

DB (International) Stock Brokers Ltd.

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

Office: 114, New Delhi House, 27 Barakhamba Road, New Delhi-110001
Tel.:011-43606162 Website: www.dbonline.in E-Mail: compliance@dbonline.in
CIN: L67120GJ1992PLC121278

Date: 04th September, 2023

To,
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1,
G Block, Bandra Kurla Complex Bandra (E)
Mumbai - 400051

Department of Corporate Services
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street Mumbai-400001

NSE Symbol: DBSTOCKBRO

BSE Scrip Code: 530393

Sub: Submission of Annual Report along with Notice of 31st Annual General Meeting.

Respected Sir/Ma'am,

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, please find enclosed herewith the Annual Report for the Financial Year 2022-23 along with the Notice of 31st Annual General Meeting which is to be held on **Friday, 29th September, 2023 at 09:30 A.M. (IST)** at the Registered Office of the Company at Unit No. 210/211/211A at 2nd Floor, Dalal Street Commercial Co-operative Society Ltd, Block No.53, Zone 5, Gift City, Gandhinagar, Gujarat-382355.

The Company has commenced the dispatch of the Annual Report for the Financial Year 2022-2023 along with the Notice of 31st Annual General Meeting on 04th September, 2023 through E-Mail at their registered Email address. Hard Copy of the Annual Report is to be provided to those shareholders who requests for the same.

The Notice of 31st Annual General Meeting along with the Annual Report for the Financial Year 2022-2023 is also available on the website of the Company at https://www.dbonline.in/Admin/Pdf/1231083428DB_ANNUAL%20REPORT%20FY%202022-23.pdf

Kindly consider the same in your records.

For DB (International) Stock Brokers Limited

Prachi Sharma
Company Secretary
Membership No.: A71389

Regd. Off.: Unit No. 210/211/211A at 2nd floor, Dalal Street Commercial Cooperative Society Ltd,
Block No.53, Zone 5, Gift City, Gandhinagar, Gujarat-382355

2023 ANNUAL REPORT



**DB (INTERNATIONAL) STOCK
BROKERS LIMITED**

**GLOBAL IN VISION
ROOTED IN INDIAN VALUES**

Corporate Information

BOARD OF DIRECTORS

Mr. Shiv Narayan Daga (DIN: 00072264)
Managing Director

Mr. Chandra Mohan Bahety (DIN: 01013741)
Independent Director

Mr. Milap Chand Bothra (DIN: 00269198)
Independent Director

Mr. Brajesh Sadani (DIN: 00072425)
Independent Director

Mr. Himanshu Malhotra (DIN: 06732164)
Additional Independent Director (*w.e.f 28th July, 2023*)

Mr. Sachin Kumar Rathi (DIN: 01013130)
Non-Executive Director

Mr. Harak Chand Sogani (DIN: 10236862)
Additional Independent Director (*w.e.f 28th July, 2023*)

Ms. Shikha Mundra (DIN: 06882693)
Executive Woman Director

Mr. Tarun Kansal (DIN: 00574554)
Additional Independent Director (*w.e.f 28th July, 2023*)

CHIEF FINANCIAL OFFICER

Mr. Sanjeev Kumar Rawal

COMPANY SECRETARY & COMPLIANCE OFFICER

CS Pragya Singh (*resigned with effect from 16th June, 2023*)

CS Prachi Sharma (*appointed with effect from 28th July, 2023*)

STATUTORY AUDITORS

M/s. Gupta Verma & Sethi (*resigned with effect from conclusion of business hours of 28th July, 2023*)
Chartered Accountants
New Delhi

M/s. ATK & Associates (*appointed with effect after conclusion of business hours of 28th July, 2023*)
Chartered Accountants
New Delhi

BANKERS

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

REGISTRAR

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

REGISTERED OFFICE

U.No210/211/211A, 2nd Floor, Dalal Street, Commercial Co-operative Society Ltd,
Block No 53, Zone5, Gift City Gandhinagar GJ 382355

CORPORATE OFFICE

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



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DB (INTERNATIONAL) STOCK BROKERS LIMITED

VISION

- DB (International) Stock Brokers Limited has a vision to be prominent name in the Global, rooted in Indian values and the group is driven by a performance ethic pegged on value creation for its multiple stakeholders. DB (International) Stock Brokers Limited is a well-diversified Financial Service provider in India offering services across the asset classes of equities (cash and derivatives), depository services and high net worth individuals and other retail clients. Deliver top tier financial performance creating superior value for all stakeholders.

MISSION

- DB (International) Stock Brokers Limited help others to fulfil their mission and is in the process to create an organization which should not only grow but cater to the growth of all connected entities including stakeholders, employees and esteemed clients. Our highly dedicated team does in depth analysis of industries and stocks for the benefit of our investors. Investor gain is our top priority. Our views are purely based of analysis and are independent, unbiased and balanced. We understand that every investor's needs and goals are different. Hence, we provide a comprehensive set of equity analysis so that our clients can make the right investment decisions regardless of their investing preferences. Deliver top-tier financial performance creating superior value for all stakeholders.

ASSETS

- DB (International) Stock Brokers Limited has major assets that includes Goodwill earned by performance as a leading player in the market scenario and our team of well-qualified and experienced professionals such as Ex-Bankers/CA/CS/MBA/Legal consultants, Marketing Executives etc., offering efficient execution backed by in-depth research, knowledge and expertise to customers across the country.

TECHNOLOGY

- DB (International) Stock Brokers Limited for Smart Investment and Trading needs of Retail Clients, HNI's, Corporate and Business Partners etc. We provide various Investment and Trading solutions. Our institutional expertise, combined with a thorough understanding of the financial markets results in appropriate investment solutions for the clients.
- Completely modernized & computerized operations connecting all branches with state of Techno Art Network Technology Internet based client-trading services in Equities and Derivatives Segment (NSE- Cash Market, NSE- Equity Derivative, NSE- Currency Derivative, NSE- Commodity Derivative, BSE-Cash Market, BSE-Currency Derivative, MCX-Commodity Derivative).

- Lease lines with multiple service providers. For Internet Trading there is an additional platform as per National Stock Exchange of India Limited, BSE Limited, Multi Commodity Exchange of India Limited and SEBI rules and Guidelines. Our professionals ensure to provide the best available services for Trading, Depository, Online Back Office etc.

NRI SERVICES

- DB (International) Stock Brokers Limited has an efficient and dedicated team which handles NRI clients. We provide assistance to Non - Resident Indians (NRIs)/Person of Indian Origin (PIOs) willing to register with us for opening PIS-NRO/NRE accounts and Non-PIS accounts.

FINANCIAL PERFORMANCE

- The Company achieved a turnover of Rs. 2930.47 Lakhs during the Financial Year 2022-23 as against Rs. 2928.11 Lakhs during the Financial Year 2021-22.
- The Company had earned profit of Rs. 637.50 Lakhs during the Financial Year 2022-23.

EMPLOYEE RELATIONS

- The Company holds its employees and follows the best in-class HR practices, reviews them periodically and strives to further improve upon that. As a result, the employee relations continue to be cordial and harmonious. The Company is having many staff working from more than 25 years. As in the past years, this year too, Company is happy to report that not a single man-hour was lost on account of any industrial disturbance in the year 2022-23.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVE

- DB (International) Stock Brokers Limited initiated Corporate Social Responsibility for the Financial Year 2022-23. As the Net Profit of the Company during the preceding fiscal year exceeded the prescribed threshold of Rs. 5 Crores and Company also incurred the expenditure of Rs. 11 Lakhs in accordance with Corporate Social Responsibility Policy and taking steps to Promoting education in Local Area of Uttar Pradesh.

GOOD GOVERNANCE

- Our Strong Governance Policies, robust Internal Control Systems and effective stakeholder communication differentiate us from our peers. We are respected in the Industry for our disclosure standards and have created benchmarks in systems and processes. We support empowering the youth to make informed investment decisions through a wide bouquet of digital content. We continue to strengthen our people capital through effective skill enhancement and engagement initiatives.

USHERING IN THE NEW AGE OF DIGITAL INVESTING

- The advent of digital brokers is rapidly making the brick-and-mortar branch-led model less relevant, with smartphones emerging as go-to devices for participating in the capital markets and opening up phenomenal growth opportunities for digital intermediaries.
- In addition, India's digital native millennial are now ushering in a rapid shift in the retail investment psyche. This is the fast emerging as the next growth engine for investment funds and the broader economy as they search for newer investment tools and platforms that are intuitive and offer access to diverse asset classes such as AIFs, Mutual funds, etc.
- Digital broking platforms, with their frictionless service offerings, flat fee structures and extremely intuitive interfaces, are helping the average individual become a smart investor. The journey for digital brokers has just begun, with a huge untapped market waiting to be harnessed.

LOOKING FORWARD WITH OPTIMISM

The Company's ability to think beyond tomorrow and explore uncharted territories helps it in introducing solutions that differentiates it from its peers and generate alpha. The Company continues to invest in cutting-edge technology that enables its clients to tailor their journeys to their investment style. Irrespective of a client's experience and expertise in the market, DB is making the benefits of data science available for all to shape their journeys and drive up its activation on a sustainable basis. With the imminent launch of the App, the Company is confident of taking to new heights, in the coming years. Finally, we take this opportunity to thank all our stakeholders for their invaluable contribution. It is because of their commitment that the company has been able to achieve various milestones. We also place on record our admiration for our employees for their excellent contribution and to the Board of Directors for their expertise and guidance.

We extend our heartfelt gratitude to each of the stakeholders, for their continued support. These are exciting times and we are confident that the Company will be able to create significant value for each of its stakeholders, going forward.

MESSAGE FROM MANAGING DIRECTOR



Dear Shareholders,

It is my privilege to address, on behalf of the Board of Directors of DB (International) Stock Brokers Limited, the 31st Annual Report for the Financial Year 2022-23 to our valued shareholders. I hope this letter finds you safe and in good health.

