(1) & 27A(2) For Making Provisions For The Debenture Trustees For Appointment of Nominee Director On The Board Of The Company As Required By the Sebi Regulations
2	Extra-Ordinary General Meeting	24-05-2023	1/1 E, First Floor, East Patel Nagar, New Delhi-110008.	Waiver Of Excess Managerial Remuneration Paid To Mr. Pinank Jayant Shah (Din: 07859798), Erstwhile Whole-Time Director & Ceo Of The Company, For Fy 2022-23, Appointment Of Mr. Amit Ajit Gandhi (DIN: 07606699) As Non-Executive Director Of the Company
3	Extra-Ordinary General Meeting	02-01-2024	1/1 E, First Floor, East Patel Nagar, New	Appointment of Mr. Prem Prakash Mirdha (Din: 01352748) As Independent Director of the Company

ix. (d) Details of non-compliance with requirements of Companies Act,

The Company has not defaulted in compliance with the requirements of Companies Act,2013, including with respect to compliance with accounting and secretarial standards during the year and previous year.

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Note - 49 (continued)

Disclosures in terms of Annexure VII of the Master Direction- Reserve Bank of India (Non-Banking Financial Company - Scale based regulation) Directions, 2023:

x. Registration under other regulators:

- The Company is not registered under any other regulator other than Reserve Bank of India.

xi. Penalties imposed by RBI and other Regulators:

- Penalties imposed by RBI on the company for the year amounted to ₹ Nil (FY 2023-24: ₹ 20 Lakh).

xii. Disclosure on frauds pursuant to RBI Master direction:

- The frauds detected and reported for the year amounted to ₹ 362.87 lakh (FY 2023-24: ₹ 1,772.06 lakh).

xiii. Breach of covenant:

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

xiv. Divergence in Asset Classification and Provisioning:

(I). The additional provisioning requirements assessed by RBI exceeds 5% of the reported profits before tax and impairment loss on financial instruments for the reference period: Not Applicable

(II). Additional Gross NPAs identified by RBI exceeds 5 per cent of the reported Gross NPAs for the reference period: Not Applicable

xv. Related party transactions:

Please refer note no. 43 - Related party disclosure.

xv. (a) The Company has been assigned the following credit ratings:

Facility	Name of Rating Agency	As at 31 March 2025	As at 31 March 2024
Non- convertible debentures - Public issue	Credit Analysis & Research Limited	-	CARE BB+ (Stable)
	Brickwork Ratings India Pvt Ltd.	-	BWR BBB- /Negative
	Infomeric Valuation And Rating Private Limited	IVR BBB-/Stable	IVR BBB- /Negative

xv. (b) Details on recovery ratings assigned for Security Receipts:

Particulars	For the year ended 31 March 2025		For the year ended 31 March 2024	
	Anticipated recovery as per recovery rating	Amount (₹ in Lakh)	Anticipated recovery as per recovery rating	Amount (₹ in Lakh)
RR1	100% - 150%	3,549.71	100% - 150%	7,733.69
Total		3,549.71		7,733.69

xvi. Remuneration of directors:

Please refer note no. 43 - Related party disclosure.

xvii. Revenue Recognition

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

xviii. Provision and contingencies

(Amount in ₹ crore)

Break up of Provisions and Contingencies shown under the head expenditure in statement of profit and loss	For the year ended 31 March 2025	For the year ended 31 March 2024
Provision for depreciation on investment	-	-
Provision towards non-performing assets	14.07	(12.06)
Provision made towards income tax (net of advance tax)	-	-
Other provision and contingencies (with details)		
i) Provision for compensated absences	0.72	(0.94)
ii) Provision for gratuity	1.31	1.87
Provision for other assets	0.02	10.11
Provision for Standard assets	(0.69)	5.94

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Note - 49 (continued)

Disclosures in terms of Annexure VII of the Master Direction- Reserve Bank of India (Non-Banking Financial Company - Scale based regulation) Directions, 2023:

xix. Draw down from reserves:

- The Company has not made any drawdown from reserves.

xx. Concentration of advances, exposures & NPA's*:

(I). Concentration of advances

(Amount in ₹ crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Total advances to twenty largest borrowers*	1,520.95	1,560.07
Percentage of advances to twenty largest borrowers to total advances of the NBFC on borrowers	95.34%	91.14%

* as per contractual receivables at balance sheet date.

(II). Concentration of exposures

(Amount in ₹ crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Total exposures to twenty largest borrowers*	1,520.95	1,560.07
Percentage of exposures to twenty largest borrowers to total exposure of the NBFC on borrowers	95.34%	91.14%

* as per contractual receivables as per balance sheet date.

(III). Concentration of NPA's

(Amount in ₹ crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Total exposure to top four NPA accounts*	1.78	2.83

* as per contractual receivables as per balance sheet date.

(IV). Movement of NPAs

(Amount in ₹ crore)

Particulars	As at 31 March 2025	As at 31 March 2024
a. Net NPAs to Net Advances (%)	0.02%	0.17%
b. Movement of NPAs (Gross)		
i) Opening balance	32.23	58.42
ii) Addition during the year (net)	107.62	(26.17)
iii) Reduction during the year	(137.35)	(0.02)
iv) Closing balance	2.50	32.23
c. Movement of Net NPAs		
i) Opening balance	2.92	17.05
ii) Addition during the year (net)	93.55	(14.13)
iii) Reduction during the year	(96.12)	0.00
iv) Closing balance	0.35	2.92
d. Movement of provisions for NPA (excluding provisions on standard assets)		
i) Opening balance	29.31	41.37
ii) Provision made/ (reversal) during the year	14.07	(12.04)
iii) Reduction during the year	(41.23)	(0.02)
iv) Closing balance	2.15	29.31

xxi. Overseas assets:

There are no overseas assets owned by the Company.

xxii. Off-balance Sheet SPVs sponsored:

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



Note - 50

Disclosures in terms of Annexure VIII of the Master Direction- Reserve Bank of India (Non-Banking Financial Company - Scale based regulation) Directions, 2023:

(Amount in ₹ crore)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities Side:				
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon				
(a) Debentures	28.55	-	137.29	-
: Secured	-	-	-	-
: Unsecured	-	-	-	-
(other than falling within the meaning of public deposits)				
(b) Deferred credits	-	-	-	-
(c) Term loans	-	-	-	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other loans	-	-	-	-
- Securitisation liabilities	18.75	-	37.69	-
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

(Amount in ₹ crore)

Assets side:	Amount outstanding as at 31 March 2025	Amount outstanding as at 31 March 2024
	(3) Break-up of loans and advances including bills receivables [other than those included in (4) below]:	
(a) Secured	101.46	138.77
(b) Unsecured	1,493.80	1,572.96
Less: impairment loss allowance	(17.92)	(45.77)
Total	1,577.34	1,665.97
(4) Break up of leased assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on hire	-	-
(b) Repossessed assets	-	-
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
(5) Break-up of Investments:		
Current Investments		
1. Quoted:		
(i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others	-	-
2. Unquoted:		
(i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	18.88	28.62
(iv) Government securities	-	-
(v) Others	-	-



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Note - 50 (continued)

Disclosures in terms of Annexure VIII of the Master Direction- Reserve Bank of India (Non-Banking Financial Company - Scale based regulation) Directions, 2023:

(Amount in ₹ crore)

Assets side:	Amount outstanding as at 31 March 2025	Amount outstanding as at 31 March 2024
Long Term Investments		
1. Quoted:		
(i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others	-	-
2. Unquoted:		
(i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others		
(a) Equity investment in subsidiaries	991.15	991.15
(b) Investment in security receipts	35.50	77.34

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

(Amount in ₹ crore)

Category	Amount (including impairment of loss allowance)			
	As at 31 March 2025		As at 31 March 2024	
	Secured	Unsecured	Secured	Unsecured
1. Related parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	765.55	-	672.98
(c) Other related parties	-	-	-	-
2. Other than related parties*	101.46	728.25	138.77	899.98
Total	101.46	1,493.80	138.77	1,572.96

*Includes provision against loan assets of ₹ 17.92 crore (31 March 2024 ₹ 45.77 crore)

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

(Amount in ₹ crore)

Category	As at 31 March 2025		As at 31 March 2024	
	Market Value	Book Value (net of allowance for impairment loss)	Market Value	Book Value (net of allowance for impairment loss)
1. Related parties				
(a) Subsidiaries	991.15	991.15	991.15	991.15
(b) Companies in the same group	35.50	35.50	77.34	77.34
(c) Other related parties	-	-	-	-
2. Other than related parties	18.88	18.88	28.62	28.62
Total	1,045.53	1,045.53	1,097.11	1,097.11

(8) Other information:

(Amount in ₹ crore)

Particulars	As at 31 March 2025	As at 31 March 2024
(I) Gross non-performing assets		
(a) Related parties	-	-
(b) Other than related parties	2.50	32.23
(II) Net non-performing assets		
(a) Related parties	-	-
(b) Other than related parties	0.35	2.92
(III) Assets acquired in satisfaction of debt		



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Note - 51

(A) Disclosures in terms of Annex IX of the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023: Details of dividend declared during the financial year: Nil (Previous year: Nil)

(B) Disclosures in terms of Annex XI of the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023: Loans to Directors, Senior Officers and relatives of Directors: Nil (Previous year: Nil)

Note - 52

Disclosures in terms of Annex XXI of Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023:

(Amount in ₹ crore)

Particulars	Q4 FY 24-25		Q3 FY 24-25		Q2 FY 24-25		Q1 FY 24-25	
	Total unweighted Value	Total weighted value	Total unweighted Value	Total weighted value	Total unweighted Value	Total weighted value	Total unweighted Value	Total weighted value
Cash and Bank Balance	17.24	17.24	23.09	23.09	11.25	11.25	12.04	12.04
High Quality Liquid Assets (HQLA)	17.24	17.24	23.09	23.09	11.25	11.25	12.04	12.04
Cash outflows								
Deposits	-	-	-	-	-	-	-	-
Unsecured wholesale funding	-	-	-	-	-	-	-	-
Secured wholesale funding	0.14	0.16	17.29	19.88	6.63	7.62	28.47	32.74
Additional requirements	-	-	-	-	-	-	-	-
- Outflows related to derivative exposure and other collateral requirements	-	-	-	-	-	-	-	-
- Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
- Credit and liquidity facilities	-	-	-	-	-	-	-	-
Other contractual funding obligations	-	-	-	-	-	-	-	-
Other contingent funding obligations	-	-	-	-	-	-	-	-
Total cash outflows	0.14	0.16	17.29	19.88	6.63	7.62	28.47	32.74
Cash inflows								
Secured lending	-	-	-	-	-	-	-	-
Inflows from fully performing advances	42.98	32.24	7.74	5.81	44.53	33.40	3.69	2.77
Other cash inflows	-	-	-	-	-	-	x	-
Total cash Inflows	42.98	32.24	7.74	5.81	44.53	33.40	3.69	2.77
Total HQLA		17.24		23.09		11.25		12.04
Total net cash outflows over next 30 days								
(Weighted value of total cash outflow- Minimum of weighted value of total cash inflows, 75% of weighted value of total cash outflow)		0.04		14.07		1.91		29.97
Liquidity coverage ratio (%)		43100.00%		164.11%		590.55%		40.17%

Note-1: The above LCR of 43100.00% is computed based on the average monthly cash inflows and outflows for Q4 FY 24-25. The LCR for Q4 FY 24-25 computed based on the average of the respective LCRs (not adjusted for average cash inflows and outflows) for each day of the months in Q4 FY 24-25 is calculated at 2129.00%.

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

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Note - 52
Disclosures in terms of Annex XXI of Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023:

(Amount in ₹ crore)

Particulars	Q4 FY 23-24		Q3 FY 23-24		Q2 FY 23-24		Q1 FY 23-24	
	Total unweighted Value	Total weighted value	Total unweighted Value	Total weighted value	Total unweighted Value	Total weighted value	Total unweighted Value	Total weighted value
Cash and Bank Balance	64.64	64.64	39.97	39.97	6.29	6.29	22.35	22.35
High Quality Liquid Assets (HQLA)	64.64	64.64	39.97	39.97	6.29	6.29	22.35	22.35
Cash outflows								
Deposits	-	-	-	-	-	-	-	-
Unsecured wholesale funding	-	-	-	-	-	-	-	-
Secured wholesale funding	47.18	54.26	11.11	12.78	11.11	12.78	10.77	12.39
Additional requirements	-	-	-	-	-	-	-	-
- Outflows related to derivative exposure and other collateral requirements	-	-	-	-	-	-	-	-
- Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
- Credit and liquidity facilities	-	-	-	-	-	-	-	-
Other contractual funding obligations	-	-	-	-	-	-	-	-
Other contingent funding obligations	-	-	-	-	-	-	-	-
Total cash outflows	47.18	54.26	11.11	12.78	11.11	12.78	10.77	12.39
Cash inflows								
Secured lending	-	-	-	-	-	-	-	-
Inflows from fully performing advances	19.88	14.91	1.85	1.39	3.61	2.71	40.00	30.00
Other cash inflows	-	-	-	-	-	-	-	-
Total cash Inflows	19.88	14.91	1.85	1.39	3.61	2.71	40.00	30.00
Total HQLA		64.64		39.97		6.29		22.35
Total net cash outflows over next 30 days (Weighted value of total cash outflow- Minimum of weighted value of total cash inflows, 75% of weighted value of total cash outflow)		39.35		11.39		10.07		3.10
Liquidity coverage ratio (%)		164.27%		350.92%		62.46%		720.97%

Note-1: The above LCR of 164.28% is computed based on the average monthly cash inflows and outflows for Q4 FY 23-24.

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

- Note-3:
- Unweighted Values: Inflows and outflows within 1 month are considered as per outstanding balances that mature in 1 month.
 - Weighted values are calculated as per the applicable haircuts or stress factors.
 - Below is level of minimum LCR in terms of Annex III of the RBI Directions, 2016

From	01 December 2020	01 December 2021	01 December 2022	01 December 2023	01 December 2024
Minimum LCR	30%	50%	60%	85%	100%

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Notes to the standalone financial statements for the year ended 31 March 2025

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

Note - 53

Disclosures in terms of Annexure II of the Master Direction- Reserve Bank of India (Non-Banking Financial Company - Scale based regulation) Directions, 2023:

As at 31 March 2025

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard Assets	Stage 1	1,58,448.11	638.23	1,57,809.88	633.79	4.44
	Stage 2	827.68	13.83	813.85	3.31	10.52
Sub- Total		1,59,275.79	652.06	1,58,623.73	637.10	14.96
Non-Performing Assets (NPA)						
Substandard	Stage 3	58.80	23.81	34.99	5.88	17.93
Doubtful - up to 1 year	Stage 3	164.71	164.71	-	31.42	133.29
	Stage 3	26.57	26.57	-	15.58	10.99
More than 3 years	Stage 3	-	-	-	-	-
Sub- Total For Doubtful		191.28	191.28	-	47.00	144.28
Loss	Stage 3	-	-	-	-	-
Sub- Total For NPA		250.08	215.09	34.99	52.88	162.21
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub- Total		-	-	-	-	-
Total	Stage 1	1,58,448.11	638.23	1,57,809.88	633.79	4.44
	Stage 2	827.68	13.83	813.85	3.31	10.52
	Stage 3	250.08	215.09	34.99	52.88	162.21
	Total	1,59,525.87	867.15	1,58,658.72	689.98	177.17

As at 31 March 2024

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109*	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard Assets	Stage 1	1,60,000.15	647.52	1,59,352.63	640.00	7.52
	Stage 2	7,950.14	174.59	7,775.55	31.80	142.79
Sub- Total		1,67,950.29	822.11	1,67,128.18	671.80	150.31
Non-Performing Assets (NPA)						
Substandard	Stage 3	898.21	644.01	254.20	89.82	554.19
Doubtful - up to 1 year	Stage 3	2,324.93	2,286.81	38.12	2,284.27	2.54
	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Sub- Total For Doubtful		2,324.93	2,286.81	38.12	2,284.27	2.54
Loss	Stage 3	-	-	-	-	-
Sub- Total For NPA		3,223.14	2,930.82	292.32	2,374.09	556.73
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub- Total		-	-	-	-	-
Total	Stage 1	1,60,000.15	647.52	1,59,352.63	640.00	7.52
	Stage 2	7,950.14	174.59	7,775.55	31.80	142.79
	Stage 3	3,223.14	2,930.82	292.32	2,374.09	556.73
	Total	1,71,173.43	3,752.93	1,67,420.50	3,045.89	707.04



Note - 54

COVID 19 Regulatory Package -

(i) Disclosures pursuant to RBI Notification RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August 2020 and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated 05 May 2021:

Type of borrower	(A)	(B)	(C)	(D)	(E)
	For the half year ended 31 March 2025				
	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal Loans	-	-	-	-	-
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-

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

Type of borrower	(A)	(B)	(C)	(D)	(E)
	For the half year ended 30 September 2024				
	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal Loans	-	-	-	-	-
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-

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

Type of borrower	(A)	(B)	(C)	(D)	(E)
	For the half year ended 31 March 2024				
	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal Loans	-	-	-	-	-
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	0.85	-	-	0.85	-
Total	0.85	-	-	0.85	-

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

Type of borrower	(A)	(B)	(C)	(D)	(E)
	For the half year ended September 30, 2023				
	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal Loans	205.72	4.10	-	201.62	-
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	25.21	-	-	24.36	0.85
Total	230.93	4.10	-	225.98	0.85

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

Note - 55

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

Note - 56

As at 31 March 2025, the Company is in compliance with RBI Circular No. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 dated 12 November 2021 and subsequent RBI Circular DOR.STR.REC.85/21.04.048/2021-22 dated 15 February 2022, related to classification of NPA and up-gradation of accounts classified as NPA.



Note - 57

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

(a) Details of transfer through assignment in respect of loans not in default during the year:

(Amount in ₹ crore)

Particulars	For the year ended	For the year ended
	31 March 2025	31 March 2024
Count of Loan accounts Assigned	-	9
Amount (₹ Crore) of Loan accounts Assigned	-	38.01
Retention of beneficial economic interest (MRR) (₹ Crore)	-	-
Weighted Average Maturity (Residual Maturity) (Months)	-	246.86
Weighted Average Holding Period (Months)	-	48.08
Coverage of tangible security coverage	-	1
Rating-wise distribution of rated loans	-	Unrated

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

Particulars	For the year ended			For the year ended		
	31 March 2025			31 March 2024		
	To Asset Reconstruction Companies (ARC)			To Asset Reconstruction Companies (ARC)		
	NPA	SMA	Total	NPA	SMA	Total
Number of accounts	-	-	-	1,28,890	1,814	1,30,704
Aggregate principal outstanding of loans transferred (₹ in crore)	-	-	-	79.54	23.50	103.04
Weighted average residual tenor of the loans transferred (in years)	-	-	-	1.10	6.70	7.80
Net book value of loans transferred (at the time of transfer) (₹ in crore)	-	-	-	27.77	23.23	51.00
Aggregate consideration (₹ in crore)	-	-	-	34.56	16.44	51.00
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-	-	-	-
Excess provisions reversed to the Profit and Loss Account on account of	-	-	-	18.41	1.23	19.64

(c) The Company has not acquired any stressed loan during the year ended 31st March 2025.