We are a digital broking services platform, enabling millions to achieve their wealth creation aspirations. We provide a comprehensive suite of financial products and solutions, powered by a DB Investor platform, at attractive & competitive pricing.

Though the Past couple of years have been severely impacted by pandemic and uncertainties around the world continued due to prevailing geopolitical scenario. The resulting inflationary pressure is expected to continue. However, we at DB are confident of continuing our growth journey driven by our resilient business model and focus on innovation. I am glad and proud to showcase our achievement during the year.

Despite the shifting market conditions, we have been in business since 1992 and are still going strong with a sign of blossoming our vision and efforts towards the mission of financial inclusion for people who are yet to access the power of capital markets in the country by reaching and expanding our presence across TIER-3, TIER-4 and TIER-5 Cities. I wish to assure all our stakeholders that DB will continue to create new benchmarks for itself and would continue to create meaningful impact in the financial independence journey of our clients across the cities and towns of the Country.

I thank all our stakeholders for supporting our vision of growth and having trust on us. We will continue to build on this support to further strengthen our relationships by outperforming expectations. I further take this opportunity to specially thank all our team members and employees who are working with us from more than 25 years for their continued support & hard work even in the turbulent times of pandemic, this evolution was not possible without their dedication.

With best wishes,
Thanking You,

Sd/-

Shiv Narayan Daga
(Managing Director)

MESSAGE FROM CHIEF FINANCIAL OFFICER

Dear Shareholders,

Our performance during the year is the result of our consistent work towards vision of sustainable and energetic growth. Our business model has been tested and proven during the challenging years and we remain committed to make DB, the leading Financial Services Company in the Country driven by innovation, technology and serving the masses. Going forward, our top agenda remains to enhance quality of service and serve the markets around India majorly lying in TIER-3, TIER-4 and TIER-5 Cities, which we believe will drive the next round of economic growth of the country. This will enable us to further improve our positioning in FY 2023-24.

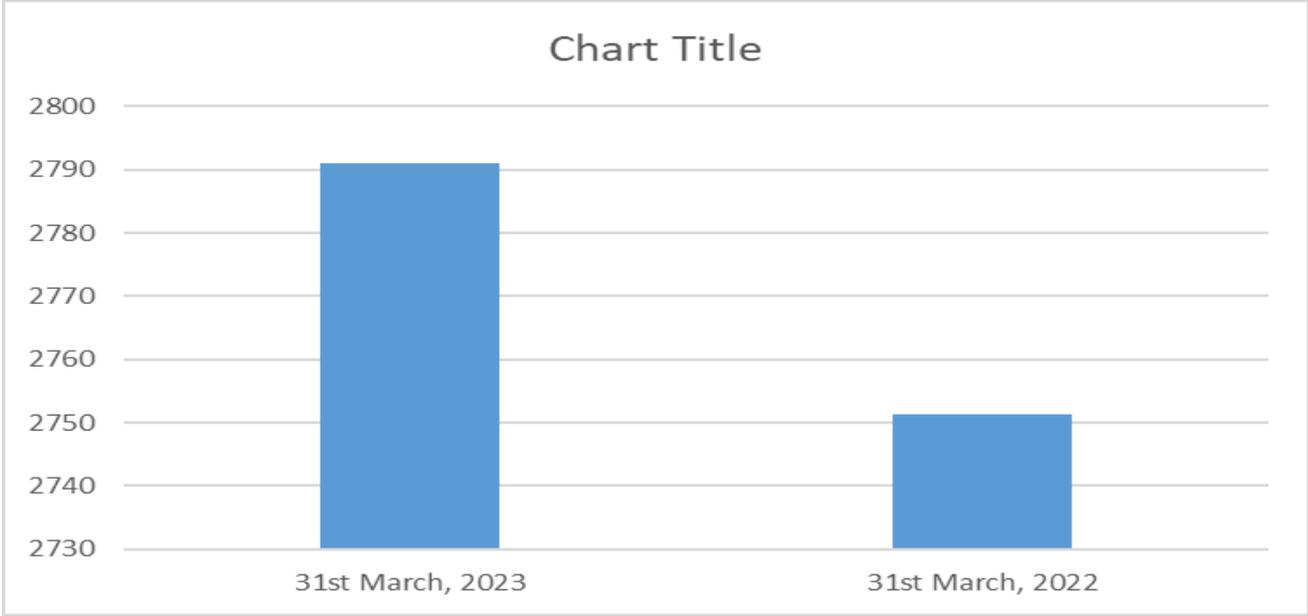
- Stock gave a 3 year return of 225% as compared to Nifty Small cap 100 which gave a return of 150.22%. *(Data based on March 2020 to March 2023).*
- Company has spent 3.82% of its operating revenues towards interest expenses and 13.53% towards employee cost in the year ending 31st March, 2023.

Due to multiple challenges across the world the economies have been affected but we remain confident on our Business future potential and core ability to grow on back of expanded services and demographics. Our focus on execution of our strategy is supported by improving microeconomic indicators and market sentiments as well as becoming a responsible one stop solution provider to our customers looking to have sustainable dependable financial solution provider. This is helping us to gain market share. We are confident towards DB's ability to develop and grow continuously across all business segments and deliver quality and value across services.

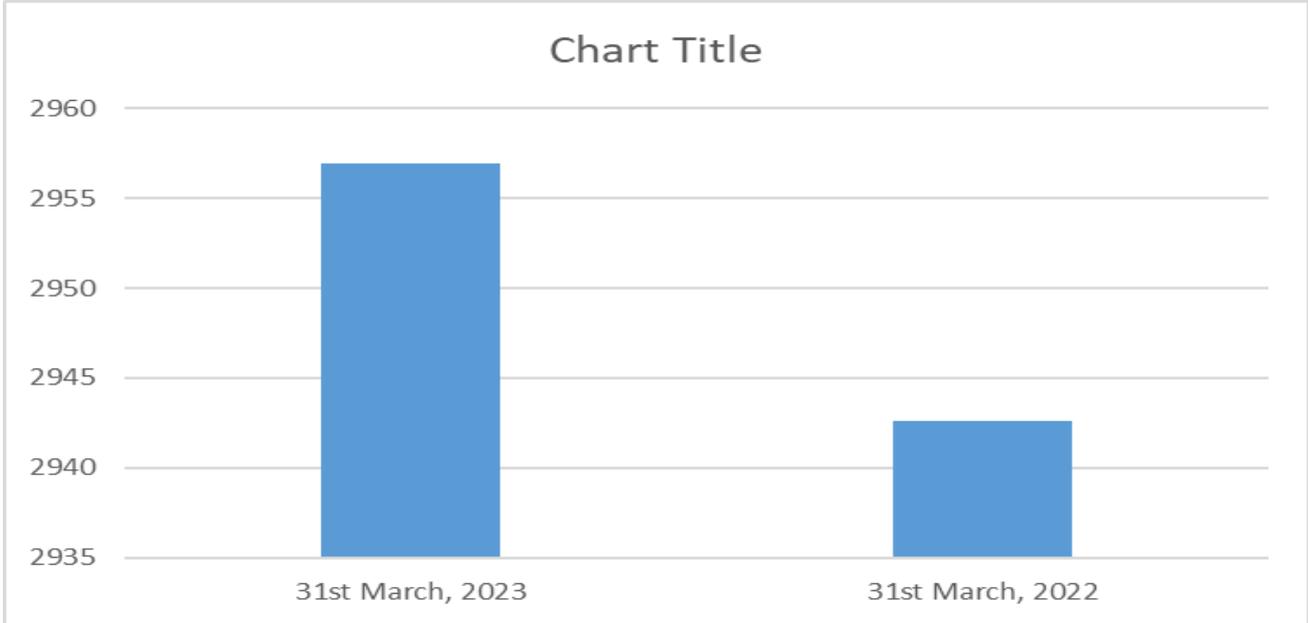
With best wishes,
Thanking You,

Sd/-

CA Sanjeev Kumar Rawal
(Chief Financial Officer)



Gross Revenue (Standalone)



Gross Revenue (Consolidated)

DIRECTORS' PROFILE



**MR. SHIV
NARAYAN
DAGA**

**(MANAGING
DIRECTOR)**

Mr. Shiv Narayan Daga, Managing Director is the Promoter and founder of M/s. DB (International) Stock Brokers Limited. He holds par experience in the field of Stock Broking. Also, he has a great understanding and in-depth knowledge of Financial Market and Commodities arena.

The Company was incorporated in 1992 and since then, it has achieved consistent growth over the years. His dynamic approach towards Broking and Financing business, sharp communication skills, penchant towards technology and leadership qualities have always helped the Company to grow and maintain credibility in the market.

In a career spanning over more than four decades, he has an excellent understanding of the various Macro & Micro factors driving the economy and financial markets. Mr. Daga's area of expertise includes Retail and Wholesale lending, Capital Markets, Commodity and Currency Markets, Wealth Management, Asset Management, Remittance, Forex and distribution of financial products. Mr. Daga is a visionary who is always on the look-out for emerging trends and new opportunities to unfold; a trait which he tries to inculcate amongst those who work and interact with him.

Under his guidance, the Company is poised to adopt latest technology and grow multifold in the near future.



**MR. BRAJESH
SADANI**

**(INDEPENDENT
DIRECTOR)**

Mr. Brijesh Sadani is holding the post of Non-Executive Independent Director in the Company. He plays a vital role in improving corporate credibility and ensures good governance. He has the ability to focus on the material issues. He provides an excellent input for organization to find viable solutions.

He is a Commerce Graduate and during his career, he has held various positions. Mr. Sadani has significant experience in managing core technology functions, deploying and rolling out programs, Vendor Management, Technology Outsourcing, Multi-location Team Management and Process Consulting. He also has a sound understanding of newer programs in the field of improving Corporate credibility and ensures good governance.