Note -58

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

A) For Non-STC Securitisation transactions:

(Amount in ₹ crore)

Particulars	For the year ended	For the year ended
	31 March 2025	31 March 2024
1. No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	1	1
2. Total amount of securitised assets as per books of the SPEs	35.63	54.57
3. Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
i) Off-balance sheet exposures		
- First loss	-	-
- Others	-	-
ii) On-balance sheet exposures		
- First loss	16.88	16.88
- Others	-	-
4. Amount of exposures to securitisation transactions other than MRR		
a) Off-balance sheet exposures		
- Exposure to own securitisations	-	-
- First loss	-	-
- Others	-	-
- Exposure to third party securitisations	-	-
- First loss	-	-
- Others	-	-
b) On-balance sheet exposures		
- Exposure to own securitisations	-	-
- First loss	-	-
- Others	-	-
- Exposure to third party securitisations	-	-
- First loss	-	-
- Others	-	-
5. Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation		
6. Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.		
7. Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent 60 etc. Mention percent in bracket as of total value of facility provided		
Investment in Series A2 PTC		
(a) Amount paid	-	-
(b) Repayment received	-	-
(c) Outstanding amount	16.88	16.88
8. Average default rate of portfolios observed in the past.		
9. Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.		
(a) Number	-	-
(b) Amount	-	-
10. Investor complaints:		
(a) Directly/Indirectly received	-	-
(b) Complaints outstanding	-	-

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



DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to the standalone financial statements for the year ended 31 March 2025

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

Note - 59**Employee stock option schemes:**

The Holding Company has issued various Employees stock options scheme (ESOP / ESOS) for the benefit of its employees and its subsidiary companies. The Holding Company has established the "Udaan Employee Welfare Trust" ("Udaan - EWT") ("Trust") for the implementation and management of its employees stock options/benefit scheme(s).

A. Grants during the year:

There have been no new grants during the year (Previous year Nil).

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

	DSL ESOP - 2008	
	2,00,00,000	
Total options under the scheme	97,00,000	18,00,000
Options granted (Nos.)	(Regrant)	(Regrant)
Vesting period and percentage	Five years, 20% each year	Five years, 20% each year
Vesting date	2nd July each year, commencing 02 July 2017	28 th June each year, commencing 28 June 2023
Exercisable period	5 years from each vesting date	5 years from each vesting date
Exercise price (₹)	24.15	30
Outstanding at the beginning of 1 April 2023 (Nos.)	18,44,400	18,00,000
Granted/ regranted during the year (Nos.)	-	-
Forfeited during the year (Nos.)	6,94,400	9,00,000
Exercised during the year (Nos.)	-	-
Expired during the year (Nos.)	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-
Outstanding as at 31 March 2024 (Nos.)	11,50,000	9,00,000
Vested and exercisable as at 31 March 2024 (Nos.)	11,50,000	1,80,000
Remaining contractual life (weighted months)	19	75
Outstanding at the beginning of 1 April 2024 (Nos.)	11,50,000	9,00,000
Granted/ regranted during the year (Nos.)	-	-
Forfeited during the year (Nos.)	-	3,00,000
Exercised during the year (Nos.)	-	-
Expired during the year (Nos.)	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-
Outstanding as at 31 March 2025 (Nos.)	11,50,000	6,00,000
Vested and exercisable as at 31 March 2025 (Nos.)	11,50,000	2,40,000
Remaining contractual life (weighted months)	7	63

Weighted average exercise price of share during the year ended 31 March 2025: Nil (31 March 2024: Nil).

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DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to the standalone financial statements for the year ended 31 March 2025

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

Note - 59 (continued)

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

	DSL ESOP - 2009		
	2,00,00,000	95,00,000	98,00,000
	20,50,000	(Regrant)	(Regrant)
Total options under the Scheme (Nos.)			
Options granted (Nos.)	20,50,000	95,00,000	98,00,000
Vesting period and percentage	Ten years, 10% each year	Five years, 20% each year	Five years, 20% each year
Vesting date	13th April each year, commencing 13 April 2011	13th May each year, commencing 13 May 2017	28th June each year, commencing 28 June 2023
Exercisable period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Exercise price (₹)	31.35	16	30
Outstanding at the beginning of 1 April 2023 (Nos.)	50,000	17,90,400	98,00,000
Granted/ regranted during the year (Nos.)	-	-	-
Forfeited during the year (Nos.)	-	1,62,000	41,00,000
Exercised during the year (Nos.)	-	-	-
Expired during the year (Nos.)	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-
Outstanding as at 31 March 2024 (Nos.)	50,000	16,28,400	57,00,000
Vested and exercisable as at 31 March 2024 (Nos.)	50,000	16,28,400	11,40,000
Remaining contractual life (Weighted Months)	12	19	75
Outstanding at the beginning of 1 April 2024 (Nos.)	50,000	16,28,400	57,00,000
Granted/ regranted during the year (Nos.)	-	-	-
Forfeited during the year (Nos.)	-	2,84,000	7,75,000
Exercised during the year (Nos.)	-	-	-
Expired during the year (Nos.)	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-
Outstanding as at 31 March 2025 (Nos.)	50,000	13,44,400	49,25,000
Vested and exercisable as at 31 March 2025 (Nos.)	50,000	13,44,400	19,70,000
Remaining contractual life (Weighted Months)	0.36	7	63

(iii) Dhani Services Limited - Employee Stock Benefit Scheme 2019 ("Scheme") ("DSL-ESBS 2019").

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

Remaining contractual life (Weighted Months)

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

This scheme is implemented through the Trust in accordance with the SEBI Regulations. The Trust, in compliance with the "SBEB Regulations", is authorised to purchase upto an aggregate of 1,05,00,000 (One Crore Five lakh) fully paid-up equity shares, being not more than 2% (Two percent) of the fully paid-up equity share capital of the Holding Company as on the date of approval of shareholders, from the secondary market. The Holding Company has appropriated 1,04,00,000 fully paid up equity shares of the Holding Company purchased by the Trust under the Scheme. The Holding Company has not granted any options/ SARs under the scheme as at 31 March 2025 (31 March 2024: Nil).



DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to the standalone financial statements for the year ended 31 March 2025

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

Note - 59 (continued)**(iv) Dhani Services Limited - Employee Stock Benefit Scheme 2020 ("Scheme") ("DSL-ESBS 2020").**

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

This Scheme comprises:

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

This scheme is implemented through the Trust in accordance with the SEBI Regulations. The Trust, in compliance with the "SBEB Regulations", is authorised to purchase upto an aggregate of 93,00,000 (One Crore Five lakh) fully paid-up equity shares, being not more than 2% (Two percent) of the fully paid-up equity share capital of the Holding Company as on the date of approval of shareholders, from the secondary market. The Holding Company has appropriated 93,00,000 fully paid up equity shares of the Holding Company purchased by the Trust under the Scheme. The Holding Company has not granted any options/ SARs under the scheme as at 31 March 2025 (31 March 2024: Nil).

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

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

This Scheme comprises:

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

This scheme is implemented through the Trust in accordance with the SEBI Regulations. The Trust, in compliance with the "SBEB Regulations", is authorised to purchase upto an aggregate of 1,05,00,000 (One Crore Five lakh) fully paid-up equity shares, being not more than 2% (Two percent) of the fully paid-up equity share capital of the Holding Company as on the date of approval of shareholders, from the secondary market. The Holding Company has not granted any options/ SARs under the scheme as at 31 March 2025 (31 March 2024: Nil).

(vi) Dhani Services Limited - Employee Stock Benefit Scheme 2022 ("Scheme") ("DSL-ESBS 2022").

This Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of the Holding Company at its meeting held on 12 August 2022; and (b) a special resolution of the shareholders of the Holding Company at their annual general meeting held on 29 September 2022 for an aggregate of 3,00,00,000 (Three Crore) employee stock options, convertible into equivalent number of fully paid-up equity shares of face value ₹ 2 each of the Holding Company ("ESOPs") in the manner as specified under SBEB Regulations. No ESOPs have been granted under this Scheme.

Details of shares acquired by the Trust pursuant to the above schemes are as below:

Particulars	DSL-ESBS 2019	DSL-ESBS 2020	DSL-ESBS 2021
Maximum no. of shares, which the Trust was authorized to acquire (Nos.)	1,05,00,000	93,00,000	1,05,00,000
		31 March 2025	31 March 2024
Shares held by the Trust at the beginning of the year (Nos.)		2,97,00,000	2,97,00,000
Fully paid up equity shares acquired by the Trust from the Secondary Market (Nos.)		-	-
Number of shares transferred to the employees / sold along with the purpose thereof (Nos.)		-	-
Fully paid up shares held by the Trust at the end of the year (Nos.)		2,97,00,000	2,97,00,000



DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to the standalone financial statements for the year ended 31 March 2025

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

Note - 59 (continued)

C. Fair Valuation:

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

	DSL ESOP - 2008		DSL ESOP - 2009	
	97,00,000	20,50,000	95,00,000	
	Options Regranted	Options	Options Regranted	
1. Exercise price (₹)	24.15	31.35	16	
2. Expected volatility *	42.97%	48.96%	40.74%	
3. Option Life (Weighted Average) (in years)	6	Nil	Nil	
4. Expected Dividends yield	10.82%	6.86%	16.33%	
5. Risk Free Interest rate	7.45%	8.05%	7.45%	
6. Fair value of the options (₹)	4.31	9.39	1.38	

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

	DSL ESOP - 2008 & 2009				
	18,00,000 and 98,00,000				
	Options				
	28-Jun-23	28-Jun-24	28-Jun-25	28-Jun-26	28-Jun-27
1. Vesting Date *					
2. Exercise price (₹)	30	30	30	30	30
3. Expected volatility *	70.92%	68.20%	66.66%	65.39%	63.19%
4. Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil
5. Expected dividends yield	0.66%	0.66%	0.66%	0.66%	0.66%
6. Risk free interest rate	6.70%	6.87%	6.97%	7.05%	7.09%
7. Fair value of the options (₹)	15.69	17.00	18.15	19.09	19.69
8. Average Price			17.92		

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

D. Share based payment expense:

The Company has recognised of Share based payments expensed to employees in the statement of Profit and loss as follows:

	For the year ended 31 March 2025	For the year ended 31 March 2024
Share based payments expenses	75.63	(65.80)
	75.63	(65.80)

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Note - 60

The provisions related to corporate social responsibility in terms of section 135 of the Act are not applicable to the Company.

Note - 61

As at 31 March 2025, there were no dues required to be credited to the Investor Education and Protection Fund under Section 124(5) of the Act. (31 March 2024: ₹ Nil).

Note - 62

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

Note - 63

There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period, by the Company during the year ended 31 March 2025.

Note - 64

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

Note - 65

The Company has not traded or invested in crypto currency or virtual currency during the year and previous year.

Note - 66

The Company has complied with the RBI Directions, 2016 to the extent applicable.

Note - 67

The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year and previous year.

Note - 68

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

Note - 69

There are no borrowing costs to be capitalised as at 31 March 2025 (31 March 2024: ₹ Nil).

Note - 70

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 during the year and previous year.

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DHANI LOANS AND SERVICES LIMITED

CIN: U74899DL1994PLC062407

Notes to the standalone financial statements for the year ended 31 March 2025

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

Note - 71

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

Note - 72

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

In terms of our report of even date attached.

For KAPG & Associates

Chartered Accountants

ICAI Firm registration no. : 032569N



Pradeep Gupta

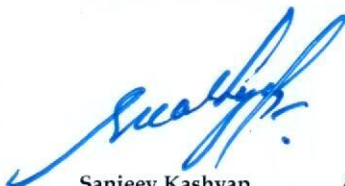
Partner

Membership No.: 519337

Place: New Delhi

Date: 02 May 2025

For and on behalf of the Board of Directors



Sanjeev Kashyap

Whole Time Director &

DIN: 03405178

Place: Gurugram

Date: 02 May 2025



Akshay Kumar Tiwary

Director



Rajeev Lochan Agrawal

Chief Financial Officer



Manish Rustagi

Company Secretary





INDEPENDENT AUDITOR'S REPORT

To the Members of Dhani Loans and Services Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated Financial Statements of Dhani Loans and Services Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together are referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, and, except for the effects of the matter described in the Basis for Qualified Opinion in the paragraph below, 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, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2025, of consolidated profit, consolidated other comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

As more fully explained in Note 54(i) to the accompanying Consolidated Financial Statements, the company has created a provision for impairment losses on certain non-financial assets amounting to Rs.4,123.21 Lakh (Net of deferred tax) and derecognized certain financial assets amounting to Rs.14,118.57 Lakh (Net of deferred tax). These amounts have been debited to other Comprehensive Income (OCI) instead of debiting the same to the consolidated Statement of Profit and Loss, which is not in strict accordance with the applicable India Accounting Standards ("Ind AS") and other applicable regulations. This indicates that if these were debited to the Standalone Statement of Profit and Loss for the year ended 31 March 2025, the company would have reported a net loss (after tax) of Rs. 7,145.85 Lakh. Consequently, the Profit After tax for the year ended 31 March 2025 has been overstated by the aforesaid amount.

We reproduce hereunder the 'Basis for Qualified Opinion' issued by the respective independent auditors of the following subsidiary companies, on the annual financial statements for the year ended 31 March 2025 to the extent the same are found significant as per the guidance issued by the Institute of Chartered Accountants of India, from time to time and which also forms the basis for qualified opinion in our audit report on the accompanying Consolidated Financial Statements.



INDEPENDENT AUDITOR'S REPORT

Basis for Qualified Opinion (continued)

In respect of subsidiary - Indiabulls Nests Limited (formerly known as Indiabulls Distribution Service Limited) as reported by component auditor, as explained in Note 27 to the accompanying Standalone Financial Statements, the Company has recorded impairment loss due to expected credit loss of Rs. 15,947.22 Lakh (net of deferred tax) to Other Comprehensive income, instead of debiting the same to the Statement of Profit and Loss, which is not in accordance with the applicable Ind AS and consequently, the Company's loss after tax is understated and other comprehensive loss is overstated by the aforesaid amount. There is no resultant impact on the carrying value of the total equity, assets and liabilities of the Company.

In respect of subsidiary - Indiabulls Urbanresidency Limited (formerly known as Indiabulls Investment Advisors Limited) as reported by component auditor, as explained in Note 32 to the accompanying Standalone Financial Statements, the Company has recorded an impairment loss due to expected credit loss of Rs. 2,712.59 Lakh (net of deferred tax) to Other Comprehensive income, instead of debiting the same to the Statement of Profit and Loss, which is not in accordance with the applicable Ind AS and consequently, the Company's the profit after tax is overstated and other comprehensive loss is overstated by the aforesaid amount. There is no resultant impact on the carrying value of the total equity, assets and liabilities of the Company.

In respect of subsidiary - Transerv Limited as reported by component auditor, As explained in Note 26 to the accompanying Standalone Financial Statements, the Company has recorded impairment of unamortized cost of cards and unamortized customer acquisition costs of Rs.9,532.89 Lakh (net of related deferred tax) to Other Comprehensive income instead of debiting the same to the Statement of Profit and Loss, which is not in accordance with the applicable Ind AS and consequently, the Company's the loss after tax is understated and other comprehensive loss is overstated by the aforesaid amount. There is no resultant impact on the carrying value of the total equity, assets and liabilities of the Company.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules 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, and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-para (a) and (b) of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

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INDEPENDENT AUDITOR'S REPORT

Emphasis of Matter

We draw attention to Note 36 of the Consolidated Financial Statements, which describes a significant increase in employee strength during the last quarter of the financial year. This was due to the transfer of employees from a fellow subsidiary within the same group. As represented by the management, these employees were transferred in accordance with the Company's internal policy and have rendered services to the Company during the period. Our opinion is not modified in respect of this matter.

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 year. 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.

Key Audit matters of the Holding Company

Key Audit Matters	Auditor's Response
<p>A) Impairment of Loans (expected credit loss - ECL) (Refer notes 6 and 53 to the Standalone Financial Statements of the Holding Company)</p> <p>In accordance with the requirements of Ind AS 109, the Company is required to provide for impairment of its financial assets using the expected credit loss ('ECL') approach which involves an estimation of the probability of loss on the financial assets over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. In the process, a significant degree of judgement has been applied by the management in respect of following matters:</p> <p>(i) Classification and staging of loan portfolio, and estimation of behavioural life.</p> <p>(ii) Estimation of losses in respect of those classes of loans which had no or minimal historical defaults.</p>	<p>Principal audit procedure</p> <ul style="list-style-type: none">• Read and assessed the Company's accounting policies for the impairment of financial assets and whether such policy was in accordance with the requirements of Ind AS 109 and the governance framework approved by the Board of Directors pursuant to the applicable Reserve Bank of India guidelines/directions.• Evaluated the appropriateness of the Company's assumptions used by the Company for grouping and staging of loan portfolio into various categories and default buckets and their appropriateness for determining the probability of default (PD) and loss given default (LGD) rates.• Tested the operating effectiveness of the controls for application of the staging criteria of loans. Assessed the considerations applied by the Management for staging of loans.



INDEPENDENT AUDITOR'S REPORT

Key Audit matters of the Holding Company (continued)

Key Audit Matters	Auditor's Response
(iii) Classification and staging of loan portfolio, and estimation of behavioural life.	<ul style="list-style-type: none"> Performed tests (on sample basis) to verify the staging of loans based on their past due status.
(iv) Estimation of losses in respect of those classes of loans which had no or minimal historical defaults.	<ul style="list-style-type: none"> Performed appropriate inquiries with the Company's management and assessed assumptions used by the management in determination of ECL provision.
(v) Management overlay for macro-economic factors and estimation of their impact on the credit quality of the loans.	<ul style="list-style-type: none"> Tested the arithmetical accuracy of calculation of the provision for ECL performed by the Company.
(vi) In accordance with the guidance in Ind AS 109, the management overlay estimate takes into account reasonably and supportable information without incurring significant cost. The actual credit losses for the next 12 months could be significantly different than the ECL estimates prepared by the Company.	<ul style="list-style-type: none"> Assessed the appropriateness and sufficiency of disclosures in the Financial Statements in respect of provision for ECL.
(vii) The disclosures (including disclosures prescribed by RBI) regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.	
(viii) The Company has developed a financial model that derives key assumptions used within the provision calculation such as probability of default (PD) and loss given default (LGD). The output of such model is then applied to the calculation for the provision for expected credit loss calculation with other information including the exposure at default (EAD).	
<p>Given the high degree of management's judgement involved in estimation of ECL, it is an area of material uncertainty and a key audit matter.</p>	



INDEPENDENT AUDITOR'S REPORT

Information other than the consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report and Management Discussion & Analysis report, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's reports thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will 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 identified above when it becomes available 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.

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

Management's Responsibilities for the Standalone Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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INDEPENDENT AUDITOR'S REPORT

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 scepticism throughout the audit. We also:

- Identified 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Consolidated Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



INDEPENDENT AUDITOR'S REPORT

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company and subsidiaries incorporated in India, we report hereunder the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable:

(xxi) Matters to be reported under clause (xxi) in respect of the subsidiary companies incorporated in India and included in the Group, as reported by their respective auditors in the Companies (Auditor's Report) Order (CARO) reports of such subsidiary companies included in the Consolidated Financial Statements, are given below:

S. No.	Name	CIN	Holding Company/ Subsidiary/ Associates/ Joint Ventures	Clause number of CARO report which is qualified or adversed
1.	Dhani Loans and Services Limited	U74899DL1994PLC062407	Holding Company	iii(c),iii(d),xi(a)
2.	Indiabulls Urbanresidency Limited (formerly known as Indiabulls Investment Advisors Limited)	U68200DL2008PLC182331	Subsidiary	xvi(a), xvi(b)
3.	Transerv Limited	U93090MH2010PLC211328	Subsidiary	xvii
4.	Indiabulls Alternate Investments Limited	U74999DL2016PLC290926	Subsidiary	iii(c), iii(f), xvii

2. As required by Section 143(3) of the Act based on our audit and on the consideration of reports of the other auditors on Separate Financial Statements and the other financial information of subsidiaries, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.



INDEPENDENT AUDITOR'S REPORT

Report on Other Legal and Regulatory Requirements (continued)

- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of internal financial controls with reference to financial statements of companies incorporated in India and included in the Group, and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- g) In our opinion and to the best of our information and according to the information and explanations given to us, the remuneration paid by the Holding Company to its director during the year accordance with the provision of Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries incorporated in India and whose financial statements have been audited under the Act, as noted in the 'Other Matters' paragraph:
- i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, Refer Note 42 A to the Consolidated Financial Statements.
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.
- iv. (a) On the basis of the representations received from the directors of the Holding Company as on 31 March 2025 and the reports of the statutory auditors of its subsidiaries incorporated in India, whose financial statements have been audited under the Act, to the best of their knowledge and belief, no frauds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

We communicate with those charged with governance of the Holding Company of which we are the independent auditors and such other entities included in the Consolidated Financial Statements regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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

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

Other Matters

We did not audit the financial statements and other financial information, in respect of four subsidiaries, whose financial statements include total assets of Rs. 45,318.16 lakh as at 31 March 2025 and total revenues from operations of Rs. 2,440.98 lakh, total net loss after tax of Rs. 827.12 lakh and total comprehensive loss of Rs. 29,035.12 lakh for the year ended on that date and net cash outflows of Rs. 199.11 lakh for the year ended 31 March 2025, as considered in the Consolidated Financial Statements. These financial statements have been audited by their respective independent auditors, whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of such auditors and procedures performed by us as stated in paragraph above. Our opinion on the Consolidated Financial Statements in respect of matters stated above is not modified with respect to our reliance on the work done and the reports of the other auditors.

Our opinion on the Consolidated Financial Statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors

Our opinion is not modified in respect of the above matter.

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INDEPENDENT AUDITOR'S REPORT

Report on Other Legal and Regulatory Requirements (continued)

- (b) On the basis of the representations received from the directors of the Holding Company as on 31 March 2025 and the reports of the statutory auditors of its subsidiaries incorporated in India, whose financial statements have been audited under the Act, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which the companies incorporated in India whose financial statements have been audited under the Act; the Holding Company and its subsidiaries have used accounting software for maintaining its books of account for the financial year ended 31 March 2025, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year of all relevant transaction recorded in the respective software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail features being tampered with.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 as amended is applicable for the Holding Company and its subsidiaries which are companies incorporated in India only w.e.f 1 April 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended, the audit trail has been preserved by the Holding Company and its subsidiaries as per statutory requirement for record retention.
- vi. The Holding Company has not declared/paid any dividend during the year and subsequent to the year end.

For, KAPG and Associates
Chartered Accountants
Firm Registration no. 032569N


Pradeep Gupta
Partner
M.No.519337
New Delhi, 02 May 2025
UDIN: 25519337BMODRH7249



INDEPENDENT AUDITOR'S REPORT

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Independent Auditor's report on the Internal Financial Controls with reference to the Consolidated Financial Statements 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 Dhani Loans and Services Limited (hereinafter referred to as the "Holding Company") as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to the Consolidated Financial Statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to 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 the Group's business, including adherence to the respective group's policies, the safeguarding of the Group's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to the Consolidated Financial Statements 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 ("the ICAI") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements were 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 with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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INDEPENDENT AUDITOR'S REPORT

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT (continued)

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter(s) paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to the Consolidated Financial Statements of the Group, as aforesaid.

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company (assets that could have a material effect on the financial statements).

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Consolidated Financial Statements, 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 with reference to the Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, which are companies incorporated in India, have, in all material respects, adequate internal financial controls system with reference to the Consolidated Financial Statements and such internal financial controls with reference to the Consolidated Financial Statements were operating effectively as at 31 March 2025, based on the internal financial control with reference to the Consolidated Financial Statements 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.

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INDEPENDENT AUDITOR'S REPORT

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the Consolidated Financial Statements in so far as it relates to four subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the statutory auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For, KAPG and Associates
Chartered Accountants
Firm Registration no. 032569N

Pradeep Gupta

Pradeep Gupta
Partner

M.No.519337

New Delhi, 02 May 2025

UDIN: **25519337BMODRH7249**



Dhani Loans and Services Limited Group

Consolidated Balance Sheet as at 31 March 2025

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

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
I. ASSETS			
Financial assets			
(a) Cash and cash equivalents	6	4,205.16	5,014.50
(b) Bank balance other than cash and cash equivalents	7	5,516.78	5,972.47
(c) Receivables			
Trade receivables	8	73.19	995.24
Other receivables	9	-	737.17
(d) Loans	10	1,82,885.58	1,89,905.26
(e) Investments	11	5,502.67	10,680.88
(f) Other financial assets	12	426.19	24,959.11
Total financial assets		1,98,609.57	2,38,264.63
Non-financial assets			
(a) Inventories	13	193.02	120.23
(b) Current tax assets (net)	14	3,359.63	6,510.83
(c) Deferred tax assets (net)	15	60,073.99	48,710.39
(d) Property, plant and equipment	16A	748.22	4,151.80
(e) Right-of-use assets	16B	1,835.84	2,647.78
(f) Intangible assets under development	16C	-	-
(g) Goodwill	16D	6,482.97	6,482.97
(h) Other intangible assets	16E	148.55	2,982.11
(i) Other non-financial assets	17	3,672.58	18,787.84
Total non-financial assets		76,514.80	90,393.95
TOTAL ASSETS		2,75,124.37	3,28,658.58
II. LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
(a) Payables			
Trade payables	18		
(i) Dues of micro enterprises and small enterprises		-	0.28
(ii) Other than micro enterprises and small enterprises		255.48	1,624.70
Other payables	19		
(i) Dues of micro enterprises and small enterprises		-	-
(ii) Other than micro enterprises and small enterprises		2,542.26	4,677.15
(b) Debt securities	20	2,854.54	13,728.76
(c) Borrowings (other than debt securities)	21	1,874.64	3,768.84
(d) Lease liabilities	22	2,108.83	3,079.02
(e) Other financial liabilities	23	3,606.00	4,477.95
Total financial liabilities		13,241.75	31,356.70
Non-financial Liabilities			
(a) Provisions	24	1,408.80	491.95
(b) Other non-financial liabilities	25	563.35	761.86
Total non-financial liabilities		1,972.15	1,253.81
EQUITY			
(a) Equity share capital	26	6,118.80	6,118.80
(b) Other equity	27	2,51,317.87	2,84,453.81
Equity attributable to the owners of the Holding Company		2,57,436.67	2,90,572.61
(c) Non controlling interest		2,473.80	5,475.46
Total equity		2,59,910.47	2,96,048.07
TOTAL LIABILITIES AND EQUITY		2,75,124.37	3,28,658.58

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

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

For KAPG & Associates

Chartered Accountants

ICAI Firm registration no. : 032569N

Pradeep Gupta

Partner

Membership No.: 5193

Place: New Delhi

Date: 02 May 2025



For and on behalf of the Board of Directors

Sanjeev Kashyap

Whole Time Director &
Chief Executive Officer

DIN: 03405178

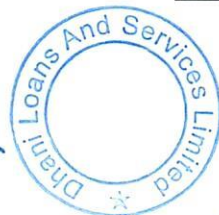
Place: Gurugram

Date: 02 May 2025

Akshay Kumar Tiwary

Director

DIN: 00366348



Rajeev Lochan Agrawal

Chief Financial Officer

Manish Rustagi

Company Secretary

Dhani Loans and Services Limited Group

Consolidated Statement of Profit and Loss for the year ended 31 March 2025

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

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
I. Revenue from operations			
Interest income	28	25,036.95	25,529.11
Fees and commission income	29	2,659.15	7,309.50
Net gain on fair value changes	30	458.25	-
Net gain on derecognition of financial assets	31	-	6.19
Total revenue from operations		28,154.35	32,844.80
II. Other income	32	3,491.32	4,398.58
III. Total income (I + II)		31,645.67	37,243.38
IV. Expenses			
Finance costs	33	1,803.74	4,746.43
Fees and commission expense	34	1,408.46	3,929.37
Net loss on fair value changes	30	-	228.43
Impairment on financial assets	35	1,523.27	6,457.78
Employee benefits expenses	36	4,532.15	8,176.16
Depreciation and amortisation	37	1,896.57	4,191.33
Other expenses	38	5,843.72	5,693.02
Total expenses		17,007.91	33,422.52
V. Profit before tax (III - IV)		14,637.76	3,820.86
VI. Tax expense	39		
Current tax		95.38	-
Income-tax of earlier years		-	(486.63)
Deferred tax credit		4,273.57	2,989.10
Total tax expenses		4,368.95	2,502.47
VII. Profit for the year (V - VI)		10,268.81	1,318.39
VIII. Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement gain/(loss) on defined benefit plans		(79.49)	212.42
(ii) Income-tax relating to items that will not be reclassified to profit and loss		20.00	(53.46)
(iii) Items that will be reclassified to profit or loss			
(a) Changes in fair valuation of financial and non-financial assets		(62,051.64)	-
(iv) Income-tax relating to items that will be reclassified to profit or loss		15,617.16	-
Total other comprehensive income (net of taxes)		(46,493.97)	158.96
IX. Total comprehensive income for the year (VII + VIII)		(36,225.16)	1,477.35
Net profit after tax attributable to -			
Owners of the Holding Company		10,473.45	2,218.61
Non controlling interests		(204.64)	(900.22)
		10,268.81	1,318.39
Other comprehensive income attributable to -			
Owners of the Holding Company		(43,696.95)	158.96
Non controlling interests		(2,797.02)	-
		(46,493.97)	158.96
Total comprehensive income attributable to -			
Owners of the Holding Company		(33,223.50)	2,377.57
Non controlling interests		(3,001.66)	(900.22)
		(36,225.16)	1,477.35
X. Earnings per equity share:	40		
Basic (₹)		17.12	3.63
Diluted (₹)		17.12	3.63
Face value per equity share (₹)		10.00	10.00

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

This is consolidated statement of profit and loss referred to in our report of even date.

For KAPG & Associates

Chartered Accountants

ICAI Firm registration no. : 032569N

For and on behalf of the Board of Directors

Pradeep Gupta

Partner

Membership No.: 519337



Sanjeev Kashyap

Whole Time Director &
Chief Executive Officer

DIN: 03405178

Place: Gurugram

Date: 02 May 2025

Akshay Kumar Tiwary

Director

DIN: 00366348

Rajeev Lochan Agrawal

Chief Financial Officer

Manish Rustagi

Company Secretary

Place: New Delhi

Date: 02 May 2025

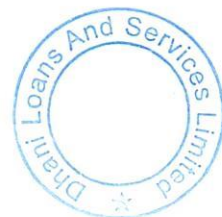


Dhani Loans and Services Limited Group

Consolidated Statement of cash flows for the year ended 31 March 2025

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

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Cash flow from operating activities :		
Net profit before tax	14,637.76	3,820.86
Adjustments for:		
Depreciation and amortisation	1,896.57	4,191.33
Impairment on financial instruments	1,523.27	6,457.78
Excess provisions written back	(3,018.62)	(1,837.40)
Provision for employee benefits	(65.00)	258.13
Interest Income	(24,771.84)	(25,179.55)
Unwinding of interest income	(265.11)	(349.56)
Interest Expense	1,390.14	4,286.38
Interest expenses on leasing arrangement	406.32	448.12
Net gain on fair value changes	(458.25)	228.43
Effective interest rate adjustment for financial instruments (including INDAS of borrowings)	(444.14)	(799.76)
Share based payments to employees	87.56	(57.34)
Gain on derecognition of financial assets	(328.25)	(250.03)
Loss on derecognition of property, plant and equipment (net)	18.50	104.72
Operating loss before working capital changes	(9,391.09)	(8,677.89)
Adjustments for:		
Trade Receivables	927.15	2,669.20
Other receivables	737.17	10.96
Loans	(56,555.23)	(18,510.49)
Inventory	(72.79)	-
Other financial assets	25,248.62	4,535.69
Other non financial assets	15,115.26	5,038.52
Trade payables	(1,369.50)	(104.63)
Other payables	883.73	1,813.84
Other financial liabilities	(871.95)	(4,509.02)
Provisions	902.36	(1,464.03)
Other non financial liabilities	(198.51)	(481.23)
Cash used in operating activities	(24,644.78)	(19,679.08)
Interest Received	24,771.84	25,179.55
Interest Paid	(1,856.39)	(4,752.63)
Income taxes paid (net of refunds)	3,055.81	11,861.00
Net cash generated from operating activities	1,326.48	12,608.84
A		
Cash flows from investing activities :		
Purchase of property, plant and equipment, intangible assets under development and intangible assets	(200.00)	(539.17)
Proceeds from Disposal of property, plant and equipment	5,519.27	403.11
Proceeds from sale of investments (net)	5,636.46	22,233.32
Net cash generated from investing activities	10,955.73	22,097.26
B		
Cash flows from financing activities :		
Repayment of debt securities	(9,963.83)	(17,102.47)
Repayment of borrowings (other than debt securities)	(1,894.20)	(22,841.07)
Payment of lease liabilities	(1,233.52)	(1,474.53)
Net cash used in financing activities	(13,091.55)	(41,418.07)
C		
Net decrease in cash and cash equivalents (A+B+C)	(809.34)	(6,711.97)
D		
Cash and cash equivalents at the beginning of the year	5,014.50	11,726.47
E		
Cash and cash equivalents at the end of the year (D+E)	4,205.16	5,014.50



Dhani Loans and Services Limited Group
Consolidated Statement of cash flows for the year ended 31 March 2025
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Notes:

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

2. Cash and cash equivalents as at the end of the year include:

	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents (as per note 6) *	4,205.16	5,014.50
	<u>4,205.16</u>	<u>5,014.50</u>

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

3. For disclosures relating to changes in liabilities arising from financing activities, refer note- 43.

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


For KAPG & Associates
Chartered Accountants
ICAI Firm registration no. : 032569N


For and on behalf of the Board of Directors



Pradeep Gupta
Partner
Membership No.: 519337




Sanjeev Kashyap
Whole Time Director &
Chief Executive Officer
DIN: 03405178
Place: Gurugram
Date: 02 May 2025


Akshay Kumar Tiwary
Director
DIN: 00366348


Rajeev Lochan Agrawal
Chief Financial Officer


Manish Rustagi
Company Secretary

Place: New Delhi
Date: 02 May 2025



Dhani Loans and Services Limited Group
Consolidated Statement of Changes in Equity for the year ended 31 March 2025
 (All amounts are in Indian Rupees in lakh unless stated otherwise)

A. Equity share capital (refer note - 26)

Particulars	Balance as at 01 April 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01 April 2024	Changes in equity share capital during the year	Balance as at 31 March 2025
Equity share capital	6,118.80	-	6,118.80	-	6,118.80
Particulars	Balance as at 01 April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01 April 2023	Changes in equity share capital during the year	Balance as at 31 March 2024
Equity share capital	6,118.80	-	6,118.80	-	6,118.80

B. Other equity (refer note - 26)

Particulars	Securities premium	Capital redemption reserve	Reserve Fund (U/s 45-IC of RBI Act, 1934)	Share options outstanding account	Retained earnings	Other Component of Equity	Deemed equity contribution by Holding Company	Capital reserve	General reserve	Total attributable to equity shareholders of the Holding Company	Total non-controlling interest	Total
Balance as at 1 April 2024	2,97,303.58	908.13	14,744.79	431.61	(25,456.97)	643.61	1,461.22	(6,276.75)	694.59	2,84,453.81	5,475.46	2,89,929.27
Profit for the year	-	-	-	-	10,473.45	-	-	-	-	10,473.45	(204.64)	10,268.81
Transfer from general reserve	-	-	2,219.19	-	(2,219.19)	-	-	-	-	-	-	-
Share based payment expense	-	-	-	87.56	-	-	-	-	-	87.56	-	87.56
Transfer to retained earnings	-	-	-	(31.14)	31.14	-	-	-	-	-	-	-
Other comprehensive loss (net of tax)	-	-	-	-	-	-	-	-	-	(59.49)	-	(59.49)
a) Re-measurement loss on defined benefit plans	-	-	-	-	(59.49)	-	-	-	-	(59.49)	-	(59.49)
b) Provision for impairment of financial and non-financial assets	-	-	-	-	(43,637.46)	-	-	-	-	(43,637.46)	(2,797.02)	(46,434.48)
Balance as at 31 March 2025	2,97,303.58	908.13	16,963.98	488.03	(60,868.52)	643.61	1,461.22	(6,276.75)	694.59	2,51,317.87	2,473.80	2,53,791.67



Dhani Loans and Services Limited Group
Consolidated Statement of Changes in Equity for the year ended 31 March 2025
 (All amounts are in Indian Rupees in lakh unless stated otherwise)

B. Other equity (refer note - 26) (continued)

Particulars	Balance as at 1 April 2023	Profit for the year	Transfer from general reserve	Share based payment expense	Transfer to retained earnings	Transfer to capital redemption reserve during the year	Other comprehensive income (net of tax)	a) Re-measurement loss on defined benefit plans	Balance as at 31 March 2024	Securities premium	Capital redemption reserve	Reserve Fund (U/s 45-IC of RBI Act, 1934)	Share options outstanding account	Retained earnings	Other Component of Equity	Deemed equity contribution by Holding Company	Capital reserve	General reserve	Total attributable to equity shareholders of the Holding Company	Total non-controlling interest	Total	
	2,97,303.58	900.82	13,270.01	541.94	(26,412.75)	643.61	1,461.22	(6,276.75)	701.90	2,82,133.58	6,375.68	2,88,509.26										
	-	7.31	1,474.78	-	2,218.61	-	-	-	-	-	-	2,218.61	-	-	-	-	-	-	2,218.61	(900.22)	1,318.39	
	-	-	-	(57.34)	(1,474.78)	-	-	-	-	-	-	1,474.78	-	-	-	-	-	-	7.31	-	7.31	
	-	-	-	(52.99)	52.99	-	-	-	-	-	-	-	(57.34)	-	-	-	-	-	(57.34)	-	(57.34)	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7.31)	(7.31)	-	(7.31)	
	-	-	-	-	158.96	-	-	-	158.96	-	-	-	-	-	-	-	-	-	158.96	-	158.96	
	2,97,303.58	908.13	14,744.79	431.61	(25,456.97)	643.61	1,461.22	(6,276.75)	694.59	2,84,453.81	5,475.46	2,89,929.27										

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

This is consolidated statement of changes in equity referred to in our report of even date.