**MS. SHIKHA
MUNDRA**

**(NON-
INDEPENDENT
EXECUTIVE
WOMEN
DIRECTOR)**

Ms. Shikha Mundra has been the director for the past 9 years. She is having a perfect blend of analytical abilities, knowledge and experience. The capability to manage the business as well as deal confidently with all the stakeholders leading to contribution towards the success of the Company. She plays the key role in the Company's Business through keeping tab on crucial matters

Ms. Shikha Mundra is graduated in Management of Business Administration (MBA) and Post Graduated in Commerce. She has rich experience in Marketing. She is not-for-profit think tank and fact tank. Ms. Mundra significantly improved business performance through inspiring vision and strategy and intentionally building an aligned culture for high performance. She possesses expertise in strategic planning, logistics and operations and business development.



**MR. CHANDRA
MOHAN
BAHETY**

**(INDEPENDENT
DIRECTOR)**

Mr. Chandra Mohan Bahety is an Independent Non-Executive Director of the Company and a Fellow Member of the Institute of Chartered Accountants of India, having exceptional communication skills and thorough understanding of business. His qualification and experience contributed in the success of the Company in this dynamic environment. He seeks out methods and practice to minimize financial risk of the Company.

He holds expertise in Financial Services and Management Consulting. He is having strong ability to solve complex Company's problems using excellent judgment and decision making skills, he is known in the industry for fostered change in Company culture to be more open, transparent, and accountable.



**MR. MILAP
CHAND
BOTHRA**

**(INDEPENDENT
DIRECTOR)**

Mr. Milap Chand Bothra is holding the post of Independent Non-Executive Director in the Company since 22nd day of July, 2016 and strives to contribute more to the organizational performance & success. He plays a vital role in improving corporate credibility and ensures good governance.

He as a dedicated and experienced member of our Board of Directors brings a wealth of expertise, leadership, and vision to our Organization. With a remarkable track record of success and has consistently demonstrated a commitment to driving innovation, fostering growth, and ensuring sound governance practices. Their contributions have played a pivotal role in shaping our Company's strategic direction and achieving significant milestones. He possesses a keen ability to envision long-term strategies that align with market demands and organizational goals, driving our Company's growth and competitive advantage.



**MR. SACHIN
KUMAR RATHI**

**(NON-
INDEPENDENT
NON-
EXECUTIVE
DIRECTOR)**

Mr. Sachin Kumar Rathi is Non- Executive Director of the Company has been providing his quality services for the past 19 years. He works with responsibility for the whole Company and finds better ways to improve the quality of working of the Company.

He brings a wealth of stock broking experience and a distinguished track record to our board as a Non-Independent Director. With a tenure spanning of 16 years, he has consistently demonstrated deep insights and invaluable contributions in stock market, enhancing the strategic direction and decision-making of the Company. He has consistently showcased a strong understanding of market dynamics, industry trends, and regulatory landscapes, which has translated into the Company's enhanced resilience and growth. As a Non-Independent Director, Mr. Rathi actively engages with the Board in shaping Corporate Strategy, Risk Management, and Corporate Governance. His thoughtful insights and strategic recommendations have played a pivotal role in shaping effective governance practices and driving prudent decision-making within the Organization.



**MR. HARAK
CHAND
SOGANI**

**(ADDITIONAL
INDEPENDENT
DIRECTOR)**

Mr. Harak Chand Sogani is a Fellow Member of the Institute of Chartered Accountants of India. He holds expertise in Corporate Finance, Risk Management & Taxation and holds experience of working with Companies like Kanoria Chemicals & Industries Ltd, Modi Alkalies & Chemicals, Dalmia Industries Ltd, and Indian Dairy Entrepreneurs & Agriculture Ltd.

He has experience of more than four decades. He was Vice President (Commercial) in Kanoria Chemicals & Industries Ltd., Renukoot & as well as Modi Alkalies & Chemicals Ltd., Alwar and Responsible for all financial & commercial Activities at Plant such as Accounts, Finance, Costing, Purchase, Stores, Logistics, Taxation, MIS, Finalization of Contracts, Insurance, Statutory and Internal Audit.

Since 2003, he is Partner of the HC Sogani & Co., a Chartered Accountant firm specializing in Management and Internal Audits, handling audit of Companies across a wide spectrum of Industries.



**MR.
HIMANSHU
MALHOTRA**

**(ADDITIONAL
INDEPENDENT
DIRECTOR)**

Mr. Himanshu Malhotra is a Fellow member of the Institute of Chartered Accountants of India. Further to add his wings he also holds a Company Secretary Degree from Institute of Company Secretary of India.

He has an extensive experience in luxury retail and service Industry with 14 years of post-qualification experience in the domain of Business Management role, Financial Planning & Analysis, Accounting, Direct Taxation, Transfer Pricing, Business Controlling, Budgeting and Forecasting, Treasury and Working Capital Management, Business Analytics and Partnership, People Management.

He was Senior Manager Finance in Gap International Sourcing India Private Limited as well as Director in the Gap International Sourcing India Pvt. Ltd, Callaway Golf India Private Limited & Merlin Entertainments India Private Limited. Presently, he is working as Head of Finance in Lucas Film Visual Effects (India) Pvt Ltd, an Industry, Movie Making (VFX) since 2023.



**MR. TARUN
KANSAL**

**(ADDITIONAL
INDEPENDENT
DIRECTOR)**

Mr. Tarun Kansal is a Fellow member of the Institute of Chartered Accountants of India and also graduated in Commerce from Meerut University. He is well equipped with extensive experience of service industry with 37 years of post-qualification experience in the domain of Financial Planning & Analysis, Accounting, Direct Taxation, Accounts and finance, Costing, Purchase, Stores, Logistics, Taxation, MIS, Finalization of Contracts, Insurance, Statutory and Internal Audit.

He was the Proprietor of Mr. Kansal & Company, since 1985, a Chartered Accountant firm specializing in Management and Internal Audits, handling audit of companies across a wide spectrum of industries.

Since 2010, he is the Partner of M/s. SVP & Associates, a Chartered Accountant firm specializing in Management and Internal Audits, handling audit of companies across a wide spectrum of industries.

DB (INTERNATIONAL) STOCK BROKERS LIMITED

Regd. Office: U.No210/211/211A, 2nd Floor, Dalal Street Commercial Co-operative Society Ltd, Block No. 53, Zone5, Gift City Gandhinagar GJ 382355

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

CIN: L67120GJ1992PLC121278

Website: www.dbonline.in

Email Id: compliance@dbonline.in

Tel No: 011-43606162

NOTICE OF 31ST ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirty First (31st) Annual General Meeting ("AGM") of **DB (International) Stock Brokers Limited** will be held on **Friday, 29th September, 2023 at 09:30 A.M. IST** at the Registered Office of the Company situated at Unit No. 210/211/211A at 2nd Floor, Dalal Street, Commercial Co-operative Society Ltd., Block No.53, Zone 5, Gift City, Gandhinagar, Gujarat-382355 to transact the following business:

ORDINARY BUSINESS:

Item 1. To receive, consider and adopt the Audited Financial Statements (including the Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2023 and the Reports of the Board of Directors and Statutory Auditors thereon and in this regard, pass the following resolution as an "*Ordinary Resolution*":

"**RESOLVED THAT** the Audited Financial Statements (including the Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2023 and the Reports of the Board of Directors and Statutory Auditors thereon laid before this meeting, be and are hereby received, considered and adopted."

Item 2. To appoint a Director in place of Ms. Shikha Mundra (*DIN: 06882693*), who retires by rotation and being eligible offers herself for re-appointment and in this regard, pass the following resolution as an "*Ordinary Resolution*":

"**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 and relevant rules framed thereunder, including any modification(s) thereto or re-enactment(s) thereof, for the time being in force, Ms. Shikha Mundra (*DIN: 06882693*), who retires by rotation at this meeting and being eligible offers herself for re-appointment, be and is hereby re-appointed as a Executive Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

Item 3. To appoint Statutory Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of 36th Annual General Meeting and to fix their remuneration.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an "*Ordinary Resolution*":

"**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if

any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, made there under along with SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended from time to time including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force and pursuant to the recommendation of the Audit Committee and the proposal as approved by the Board of Directors in their Board Meeting held on 28th July, 2023, consent of members be and is hereby accorded for appointment of M/s ATK & Associates, Chartered Accountants (FRN: 018918C), as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Gupta Verma & Sethi, Chartered Accountants (FRN: 02605N) as they have tendered their resignation due to their pre-occupation w.e.f conclusion of the business hours of 28th July, 2023, to hold office from the conclusion of this AGM till the conclusion of the 36th Annual General Meeting and the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the auditor, and that such remuneration may be paid on progressive billing basis to be agreed upon between the Auditors and the Board of Directors;

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

Item 4. To approve Appointment of Mr. Himanshu Malhotra (DIN: 06732164) as Non-Executive Independent Director of the Company for a term of 5 consecutive years and in this regard,

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a "Special Resolution":

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 (1C), Regulations 25(2A) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and Articles of Association of the Company and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, approval of members be and is hereby accorded to appoint Mr. Himanshu Malhotra (DIN: 06732164), who holds office of Additional Director in the capacity of Non-Executive Independent Director of the Company up to this AGM and who has submitted a declaration that he meets the criteria of Independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a member under the provisions of section 160 of the Act proposing his candidature for the office of Director, as an Independent Director of the Company, for a term of five consecutive years effective from 28th July, 2023 and who shall not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

Item 5. To approve Appointment of Mr. Harak Chand Sogani (DIN: 10236862) as Non-Executive Independent Director of the Company for a term of 5 consecutive years and in this regard,

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a "Special Resolution":

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 (1C), Regulations 25(2A) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and Articles of Association of the Company and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, approval of members be and is hereby accorded to appoint Mr. Harak Chand Sogani (DIN: 10236862), who holds office of Additional Director in the capacity of Non-Executive Independent Director of the Company up to this AGM and who has submitted a declaration that he meets the criteria of Independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a member under the provisions of section 160 of the Act proposing his candidature for the office of Director, as an Independent Director of the Company, for a term of five consecutive years effective from 28th July, 2023 and who shall not liable to retire by rotation and who will attain the age of 75 years on 03rd July, 2024, is hereby allowed to continue to function as Independent Director of the Company for the remaining term on same continuing terms and conditions after attaining age of 75 years, and shall not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