For KAPG & Associates

Chartered Accountants

ICAI Firm registration no. : 032569N

Pradeep Gupta

Pradeep Gupta

Partner

Membership No.: 519337



For and on behalf of the Board of Directors

Sanjeev Kashyap

Sanjeev Kashyap

Whole Time Director &

Chief Executive Officer

DIN: 03405178

Place: Gurugram

Date: 02 May 2025

Akshay Kumar Tiwary

Akshay Kumar Tiwary

Director

DIN: 00366348

Rajeev Upchan Agrawal

Rajeev Upchan Agrawal

Chief Financial Officer

Manish Rustagi

Manish Rustagi

Company Secretary



Note - 1 Group overview

Dhani Loans and Services Limited ('DLSL', 'the Holding Company', 'the Company') along with its subsidiaries, collectively referred to as 'the Group' in following notes. The Group's primary businesses are "Financing and Related activities" and "Broking and Related activities". Financing and Related activities include business of financing and investing related activities. Broking and related activities include business of cross selling of real estate and providing other ancillary services relating to broking activities. The Holding Company is a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') and is registered as a Non-Banking Financial Company with the Reserve Bank of India ("RBI") under section 45-IA of the Reserve bank of India Act, 1934. During the year, the registered office of Holding Company has been shifted within the city i.e. from "1/1 E, First Floor, East Patel Nagar, New Delhi-110008" to "A-2, First Floor, Kirti Nagar, New Delhi-110015", with effect from 06 March 2025.

Note - 2 General information and statement of compliance with Ind AS

These consolidated financial statements ('financial statements') have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Group has uniformly applied the accounting policies during the periods presented in this consolidated financial statements.

These consolidated financial statements for the year ended 31 March 2025 are the consolidated financial statements which has been prepared in accordance with Ind AS.

The consolidated financial statements for the year ended 31 March 2025 were authorized and approved for issue by the Board of Directors on 02 May 2025.

Note - 3 Basis of preparation

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the consolidated financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

Note - 4 Basis of consolidation

Subsidiaries

The consolidated financial statements comprise financial statements of the Holding Company and its subsidiaries. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss [including other comprehensive income ('OCI')] of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance [including other comprehensive income ('OCI')] is attributed to the equity holders of the Holding Company and to the non-controlling interest basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

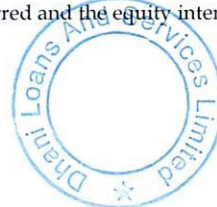
The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

Associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control those policies. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Interest in associates are accounted for using the equity method, after initially being recognized at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting principles and policies of the Group. The consolidated statement of profit and loss (including the other comprehensive income) includes the Group's share of the results of the operations of the investee. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interests in associates.

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group. Acquisition costs are expensed as incurred.



Note - 4 Basis of consolidation (continued)

Business combination

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their acquisition-date fair values. Goodwill is measured as excess of the aggregate of the fair value of the consideration transferred, the amount recognized for non-controlling interests and fair value of any previous interest held, over the fair value of the net of identifiable assets acquired and liabilities assumed. If the fair value of the net of identifiable assets acquired and liabilities assumed is in excess of the aggregate mentioned above, the resulting gain on bargain purchase is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognize any new assets or liabilities.

Note - 5 Summary of material accounting policies

I Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements

Recognition of deferred tax assets - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Business model assessment - The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Evaluation of indicators for impairment of assets - The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Impairment of financial assets - The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Expected credit loss ('ECL') - The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Group makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Provisions - At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Useful lives of depreciable/amortisable assets - Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) - Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements - Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.



Note - 5 Summary of material accounting policies (continued)

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the consolidated financial statements, except where the Group has applied certain accounting policies and exemptions upon transition to Ind AS.

a. Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in consolidated statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013. Leasehold improvements are amortised over the duration of the lease.

Asset class	Useful life
Furniture and fixtures	10 years
Vehicles	8-10 years
Office equipment	5 years
Computer equipment	3 years
Server and Networks	6 years
Leasehold improvements	Over the period of lease

Property, plant and equipment individually costing up to INR 5,000 are fully depreciated in the year of acquisition. Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the consolidated statement of profit and loss, when the asset is derecognised.

b. Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortisation method, useful lives and residual value)

Asset class	Useful life
Software	3 - 10 years

Intangible assets are amortised from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

The Company had developed a software that is used to enhance the company's business in e-wallet segment. Useful life of that software were estimated 4 year basis the expected economic benefit from the software . However, the company has reassessed the expected pattern of consumption of economic benefit basis technical estimate of the software and expect benefits will flow to the Company till 10 years.

c. Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost. Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. These are recognised as assets when the Group can demonstrate following recognition requirements:

- The development costs can be measured reliably
- The project is technically and commercially feasible
- The Group intends to and has sufficient resources to complete the project
- The Group has the ability to use or sell the such intangible asset
- The asset will generate probable future economic benefits.

Amortisation of the asset begins when development is complete and the asset is available for use.



Note - 5 Summary of material accounting policies (continued)

d. Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

The Group recognises revenue from the following sources:

Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR on financial asset after netting off the fees received and cost incurred approximates the effective interest rate of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

Income from assignment transactions

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS evaluated and adjusted for ECL and expected prepayment.

Interest on investments and deposits

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Commission income

Income from commissions / brokerage is recognised on accrual basis, generally as set out under the terms of contracts / agreements with respective customer.

Revenue from Digital Wallet Service & Merchant Fee

Revenue from digital services is recognized for providing payment gateway aggregation services and as a platform for merchant transactions executed through the wallets provided to customers through payment gateways, on a periodic basis as and when transactions are settled. Wallet maintenance fees in relation to facilitating wallet transactions and maintenance of related technical platforms is recognized on an accrual basis. Merchant fees from wallet transaction are recognized on the basis of successful pay-out of wallet usage to the respective merchants. The settlements are done daily for such transactions with the merchants. Revenue from banking correspondence services are recognised on accrual basis in accordance with the terms and conditions of the underlying mandates entered into with bank. The Group provides card enabled prepaid payment program management and remittance services. In such contracts, revenue is recognised as and when transactions are done through cards.

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Note - 5 Summary of material accounting policies (continued)

Dividend income

Dividend income is recognised when the right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Net gain on fair value changes

The Group designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Group recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis.

Miscellaneous income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/collection.

e. Borrowing costs

Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the consolidated statement of profit and loss as incurred basis the effective interest rate method.

f. Taxation

Tax expense recognized in consolidated statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

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

Minimum alternate tax ("MAT") credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the consolidated statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside consolidated statement of profit and loss (either in other comprehensive income or in equity).

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Note - 5 Summary of material accounting policies (continued)

g. Employee benefits

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Other long-term employee benefits

The Group also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to consolidated statement of profit and loss in the year in which such gains or losses are determined.

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

Defined contribution plans

The Group has a defined contribution plans namely provident fund, pension fund, labour welfare fund and employees state insurance scheme. The contribution made by the Group in respect of these plans are charged to the consolidated statement of profit and loss.

Defined benefit plans

The Group has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

h. Share based payments

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

i. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. For cash flow statement purposes, cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

j. Provisions, contingent assets and contingent liabilities

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

Contingent liability is disclosed for:

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

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

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Note - 5 Summary of material accounting policies (continued)

k. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

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

A financial asset is measured at FVOCI if both the following conditions are met:

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

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

iii. Investments in equity instruments – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Group makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a nonfinancial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole. Based on the Group's business model for managing the investments, the Group has classified its investments and securities for trade at FVTPL. Financial liabilities are carried at amortised cost using the effective interest rate method. For trade and other payables the carrying amount approximates the fair value due to short maturity of these instruments.



Note - 5 Summary of material accounting policies (continued)

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Group's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Group has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities

Subsequent measurement

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

De-recognition of financial liabilities

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

Convertible debentures

Convertible debentures are separated into liability and equity components basis the terms of the contract. On issuance of the convertible debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as financial liability measured at amortised cost until it is extinguished on conversion. The remainder of the proceeds is recognised in equity since conversion option meets the fixed for fixed criteria.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative contracts

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit and loss using mark to market information.

The Group also enters into certain derivative contracts (futures) to hedge risks which are designated as hedges of the fair value of recognised assets i.e. investment in equity instrument (fair value hedge). For hedge assessment, the hedging relationship must meet conditions with respect to documentation, strategy and economic relationship of the hedged transaction. In case of fair value, the change in fair value of derivative is recognised in the consolidated statement of profit and loss along with change in fair value of underlying asset.

1. Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Group factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

Loan assets

The Group follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

· **Stage 1** (1-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.

· **Stage 2** (31-90 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.

· **Stage 3** (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.



Note - 5 Summary of material accounting policies (continued)

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) - LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) - EAD is based on the amounts the Group expects to be owed at the time of default. For a revolving commitment, the Group includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Trade receivables

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

Other financial assets

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

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

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument in consolidated statement of profit and loss.

m. Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the consolidated statement of profit and loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

n. Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings equity per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o. Segment reporting

The Group identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly reviewed by the CODM ('chief operating decision maker') in deciding how to allocate resources and in assessing performance.



Note - 5 Summary of material accounting policies (continued)

p. Foreign currency

Functional and presentation currency

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

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the consolidated statement of profit and loss in the year in which they arise.

q. Classification of leases -

The Group enters into leasing arrangements for various premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Leases

Till previous year, assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

For any new contracts entered into on or after 1 April 2019, the Group considers whether a contract is, or contains a lease (the transition approach has been explained and disclosed in Note 44). A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Groups incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

r. Dividend

Provision is made for the amount of any dividend declared on or before the end of the reporting period but not distributed at the end of the reporting period, being appropriately authorised and no longer at the discretion of the Company. The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.



s. **Inventories**

Inventories comprising of properties held for sale are valued at the lower of cost and net realisable value.

Projects in process - Property under development cost includes cost of land/ development rights, materials, services, depreciation on assets used for project purposes and other expenses (including borrowing costs) attributable to the projects. It also includes any adjustment arising due to foreseeable losses. Cost of Realty construction / development is charged to the Statement of Profit and Loss in proportion to the revenue recognised during the period and the balance cost is carried over under Inventory as part of either Project Work in Progress or Finished Realty Stock. Cost of Realty construction / development includes all costs directly related to the Project and other overheads incidental to the projects undertaken are incurred for the purpose of executing and securing the completion of the Project up to the date of receipt of Occupation Certificate of Project from the relevant authorities

t. **New accounting pronouncement**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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Note - 6

Cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Cash on hand	0.06	0.17
Cheque in hand	-	145.54
Balance with banks		
- Current accounts	4,138.40	4,868.79
- in bank deposits with original maturity of less than 3 months (refer note 7(i))	66.70	-
	<u>4,205.16</u>	<u>5,014.50</u>

Note - 7

Bank balance other than cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Bank deposits with original maturity of more than 3 months (refer note 7(i))	3,974.72	4,420.98
In earmarked balances :		
- Earmarked accounts	1,542.06	1,551.49
	<u>5,516.78</u>	<u>5,972.47</u>

7(i) Bank deposit and other bank balances include:

Particulars	As at 31 March 2025	As at 31 March 2024
Deposits pledged with banks against Overdraft facilities	3,853.88	4,326.23
Deposits pledged for District Consumer Disputes Redressal Commission	-	0.03
Deposits pledged with banks against bank guarantees	113.32	25.18
Deposits pledged with bank against corporate credit card	74.22	69.54
	<u>4,041.42</u>	<u>4,420.98</u>

Note - 8

Trade receivables

	As at 31 March 2025	As at 31 March 2024
Receivables, considered good (unsecured)	73.19	995.24
Receivables which have significant increase in credit risk	5,816.54	4,924.51
	5,889.73	5,919.75
Less: impairment loss allowance	(5,816.54)	(4,924.51)
	<u>73.19</u>	<u>995.24</u>

Trade Receivables aging schedule as at 31 March 2025:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1.34	0.32	18.27	0.86	52.40	73.19
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	59.24	14.54	1,012.98	136.87	4,592.91	5,816.54
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

Trade Receivables aging schedule as at 31 March 2024:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	6.63	242.17	12.50	29.38	704.56	995.24
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	11.21	432.10	112.48	151.23	1,449.16	2,156.18
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	4.51	340.32	55.67	501.60	1,866.23	2,768.33

Note - 9

Other receivables

	As at 31 March 2025	As at 31 March 2024
Receivables, considered good (unsecured)	-	737.17
Receivables which have significant increase in credit risk	3,586.01	2,848.84
	3,586.01	3,586.01
Less: impairment loss allowance	(3,586.01)	(2,848.84)
	<u>-</u>	<u>737.17</u>



Note - 11
Investments

Investments	As at 31 March 2025			Total
	At Amortised cost	At fair value through Profit and Loss	At deemed cost	
Mutual funds	-	1,952.96	-	1,952.96
Security receipts	-	3,549.71	-	3,549.71
Total (A)	-	5,502.67	-	5,502.67
(i) Investments outside India	-	-	-	-
(ii) Investments in India	-	5,502.67	-	5,502.67
Total (B)	-	5,502.67	-	5,502.67
Less: Allowance for Impairment loss (C)	-	-	-	-
Total (D) = (A)-(C)	-	5,502.67	-	5,502.67

Investments	As at 31 March 2024			Total
	At Amortised cost	At fair value through Profit and Loss	At deemed cost	
Mutual funds	-	2,947.19	-	2,947.19
Security receipts	-	7,733.69	-	7,733.69
Total (A)	-	10,680.88	-	10,680.88
(i) Investments outside India	-	-	-	-
(ii) Investments in India	-	10,680.88	-	10,680.88
Total (B)	-	10,680.88	-	10,680.88
Less: Allowance for Impairment loss (C)	-	-	-	-
Total (D) = (A)-(C)	-	10,680.88	-	10,680.88

Note - 12
Other financial assets

	As at 31 March 2025	As at 31 March 2024
(a) Loan to employees	122.25	79.08
Less: Impairment loss allowance	(33.90)	(11.73)
Net Advance to Employees	88.35	67.35
(b) Security deposits		
(i) Deposits for underwriting/ distribution of real estate projects	20,953.08	32,635.88
Less: Impairment loss allowance	(20,620.34)	(7,772.42)
Net Security deposits	332.74	24,863.46
(c) Other recoverable	149.02	171.30
Less: Impairment loss allowance	(148.10)	(148.10)
Net Other Receivables	0.92	23.20
(d) Income accrued but not billed	4.18	5.10
	426.19	24,959.11

Note - 13
Inventories

	As at 31 March 2025	As at 31 March 2024
Others: Real Estate	193.02	120.23
	193.02	120.23

Note - 14
Current tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Advance income tax (including tax deducted at source)	3,359.63	6,510.83
[Net of provision for taxation]		
	3,359.63	6,510.83

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Dhani Loans and Services Limited Group

Notes to Consolidated Financial Statements for the year ended 31 March 2025

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

Note - 15

Deferred tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Deferred tax assets:		
Impairment loss allowance	18,757.00	5,024.08
Disallowances u/s. 40A(7) of the Income-tax Act, 1961	250.98	48.90
Disallowances u/s. 43B of the Income-tax Act, 1961	103.58	16.22
Tax losses carried forward	39,417.31	43,211.92
Financial liabilities measured at amortised cost	-	18.63
Financial assets measured at amortised cost	117.71	227.20
Share based payments	122.46	109.84
Effect of reversal of financing component from revenue	5.11	-
Property, plant and equipment and other intangible assets	1,299.84	53.61
Deferred tax assets (net)	60,073.99	48,710.39

Movement in deferred tax assets (net)

Particulars	Balance as at 1 April 2024	Recognised in profit and loss	Recognised in other comprehensive income	Other movement	As at 31 March 2025
Deferred tax assets:					
Impairment loss allowance	5,024.08	443.23	13,289.69	-	18,757.00
Disallowances u/s. 40A(7) of the Income-tax Act, 1961	48.89	202.09	-	-	250.98
Disallowances u/s. 43B of the Income-tax Act, 1961	16.22	67.36	20.00	-	103.58
Tax losses carried forward	43,211.92	(3,794.61)	-	-	39,417.31
Financial liabilities measured at amortised cost	18.63	(18.63)	-	-	-
Financial assets measured at amortised cost	227.20	(109.49)	-	-	117.71
Share based payments	109.84	12.62	-	-	122.46
Effect of reversal of financing component from revenue	-	5.11	-	-	5.11
Property, plant and equipment and other intangible assets	53.61	(140.52)	1,386.75	-	1,299.84
Deferred tax assets (net)	48,710.39	(3,332.84)	14,696.44	-	60,073.99

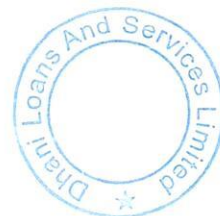
Particulars	Balance as at 1 April 2023	Recognised in profit and loss	Recognised in other comprehensive income	Recognised in equity	As at 31 March 2024
Deferred tax assets:					
Impairment loss allowance	2,651.63	2,372.45	-	-	5,024.08
Disallowances u/s. 40A(7) of the Income-tax Act, 1961	320.79	(271.90)	-	-	48.89
Disallowances u/s. 43B of the Income-tax Act, 1961	153.02	(83.34)	(53.46)	-	16.22
Tax losses carried forward	45,260.16	(2,048.24)	-	-	43,211.92
Financial assets measured at amortised cost	2,080.65	(1,853.45)	-	-	227.20
Financial liabilities measured at amortised cost	-	18.63	-	-	18.63
Share based payments	121.33	(11.70)	-	-	109.84
Minimum alternate tax credit entitlement*	1,047.61	(1,047.61)	-	-	-
Effect of reversal of financing component from revenue	0.02	(0.02)	-	-	-
Derecognition of financial instruments measured under amortised cost category	103.52	(103.52)	-	-	-
Others	269.19	(269.19)	-	-	-
Total (A):	52,007.92	(3,297.89)	(53.46)	-	48,656.78

Deferred tax liabilities:

Difference between book balance and tax balance of Property, Plant and Equipment	230.93	(284.54)	-	-	(53.61)
Financial assets measured at amortised cost	24.25	(24.25)	-	-	-
Total (B):	255.18	(308.79)	-	-	(53.61)

Deferred tax assets (net) (A-B)

	51,752.74	(2,989.10)	(53.46)	-	48,710.39
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Dhani Loans and Services Limited Group

Notes to Consolidated Financial Statements for the year ended 31 March 2025

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

Note - 16A

Property, plant and equipment

	Furniture and fixtures	Vehicles	Office equipment	Computers	Server and networks	Freehold land	Total
<u>Gross block (at cost)</u>							
As at 01 April 2023	4,808.90	310.94	1,741.10	4,092.90	1,135.85	12.98	12,102.67
Additions during the year	8.08	126.30	8.05	3.62	3.52	-	149.57
Sales/adjustment during the year	242.14	12.34	66.79	246.42	-	-	567.69
As at 31 March 2024	4,574.84	424.90	1,682.36	3,850.10	1,139.37	12.98	11,684.55
Additions during the year	0.39	194.08	10.88	16.54	-	-	221.89
Sales/adjustment during the year	2,526.04	64.76	197.01	358.36	304.17	-	3,450.34
As at 31 March 2025	2,049.19	554.22	1,496.23	3,508.28	835.20	12.98	8,456.10
<u>Accumulated depreciation</u>							
As at 01 April 2023	1,501.30	258.31	1,069.27	3,201.64	364.47	-	6,394.99
Depreciation during the year	485.58	28.00	276.21	572.68	189.82	-	1,552.29
Sales/adjustment during the year	107.09	9.51	57.72	240.21	-	-	414.53
As at 31 March 2024	1,879.79	276.80	1,287.76	3,534.11	554.29	-	7,532.75
Depreciation during the year	131.66	33.76	122.59	203.37	103.59	-	594.97
Sales/adjustment during the year	42.97	64.76	63.83	248.28	-	-	419.84
As at 31 March 2025	1,968.48	245.80	1,346.52	3,489.20	657.88	-	7,707.88
Net Block as at 31 March 2024	2,695.05	148.10	394.60	315.99	585.08	12.98	4,151.80
Net Block as at 31 March 2025	80.71	308.42	149.71	19.08	177.32	12.98	748.22

a) There are no immovable properties whose title deeds are not held in the name of the Group.

b) The Group has not revalued its Property, Plant and Equipment (including Right-of-Use Assets).