Item 6. To approve Appointment of Mr. Tarun Kansal (DIN: 00574554) as Non-Executive Independent Director of the Company for a term of 5 consecutive years and in this regard,

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a "Special Resolution":

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 (1C), Regulations 25(2A) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and Articles of Association of the Company and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, approval of members be and is hereby accorded to appoint Mr. Tarun Kansal (DIN: 00574554), who holds office of Additional Director in the capacity of Non-Executive Independent Director of the Company up to this AGM and who has submitted a declaration that he meets the criteria of Independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a member under the provisions of section 160 of the Act proposing his candidature for the office of Director, as an Independent Director of the

Company, for a term of five consecutive years effective from 28th July, 2023 and who shall not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and/or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

Item 7. To Continue the Appointment of Mr. Shiv Narayan Daga (DIN: 00072264) as Managing Director, upon attaining the age of 70 years and in this regard,

*To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:*

“**RESOLVED THAT** pursuant to the provisions of section 196, 197, 198, 203, Schedule V and all other applicable provisions, if any of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force) as recommended by Nomination and Remuneration Committee and approved by the Board, approval of members be and is hereby accorded that Mr. Shiv Narayan Daga, (DIN: 00072264), who was re-appointed as a Whole Time Director, designated as Managing Director, for a period of 5 (five) years with effect from September 5, 2020 and who will attain the age of 70 years on January 10, 2024, is hereby allowed to continue and function as Managing Director of the Company for the remaining term on same continuing terms and conditions after attaining age of 70 years.

RESOLVED FURTHER THAT where in any Financial Year during the tenure of the said Managing Director, the Company has no profits or its profit are inadequate, the remuneration as may be approved by the Board of Directors of the Company from time to time shall be paid as minimum remuneration;

RESOLVED FURTHER THAT the Board of Directors (including its Nomination and Remuneration Committee thereof) be and is hereby authorized to modify the terms and conditions of appointment / remuneration or the scale or any other perquisites payable within the limit permitted as they may deem fit and proper from time to time;

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorized to sign and execute agreement / amendment and other necessary papers as regards to the amendment of the Service / Employment Agreement of Mr. Shiv Narayan Daga (DIN: 00072264), Managing Director of the Company and to do all such acts, deeds, matters and things including but not limited to filing of requisite application/forms/reports etc. with the Ministry of Corporate Affairs or with such other Statutory Authorities as may be required to give effect to the said resolution.”

Item 8. To approve Revision of the Remuneration payable to Mr. Shiv Narayan Daga (DIN: 00072264), Managing Director of the Company and in this regard,

*To consider, and if thought fit, to pass with or without modifications, the following resolution, as a “**Special Resolution**”.*

“**RESOLVED THAT** in partial modification of the Special Resolution passed by the Members at the 28th Annual General Meeting held on September 14, 2020 and pursuant to the provisions of Sections

196, 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the recommendation of the Nomination & Remuneration Committee, and the Board of Directors, subject to such necessary approval(s), consent(s) or permission(s), as may be required, approval of the members be and is hereby accorded to revise the remuneration payable to Mr. Shiv Narayan Daga (DIN: 00072264) as Managing Director of the company on the terms and conditions as hereinafter mentioned effective from the date of passing of this resolution and valid for the remaining tenure;

RESOLVED FURTHER THAT the remuneration payable to Mr. Shiv Narayan Daga, Managing Director of the company with effect from the date of passing of this resolution shall be as under:

Revised remuneration of ₹ 60,00,000/- (Rupees Sixty Lakhs Only) per annum which includes performance-based pay, and excludes allowances, and perquisites as may be drawn, with the authority to the Board of Directors to fix the salary within the said maximum limit from time to time including the various components of such salary.

The details of the revised remuneration are as follows:

1. Remuneration per annum: Upto ₹ 60,00,000/-
2. Perquisites and allowances:

Medical Reimbursement/ Allowance: Reimbursement of actual expenses for self and family and / or allowance will be paid as decided by the Board of Directors from time to time.

Company Car and Telephone: Use of the Company's car, chauffeur and telephone at the residence for official purposes, as per the rules of the Company.

RESOLVED FURTHER THAT the above remuneration shall be subject to modification(s), as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time;

RESOLVED FURTHER THAT in the event of loss or the profits made are inadequate as determined under Section 198 of the Act, in any Financial Year during the currency of the tenure of Mr. Shiv Narayan Daga, the Board of Directors be and is hereby authorized to pay aforesaid remuneration, but only upon the approval of shareholders in the manner as may be prescribed.

RESOLVED FURTHER THAT except for the aforesaid revision in salary, all other terms and conditions of his appointment as Managing Director of the Company, as approved by the resolution passed at the 28th Annual General Meeting of the Company held on September 14, 2020 shall remain unchanged;

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

Item 9. To Change the terms of appointment of Ms. Shikha Mundra (DIN: 06882693), Director of the Company along with revision in the remuneration payable and in this regard,

To consider, and if thought fit, to pass the following resolution, with or without modification, as a "Special Resolution"

"RESOLVED THAT pursuant to the provisions of the Section 149, 152, and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the recommendation of the Nomination & Remuneration Committee, and the Board of Directors, subject to such necessary approval(s), consent(s) or permission(s), as may be required, approval of the members be and is hereby accorded for re-designating Ms. Shikha Mundra (DIN: 06882693), from Non-Executive Women Director to Executive Women Director with effect from August 24, 2023.

RESOLVED FURTHER THAT in supersession of the resolution passed by the Members at the 24th Annual General Meeting held on 28th September 2016 and pursuant to the provisions of Sections 149, 197, 198 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the recommendation of the Nomination & Remuneration Committee, and the Board of Directors, subject to such necessary approval(s), consent(s) or permission(s), as may be required, approval of the members be and is hereby accorded to revise the remuneration payable to Ms. Shikha Mundra (DIN: 06882693) as Executive Women Director of the Company on the terms and conditions as hereinafter mentioned effective from the date of passing of this resolution and valid for the remaining tenure;

RESOLVED FURTHER THAT the remuneration payable to Ms. Shikha Mundra (DIN: 06882693), Executive Women Director of the company with effect from the date of passing of this resolution shall be as under:

Revised remuneration of ₹ 54,00,000/- (Rupees Fifty Four Lakhs Only) per annum which includes performance-based pay, and excludes allowances, and perquisites as may be drawn, with the authority to the Board of Directors to fix the salary within the said maximum limit from time to time including the various components of such salary.

The details of the revised remuneration are as follows:

1. Remuneration per annum: Upto ₹ 54,00,000/-
2. Perquisites and allowances:

Medical Reimbursement/ Allowance: Reimbursement of actual expenses for self and family and / or allowance will be paid as decided by the Board of Directors from time to time.

Company Car and Telephone: Use of the Company's car, chauffeur and telephone at the residence for official purposes, as per the rules of the Company.

RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the

Government from time to time.

RESOLVED FURTHER THAT in the event of loss or the profits made are inadequate as determined under Section 198 of the Act, in any Financial Year during the tenure of Ms. Shikha Mundra (DIN: 06882693), the Board of Directors be and is hereby authorized to pay aforesaid remuneration, but only upon the approval of shareholders in the manner as may be prescribed;

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

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

Sd/-
Shiv Narayan Daga
Managing Director
DIN: 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN: 01013130

Registered Office:

U.No. 210/211/211A, 2nd floor,
Dalal Street Commercial
Co-operative Society Ltd, Block No 53, Zone 5,
Gift City Gandhinagar -382355.

CIN: L67120GJ1992PLC121278

E-mail: compliance@dbonline.in , investors@dbonline.in

Website: www.dbonline.in

Tel: 011-43606162

Place: Noida

Date: 24th August, 2023

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING. A BLANK PROXY FORM FOR THE AGM IS ENCLOSED.

'Pursuant to the provisions of Section 105 of the Companies Act, 2013 , a person can act as a proxy on behalf of the members not exceeding fifty (50) and holding in the aggregate not more than ten per cent (10%) of the total share capital of the company carrying voting rights. A member holding more than ten per cent (10%) of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies submitted on behalf of limited companies, societies, etc. must be supported by an appropriate resolution/ authorization, as applicable. The holder of proxy shall prove his identity at the time of attending the meeting.

2. Corporate members intending to appoint their Authorized Representative (s) to attend the Meeting are requested to provide to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of their authorized representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.
3. During the period beginning from 24 hours before the time fixed for the commencement of the meeting and till the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
4. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force and the business set out in the Notice will be transacted through such voting. Information and instructions including details of user id and password relating to e-voting are provided in the Notice.
5. In terms of Section 152 of the Act, Ms. Shikha Mundra (DIN: 06882693) Director, who retires by rotation at the Meeting and being eligible, offers herself for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend her respective re-appointments.
6. Members/Proxies/ Authorized Representatives are requested to bring at the Meeting necessary details of their shareholding, attendance slip(s), enclosed herewith duly completed and signed and copy(ies) of their Annual Report.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
8. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding maintained under Section 170 of the Companies Act, 2013, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

9. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 23rd September, 2023 to Friday, 29th September, 2023 (both days inclusive).
10. The Company's Registrar and Share Transfer Agents, Abhipra Capital Limited A-387, Dilkhush Industrial Area, G.T. Karnal Road, Azadpur, Delhi-110033, Email: rta@abhipra.com
11. Members are requested to notify any change in their address, bank details/ ECS (Electronic Clearing Services) immediately at the Corporate Office of the Company/ Registrar Transfer Agent (RTA)/ Depository Participant (DP). With a view to use resources responsibly, we request shareholders to update their email address with their Depository Participants to enable the Company to send communications electronically.
12. Electronic copy of the notice convening the Thirty First (31st) Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent in the permitted mode. The Annual Report 2022-23, the Notice of the 31st AGM and instructions for E-voting, along with the Attendance slip and Proxy form, are being sent by electronic mode to all members whose email addresses are registered with the Company/ Depository Participant(s), unless a member has requested for a physical copy of the documents. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
13. Members may also note that the Notice of the 31st Annual General Meeting and the Annual Report 2022-23 will be available on the Company's website at <https://www.dbonline.in/AboutUs>, websites of the stock exchanges, i.e. BSE and NSE, at www.bseindia.com and www.nseindia.com respectively. The physical copies of the documents will also be available at the Company's Corporate Office at 114, New Delhi House, 27, Barakhamba Road, New Delhi-110001 for inspection during normal business hours on all working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: investors@dbonline.in.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) KYC details and nomination by holders of physical securities by October 1, 2023, and linking PAN with Aadhaar by June 30, 2023 vide its circular dated March 16, 2023. Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agents, M/s. Abhipra Capital Limited, A-387, Dilkhush Industrial Area, G.T. Karnal Road, Azadpur, Delhi-110033, Email: rta@abhipra.com.

Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). In case a holder of physical securities fails to furnish PAN and KYC details before October 1, 2023 or link their PAN with Aadhaar before June 30, 2023, in accordance with the SEBI circular dated March 16, 2023, RTA is obligated to freeze such folios. The securities in the frozen folios shall lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the RTA / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.
15. As per Section 72 of the Act, the facility for submitting nomination is available for members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form SH-13. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, in case the shares are held in physical form.

16. M/s Surya Gupta & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting and remote E-Voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
17. The facility for voting, either through ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting or by ballot form shall be able to exercise their right at the meeting.
18. A member who has not received the Ballot Form may request the Company for a duplicate form. The Ballot Form/duplicate Ballot Form duly completed in all respects, enclosed in self-addressed, postage pre-paid envelop should reach the Scrutinizer before 05:00 P.M on Thursday, 28th September, 2023. The Ballot received after the said date will be treated as not having been received.
19. Route map & landmark of venue of AGM is enclosed with Notice.

20. Voting through Electronic Means

- I. In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, and in terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, the Company provides to its members, the facility to exercise their right to vote on resolutions proposed to be considered at the 31st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote E-Voting") will be provided by Central Depository Services Limited (CDSL).
- II. **The instructions for shareholders voting electronically are as under:**
- I. The voting period begins on 26th September, 2023 (9:00 A.M.) and ends on 28th September, 2023 (5:00 P.M.). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (22nd September, 2023) or Record Date, may cast their vote electronically. The E-Voting module shall be disabled by CDSL for voting thereafter.
 - II. Members who have cast their votes by remote E-Voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again at the meeting venue.
 - III. The shareholders should log on to the e-voting website: www.evotingindia.com
 - IV. Click on Shareholders/Member.
 - V. Now enter your user ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 digits client ID,
 - c. Members holding shares in physical form should enter folio number registered with the Company.
 - VI. Enter the image verification as displayed and click on login.
 - VII. If you are holding shares in Demat form and had logged on to www.evotingindia.com and

voted on an earlier voting of any company, then your existing password is to be used.

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

| | For members holding shares in Demat form and physical form |
|--|--|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax department (applicable for both Demat Shareholders as well as physical shareholders)</p> <p>⌘ Members who have not updated their PAN with the Company/ Depository participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. Sequence number is printed on attendance slip.</p> <p>⌘ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Example- If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p> |
| Dividend Bank Details or Date of Birth (DOB) | <p>Enter the dividend bank details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat Account or in the company records in order to login.</p> <p>If both the details are not recorded with the Depository or Company, please enter the Member Id/folio number in the dividend bank details field as mentioned in instruction (v).</p> |

- viii. After entering these details appropriately, click on 'SUBMIT' tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for E-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For members holding shares in physical form, the details can be used only for E-Voting on the resolutions contained in this notice.
- xi. Click on the "EVSN" of DB (International) Stock Brokers Limited on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option "YES" or "NO" as desired. The option "YES" implies that you assent to the Resolution and option "NO" implies that you dissent to the Resolution.

- xiii. Click on the “RESOLUTION FILE LINK” if you wish to view the entire resolution details.
- xiv. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the voting done by you by clicking on “Click here to print” option on the voting page.
- xvii. If a demat account holder has forgotten the changed login password then enter the user ID and the image verification code and click on “Forgot Password” & enter the details as prompted by the system.
- xviii. Shareholders can also cast their vote using CDSL’s mobile app “M-Voting” available for android based mobiles. The M-Voting app can be downloaded from Google Play Store.
- Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. Note for Non-individual Shareholders and Custodians.
- ⌘ Non-individual shareholders (i.e. other than Individuals, HUF,NRI etc.) and custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - ⌘ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - ⌘ After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
 - ⌘ The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ⌘ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the Cut-off date i.e. 22nd September, 2023 may follow the same instructions as mentioned above for e-voting.
- xxi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

21. Members who do not have access to remote e-voting facility may send duly completed Ballot for annexed herewith to, Mr. Suryakant Gupta, Proprietor of M/s Surya Gupta & Associates, Practicing Company Secretaries, (Membership No. F9250, COP No.10828), at the Registered office of the Company not later than 28th September, 2023 (5:00 P.M. IST). Any person who becomes a member of the Company after the dispatch of the notice of the Meeting and holding shares as on the cut-off date i.e. 22nd September, 2023 have the option to request for physical copy of the ballot

form by sending an email to investors@dbonline.in by mentioning their Folio No./DPID and Client ID No. Ballot form received after Thursday, 28th September, 2023 (5:00 P.M. IST) will be treated as invalid. A member can opt for only one mode of voting i.e. either through remote E-Voting or by ballot. If member casts vote by both modes, then voting done through remote E-Voting shall prevail and the ballot form shall be treated as Invalid.

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

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

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

25.For any investor related queries, communication may be sent to us by email to investors@dbonline.in.

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

DETAILS OF DIRECTOR(S) SEEKING RE-APPOINTMENT FURNISHED PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND IN TERMS OF SECRETARIAL STANDARDS-2

Item No. 2 and 9:

Details of Director seeking re-appointment at the forthcoming 31st AGM.

| | |
|--|--|
| Name of Director | Ms. Shikha Mundra |
| DIN | 06882693 |
| Brief Resume and nature of her expertise in specific functional areas | Ms. Shikha Mundra is the Executive Women Director of the Company having a perfect blend of analytical abilities, knowledge and experience. |
| Date of Birth | November 20, 1985 |
| Qualifications | Post- Graduate |
| Appointment/Re-appointment | Re-appointment |
| Terms & Conditions of Appointment | Ms. Shikha Mundra, retires by rotation and being eligible as confirmed by her, offers herself for re-appointment. Board of Directors re-designate them from Non-Executive Women Director to Executive Women Director with effect from August 24, 2023, subject to the approval of shareholders. |
| Details of Remuneration and remuneration last drawn | Proposed remuneration- ₹ 54,00,000 per annum ₹ 21,00,000 per annum during FY 2022-23 |
| Date of first appointment in the Board | May 30, 2014 |
| Shareholding in the Company | 8,14,402 Equity Shares of the Company |
| Relationship with other Directors, Manager and other Key Managerial Personnel | Daughter of Mr. Shiv Narayan Daga, Managing Director of the Company |
| Number of Meetings of the Board attended during the year | 6 out of 6 Board Meetings attended |
| Details of other directorships in other Companies | NIL |
| Details of Membership/Chairmanship of Companies of the Board in other Companies | NIL |

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

Sd/-
Shiv Narayan Daga
Managing Director
DIN: 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN: 01013130

Place: Noida
Date: 24th August, 2023

NOTES ON DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AS REQUIRED UNDER REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND IN TERMS OF SECRETARIAL STANDARDS-2:

Item No. 5, 6 and 7:

| | | | |
|--|--|---|--|
| Name of Director | Mr. Himanshu Malhotra | Mr. Harak Chand Sogani | Mr. Tarun Kansal |
| DIN | 06732164 | 10236862 | 00574554 |
| Brief Resume and nature of his expertise in specific functional areas | He was appointed as an Additional Director in the capacity of Non-Executive and Independent Director on the Board of the Company w.e.f 28 th July, 2023. | He was appointed as an Additional Director in the capacity of Non-Executive and Independent Director on the Board of the Company w.e.f 28 th July, 2023. | He was appointed as an Additional Director in the capacity of Non-Executive and Independent Director on the Board of the Company w.e.f 28 th July, 2023. |
| Date of Birth | 05/09/1983 | 03/07/1949 | 31/05/1964 |
| Qualifications | Chartered Accountant and Company Secretary | Chartered Accountant | Chartered Accountant |
| Appointment/Re-appointment | Appointment | Appointment | Appointment |
| Terms & Conditions of Appointment | <p>In terms of Section 161 (1) of the Act, Mr. Himanshu Malhotra holds office only upto the date of the forthcoming AGM but is eligible for appointment as a Director.</p> <p>A notice under section 160(1) of the Companies Act, 2013, has been received from a member signifying its intention to propose the appointment of Mr. Himanshu Malhotra as a Director of the Company, subject to approval of the members in the ensuing Annual General Meeting. His</p> | <p>In terms of Section 161 (1) of the Act, Mr. Harak Chand Sogani holds office only upto the date of the forthcoming AGM but is eligible for appointment as a Director.</p> <p>A notice under section 160(1) of the Companies Act, 2013, has been received from a member signifying its intention to propose the appointment of Mr. Harak Chand Sogani as a Director of the Company and who will attain the age of 75 years on July 4, 2024, subject to approval of the</p> | <p>In terms of Section 161 (1) of the Act, Mr. Tarun Kansal holds office only upto the date of the forthcoming AGM but is eligible for appointment as a Director.</p> <p>A notice under section 160(1) of the Companies Act, 2013, has been received from a member signifying its intention to propose the appointment of Mr. Tarun Kansal as a Director of the Company, subject to approval of the members in the ensuing Annual General Meeting. His</p> |