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

d) Refer note Note - 42B, for disclosure of contractual commitments to be executed on capital account for property, plant and equipment.



Note - 16B

Right-of-use assets

	Building office premises
Gross block (at cost)	
As at 1 April 2023	3,973.95
Additions during the year	1,671.89
Deletion	(3,662.11)
Amortisation during the year	(1,110.86)
Amortisation deletion the year	1,774.91
As at 31 March 2024	2,647.78
Additions during the year	1,384.23
Deletion	(1,446.37)
Amortisation during the year	(997.20)
Amortisation deletion the year	247.40
As at 31 March 2025	1,835.84

Note - 16C

Intangible assets under development

	Amount
As at 1 April 2023	317.19
Additions during the year	43.23
Capitalised during the year	(360.42)
As at 31 March 2024	-
Additions during the year	-
Capitalised during the year	-
As at 31 March 2025	-
As at 31 March 2024	-
As at 31 March 2025	-

Disclosure of aging schedule of Intangible assets under development :

As at 31 March 2025:

Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Software	-	-	-	-	-
Total	-	-	-	-	-

As at 31 March 2024:

Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Software	-	-	-	-	-
Total	-	-	-	-	-

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

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Dhani Loans and Services Limited Group
Notes to Consolidated Financial Statements for the year ended 31 March 2025
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 16D

Goodwill	Amount
As at 1 April 2023	6,482.97
Add: Adjustment on acquisition	-
Less: Adjustment on disposal of subsidiary	-
As at 31 March 2024	6,482.97
Add: Adjustment on acquisition	-
Less: Adjustment on disposal of subsidiary	-
As at 31 March 2025	6,482.97

Note - 16E

Other intangible assets	Software
Gross block (at cost)	
As at 1 April 2023	18,634.12
Additions during the year	389.60
Sales/adjustment during the year	-
As at 31 March 2024	19,023.72
Additions during the year	-
Sales/adjustment during the year	(2,529.16)
As at 31 March 2025	16,494.56

Accumulated amortisation

As at 1 April 2023	14,513.42
Amortisation during the year	1,528.19
Impairment during the year	-
Sales/adjustment during the year	-
As at 31 March 2024	16,041.61
Amortisation during the year	304.40
Impairment during the year	-
Sales/adjustment during the year	-
As at 31 March 2025	16,346.01
Net Block as at 31 March 2024	2,982.11
Net Block as at 31 March 2025	148.55

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Dhani Loans and Services Limited Group
Notes to Consolidated Financial Statements for the year ended 31 March 2025
 (All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 17

Other non-financial assets

	As at 31 March 2025	As at 31 March 2024
(a) Prepaid expenses	516.88	670.14
(b) Balance with government authorities	2,378.69	2,464.03
(c) Advances to suppliers	95.39	87.59
(d) Unamortised Customer and Card acquisition cost	394.08	14,744.53
(e) Others (net)	371.15	821.55
Gross Total	3,756.19	18,787.84
Less: Impairment loss allowance	(83.61)	-
Net Total	3,672.58	18,787.84

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Note - 18

Trade payables

	As at 31 March 2025	As at 31 March 2024
(a) Total outstanding due to micro enterprises and small enterprises (i)	-	0.28
(b) Total outstanding due to creditors other than micro enterprises and small enterprises	255.48	1,624.70
	<u>255.48</u>	<u>1,624.98</u>

(i) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Details of trade payable dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 March 2025	As at 31 March 2024
Principal amount remaining unpaid to any supplier and service provider at the end of each reporting year	-	0.28
Interest due thereon	-	-
Interest paid by the Group in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid as at end of the year	-	-

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

ii. Trade Payables aging schedule

Particulars	As at 31 March 2025				Total
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	167.80	5.44	75.96	6.28	255.48
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Particulars	As at 31 March 2024				Total
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	0.28	-	-	0.28
(ii) Others	362.21	1,137.12	125.28	0.09	1,624.70
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Note - 19

Other payables

	As at 31 March 2025	As at 31 March 2024
(a) Total outstanding due to micro enterprises and small enterprises (i)	-	-
(b) Total outstanding due to creditors other than micro enterprises and small enterprises	2,542.26	4,677.15
	<u>2,542.26</u>	<u>4,677.15</u>

(i) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Details of other payable dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 March 2025	As at 31 March 2024
Principal amount remaining unpaid to any supplier and service provider at the end of each reporting year	-	-
Interest due thereon	-	-
Interest paid by the Group in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid as at end of the year	-	-

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



Note - 20

Debt securities (at amortised cost)

	As at 31 March 2025	As at 31 March 2024
Secured		
Non- convertible debentures - secured (i)	2,854.54	13,728.76
Total	2,854.54	13,728.76
Debt securities in India	2,854.54	13,728.76
Debt securities outside India	-	-
Total	2,854.54	13,728.76

Note:

i) Secured redeemable non convertible debentures (payable at par unless otherwise stated) include:

Interest rate/Effective yield	Face value (Amount in ₹)	Issue date	Redemption date	As at 31 March 2025			
				Number of NCDs	Amount	Impact of interest accrued and Ind AS	Total outstanding amount
11.00%	1,000.00	17-May-2022	16-May-2025	71,492	714.92	67.66	782.58
11.01%(Effective yield)	1,000.00	17-May-2022	16-May-2025	38,482	384.82	134.44	519.26
10.49%	1,000.00	17-May-2022	16-May-2025	1,54,835	1,548.35	4.35	1,552.70
Total					2,648.09	206.45	2,854.54

Interest rate/Effective yield	Face value (Amount in ₹)	Issue date	Redemption date	As at 31 March 2024			
				Number of NCDs	Amount	Impact of interest accrued and Ind AS	Total outstanding amount
10.50%	1,000.00	17-May-2022	17-May-2024	17,125	171.25	6.28	177.53
10.50%(Effective yield)	1,000.00	17-May-2022	17-May-2024	11,847	118.47	24.10	142.57
10.03%	1,000.00	17-May-2022	17-May-2024	42,615	426.15	0.66	426.81
10.13%	1,000.00	27-Jun-2019	27-Jun-2024	1,56,425	1,564.25	0.56	1,564.81
10.61%	1,000.00	27-Jun-2019	27-Jun-2024	1,26,043	1,260.43	99.37	1,359.80
10.60% (Effective yield)	1,000.00	27-Jun-2019	27-Jun-2024	41,232	412.32	252.32	664.64
10.04%	1,000.00	6-Sep-2019	6-Sep-2024	37,907	379.07	2.44	381.51
10.52%	1,000.00	6-Sep-2019	6-Sep-2024	1,18,087	1,180.87	69.03	1,249.90
10.50% (Effective yield)	1,000.00	6-Sep-2019	6-Sep-2024	9,656	96.56	55.60	152.16
11.00%	1,000.00	2-Feb-2022	31-Jan-2025	1,13,954	1,139.54	11.85	1,151.39
11.00%(Effective yield)	1,000.00	2-Feb-2022	31-Jan-2025	90,192	901.92	221.26	1,123.18
10.49%	1,000.00	2-Feb-2022	31-Jan-2025	2,56,028	2,560.28	3.28	2,563.56
11.00%	1,000.00	17-May-2022	16-May-2025	71,492	714.92	58.95	773.87
11.01%(Effective yield)	1,000.00	17-May-2022	16-May-2025	38,482	384.82	77.56	462.38
10.49%	1,000.00	17-May-2022	16-May-2025	1,54,835	1,548.35	(13.70)	1,534.65
Total					12,859.20	869.56	13,728.76

ii. Non-convertible debentures are secured by way of first ranking pari-passu charge on the current assets (including investments) of the Company, both present and future; and on present and future loan assets of the Company, including all monies receivable for the principal amount and interest thereon to the extent as stated in the respective information memorandum/offering documents/prospectus. Further, the Company has maintained asset cover as stated in the respective information memorandum/offering documents/prospectus.

Note - 21

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

	As at 31 March 2025	As at 31 March 2024
Liability against securitised assets	1,874.64	3,768.84
Total	1,874.64	3,768.84
Borrowings in India	1,874.64	3,768.84
Borrowings outside India	-	-
Total	1,874.64	3,768.84



Note - 21 (Continued)

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

i) Securitisation liabilities:

In the course of its business, the Holding Company makes transfers of financial assets, where legal rights to the cash flows from the asset are passed to the counterparty and where the Holding Company retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty. Securitisation liabilities includes following arrangements:

Particulars	As at 31 March 2025	As at 31 March 2024
India Retail Pool Opportunities Trust 2	1,874.64	3,768.84
Total	1,874.64	3,768.84

(a) Interest rate on securitisation liabilities is at a floating rate of 13.50% per annum which equal to long term reference rate of Aditya Birla Finance Limited less the spread of 6.95% (31 March 2024: 6.95%)

(b) The above mentioned amount of Securitisation liabilities is considered after netting off investment (Minimum retention amount) of ₹ 1,688.07 lakh made by the Company in the Securitisation deal.

Note - 22

Lease Liabilities

Lease liabilities (refer note - 41)

	As at 31 March 2025	As at 31 March 2024
	2,108.83	3,079.02
	2,108.83	3,079.02

Note - 23

Other financial liabilities

Interest accrued on assigned loan
Unpaid matured debentures and interest accrued
Expenses payable
Amount held on behalf of merchants from digital wallet business
Others:
- Amount payable on assigned/securitised loans *
- Other payable

	As at 31 March 2025	As at 31 March 2024
	129.43	189.44
	100.74	83.88
	277.45	202.79
	5.35	13.45
	1,848.30	2,729.97
	1,244.73	1,258.42
	3,606.00	4,477.95

* Amount payable on assigned/securitised loans represents the amount collected on sell down portfolio where cash flows are required to be passed on to the counterparty either through direct assignment or pass through credit."

Note - 24

Provisions

Provision for employee benefits:

Provision for gratuity (refer note 45 (ii))
Provision for compensated absences

	As at 31 March 2025	As at 31 March 2024
	997.24	370.00
	411.56	121.95
	1,408.80	491.95

Note - 25

Other non-financial liabilities

Advances from customers
Statutory liabilities

	As at 31 March 2025	As at 31 March 2024
	447.29	480.90
	116.06	280.96
	563.35	761.86

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Dhani Loans and Services Limited Group

Notes to Consolidated Financial Statements for the year ended 31 March 2025

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

Note - 26

Share capital

	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
(i) Authorised				
Equity shares of face value of ₹ 10 each	7,70,00,000	7,700.00	7,70,00,000	7,700.00
Preference shares of face value of ₹ 10 each	85,00,000	850.00	85,00,000	850.00
	8,55,00,000	8,550.00	8,55,00,000	8,550.00

(ii) Issued, subscribed and paid up

	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Issued, subscribed and fully paid up:				
Equity shares of face value of ₹ 10 each	6,11,88,000	6,118.80	6,11,88,000	6,118.80
	6,11,88,000	6,118.80	6,11,88,000	6,118.80

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the financial year :

Equity shares

	For the year ended 31 March 2025		For the year ended 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	6,11,88,000	6,118.80	6,11,88,000	6,118.80
Balance at the end of the year	6,11,88,000	6,118.80	6,11,88,000	6,118.80

(iv) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to received remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(v) Shares held by shareholders each holding more than 5% shares:

No. of shareholders	As at 31 March 2025		As at 31 March 2024	
	No. of shares	% of holding	No. of shares	% of holding
Dhani Services Limited and its nominees	6,11,88,000	100%	6,11,88,000	100%

(vi) Shares held by promoters at the end of the year:

Name of Promoter	As at 31 March 2025		As at 31 March 2024	
	No. of shares	% Change during the year	No. of shares	% Change during the year
Dhani Services Limited and its nominees	6,11,88,000	0%	6,11,88,000	0%

Dhani Services Limited is holding 100% equity share capital in the Company as at 31 March 2025 and 31 March 2024.

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

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

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



Note - 27

Other equity

	As at 31 March 2025	As at 31 March 2024
Reserve fund	16,963.98	14,744.79
Capital reserve	(6,276.75)	(6,276.75)
Securities premium	2,97,303.58	2,97,303.58
Capital redemption reserve	908.13	908.13
Other component equity	643.61	643.61
Deemed equity contribution by Ultimate Holding Company of Group	1,461.22	1,461.22
General reserve	694.59	694.59
Share options outstanding account	488.03	431.61
Retained earnings	(60,868.52)	(25,456.97)
Equity attributable to the owners of the Holding Company	2,51,317.87	2,84,453.81
Total non- controlling interest	2,473.80	5,475.46
Total other equity	2,53,791.67	2,89,929.27

Nature and purpose of other reserves:

(i) Reserves fund

The reserve is created as per the provision of Section 45(IC) of Reserve Bank of India Act, 1934. This is a restricted reserve and no appropriation can be made from this reserve fund except for the purpose as may be prescribed by Reserve Bank of India.

(ii) Capital reserve

Capital reserve represents reserves created pursuant to the business combination up to year end.

(iii) Securities premium

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

(iv) Capital redemption reserve

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

(v) Change in fair value of loan assets through other comprehensive income

This reserve has been created against change in business model for loan against property ("LAP"), business installments loan and personal loan from "hold to collect" to "hold to collect and sale".

(vi) General reserve

The Group is required to create a general reserve out of the profits when the Group declares dividend to shareholders.

(vii) Share option outstanding account

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

(viii) Deemed equity contribution

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

(ix) Other component of equity

The reserve has been created against exercised amount of employee stock option (issued by DSL, the parent company of the Holding Company).

(x) Retained earnings

Retained earnings represents surplus / accumulated earning of the Group and are available for distribution to shareholders.



Dhani Loans and Services Limited Group

Notes to Consolidated Financial Statements for the year ended 31 March 2025

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

Note - 28

Interest income

	For the year ended 31 March 2025	For the year ended 31 March 2024
On financial assets measured at amortised cost -		
- Interest on loans	24,466.87	24,950.95
- Interest on deposits with banks	304.24	214.00
- Other interest income	265.11	349.56
On financial assets measured at fair value through profit or loss -		
Interest income from investments		
- Alternative fund	0.73	14.60
Total	25,036.95	25,529.11

Note - 29

Fees and commission income

	For the year ended 31 March 2025	For the year ended 31 March 2024
Commission and brokerage income	185.93	180.29
Subscription income	619.97	1,010.61
Foreclosure fees and other related income	1,713.76	2,863.74
Remittance and marchant program	1.72	1.29
Digital wallet program	137.77	3,253.57
Total	2,659.15	7,309.50

Note - 30

Net gain/ (loss) on fair value changes

	For the year ended 31 March 2025	For the year ended 31 March 2024
Net gain/(loss) on financial instruments at fair value through profit or loss		
On trading portfolio		
- Gain/ (Loss) of sale of investments/ mutual fund	458.25	(228.43)
Total net gain on fair value changes	458.25	(228.43)
Fair value changes		
- Realised gain/ (loss)	418.54	(90.49)
- Unrealised gain/ (loss)	39.71	(137.94)
Total net gain/ (loss) on fair value changes	458.25	(228.43)

Note - 31

Net gain on derecognition of financial assets

	For the year ended 31 March 2025	For the year ended 31 March 2024
Gain on derecognition of financial instruments	-	6.19
	-	6.19

Note - 32

Other income

	For the year ended 31 March 2025	For the year ended 31 March 2024
Excess provisions written back	3,018.62	1,837.40
Profit on sale of property, plant and equipment	9.31	-
Gain on modification/ derecognition of right of assets	328.25	243.84
Reimbursement of common expenses	10.31	10.31
Interest on Income tax refund	124.58	2,302.92
Miscellaneous income	0.25	4.11
Total	3,491.32	4,398.58



Dhani Loans and Services Limited Group

Notes to Consolidated Financial Statements for the year ended 31 March 2025

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

Note - 33

Finance costs

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on borrowings	7.16	742.51
Interest on debt securities	988.59	2,885.06
Other interest expense		
- Interest on securitisation transactions	394.39	658.82
- Interest on leases liability	406.32	448.12
- Taxes	-	0.02
Other borrowing cost	7.28	11.90
Total	1,803.74	4,746.43

Note - 34

Fees and commission expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Management and collection fee	-	6.22
Commission expense	16.50	-
Digital wallet expenses	1,391.96	3,923.15
Total	1,408.46	3,929.37

Note - 35

Impairment on financial assets (measured at amortised cost)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Impairment allowance on loans, trade receivables and others	2,605.21	5,941.66
Impairment allowance on interest spread on assigned assets	-	(1.79)
Loans, trade receivable and other financial assets write off (net of bad debt recovered)	(1,081.94)	517.91
Total	1,523.27	6,457.78

Note - 36

Employee benefits expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries and wages *	4,259.02	8,017.85
Contribution to provident fund and other funds	104.42	150.41
Share-based payments to employees	87.56	(57.34)
Staff welfare expenses	81.15	65.24
Total	4,532.15	8,176.16

* In respect of Dhani Loans and Services Limited, a holding Company - There is a significant increase in employee strength during the last quarter of the financial year. This was due to the transfer of employees from a fellow subsidiary within the same group. These employees were transferred in accordance with the Company's internal policy and have rendered services to the Company during the year.