| | | | |
|--|---|--|---|
| | <p>office shall not be liable to retire by rotation.</p> <p>The above Director has given declaration to the Board that he meets the criteria of Independent Director as per the provisions under section 149(6) of the Companies Act, 2013.</p> | <p>members as Special resolution in the ensuing Annual General Meeting. His office shall not be liable to retire by rotation.</p> <p>The above Director has given declaration to the Board that he meets the criteria of Independent Director as per the provisions under section 149(6) of the Companies Act, 2013.</p> | <p>office shall not be liable to retire by rotation.</p> <p>The above Director has given declaration to the Board that he meets the criteria of Independent Director as per the provisions under section 149(6) of the Companies Act, 2013.</p> |
| Details of Remuneration and remuneration last drawn | NIL | NIL | NIL |
| Date of first appointment in the Board | 28 th July, 2023 | 28 th July, 2023 | 28 th July, 2023 |
| Shareholding in the Company | NIL | NIL | NIL |
| Relationship with other Directors, Manager and other Key Managerial Personnel | No relationship with other Directors, Manager and KMP | No relationship with other Directors, Manager and KMP | No relationship with other Directors, Manager and KMP |
| Number of Meetings of the Board attended during the Financial Year | He was appointed on the Board of the Company as Additional Director w.e.f. 28 th July, 2023. In FY 2022-23, he did not attend any meetings, as his appointment was effective from 28 th July, 2023. | He was appointed on the Board of the Company as Additional Director w.e.f. 28 th July, 2023. In FY 2022-23, he did not attend any meetings, as his appointment was effective from 28 th July, 2023. | He was appointed on the Board of the Company as Additional Director w.e.f. 28 th July, 2023. In FY 2022-23, he did not attend any meetings, as his appointment was effective from 28 th July, 2023. |
| Details of other directorships in other Companies | NA | NA | <ol style="list-style-type: none"> 1. Shyam Sai Finlease and Holdings Private Limited 2. Svp Corporate Consulting Private Limited |

| | | | |
|--|----|----|-------------------------------------|
| | | | 3. Tarun Silk Mills Private Limited |
| Details of Membership/Chairmanship of Companies of the Board in other Companies | NA | NA | NA |

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

Sd/-
Shiv Narayan Daga
Managing Director
DIN: 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN: 01013130

Place: Noida
Date: 24th August, 2023

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required under section 102 of the Companies Act, 2013, the following Explanatory Statements sets out all material facts relating to the business mentioned under Item No. 3,4,5,6,7,8 and 9 of the accompanying Notice of Annual General Meeting dated 24th August, 2023:

Item No. 3: To appoint Statutory Auditor of the Company to hold office from the conclusion of this AGM till the conclusion of 36th Annual General Meeting and to fix their remuneration.

Due to Casual Vacancy arise because of resignation of M/s. Gupta Verma & Sethi, Chartered Accountants as Statutory Auditors of the Company with effect from conclusion of business hours of 28th July, 2023 and on the recommendation of the Audit Committee, the Board of Directors at their Meeting held on 28th July, 2023, approved the appointment of M/s. ATK & Associates, Chartered Accountants, (Firm Registration No. 018918C), as Statutory Auditors of the Company to conduct the audit of the Statutory Audit of the Company for the Financial year 2023-24 at a remuneration as may be paid on progressive billing basis to be agreed upon between the auditors and the Board of Directors.

M/s. ATK & Associates, Chartered Accountants, (Firm Registration No. 018918C) have confirmed that they are not disqualified under section 141 read with section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory amendment(s) modification(s) and/ or re-enactment(s) for the time being in force).

Accordingly, the Board of Directors recommend passing of an Ordinary Resolution for the approval of the Members as set out in Item No. 3 of the accompanying Notice relating to the appointment of M/s. ATK & Associates, Chartered Accountants, (Firm Registration No. 018918C) at a remuneration as may be paid on progressive billing basis to be agreed upon between the Auditors and the Board of Directors for the Financial Year 2023-24.

DETAILS REQUIRED UNDER REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ARE AS FOLLOWS:

| S.No. | Particulars | Details |
|-------|--|--|
| 1. | Terms and Conditions for Appointment | Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules made there under, and pursuant to the proposal of the Audit Committee and recommendation of the Board, M/s ATK & Associates, Chartered Accountants (FRN: 018918C), be and are hereby appointed as the Statutory Auditor of the Company in place of M/s. Gupta Verma & Sethi, Chartered Accountants (FRN: 02605N) as they have tendered their resignation w.e.f 28 th July, 2023, to hold office from the conclusion of this AGM till the conclusion of the 36 th Annual General Meeting |
| 2. | Proposed Fees | As per the recommendation of Audit Committee, remuneration may be paid on progressive billing basis to be agreed upon between the Auditors and the Board of Directors |
| 3. | Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed. | As per the recommendation of Audit Committee, the Board of Directors finds them suitable for appointment as Statutory Auditors of the Company |

None of the Directors, Key Managerial Personnel and / or their relatives are, in any way, concerned or interested financially or otherwise, in the above resolution.

Item No. 4: To approve appointment of Mr. Himanshu Malhotra (DIN: 06732164) as Non-Executive Independent Director of the Company for a term of 5 consecutive years

The Board of Directors had appointed Mr. Himanshu Malhotra (DIN: 06732164) as an Additional Director in the capacity of Non-Executive Independent Director of the Company pursuant to the provisions of the Companies Act, 2013 read with Articles of Association of the Company and in Compliance with applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 28th July, 2023 upto the date of ensuing Annual General Meeting.

In pursuance of the provisions of Section 149, 152, Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mr. Himanshu Malhora (DIN: 06732164) being eligible and offering his appointment as an Independent Director for a period upto 36th Annual General Meeting of the Company, not liable to retire by rotation. The Company has received a notice in writing from a member signifying its intention to propose the candidature of Mr. Himanshu Malhotra for the office of Independent Director of the Company under the provisions of Section 160 of the Companies Act, 2013.

Further the Nomination and Remuneration Committee has recommended his name to the Board of Directors of the Company and in the opinion of the Board also Mr. Himanshu Malhotra fulfills the condition specified for his appointment as an Independent Director of the Company as per the

Companies Act, 2013, and the rules made thereunder, moreover Mr. Himanshu Malhotra is also Independent to the management of the Company.

In terms of Section 164 of the Act, Mr. Himanshu Malhotra is not disqualified from being appointed as a Non-Executive Independent Director and has given his consent to act as a Director of the Company. He is not debarred from holding the office of a Director by virtue of any order issued by the Securities and Exchange Board of India or any other such authority.

In terms of the Companies Amendment Act, 2017 (relevant provisions notified on February 09, 2018), the requirement to deposit ₹ 1,00,000 towards the proposal of the candidature of the directorship as aforementioned is not required due to the following provision of Section 160 of the Companies Act, 2013;

“Provided that the requirements of deposit of amount shall not apply in case of appointment of an Independent Director or a Director recommended by the Nomination and Remuneration Committee, if any constituted under sub-section (1) of section 178 or a director recommended by the Board of Directors of the Company, in the case of a Company not required to constitute Nomination and Remuneration Committee.”

Hence the proposal by the member in the name of Mr. Himanshu Malhotra for his appointment is made without deposit of any amount.

Mr. Himanshu Malhotra has more than 14 years of experience in Corporate world. He is a Chartered Accountant and a Company Secretary.

Based on the aforesaid, the Board and Nomination and Remuneration Committee finds him suitable as he fulfills the condition specified in the law to be appointed as Independent Director of the Company.

Also, a copy of the draft letter for his appointment as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members, at the Company's Corporate Office during normal business hours on any working day up to the date of the AGM.

Having regard to his qualifications, knowledge and experience his appointment as an Independent director will be in the interest of the Company.

The Board of Directors accordingly recommends the resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members. None of the Directors, Key Managerial Personnel, and /or their relatives, except Mr. Himanshu Malhotra is, in any way, concerned or interested in the said resolution.

Item No. 5: To approve appointment of Mr. Harak Chand Sogani (DIN: 10236862) as Non-Executive Independent Director of the Company for a term of 5 consecutive years

The Board of Directors had appointed Mr. Harak Chand Sogani (DIN: 10236862) as an Additional Director in the capacity of Non-Executive Independent Director of the Company pursuant to the provisions of the Companies Act, 2013 read with Articles of Association of the Company and in Compliance with applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 28th July, 2023 upto the date of ensuing Annual General Meeting.

In pursuance of the provisions of Section 149, 152, Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mr. Harak Chand Sogani (DIN: 10236862) being eligible and offering his appointment as an Independent Director for a period upto 36th Annual General Meeting of the Company, not liable to retire by rotation. The Company has received a notice in writing from a member signifying its intention to propose the candidature of Mr. Harak Chand

Sogani for the office of Independent Director of the Company under the provisions of Section 160 of the Companies Act, 2013.

Further the Nomination and Remuneration Committee has recommended his name to the Board of Directors of the Company and in the opinion of the Board also Mr. Harak Chand Sogani fulfills the condition specified for his appointment as an Independent Director of the Company as per the Companies Act, 2013, and the rules made thereunder, moreover Mr. Harak Chand Sogani is also Independent to the management of the Company.

In terms of Section 164 of the Act, Mr. Harak Chand Sogani is not disqualified from being appointed as a Non-Executive Independent Director and has given his consent to act as a Director of the Company. He is not debarred from holding the office of a Director by virtue of any order issued by the Securities and Exchange Board of India or any other such authority.