Note - 37

Depreciation and amortisation

	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation on property, plant and equipment	594.97	1,552.29
Amortisation on intangible assets	304.40	1,528.18
Depreciation on right-of-use assets	997.20	1,110.86
Total	1,896.57	4,191.33



Note - 38

Other expenses

	For the year ended 31 March 2025	For the year ended 31 March 2024
Lease rent	288.63	352.98
Rates and taxes	237.96	55.90
Office maintenance	394.91	276.54
Repairs and maintenance - others	172.78	139.06
Travelling and conveyance	53.11	143.02
Communication costs	151.16	167.01
Printing and stationery	23.76	30.46
Software expenses	2,079.78	1,772.47
Electricity expenses	205.55	216.31
Director's sitting fee	8.72	16.35
Legal and professional charges	1,764.69	1,504.53
Royalty Expenses	3.79	-
Bank charges	123.09	116.61
Insurance	0.76	1.54
Web hosting expenses	51.20	60.92
Leased line expenses	58.19	92.80
Business promotion	188.23	552.71
Loss on sale/scrapping of property, plant and equipment	27.81	104.72
Miscellaneous expenses	9.60	89.09
Total	5,843.72	5,693.02

Note - 39

Tax expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Current tax		
Income tax for current year	95.38	-
Income tax for earlier years	-	(486.63)
Current tax (including earlier years)	95.38	(486.63)
Deferred tax		
Deferred tax charge	4,273.57	2,989.10
Deferred tax charge	4,273.57	2,989.10
Income tax expense reported in the statement of profit and loss	4,368.95	2,502.47

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.17% (31 March 2024: 25.17%) and the reported tax expense in statement of profit and loss are as follows:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Reconciliation of effective tax rate		
Accounting profit before tax expense	14,637.76	3,820.86
Income tax rate	25.17%	25.17%
Expected tax expense	3,684.03	961.63
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Tax impact on items exempt under income-tax	(68.67)	14.47
Tax impact on deductions allowed under income-tax	5.68	-
Tax impact of expenses which will never be allowed	103.36	13.34
Income chargeable under capital gain (difference of tax rates)	(105.34)	45.00
Earlier years tax adjustments (net)	-	(486.96)
Tax losses for which no deferred tax was recognised	33.59	1,963.39
Others	716.30	(8.40)
Income-tax expense	4,368.95	2,502.47



Dhani Loans and Services Limited Group

Notes to Consolidated Financial Statements for the year ended 31 March 2025

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

Note - 40

Earnings per equity shares

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit available for equity shareholders	10,473.45	2,218.61
<u>Basic/diluted earnings per equity share:</u>		
Weighted average number of equity shares used for computing basic earnings per equity share	6,11,88,000	6,11,88,000
Effect of dilution:		
Weighted average number of equity shares used in computing diluted earnings per equity share	6,11,88,000	6,11,88,000
Face value of equity share (₹)	10.00	10.00
Earnings per equity share -		
- Basic (₹)	17.12	3.63
- Diluted (₹)	17.12	3.63

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Note - 41

Leases

The Group has entered into lease arrangements for office buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use "ROU" assets. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group is required to pay maintenance fees in accordance with the lease contracts.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Short-term leases	288.63	352.98

B Total cash outflow for leases for the year ended 31 March 2025 was ₹ 1,233.52 lakh (31 March 2024: ₹ 1,474.53 lakh).

C The Group has total commitment for short-term leases of ₹ Nil as at 31 March 2025 (31 March 2024: ₹ Nil).

D Maturity of lease liabilities

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

31 March 2025	Minimum lease payment due						Total
	Within 1 year	1 - 2 Years	2 - 3 Years	3 - 4 Years	4 - 5 Years	More than 5 years	
Lease Payment	1,073.17	846.61	264.85	146.51	91.56	71.71	2,494.41
Interest Expense	194.47	103.36	45.16	24.64	13.05	4.90	385.58
Net Present Value	878.70	743.25	219.69	121.87	78.51	66.81	2,108.83

31 March 2024	Minimum lease payment due						Total
	Within 1 year	1 - 2 Years	2 - 3 Years	3 - 4 Years	4 - 5 Years	More than 5 years	
Lease Payment	868.72	806.94	737.69	622.60	484.23	632.38	4,152.56
Interest Expense	324.13	261.39	198.39	138.95	89.72	60.96	1,073.54
Net Present Value	544.59	545.55	539.30	483.65	394.51	571.42	3,079.02

E Variable lease payments are expensed in the period they are incurred. Expected future cash outflow as at 31 March 2025 is of ₹ Nil (31 March 2024: ₹ Nil).

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

Year	Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
As at 31 March 2025	Office Building	88	2 Months to 76 Months	27.58 Months	-	-	88
As at 31 March 2024	Office Building	88	3 Months to 88 Months	46 Months	-	-	88

G The total future cash outflows as at 31 March 2025 for leases that had not yet commenced is of Nil (31 March 2024: Nil).

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

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Opening Balance	3,079.02	4,564.58
Additions	1,384.23	1,671.89
Finance cost accrued during the period	406.32	448.12
Deletion	(1,527.22)	(2,131.04)
Payment of lease liabilities	(1,233.52)	(1,474.53)
Closing Balance	2,108.83	3,079.02



Note - 42

A. Contingent liabilities:

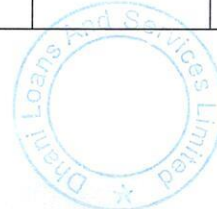
The Holding Company is involved in certain appellate and judicial proceedings (including those described below) concerning matters arising in the normal course of business including claims from customers. The proceedings in respect of these matters are in various stages. Management has assessed the possible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

(I) In respect of Income Tax:

Particulars	Financial year to which the demand pertains	As at 31 March 2025
Claims against the group not acknowledged as debts in respect of - Holding Company:		
a) The case has been opened by Hon'ble PCIT u/s 263, wherein the assessee's income has been enhanced on account of disallowance u/s 14A. Against this order the assessee has filed an appeal before Hon'ble Delhi ITAT.	2017-18	404.61
b) Income tax demand on account of penalty u/s 270A in respect of assessment year 2018-19 against which the Company has preferred an appeal before the CIT (Appeals).	2017-18	10.20
c) Income tax demand on account of penalty u/s 270A against which the Company has preferred an appeal before the CIT (Appeals).	2019-20	307.46
d) The case has been opened by Hon'ble PCIT u/s 263, wherein the assessee's income has been enhanced on account of disallowance u/s 36(1)(vii) towards provision for bad debts. Against this order, the assessee has filed an appeal before Hon'ble Delhi ITAT.	2020-21	3,874.11
Total		4,596.38

(II) In respect of Goods and Service Tax:

Particulars	Financial year to which the demand pertains	As at 31 March 2025
Holding Company:		
a) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Delhi under Section 73 of the Central Goods and Service Tax Act, 2017/ Delhi Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2017-18	240.54
b) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Tamil Nadu under Section 73 of the Central Goods and Service Tax Act, 2017/ Tamil Nadu Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2017-18	8.62
c) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Gujarat under Section 73 of the Central Goods and Service Tax Act, 2017/ Gujarat Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2018-19	264.24
d) Demand notice (Includes tax and penalty) issued by the Deputy Commissioner, Tamil Nadu under Section 73 of the Central Goods and Service Tax Act, 2017/ Tamil Nadu Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2018-19	113.85
e) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, West Bengal under Section 73 of the Central Goods and Service Tax Act, 2017/ West Bengal Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2018-19	4.14
f) Demand notice (Includes tax and penalty) issued by the Deputy Commissioner, Rajasthan under Section 73 of the Central Goods and Service Tax Act, 2017/ Rajasthan Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2018-19	0.52
g) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Gujarat under Section 73 of the Central Goods and Service Tax Act, 2017/ Gujarat Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2018-19	42.51
h) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, West Bengal under Section 73 of the Central Goods and Service Tax Act, 2017/ West Bengal Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2019-20	521.81
i) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Delhi under Section 73 of the Central Goods and Service Tax Act, 2017/ Delhi Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2019-20	76.02
j) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Tamil Nadu under Section 73 of the Central Goods and Service Tax Act, 2017/ Tamil Nadu Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2019-20	146.27
k) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Maharashtra under Section 73 of the Central Goods and Service Tax Act, 2017/ Maharashtra Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2019-20	734.47
l) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Delhi under Section 73 of the Central Goods and Service Tax Act, 2017/ Delhi Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2019-20	83.71
m) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Delhi under Section 73 of the Central Goods and Service Tax Act, 2017/ Delhi Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2020-21	124.80
n) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, Tamil Nadu under Section 73 of the Central Goods and Service Tax Act, 2017/ Tamil Nadu Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2020-21	4.00
o) Demand notice (Includes tax, interest and penalty) issued by the Deputy Commissioner, West Bengal under Section 73 of the Central Goods and Service Tax Act, 2017/ West Bengal Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and subsequently appeal filed.	2020-21	6.58



Note - 42

A. Contingent liabilities (Continued):

(II) In respect of Goods and Service Tax:

Particulars	Financial year to which the demand pertains	As at 31 March 2025
p) Demand notice (Includes penalty thereon) issued by the Deputy Commissioner, Uttarakhand under Section 73 of the Central Goods and Service Tax Act, 2017/ Uttarakhand Goods and Service Tax Act, 2017 in respect of late filing of return and subsequently appeal filed.	2021-22	0.10
q) Demand notice (Includes penalty thereon) issued by the Deputy Commissioner, Uttarakhand under Section 73 of the Central Goods and Service Tax Act, 2017/ Uttarakhand Goods and Service Tax Act, 2017 in respect of late filing of return and subsequently appeal filed.	2021-22	0.50
r) Demand notice (Includes penalty thereon) issued by the Deputy Commissioner, Uttarakhand under Section 73 of the Central Goods and Service Tax Act, 2017/ Uttarakhand Goods and Service Tax Act, 2017 in respect of late filing of return and subsequently appeal filed.	2022-23	0.50
s) Demand notice (Includes penalty thereon) issued by the Deputy Commissioner, Uttarakhand under Section 73 of the Central Goods and Service Tax Act, 2017/ Uttarakhand Goods and Service Tax Act, 2017 in respect of late filing of return and subsequently appeal filed.	2022-23	0.50
Subsidiary Companies:		
a) Goods and Service Tax (including interest thereon) on account of rejection of ITC claimed on input services vide an order passed by the Deputy Commissioner of State Tax, against which the subsidiary Company has preferred an appeal with the Joint Commissioner of State Tax.	2017-18	35.18
b) Demand notice (Includes tax, interest and penalty) issued by the State Tax Officer, Maharashtra under Section 73 of the Central Goods and Service Tax Act, 2017/ Maharashtra Goods and Service Tax Act, 2017 in respect of excess credit / ineligible credit availed and Appeal Filed.	2018-19	28.68
c) Demand notice issued by the Assistant Commissioner, Uttar Pradesh under Section 61 of the Central Goods and Service Tax Act, 2017/ Uttar Pradesh Goods and Service Tax Act, 2017 in respect of revenue difference between GSTR1 & GSTR3B against which the Company has submitted its response and is awaiting resolution of the matter.	2021-22	4.76
d) Goods and Service Tax (including interest thereon) on account of rejection of ITC claimed on input services vide an order passed by the Deputy Commissioner of State Tax, against which the subsidiary Company.	2022-23	248.81
e) Demand notice issued by the State Tax Officer, Maharashtra under Section 61 of the Central Goods and Service Tax Act, 2017/ Maharashtra Goods and Service Tax Act, 2017 in respect of difference in input credit against which the Company has submitted its response and is awaiting resolution of the matter.	2022-23	19.46
Total		2,710.57

(III). Others:

Particulars	As at 31 March 2025	As at 31 March 2024
Subsidiary Companies:		
a) Claims against a subsidiary company not acknowledged as debts on account of pending litigation	57.07	57.07

B. Commitments:

Particulars	As at 31 March 2025	As at 31 March 2024
Capital commitment for purchase of property, plant and equipment (net of capital advances paid)	-	-

Note- 43

Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

Particulars	Debt securities	Borrowings (other than debt securities)	Lease liabilities	Total
Balance as at 01 April 2023	32,025.44	26,609.91	4,564.58	63,199.93
Cash flows:				
- Repayment	(17,102.47)	(22,841.07)	(1,474.53)	(41,418.07)
- Proceeds	-	-	-	-
Non cash:				
- Amortisation of upfront fees and others	(799.76)	-	-	(799.76)
- Addition during the year (net)	-	-	1,671.89	1,671.89
- Accrued Interest	(466.25)	-	-	(466.25)
- Others	71.80	-	(1,682.92)	(1,611.12)
Balance as at 01 April 2024	13,728.76	3,768.84	3,079.02	20,576.62
Adjustment on account of Ind AS 116	-	-	-	-
Cash flows:				
- Repayment	(10,211.12)	(1,894.20)	(1,233.52)	(13,338.84)
- Proceeds	-	-	-	-
Non cash:				
- Amortisation of upfront fees and others	(444.14)	-	-	(444.14)
- Addition during the year (net)	-	-	(142.99)	(142.99)
- Accrued Interest	(218.96)	-	406.32	187.36
- Others	-	-	-	-
Balance as at 31 March 2025	2,854.54	1,874.64	2,108.83	6,838.01



Note- 44
Corporate social responsibility expenses

Disclosure with regard to CSR Activities pursuant to MCA notification dated 24th March 2021:
The provisions related to corporate social responsibility in terms of section 135 of the Act are not applicable to the Group.

Note - 45
Employee benefits

(i) Defined contribution plans:

The Group pays fixed contribution to provident fund at predetermined rates to a registered provident fund administered by the Government of India, which invests the funds in permitted securities. Both the Company and employees make predetermined contributions to the Provident Fund. The contributions are normally based on a certain proportion of the employee's salary. Amount of ₹ 104.42 lakh (31 March 2024 ₹ 150.41 lakh) pertaining to employers' contribution to provident and other fund is recognised as an expense and included in "Employee benefits expense".

(ii) Defined benefit plans:

The Group operates unfunded gratuity plan which provides lump sum benefits linked to the qualifying salary and completed years of service with the Group at the time of separation. Every employee who has completed 5 years of continuous service is entitled to receive gratuity at the time of his retirement or separation from the organisation, whichever is earlier. The gratuity benefit that is payable to any employee, is computed in accordance with the provisions of "The Payment of Gratuity Act, 1972".

Risks associated with plan provisions

Salary increases	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Based on the actuarial valuation report, the following table sets out the status of the gratuity plan and the amounts recognized in the Group's financial statements as at balance sheet date:

a.) Amount recognised in the balance sheet is as under:

Particulars	As at 31 March 2025	As at 31 March 2024
Present value of obligation	997.24	370.00
Fair value of plan assets	-	-
Net obligation recognised in balance sheet as provision	997.24	370.00

b.) Reconciliation of present value of defined benefit obligation:

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	370.00	1,294.16
Current service cost	118.90	119.05
Interest cost	26.26	77.67
Actuarial loss recognised in other comprehensive income :		
- Demographic assumptions	-	-
- Financial assumptions	18.92	8.35
- Experience adjustment	60.57	(220.77)
Benefits paid	(50.13)	(206.37)
Acquisition adjustments on acquisition of subsidiary/ transfer of employees	452.72	(702.09)
Balance at the end of the year	997.24	370.00

c.) Expense recognised in profit or loss:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	118.90	119.05
Interest cost	26.26	77.67
Total	145.16	196.72

d.) Remeasurement recognised in other comprehensive income:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial gain/(loss) on defined benefit obligations	(79.49)	212.42
Total	(79.49)	212.42



Note - 45
Employee benefits (continued)

e.) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting dates:

Particulars	As at 31 March 2025	As at 31 March 2024
Discount rate	6.99%	7.22%
Salary escalation rate	5.00%	5.00%
Retirement age (years)	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
Ages	Withdrawal Rate (%)	Withdrawal Rate
Up to 30 Years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1
Weighted average duration	20.51	17.57

f.) Sensitivity analysis for gratuity liability

Particulars	As at 31 March 2025		As at 31 March 2024	
	Increase	Decrease	Increase	Decrease
Present value of obligation at the end of the year	997.24	997.24	370.00	370.00
Discount rate (0.5% movement)	(63.69)	70.26	(19.74)	21.45
Salary escalation rate (0.5% movement)	71.19	(65.14)	21.82	(20.22)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated.

Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

g.) Expected maturity analysis of the defined benefit plans in future years

Particulars	As at 31 March 2025	As at 31 March 2024
Less than 1 year	43.43	9.24
Between 1-2 years	26.33	28.11
Between 2-5 years	80.14	21.24
Over 5 years	847.34	311.41
Total	997.24	370.00

Expected contribution for the next annual reporting period

293.85

563.40

(iii) Other long term employee benefit plans

The Group provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. A provision of ₹ 289.61 lakh has been created (31 March 2024: ₹ 101.07 lakh) on the basis of actuarial valuation at the year end and credited to the Consolidated Statement of Profit and Loss.

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

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Note - 46

Employee stock option schemes:

Dhani Services Limited, the parent company of the Holding Company or "DSL" has issued various Employees stock options scheme (ESOP / ESOS) for the benefit of its employees and its subsidiary companies.

The Holding Company has established the "Udaan Employee Welfare Trust" ("Udaan - EWT") ("Trust") for the implementation and management of its employees benefit scheme viz. the "Dhani Services Limited - Employee Stock Benefit Scheme - 2008 & 2009" (Scheme) for the benefit of the employees of the Company and its subsidiaries.

A. Grants during the year:

There have been no new grants during the year (Previous year Nil).

B. Employees Stock Options Schemes:

(i) Employees Stock Option Scheme - 2008 (DSL ESOP - 2008)

	DSL ESOP - 2008	
	97,00,000 (Regrant)	18,00,000 (Regrant)
Total options under the scheme (Nos.)	2,00,00,000	
Options granted (Nos.)		
Vesting period and percentage	Five years, 20% each year	Five years, 20% each year
Vesting date	2nd July each year, commencing 2 July 2017	28 th June each year, commencing 28 June 2023
Exercisable period	5 years from each vesting date	5 years from each vesting date
Exercise price (₹)	24.15	30
Outstanding at the beginning of 01 April 2023 (Nos.)	18,44,400	18,00,000
Granted/ regranted during the year (Nos.)	-	-
Forfeited during the year (Nos.)	6,94,400	9,00,000
Exercised during the year (Nos.)	-	-
Expired during the year (Nos.)	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-
Outstanding as at 31 March 2024 (Nos.)	11,50,000	9,00,000
Vested and exercisable as at 31 March 2024 (Nos.)	11,50,000	1,80,000
Remaining contractual life (weighted months)	19	75
Outstanding at the beginning of 01 April 2024 (Nos.)	11,50,000	9,00,000
Granted/ regranted during the year (Nos.)	-	-
Forfeited during the year (Nos.)	-	3,00,000
Exercised during the year (Nos.)	-	-
Expired during the year (Nos.)	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-
Outstanding as at 31 March 2025 (Nos.)	11,50,000	6,00,000
Vested and exercisable as at 31 March 2025 (Nos.)	11,50,000	2,40,000
Remaining contractual life (weighted months)	7	63

Weighted average exercise price of share during the year ended 31 March 2025: Nil (31 March 2024: Nil).

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Note - 46

Employee stock option schemes (Continued)

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

	DSL ESOP - 2009		
	20,50,000	2,00,00,000	98,00,000
Total options under the Scheme (Nos.)			
Options granted (Nos.)		95,00,000	98,00,000
		(Regrant)	(Regrant)
Vesting period and percentage	Ten years, 10% each year	Five years, 20% each year	Five years, 20% each year
Vesting date	13 th April each year, commencing 13 April 2011	13 th May each year, commencing 13 May 2017	28 th June each year, commencing 28 June 2023
Exercisable period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Exercise price (₹)	31.35	16	30
Outstanding at the beginning of 01 April 2023 (Nos.)	50,000	17,90,400	98,00,000
Granted/ regranted during the year (Nos.)	-	-	-
Forfeited during the year (Nos.)	-	1,62,000	41,00,000
Exercised during the year (Nos.)	-	-	-
Expired during the year (Nos.)	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-
Outstanding as at 31 March 2024 (Nos.)	50,000	16,28,400	57,00,000
Vested and exercisable as at 31 March 2024 (Nos.)	50,000	16,28,400	11,40,000
Remaining contractual life (Weighted Months)	12	19	75
Outstanding at the beginning of 01 April 2024 (Nos.)	50,000	16,28,400	57,00,000
Granted/ regranted during the year (Nos.)	-	-	-
Forfeited during the year (Nos.)	-	2,84,000	7,75,000
Exercised during the year (Nos.)	-	-	-
Expired during the year (Nos.)	-	-	-
Surrendered and eligible for re-grant during the year (Nos.)	-	-	-
Outstanding as at 31 March 2025 (Nos.)	50,000	13,44,400	49,25,000
Vested and exercisable as at 31 March 2025 (Nos.)	50,000	13,44,400	19,70,000
Remaining contractual life (Weighted Months)	-	7	63

(iii) Dhani Services Limited - Employee Stock Benefit Scheme 2019 ("Scheme") ("DSL-ESBS 2019").

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

This Scheme comprises:

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

This scheme is implemented through the Trust in accordance with the SEBI Regulations. The Trust, in compliance with the "SBEB Regulations", is authorised to purchase upto an aggregate of 1,05,00,000 (One Crore Five lakh) fully paid-up equity shares, being not more than 2% (Two percent) of the fully paid-up equity share capital of the Holding Company as on the date of approval of shareholders, from the secondary market. The Holding Company has appropriated 1,04,00,000 fully paid up equity shares of the Holding Company purchased by the Trust under the Scheme. The Holding Company has not granted any options/ SARs under the scheme as at 31 March 2025 (31 March 2024: Nil).



Note - 46
Employee stock option schemes (Continued)

(iv) Dhani Services Limited - Employee Stock Benefit Scheme 2020 ("Scheme") ("DSL-ESBS 2020").

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

This Scheme comprises:

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

This scheme is implemented through the Trust in accordance with the SEBI Regulations. The Trust, in compliance with the "SBEB Regulations", is authorised to purchase upto an aggregate of 93,00,000 (One Crore Five lakh) fully paid-up equity shares, being not more than 2% (Two percent) of the fully paid-up equity share capital of the Holding Company as on the date of approval of shareholders, from the secondary market. The Holding Company has appropriated 93,00,000 fully paid up equity shares of the Holding Company purchased by the Trust under the Scheme. The Holding Company has not granted any options/ SARs under the scheme as at 31 March 2025 (31 March 2024: Nil).

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

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

This Scheme comprises:

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

This scheme is implemented through the Trust in accordance with the SEBI Regulations. The Trust, in compliance with the "SBEB Regulations", is authorised to purchase upto an aggregate of 1,05,00,000 (One Crore Five lakh) fully paid-up equity shares, being not more than 2% (Two percent) of the fully paid-up equity share capital of the Holding Company as on the date of approval of shareholders, from the secondary market. The Holding Company has not granted any options/ SARs under the scheme as at 31 March 2025 (31 March 2024: Nil).

(vi) Dhani Services Limited - Employee Stock Benefit Scheme 2022 ("Scheme") ("DSL-ESBS 2022").

This Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of the Holding Company at its meeting held on 12 August 2022; and (b) a special resolution of the shareholders of the Holding Company at their annual general meeting held on 29 September 2022 for an aggregate of 3,00,00,000 (Three Crore) employee stock options, convertible into equivalent number of fully paid-up equity shares of face value ₹ 2 each of the Holding Company ("ESOPs") in the manner as specified under SBEB Regulations. No ESOPs have been granted under this Scheme.

Details of shares acquired by the Trust pursuant to the above schemes are as below:

Particulars	DSL-ESBS 2019	DSL-ESBS 2020	DSL-ESBS 2021
Maximum no. of shares, which the Trust was authorized to	1,05,00,000	93,00,000	1,05,00,000
Particulars	31 March 2025	31 March 2024	
Shares held by the Trust at the beginning of the year (Nos.)	2,97,00,000	2,97,00,000	
Fully paid up equity shares acquired by the Trust from the Secondary Market (Nos.)	-	-	
Number of shares transferred to the employees / sold along with the purpose thereof	-	-	
Fully paid up shares held by the Trust at the end of the year (Nos.)	2,97,00,000	2,97,00,000	



Note - 46

Employee stock option schemes (Continued)

C. Fair Valuation:

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

	DSL ESOP - 2008		DSL ESOP - 2009	
	97,00,000	20,50,000	95,00,000	
	Options Re granted	Options	Options Re granted	
1. Exercise price (₹)	24.15	31.35	16	
2. Expected volatility *	42.97%	48.96%	40.74%	
3. Option Life (Weighted Average) (in years)	6	Nil	Nil	
4. Expected Dividends yield	10.82%	6.86%	16.33%	
5. Risk Free Interest rate	7.45%	8.05%	7.45%	
6. Fair value of the options (₹)	4.31	9.39	1.38	

	DSL ESOP - 2008 & 2009				
	18,00,000 and 98,00,000				
	Options				
	28-Jun-23	28-Jun-24	28-Jun-25	28-Jun-26	28-Jun-27
1. Vesting Date	30	30	30	30	30
2. Exercise price (₹)	70.92%	68.20%	66.66%	65.39%	63.19%
3. Expected volatility *	Nil	Nil	Nil	Nil	Nil
4. Expected forfeiture percentage on each vesting date	0.66%	0.66%	0.66%	0.66%	0.66%
5. Expected dividends yield	6.70%	6.87%	6.97%	7.05%	7.09%
6. Risk free interest rate	15.69	17.00	18.15	19.09	19.69
7. Fair value of the options (₹)	17.92				
8. Average Price					

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

D. Share based payment expense:

The Company has recognised reversal of share based payments expense to employees in the standalone statement of Profit and loss as follows:

	For the year ended 31 March 2025	For the year ended 31 March 2024
Share based payments expenses	87.56	(57.34)
	<u>87.56</u>	<u>(57.34)</u>

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Dhani Loans and Services Limited Group

Notes to Consolidated Financial Statements for the year ended 31 March 2025

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

Note - 47

Segment reporting:

Segment information for the year ended 31 March 2025 as per Indian Accounting Standard 108 - 'Segment Reporting':

(A) Primary segment information (by business segments):

Particulars	For the year ended 31 March 2025				For the year ended 31 March 2024					
	Broking and related activities	Financing, digital wallet services and related activities	Other operations	Inter-segment revenue	Total	Broking and related activities	Financing, digital wallet services and related activities	Other operations	Inter-segment revenue	Total
(i) Segment revenue	27,624.19	-	254.11	-	27,878.30	3,198.64	27,403.72	3,269.46	(1,027.02)	32,844.80
(ii) Segment results	19,171.86	(3.02)	(2,975.62)	-	16,193.22	(2,505.95)	8,932.12	(1,826.99)	-	4,599.18
Unallocated income net of other unallocated expenditure					(56.36)					(63.15)
Interest expenditure					(1,803.75)					(715.17)
Profit before tax					14,333.11					3,820.86
Tax expense					(4,368.95)					(2,502.47)
Profit after tax					9,964.16					1,318.39
Total other comprehensive income					(46,493.97)					158.96
Total comprehensive income for the year					(36,529.81)					1,477.35
(iii) Segment assets	2,97,314.26	-	-	-	2,97,314.26	50,561.02	1,98,765.81	-	-	2,49,326.83
Unallocated corporate assets					67,257.47					79,331.75
Total assets					3,64,571.73					3,28,658.58
(iv) Segment liabilities	13,727.27	-	-	-	13,727.27	219.22	30,375.69	-	-	30,594.91
Unallocated corporate liabilities					1,486.64					2,015.60
Total liabilities					15,213.91					32,610.51
(v) Capital expenditure including capital advances given (net)					(200.00)					(539.17)
Unallocated capital expenditure including capital advances					(200.00)					(539.17)
Total capital expenditure including capital advances										
(vi) Depreciation and amortisation	883.90	-	15.47	-	899.37	26.22	3,667.03	498.08	-	4,191.33
Unallocated depreciation and amortisation					-					-
Total depreciation and amortisation					899.37					4,191.33
(vii) Non cash expenditure other than depreciation					1,545.83					6,715.91
Unallocated non cash expenditure other than depreciation										
Non cash expenditure other than depreciation					1,545.83					6,715.91



Dhani Loans and Services Limited Group

Notes to Consolidated Financial Statements for the year ended 31 March 2025

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

Note - 47

Segment reporting (continued):

(B) The Group operates solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosure is required.

(C) The Group's primary business segments are reflected based on principal business activities carried on by the Holding Company and its subsidiary companies. The Group's primary businesses are 'Financing and Related activities' and 'Broking and Related activities'. Broking and related activities include business as a brokerage on cross-selling of real estate, and other ancillary services relating to broking activities. Financing and related activities include business financing loans and other ancillary services.

(D) Segment revenue, results, assets and liabilities include amounts identifiable to each segment and amounts allocated on a reasonable basis.

(E) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as disclosed in Note 5.

Note - 48

Related party disclosures :

Nature of relationship :

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

Ultimate Holding Company of the Group

Names of related parties

Dhani Services Limited

Subsidiary companies:

TransServ Limited

Indiabulls Nests Limited (formerly known as Indiabulls Distribution Services Limited)

Indiabulls Allernate Investments Limited

Indiabulls Urbanresidency Limited (formerly known as Indiabulls Investment Advisors Limited)

Fellow subsidiary companies

(with whom transactions took place)

Indiabulls Asset Reconstruction Company Limited and its Trusts

Indiabulls Cityheights Limited (formerly known as Dhani Healthcare Limited)

Indiabulls Securities Limited (formerly known as Dhani Stocks Limited)

Indiabulls Urbanheights Limited (formerly known as Evinos Buildwell Limited)

Juventus Estate Limited

Key management personnel

Mr. Sanjeev Kashyap, Whole Time Director and Chief Executive Officer

Mr. Labh Singh Sitara, Director

Ms. Ritu Kapoor Puri, Director (till 31 July 2023)

Ms. Sargam Kataria, Director (w.e.f. 01 August 2023)

Mr. Akhil Gupta, Director (26 April 2022 to 05 April 2023)

Mr. Amit Ajit Gandhi, Director (w.e.f. 05 April 2023)

Dr. Narendra Damodar Jadhav, Director (till 04 October 2023)

Dr. Prem Prakash Mirzha, Director (w.e.f. 04 October 2023)

Mr. Rajeev Lochan Agrawal, Chief Financial Officer

Mr. Divyesh B Shah, Whole Time Director and Chief Executive Officer of Dhani Services Limited



Note - 48

Related party disclosures (continued):

(b) Transactions with related parties :

Nature of transactions	Key management personnel For the year ended		Ultimate Holding Company For the year ended		Fellow subsidiaries For the year ended	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Loans/ Investments						
- Loans given (net)	-	-	-	-	11,309.50	29,569.90
- Loans taken/(Repaid)	-	-	-	(2,309.00)	-	(20,799.00)
- Investment/(redemption) in security receipts (net)	-	-	-	-	(4,183.98)	4,123.31
Liabilities						
Liability transferred/(Receipt) by the Company (Provision for employee benefits and advances)	-	-	154.01	-	(821.83)	1,071.17
Income						
- Interest income from loan	-	-	-	-	9,037.26	5,922.64
- Sale of Non Performing Assets (NPA)	-	-	-	-	-	5,100.00
- Charge back for common expenses	-	-	2.40	2.40	7.91	7.91
- Income from beneficiary validation services	-	-	-	-	1.72	3.32
Expenses						
- Interest expense	-	-	-	33.00	-	11.89
Compensation to key management personnel						
- Short term employee benefits	84.37	123.36	-	-	-	-
- Sitting fees	8.00	22.14	-	-	-	-
- Post employee benefits- gratuity	-	15.14	-	-	-	-
- Share based payment expenses	10.29	11.70	-	-	-	-

(c) Balance outstanding at the end of the period :

Nature of transactions	Key management personnel As at		Ultimate Holding Company As at		Fellow subsidiaries As at	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Loans given (Maximum balance outstanding during the year):	-	-	-	-	1,15,970.25	1,31,763.85

Note: Related party relationships as given above are as identified by the Group.



Note - 49

Financial instruments

A. Financial assets and liabilities

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

Particulars	Note	As at 31 March 2025	As at 31 March 2024
Financial assets measured at fair value			
Investments measured at -			
- Fair value through profit and loss	Note - 11	5,502.67	10,680.88
Financial assets measured at amortised cost			
Cash and cash equivalents	Note - 6	4,205.16	5,014.50
Bank balance other than cash and cash equivalents	Note - 7	5,516.78	5,972.47
Receivables -			
(i) Trade receivables	Note - 8	73.19	995.24
(ii) Other receivables	Note - 9	-	737.17
Loans	Note - 10	1,82,885.58	1,89,905.26
Other financial assets	Note - 12	426.19	24,959.11
Total		1,98,609.57	2,38,264.63

Financial liabilities measured at amortised cost			
Trade payables	Note - 18	255.48	1,624.98
Other payables	Note - 19	2,542.26	4,677.15
Debt securities (including interest accrued)	Note - 20	2,854.54	13,728.76
Borrowings (other than debt securities) (including interest accrued)	Note - 21	1,874.64	3,768.84
Lease liabilities	Note - 22	2,108.83	3,079.02
Other financial liabilities	Note - 23	3,606.00	4,477.95
Total		13,241.75	31,356.70

B. Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2025	Level 1	Level 2	Level 3	Total
Financial assets				
Investments at fair value through profit and loss				
Security receipts	-	3,549.71	-	3,549.71
Mutual fund	1,952.96	-	-	1,952.96

As at 31 March 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Investments at fair value through profit and loss				
Security receipts	-	7,733.69	-	7,733.69
Mutual fund	2,947.19	-	-	2,947.19

Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

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

(b) for unquoted security receipts, adjusted discounted cash flow method (income approach) has been used.

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



Note - 49

Financial instruments (continued):

B.2 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	4,205.16	4,205.16	5,014.50	5,014.50
Bank balance other than cash and cash equivalents	5,516.78	5,516.78	5,972.47	5,972.47
Receivables -				
(i) Trade receivables	73.19	73.19	995.24	995.24
(ii) Other receivables	-	-	737.17	737.17
Loans	1,82,885.58	1,82,885.58	1,89,905.26	1,89,905.26
Other financial assets	426.19	426.19	24,959.11	24,959.11
Total	1,93,106.90	1,93,106.90	2,27,583.75	2,27,583.75
Financial liabilities				
Trade payables	255.48	255.48	1,624.98	1,624.98
Other payables	2,542.26	2,542.26	4,677.15	4,677.15
Debt securities	2,854.54	2,872.86	13,728.76	13,662.17
Borrowings (other than debt securities)	1,874.64	1,874.64	3,768.84	3,768.84
Lease liabilities	2,108.83	2,108.83	3,079.02	3,079.02
Other financial liabilities	3,606.00	3,606.00	4,477.95	4,477.95
Total	13,241.75	13,260.07	31,356.70	31,290.11

The management assessed that fair values of cash and cash equivalents, other financial assets and other financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Financial instruments measured at fair value and fair value of financial instruments carried at amortized cost.

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable inputs and fair value and sensitivity
Financial assets and liabilities measured at amortized cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.	Not applicable	Not applicable
Financial assets measured at FVTPL	NAV based method.	Not applicable	Not applicable
Financial assets measured at FVOCI	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.	The discount rate is the average lending rate at which the loans are disbursed.	There is an inverse correlation. Higher the discount rate i.e. average lending rate for the disbursed loans, lower the fair value of the assets.

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Note - 50

Financial risk management

i. Risk Management

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

In order to avoid excessive concentration of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

A) Credit risk

Credit risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the company. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, bank balance other than cash and cash equivalents, investments, loan assets, trade receivables and other financial assets. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk
- (ii) Moderate credit risk
- (iii) High credit risk

The Group provides for expected credit loss based on the following:

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Cash and cash equivalents, bank balance other than cash and cash equivalents, investments, loans, trade receivables, other receivable, security deposits and other financial assets	12 month expected credit loss
Moderate credit risk	Loans	Life time expected credit loss
High credit risk	Loans, trade receivable, other receivable and other financial assets	Life time expected credit loss or fully provided for

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Note - 50

Financial risk management (continued):

Assets are written off when there is no reasonable expectation of recovery. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Financial assets that expose the entity to credit risk*

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Low credit risk		
Cash and cash equivalents	4,205.16	5,014.50
Bank balance other than cash and cash equivalents	5,516.78	5,972.47
Trade receivables	73.19	995.24
Other receivables	-	737.17
Loans	1,83,599.86	1,83,308.90
Investments	5,502.67	10,680.88
Other financial assets	426.19	24,959.11
(ii) Moderate credit risk		
Loans	827.68	7,950.15
(iii) High credit risk		
Loans	250.08	3,223.13
Trade receivables	5,816.54	4,924.51
Other receivables	3,586.01	2,848.84
Other financial assets	20,802.34	7,932.25

* These represent gross carrying values of financial assets, without deduction for expected credit losses

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade and other receivables

Credit risk related to trade and other receivables are managed by monitoring the recoverability of such amounts continuously.

Other financial assets measured at amortized cost

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

Loans

The Group closely monitors the credit-worthiness of the borrower's through internal systems and project appraisal process (wherever applicable) to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Group assesses increase in credit risk on an ongoing basis for amounts loan assets that become past due and default is considered to have occurred when amounts receivable become one year past due.

The major guidelines for selection of the client includes:

- The client's income and indebtedness levels
- The client must possess the required KYC documents
- Client must agree to follow the rules and regulations of the Group
- Credit bureau check - In order to deal with the problem of over extension of credit and indebtedness of the client, the Group undertakes credit bureau checks for every client. The credit bureau check helps the Group in identifying clients with poor repayment histories and multiple loans.



Note - 50

Financial risk management (continued):

Category*	Inputs	Assumptions
Corporate borrowers	1. Historical data as per Industry trends	1. Recoverability assumptions for stage 3 loan assets and related assessment with value of collateral
Retail borrowers	2. Supplemental external information that could affect the borrowers behaviour 3. Discount rate is based on internal rate of return on the loan	2. Management judgement is applied to determine the economic scenarios and the application of probability weights

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

Assets are written off when there is no reasonable expectation of recovery. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

b) Credit risk exposure

i) Expected credit losses for financial assets other than loans

As at 31 March 2025	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	4,205.16	-	4,205.16
Bank balance other than cash and cash equivalents	5,516.78	-	5,516.78
Investments	5,502.67	-	5,502.67
Trade receivables	5,889.73	(5,816.54)	73.19
Other receivables	3,586.01	(3,586.01)	-
Other financial assets	21,228.53	(20,802.34)	426.19

As at 31 March 2024	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	5,014.50	-	5,014.50
Bank balance other than cash and cash equivalents	5,972.47	-	5,972.47
Investments	10,680.88	-	10,680.88
Trade receivables	5,919.75	(4,924.51)	995.24
Other receivables	3,586.01	(2,848.84)	737.17
Other financial assets	32,891.36	(7,932.25)	24,959.11

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

Reconciliation of loss allowance	Trade receivables	Other receivables	Investment	Other financial assets
Loss allowance on 01 April 2023	4,363.20	2,837.88	-	691.78
Impairment loss recognised during the year	2,883.64	10.96	-	-
Loss allowance written back	(2,282.20)	-	-	7,240.47
Write - offs	(40.13)	-	-	-
Loss allowance on 31 March 2024	4,924.51	2,848.84	-	7,932.25
Impairment loss recognised during the year	924.78	737.17	-	-
Loss allowance written back	(32.75)	-	-	12,870.09
Write - offs	-	-	-	-
Loss allowance on 31 March 2025	5,816.54	3,586.01	-	20,802.34

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Note - 50

Financial risk management (continued):

ii) Expected credit losses for loans

Definition of default:

The Holding Company considers default in all cases when the borrower becomes 90 days past due on its contractual payments. The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the probability of default, exposure at default and loss given default.