Further, pursuant to Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Harak Chand Sogani will attain the age of 75 years on July 03, 2024, hence the Board considers the appointment and continuation of Mr. Harak Chand Sogani to be beneficial to the interests of the Company, considering his long experience commends the Special Resolution set out at Item No. 5 of the Notice for approval by the members, so that he can continue as director for the remaining period of his tenure after attaining the age of 75 years.

In terms of the Companies Amendment Act, 2017 (relevant provisions notified on February 09, 2018), the requirement to deposit ₹ 1,00,000 towards the proposal of the candidature of the directorship as aforementioned is not required due to the following provision of Section 160 of the Companies Act, 2013;

“Provided that the requirements of deposit of amount shall not apply in case of appointment of an Independent Director or a Director recommended by the Nomination and Remuneration Committee, if any constituted under sub-section (1) of section 178 or a director recommended by the Board of Directors of the Company, in the case of a Company not required to constitute Nomination and Remuneration Committee.”

Hence the proposal by the member in the name of Mr. Harak Chand Sogani for his appointment is made without deposit of any amount.

Mr. Harak Chand Sogani has more than 49 years of experience in corporate world. He is a Chartered Accountant in Practice.

Based on the aforesaid, the Board and Nomination and Remuneration Committee finds him suitable as he fulfills the condition specified in the law to be appointed as Independent Director of the Company.

Also, a copy of the draft letter for his appointment as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members, at the Company's Corporate Office during normal business hours on any working day up to the date of the AGM.

Having regard to his qualifications, knowledge and experience his appointment as an Independent Director will be in the interest of the Company.

The Board of Directors accordingly recommends the resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members.

None of the Directors, Key Managerial Personnel, and /or their relatives, except Mr. Harak Chand Sogani is, in any way, concerned or interested in the said resolution.

Item No. 6: To approve appointment of Mr. Tarun Kansal (DIN: 00574554) as Non-Executive Independent Director of the Company for a term of 5 consecutive years

The Board of Directors had appointed Mr. Tarun Kansal (DIN: 00574554) as an Additional Director in the capacity of Non-Executive Independent Director of the Company pursuant to the provisions of the Companies Act, 2013 read with Articles of Association of the Company and in Compliance with applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 28th July, 2023 upto the date of ensuing Annual General Meeting.

In pursuance of the provisions of Section 149, 152, Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mr. Tarun Kansal (DIN: 00574554) being eligible and offering his appointment as an Independent Director for a period upto 36th Annual General Meeting of the Company, not liable to retire by rotation. The Company has received a notice in writing from a member signifying its intention to propose the candidature of Mr. Tarun Kansal for the office of Independent Director of the Company under the provisions of Section 160 of the Companies Act, 2013.

Further the Nomination and Remuneration Committee has recommended his name to the Board of Directors of the Company and in the opinion of the Board also Mr. Tarun Kansal fulfills the condition specified for his appointment as an Independent Director of the Company as per the Companies Act, 2013, and the rules made thereunder, moreover Mr. Tarun Kansal is also Independent to the management of the Company.

In terms of Section 164 of the Act, Mr. **Tarun Kansal** is not disqualified from being appointed as a Non-Executive Independent Director and has given his consent to act as a Director of the Company. He is not debarred from holding the office of a Director by virtue of any order issued by the Securities and Exchange Board of India or any other such authority.

In terms of the Companies Amendment Act, 2017 (relevant provisions notified on February 09, 2018), the requirement to deposit ₹ 1,00,000 towards the proposal of the candidature of the directorship as aforementioned is not required due to the following provision of Section 160 of the Companies Act, 2013;

“Provided that the requirements of deposit of amount shall not apply in case of appointment of an Independent Director or a Director recommended by the Nomination and Remuneration Committee, if any constituted under sub-section (1) of section 178 or a director recommended by the Board of Directors of the Company, in the case of a Company not required to constitute Nomination and Remuneration Committee.”

Hence the proposal by the member in the name of Mr. Tarun Kansal for his appointment is made without deposit of any amount.

Mr. Tarun Kansal has more than 14 years of experience in corporate world. He is a Practicing Chartered Accountant.

Based on the aforesaid, the Board and Nomination and Remuneration Committee finds him suitable as he fulfills the condition specified in the law to be appointed as Independent Director of the Company.

Also, a copy of the draft letter for his appointment as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members, at the Company's Corporate Office during normal business hours on any working day up to the date of the AGM.

Having regard to his qualifications, knowledge and experience his appointment as an Independent director will be in the interest of the Company.

The Board of Directors accordingly recommends the resolution set out at Item No. 6 of the accompanying Notice for the approval of the Members.

None of the Directors, Key Managerial Personnel, and /or their relatives, except Mr. Tarun Kansal is, in any way, concerned or interested in the said resolution.

Item No. 7: To continue the appointment of Mr. Shiv Narayan Daga (DIN: 00072264) as Managing Director, after attaining the age of 70 years.

Since Mr. Shiv Narayan Daga (DIN: 00072264), was appointed as a Managing Director for a term of 5 years with effect from September 5, 2020 by the members at the 28th Annual General Meeting held September 14, 2020.

Pursuant to Section 196(3)(a) of the Companies Act, 2013, "No company shall appoint or continue the employment of any person as managing director, whole-time director or manager who – is below the age of twenty-one years or has attained the age of seventy years:

Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;"

The Board considers the continuation of Mr. Shiv Narayan Daga on same terms and conditions to be beneficial to the interests of the Company, considering his long experience and the services being rendered by him and commends the Special Resolution set out at Item No. 7 of the Notice for approval by the members.

None of the Directors, Key Managerial Personnel, and /or their relatives, except Mr. Shiv Narayan Daga is, in any way, concerned or interested in the said resolution.

Item No. 8: To approve revision of the remuneration payable to Mr. Shiv Narayan Daga, Managing Director of the Company.

The Members at the 28th AGM held on September 14, 2020 approved remuneration of ₹ 24,00,000/- (Rupees Twenty Four Lakh Only) per annum payable to Mr. Shiv Narayan Daga in his capacity as Managing Director.

Based on his performance and growth of the company under his leadership, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, at their meeting held on 28th July, 2023, approved increase in the remuneration payable to Mr. Shiv Narayan Daga, as Managing Director of the Company higher than the table defined under Part II of the Schedule V being the "managerial person", therefore, the Company commends as proposed in the resolution in Item No. 8 of the Notice, and hereby recommend it for your approval as Special Resolution.

The revised remuneration of ₹ 60,00,000/- (Rupees Sixty Lakhs Only) per annum which includes performance-based pay, and excludes allowances, and perquisites as may be drawn, with the authority to the Board of Directors to fix the salary within the said maximum limit from time to time including the various components of such salary."

The details of the revised remuneration are as follows:

1. Remuneration per annum: Upto ₹ 60,00,000/-
2. Perquisites and allowances:

Medical Reimbursement/ Allowance: Reimbursement of actual expenses for self and family and / or allowance will be paid as decided by the Board of Directors from time to time.

Company Car and Telephone: Use of the Company's car, chauffeur and telephone at the residence for official purposes, as per the rules of the Company.

Further, the remuneration recommended is higher than the table defined under Part II of the Schedule V being the "Managerial Personnel", the Company commends the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

None of the Directors, Key Managerial Personnel, and /or their relatives, except Mr. Shiv Narayan Daga is, in any way, concerned or interested in the said resolution.

Item No. 9: To Change the terms of appointment of Ms. Shikha Mundra (DIN: 06882693), Director of the Company along with revision in the remuneration payable

Pursuant to the recommendation of Nomination and Remuneration Committee and as approved by the Board of Directors in their meeting held on August 28, 2023, subject to approval of shareholders in the ensuing Annual General Meeting, to re-designate Ms. Shikha Mundra, Director of the Company as an Executive Director who is liable to retire by rotation.

Further, in terms of the provisions of section 197 and Part II of Schedule V of the Companies Act, 2013, a Company may pay the remuneration to its Executive Director as per the table defined under Part II of the aforesaid schedule being the "other director".

Accordingly with the recommendation of Nomination and Remuneration Committee and the Board of Directors has approved the same in their meeting held on 28th July, 2023 and considered again in their Board Meeting 24th August, 2023 , it is proposed to Ms. Shikha Mundra, Executive Women Director

(DIN: 06882693) pay the revised remuneration of ₹ 54,00,000/- (Rupees Fifty Four Lakhs Only) per annum which includes performance-based pay, and excludes allowances, and perquisites as may be drawn, with the authority to the Board of Directors to fix the salary within the said maximum limit from time to time including the various components of such salary.

The details of the revised remuneration are as follows:

1. Remuneration per annum: Upto ₹ 54,00,000/-
2. Perquisites and allowances:

Medical Reimbursement/ Allowance: Reimbursement of actual expenses for self and family and / or allowance will be paid as decided by the Board of Directors from time to time.

Company Car and Telephone: Use of the Company's car, chauffeur and telephone at the residence for official purposes, as per the rules of the Company.

Further, the remuneration recommended is higher than the table defined under Part II of the Schedule

V being the “other director”, the Company commends the Special Resolution set out at Item No. 9 of the Notice for approval by the members.

None of the Directors, Key Managerial Personnel, and /or their relatives, except Ms. Shikha Mundra is, in any way, concerned or interested in the said resolution.

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

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

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

**Place: Noida
Date: 24th August, 2023**

INSTRUCTIONS

1. GENERAL INSTRUCTIONS

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

2. PROCESS FOR MEMBERS OPTING FOR VOTING BY POSTAL BALLOT

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

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

- c) The signature of the member on this postal ballot form should be as per the specimen signature furnished by National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) or registered with the Company, in respect of shares held in dematerialized form or in physical form, respectively.
- d) Completed postal ballot forms should reach the Scrutinizer not later than the close of working hours i.e. at 5.00 p.m. IST on 28th September, 2023 Postal Ballot Forms received after this date will be considered invalid.
- e) Postal Ballot Forms which are incomplete or unsigned or defective in any manner are liable to be rejected. The Scrutinizer's decision in this regard shall be final and binding.
- f) A Member seeking duplicate postal ballot form or having any grievance pertaining to the postal ballot process can write to the Company at 114, New Delhi House 27, Barakhamba Road New Delhi -110001 or to the E-mail ID investors@dbonline.in. Duly completed and signed duplicate postal ballot forms should, however, reach the Scrutinizer not later than the close of working hours i.e. at 5.00 p.m. IST on 28th September, 2023.