Changes in the gross carrying amount in relation to loans from beginning to end of reporting period:

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at 01 April 2023	1,71,375.74	5,827.89	5,842.33
Assets originated and acquired	1,75,386.06	-	-
Net transfer between stages and de-recognition	(1,63,452.90)	2,122.26	(2,617.19)
Assets written-off	-	-	(2.01)
Gross carrying amount as at 31 March 2024	1,83,308.90	7,950.15	3,223.13
Assets originated and acquired	70,530.25	-	-
Net transfer between stages and de-recognition	(70,239.29)	(347.69)	10,762.22
Assets written-off	-	(6,774.78)	(13,735.27)
Gross carrying amount as at 31 March 2025	1,83,599.86	827.68	250.08

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

Reconciliation of loss allowance	Stage 1	Stage 2	Stage 3
Loss allowance on 01 April 2023	545.63	508.92	4,137.08
Increase of provision due to assets originated and purchased during the year	608.31	-	-
Net transfer between stages and written back	317.57	(334.33)	(1,204.25)
Loss allowance written back	-	-	(2.01)
Loss allowance on 31 March 2024	1,471.51	174.59	2,930.82
Increase of provision due to assets originated and purchased during the year	181.51	-	-
Net transfer between stages and written back	(140.11)	(160.76)	1,356.97
Loss allowance written back	50.21	-	(4,072.70)
Loss allowance on 31 March 2025	1,563.12	13.83	215.09

c) Concentration of loans

Prudent risk management involves the minimisation of concentration risk by diversifying the loan portfolio. Setting up exposure limit for particular industry, sector, geographical area, product, etc. is essential to reduce the concentration of the loan portfolio.

Particulars	As at 31 March 2025	As at 31 March 2024
Retail borrowers	66,210.15	81,283.40
Borrowers other than retail borrowers	1,18,467.47	1,13,198.78
Total	1,84,677.62	1,94,482.18

Loans secured against collateral

Group's secured portfolio has security base as follows:

Particulars	Value of loans	
	As at 31 March 2025	As at 31 March 2024
Secured by tangible assets*	10,146.00	13,877.17
Secured by other assets	-	-

* Equitable mortgage of property / hypothecation of assets

Wherever required, the Group holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, pledge of securities, guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts, etc.

The Group does not physically possess properties or other assets in its normal course of business but makes efforts toward recovery of outstanding amounts on delinquent loans. Once contractual loan repayments are more than 90 days past due, possession of property may be initiated. Possessed property is disposed of in the manner prescribed under the regulatory guidance to recover outstanding debt.

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Note - 50

Financial risk management (continued):

B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Group maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Group's liquidity positions (also comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The Group also takes into account liquidity of the market in which the entity operates.

i) Financing arrangements

The Group had access to the following funding facilities:

As at 31 March 2025	Total facility	Drawn	Undrawn
- Expiring within one year	10,875.00	79.80	10,795.20
- Expiring beyond one year	-	-	-
Total	10,875.00	79.80	10,795.20

As at 31 March 2024	Total facility	Drawn	Undrawn
- Expiring within one year	11,305.00	-	11,305.00
- Expiring beyond one year	-	-	-
Total	11,305.00	-	11,305.00

ii) Maturities of financial assets and liabilities

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

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

As at 31 March 2025	Less than 1 year	1-3 years	More than 3 years	Total
Non-derivatives				
Cash and cash equivalent	4,205.16	-	-	4,205.16
Bank balance other than above	5,516.78	-	-	5,516.78
Trade receivables	5,889.73	-	-	5,889.73
Other receivable	3,586.01	-	-	3,586.01
Loans	69,220.75	72,567.00	42,889.87	1,84,677.62
Investments	5,502.67	-	-	5,502.67
Other financial assets	20,902.93	197.77	127.83	21,228.53
Total undiscounted financial assets	1,14,824.03	72,764.77	43,017.70	2,30,606.50
Non-derivatives				
Debt securities	2,854.54	-	-	2,854.54
Borrowings (other than debt securities)	352.61	514.00	1,008.03	1,874.64
Trade payables	255.48	-	-	255.48
Other payables	2,542.26	-	-	2,542.26
Lease liabilities	878.70	962.94	267.19	2,108.83
Other financial liabilities	3,606.00	-	-	3,606.00
Total undiscounted financial liabilities	10,489.59	1,476.94	1,275.22	13,241.75
Net undiscounted financial assets/(liabilities)	1,04,334.44	71,287.83	41,742.48	2,17,364.75

As at 31 March 2024	Less than 1 year	1-3 years	More than 3 years	Total
Non-derivatives				
Cash and cash equivalent	5,014.50	-	-	5,014.50
Bank balance other than above	5,972.47	-	-	5,972.47
Trade receivables	5,919.75	-	-	5,919.75
Other receivable	3,586.01	-	-	3,586.01
Loans	37,829.75	54,040.00	1,02,612.43	1,94,482.18
Investments	10,680.88	-	-	10,680.88
Other financial assets	32,421.78	49.78	419.80	32,891.36
Total undiscounted financial assets	1,01,425.14	54,089.78	1,03,032.23	2,58,547.15
Non-derivatives				
Debt securities	11,045.00	2,683.76	-	13,728.76
Borrowings (other than debt securities)	958.28	2,810.56	-	3,768.84
Trade payables	1,624.98	-	-	1,624.98
Other payables	4,677.15	-	-	4,677.15
Lease liabilities	544.59	1,084.85	1,449.58	3,079.02
Other financial liabilities	4,477.95	-	-	4,477.95
Total undiscounted financial liabilities	23,327.95	6,579.17	1,449.58	31,356.70
Net undiscounted financial assets/(liabilities)	78,097.19	47,510.61	1,01,582.65	2,27,190.45

Note - 50

Financial risk management (continued):

C) Market risk

a) Interest rate risk

i) Liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2025, the Group is exposed to changes in market interest rates through debt securities and other borrowings at variable interest rates.

Interest rate risk exposure

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

Particulars	As at 31 March 2025	As at 31 March 2024
Variable rate liabilities		
Debt securities	-	-
Borrowings (other than debt securities)	1,874.64	3,768.84
Fixed rate liabilities*		
Debt securities	2,648.09	12,859.20
Borrowings (other than debt securities)	-	-

* Above borrowings amounts exclude accrued interest

Sensitivity

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

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest sensitivity on borrowings (other than debt securities)*		
Interest rates - increase by 0.50%	9.37	18.84
Interest rates - decrease by 0.50%	(9.37)	(18.84)

* Holding all other variables constant

ii) Assets

The Group's term deposits and commercial paper/deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

c) Price risk

i) Exposure

The Group's exposure price risk arises from investments held and classified in the balance sheet at fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

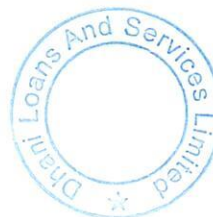
ii) Sensitivity

The table below summarises the impact of increases/decreases of the index on the Group's profit for the period:

Impact on profit after tax

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Mutual funds		
Net assets value - increase by 5%	97.65	147.36
Net assets value - decrease by 5%	(97.65)	(147.36)

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Note - 51

Capital Management

The Group's capital management objectives are

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

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Group's various classes of debt. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	As at 31 March 2025	As at 31 March 2024
Debt securities (including interest accrued)	2,854.54	13,728.76
Borrowings (other than debt securities) (including interest accrued)	1,874.64	3,768.84
Total debt	4,729.18	17,497.60
Equity attributable to the owners of the Holding Company	2,57,436.67	2,90,572.61
Net debt to equity ratio	0.02	0.06

Note - 52

Transferred financial assets

A) Securitisation

The Group uses securitisations as a source of finance. Such transactions resulted in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Such deals resulted in continued recognition of the securitised assets since the Group retains substantial risks and rewards.

The Group has securitized its loan assets to an unrelated and unconsolidated entity. As per the terms of the agreement with counterparty, the Group is exposed to interest servicing on the securitised amount at the rate of 13.50% (31 March 2024: 13.50%) and therefore continues to be exposed to significant risk and rewards relating to the underlying receivables. Hence, these loan assets are not derecognised and proceeds received are presented as other financial liabilities.

The table below outlines the carrying amounts and fair values of financial assets transferred that are not derecognised in their entirety and their associated liabilities:

Securitisations	As at 31 March 2025	As at 31 March 2024
Gross carrying amount of securitised assets (at amortised cost)	5,379.44	6,526.62
Gross carrying amount of associated liabilities	1,874.64	3,768.84
Carrying value and fair value of securitised assets	5,352.03	6,493.07
Carrying value and fair value of associated liabilities	1,874.64	3,768.84
Net position at fair value	3,477.39	2,724.23

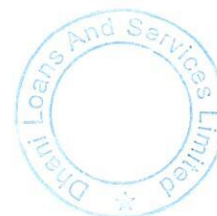
B) Assignment

During the year ended 31 March 2025: ₹ Nil (31 March 2024: ₹ 3,526.35 lakh), the Group has sold certain loans by way of direct bilateral assignment, as a source of finance. As per the terms of such deals, since the derecognition criteria as per Ind AS 109 are met, (including transfer of substantial risks and rewards) relating to assets being transferred to the buyer, the assets have been derecognised from the books of the Group.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition.

Particulars	As at 31 March 2025	As at 31 March 2024
Carrying amount of de-recognised financial asset	-	3,526.35
Gain on sale of the de-recognised financial asset	-	-

Since the Group has derecognized the above loan assets in entirety (100% assigned and sold), and as per the agreement there was no interest spread as on the date of derecognition, hence there was no profit/loss on derecognition of financial assets.



Dhani Loans and Services Limited Group

Notes to Consolidated Financial Statements for the year ended 31 March 2025

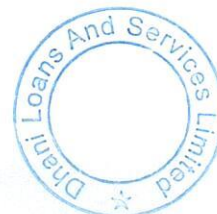
(All amounts are in Indian Rupees in lakh unless stated otherwise)

Note - 53

Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities.

	As at 31 March 2025		As at 31 March 2024	
	Within 12 months	After 12 months	Within 12 months	After 12 months
Financial assets				
Cash and cash equivalents	4,205.16	-	5,014.50	-
Bank balance other than cash and cash equivalents	5,516.78	-	5,972.47	-
Receivables				
Trade receivables	73.19	-	130.66	864.58
Other receivables	-	-	737.17	-
Loans	68,725.70	1,14,159.88	75,410.98	1,14,494.28
Investments	5,502.67	-	2,861.62	7,819.26
Other financial assets	100.59	325.60	499.93	24,459.18
	84,124.09	1,14,485.48	90,627.33	1,47,637.30
Non-financial assets				
Inventories	193.02	-	120.23	-
Current tax assets (net)	3,359.63	-	6,419.84	90.99
Deferred tax assets (net)	-	60,073.99	-	48,710.39
Property, plant and equipment	-	748.22	-	4,151.80
Right-of-use assets	857.48	978.36	639.54	2,008.24
Goodwill	-	6,482.97	-	6,482.97
Other intangible assets	-	148.55	-	2,982.11
Other non-financial assets	3,185.90	486.68	5,834.49	12,953.35
	7,596.03	68,918.77	13,014.10	77,379.85
TOTAL ASSETS (A)	91,720.12	1,83,404.25	1,03,641.43	2,25,017.15
LIABILITIES				
Financial liabilities				
Payables				
Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	0.28	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	255.48	-	1,624.70	-
Other payables				
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,542.26	-	4,677.15	-
Debt securities	2,854.54	-	11,029.38	2,699.38
Borrowings (other than debt securities)	352.61	1,522.03	1,393.68	2,375.16
Lease liabilities	878.70	1,230.13	544.59	2,534.43
Other financial liabilities	3,606.00	-	4,477.95	-
	10,489.59	2,752.16	23,747.73	7,608.97
Non-financial Liabilities				
Provisions	60.71	1,348.09	29.02	462.93
Other non-financial liabilities	563.35	-	761.86	-
	624.06	1,348.09	790.88	462.93
TOTAL LIABILITIES (B)	11,113.65	4,100.25	24,538.61	8,071.90
NET (A-B)	80,606.47	1,79,304.00	79,102.82	2,16,945.25



Dhani Loans and Services Limited Group

Notes to Consolidated Financial Statements for the year ended 31 March 2025

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

Note - 54

i) During the year ended 31 March 2025, Dhani Loans and Services Limited, the Holding Company, has determined that the credit risk associated with certain assets has significantly increased. As a result, the Company has derecognized loan assets amounting to ₹ 14,118.57 lakh (net of deferred tax). Furthermore, the Company has assessed the future economic benefits expected to be derived from its certain non-financial assets and which were determined to be insignificant. As a result, the Company has recorded a provision for impairment loss of ₹ 4,123.21 lakh (net of deferred tax). Consequently, total amount of ₹ 18,241.78 Lakh (Net of deferred Tax) has been charged to Other Comprehensive Income, instead of debiting the same to the Statement of Profit and Loss.

ii) During the year ended 31 March 2025, Indiabulls Urbanresidency Limited (formerly known as Indiabulls Investment Advisors Limited) which is 100% subsidiary of DLSL, has recorded impairment losses resulting from decline in its business. Management has, on a prudent basis, re-assessed the recoverability of such financial assets comprising of certain trade and other receivables and security deposits for Underwriting/Distribution of real estate projects, outstanding as at 31 March 2025 and has accordingly, recorded provisions for impairment losses due to expected credit loss of ₹ 2,712.59 lakh (net of related deferred tax) on account of impairment loss due to expected credit loss on such assets, to Other Comprehensive income.

iii) During the year ended 31 March 2025, Indiabulls Nests Limited (formerly known as Indiabulls Distribution Services Limited) which is a subsidiary of DLSL, has recorded impairment losses resulting from decline in its business. Management has, on a prudent basis, re-assessed the recoverability of such financial assets comprising of certain trade receivables and security deposits for Underwriting/Distribution of real estate projects, outstanding as at 31 March 2025 and has accordingly, recorded provisions for impairment losses due to expected credit loss of ₹ 15,947.22 lakh (net of deferred tax) on account of impairment loss due to expected credit loss on such assets, to Other Comprehensive income.

iv) During the year ended 31 March 2025, Transerv Limited which is 100% subsidiary of DLSL, has recorded impairment losses resulting from decline in its business. Management has, on a prudent basis, re-assessed the recoverability of certain non-financial assets comprising of unamortised cost of cards and unamortised customer acquisition costs, outstanding as at 31 March 2025 and has accordingly, recorded provisions for impairment losses of ₹ 9,532.89 lakh (net of related deferred tax), to Other Comprehensive income.

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Dhani Loans and Services Limited Group

Notes to Consolidated Financial Statements for the year ended 31 March 2025

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

Note - 55

Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013:

Name of the entity	As at 31 March 2025						As at 31 March 2024											
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income		Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income			
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount	As % of total comprehensive income	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount	
Parent Company																		
Dhani Loans and Services Limited	86.39%	2,24,536.77	108.03%	11,092.92	39.33%	(18,285.56)	19.86%	(7,192.64)										
Subsidiaries (Indian)																		
Indiabulls Urbanresidency Limited (formerly known as Indiabulls Investment Advisors Limited)	9.27%	24,099.50	16.23%	1,666.27	5.83%	(2,712.60)	2.89%	(1,046.33)										
Indiabulls Nests Limited (formerly known as Indiabulls Distribution Services Limited)	3.17%	8,247.06	(9.02%)	(926.05)	28.28%	(13,150.20)	38.86%	(14,076.25)										
Indiabulls Alternate Investments Limited	0.38%	995.49	(0.35%)	(36.06)	0.00%	-	0.10%	(36.06)										
Transerv Limited	(0.5689%)	(1,478.66)	(12.89%)	(1,323.63)	20.54%	(9,548.59)	30.01%	(10,872.22)										
Non Controlling interest in all subsidiaries	1.35%	3,510.31	(1.99%)	(204.64)	6.02%	(2,797.02)	8.29%	(3,001.66)										
Total	100.00%	2,59,910.47	100.00%	10,268.81	100.00%	(46,493.97)	100.00%	(36,225.16)										
Name of the entity																		
Parent Company																		
Dhani Loans and Services Limited	78.25%	2,31,650.79	481.20%	6,344.07	90.07%	143.17	439.11%	6,487.23										
Subsidiaries (Indian)																		
Indiabulls Urbanresidency Limited (formerly known as Indiabulls Investment Advisors Limited)	8.49%	25,145.79	120.96%	1,594.73	12.29%	19.54	109.27%	1,614.29										
Indiabulls Nests Limited (formerly known as Indiabulls Distribution Services Limited)	10.35%	30,653.76	(260.35%)	(3,432.37)	0.00%	-	(232.33%)	(3,432.37)										
Indiabulls Alternate Investments Limited	(2.12%)	(6,263.86)	(19.65%)	(259.03)	0.00%	-	(17.53%)	(259.03)										
Transerv Limited	3.17%	9,386.13	(153.88%)	(2,028.79)	(2.36%)	(3.75)	(137.58%)	(2,032.55)										
Non Controlling interest in all subsidiaries	1.85%	5,475.46	(68.28%)	(900.22)	0.80%	-	(60.93%)	(900.22)										
Total	100.00%	2,96,048.07	100.00%	1,318.39	100.00%	(1,58.96)	100.00%	(1,477.35)										



Dhani Loans and Services Limited Group

Notes to Consolidated Financial Statements for the year ended 31 March 2025

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

Note - 56

Group information

Information about subsidiary companies

Name of subsidiaries	Country of incorporation	% of holding and voting power either directly or indirectly through subsidiary	
		As at 31 March 2025	As at 31 March 2024
Indiabulls Urbanresidency Limited (formerly known as Indiabulls Investment Advisors Limited)	India	100.00%	100.00%
Indiabulls Nests Limited (formerly known as Indiabulls Distribution Services Limited)	India	82.46%	82.46%
Indiabulls Alternate Investments Limited	India	82.46%	82.46%
Transerv Limited	India	100.00%	100.00%

(This space has been intentionally left blank)



Note - 57

As at 31 March 2025, there were no dues required to be credited to the Investor Education and Protection Fund under Section 124(5) of the Act. (31 March 2024: ₹ Nil).

Note - 58

- i) The Group has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall;
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The Group has not advanced or loaned or invested any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediaries shall;
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

Note - 59

There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period, by the Group during the year and previous year.

Note - 60

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

Note - 61

The Group has not traded or invested in crypto currency or virtual currency during the year and previous year.

Note - 62

The Group has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year and previous year.

Note - 63

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

Note - 64

There are no borrowing costs to be capitalised as at 31 March 2025 (31 March 2024: ₹ Nil).

Note - 65

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

Note - 66

Previous year's figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current year's classification/ disclosure.

In terms of our report of even date attached.

For KAPG & Associates
Chartered Accountants
ICAI Firm registration no. : 032569N


Pradeep Gupta
Partner
Membership No.: 519337



Place: New Delhi
Date: 02 May 2025

For and on behalf of the Board of Directors


Sanjeev Kashyap
Whole Time Director &
Chief Executive Officer
DIN: 03405178
Place: Gurugram
Date: 02 May 2025


Akshay Kumar Tiwary
Director
DIN: 00366348


Rajeev Lochan Agrawal
Chief Financial Officer


Manish Rustagi
Company Secretary