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

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

Sd/-
Shiv Narayan Daga
Managing Director
DIN: 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN: 01013130

Place: Noida
Date: 24th August, 2023

DB (INTERNATIONAL) STOCK BROKERS LIMITED

Regd. Office: U.No210/211/211A, 2nd Floor, Dalal Street Commercial Co-operative Society Ltd,
Block No 53, Zone5, Gift City Gandhinagar GJ 382355

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

CIN: L67120GJ1992PLC121278

Website: www.dbonline.in

Email Id: compliance@dbonline.in

Tel No: 011-43606162

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

Your directors have immense pleasure in presenting Thirty First (31st) Annual Report on the business and operations of the company together with the Audited statement of Accounts for the financial year ended 31st March, 2023.

1. FINANCIAL RESULTS

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

(₹ Lacs)

| Particulars | Consolidated | | Standalone | |
|--|---|---|---|---|
| | Year ended 31 st March, 2023 | Year ended 31 st March, 2022 | Year ended 31 st March, 2023 | Year ended 31 st March, 2022 |
| Gross receipts | 2956.92 | 2942.59 | 2790.99 | 2751.35 |
| Profit before tax | 870.00 | 1086.13 | 824.81 | 1017.21 |
| Provision for tax | 223.25 | 196.94 | 223.23 | 196.94 |
| Deferred tax liability/(assets) | 9.26 | 13.38 | 9.30 | 13.38 |
| Profit before share of profit of associate | 637.50 | 863.75 | 592.27 | 794.83 |
| Share of profit in associate | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit after tax | 637.50 | 863.75 | 592.27 | 794.83 |
| Brought forward from previous year | 3327.21 | 2448.04 | 3181.43 | 2376.91 |
| Appropriations: | | | | |
| Other comprehensive income: Re-measurement of post-employment benefit obligations (net of tax) | 10.18 | 15.44 | -15.29 | 9.69 |
| Balance transferred to balance sheet | 3973.67 | 3327.23 | 3756.76 | 3181.43 |
| Earnings per equity share (basic) | 1.82 | 2.47 | 1.69 | 2.27 |

During the year, Company has performed modestly however; despite of challenging economic condition and other related factor, we are able to maintain steady profits and revenue in the Company. The Management of the Company is putting their best efforts to improve the performance of the Company.

2. STATE OF COMPANY'S AFFAIRS AND OPERATIONS

The total revenue of your Company for the Financial Year 2022-23 is ₹ 2790.98 lakhs as compared to ₹ 2751.35 Lakhs for the previous Financial Year 2021-2022. The Net Profit before tax stood at ₹ 824.80 Lakhs as against Profit of ₹ 1017.21 Lakhs in the previous year.

3. DIVIDEND AND TRANSFER TO RESERVES

The Board of Directors has not recommended any dividend for the financial year ended on March 31, 2023. Since the Board have considered it financially prudent in the long-terms interest of the Company to re-invest the profits into the business of the Company to build a strong reserve base and grow the business of the Company.

4. UNCLAIMED DIVIDEND

During the period, the Provisions of Section 124 of the Companies Act, 2013 were not applicable to the Company.

5. CAPITAL STRUCTURE

Authorized Share Capital

The Authorized Share Capital of the Company as on date 31st March, 2023 remains unchanged at ₹ 10,00,00,000 equity share capital divided into 5,00,00,000 Equity Shares of ₹ 2 each.

Paid up Share Capital

The Paid-up share capital as at 31st March, 2023 stands at ₹ 7,00,00,000/-comprising of 3,50,00,000 equity shares of ₹ 2/- each fully paid up.

6. DEPOSITS

During the Financial Year 2022-23, your company has not invited or accepted any deposits from public/ members pursuant to the provisions of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

7. CHANGE IN NATURE OF BUSINESS

During the Financial Year 2022-23, there was no change in the nature of business of the Company.

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

No material changes and commitments affecting the financial position of the Company occurred from the end of the Financial Year to which these Financial Statements relates till the date of this report.

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

The particulars of conservation of energy, technology absorption and Foreign exchange earnings and outgo are as under:

1) Conservation of energy:

- i) the steps taken or impact on conservation of energy: Nil
- ii) the steps taken by the company for utilizing alternate sources of energy: Nil
- iii) the capital investment on energy conservation equipment's: Nil

2) Technology absorption:

- i) the efforts made towards technology absorption: Nil
- ii) the benefits derived: Nil
- iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):
 - a) the details of technology imported: Nil
 - b) the year of import: Nil
 - c) whether the technology been fully absorbed: Nil
 - d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Nil
- iv) the expenditure incurred on Research and Development: Nil

3) Foreign exchange earnings and outgo for the Financial Year 2022-23: Nil**10. RISK MANAGEMENT POLICY**

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

11. CORPORATE GOVERNANCE

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

12. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

The provisions of Section 135 of the Companies Act, 2013 were applicable to the Company as the Net Profit of the Company during the preceding fiscal exceeded the prescribed threshold of ₹ 5 Crores. The Company, therefore, constituted the CSR Committee as per the requirements of the Act and has incurred the expenditure of ₹ 11,00,000 (₹ 11 Lakhs Only) in accordance with the CSR policy of the Company towards the educational Institution under the trust "Vardhman Welfare Education Society" engaged in providing quality education to the students of the nearby area. The same is available at https://www.dbonline.in/Admin/Pdf/9236360DB_CSR%20Policy_DB.pdf.

The Annual Report on our CSR activities is annexed as **Annexure-II**.

In terms of Section 135 of the Act read with Rules and in accordance with the CSR Policy and the Annual Action Plan, your Company has during the Financial Year 2022 -23 spent over two percent of the average net profits of your Company during the three preceding financial years. The details are provided in the Annual Report on CSR activities.

13. LOANS, GUARANTEES OR INVESTMENTS

During the Financial Year 2022-23, the Company has not granted any loans, given any guarantee or provided any security in connection with a loan to a person or body corporate or made investments within the meaning of Section 186 of the Act.

14. CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

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

The Company's Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is available on the website of the Company and can be assessed through <https://www.dbonline.in/admin/pdf/1979511712policy%20on%20related%20party%20transactions.pdf> link:

Disclosure pursuant to Regulation 34(3) and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

| Sr. No. | In the accounts of | Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year. |
|---------|--------------------|--|
| 1 | Holding Company | Loans and advances in the nature of loans to subsidiaries by name and amount: Not Applicable Loans and advances in the nature of loans to associates by name and amount: Not Applicable Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: Not Applicable □ |
| 2 | Subsidiary | Same disclosures as applicable to the parent company in the accounts of subsidiary company: Not Applicable |
| 3 | Holding Company | Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan: Not Applicable □ |

There has been no transaction of the Company with the person or entity belonging to promoter/ promoter group and which holds 10% or more shares in the Company. Therefore, disclosure has not been made.

15. STATUTORY AUDITORS

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

However, they have tendered their resignation w.e.f. 28th July, 2023 and thereafter, the Board had approved the appointment of M/s ATK & Associates, Chartered Accountants (FRN: 018918C) as the Statutory Auditors of the Company at the Board Meeting held on 28th July, 2023 till the conclusion of ensuing Annual General Meeting. Further, the Board recommends their appointment for a period of five years from the conclusion of the ensuing AGM till the conclusion of the 36th AGM to be held for the financial year ended 31st March, 2029, subject to approval of shareholders at the ensuing Annual General Meeting.

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

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

Further in Compliance with Regulation 24A of Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and SEBI Circular No. CIR/cfd/cmd/1/27/2019 dated February 08, 2019, a report on Secretarial Compliance issued by M/s. Surya Gupta & Associates, for the year ended March 31, 2023 has been submitted to Stock Exchanges and the same is also available on website of the Company at <https://www.dbonline.in/Admin/Pdf/750488458ANNUALSECRETARIALCOMPLIANCEREPORT31032023.pdf>

Note:

For the Financial year 2023-24, the Board of Directors appointed M/s Surya Gupta & Associates, Practicing Company Secretaries to conduct the Secretarial Audit.

17. DIRECTORS APPOINTMENT AND REMUNERATION

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

Composition and Category of Directors as on 31st March, 2023 is as follows:

| Category | No. of Directors | Name of Directors |
|-------------------------------------|------------------|--------------------------|
| Executive Director | 1 | Mr. Shiv Narayan Daga |
| Non-executive Independent Directors | 3 | Mr. Brajesh Sadani |
| | | Mr. Milap Chandra Bothra |

| | | |
|---|---|--------------------------|
| | | Mr. Chandra Mohan Bahety |
| Non-executive Non-Independent Directors | 2 | Mr. Sachin Kumar Rathi |
| | | Ms. Shikha Mundra |
| Total | 6 | |

18. PERFORMANCE EVALUATION OF THE BOARD

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

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

19. ANNUAL RETURN

The Annual Return of the Company as required under the Companies Act, 2013 will be available on the website of the Company at <https://www.dbonline.in/AboutUs>

20. VIGIL MECHANISM /WHISTLE BLOWER POLICY

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

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

21. PREVENTION OF INSIDER TRADING

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

of the Code.

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

22. BOARD MEETINGS

The Company had six board meetings during the Financial Year under review as follows:

| Sr. No. | Date of Board Meeting | No. of Directors | No. of Director Presented |
|---------|-----------------------|------------------|---------------------------|
| 1. | 25/05/2022 | 06 | 06 |
| 2. | 05/07/2022 | 06 | 06 |
| 3. | 28/07/2022 | 06 | 05 |
| 4. | 23/09/2022 | 06 | 06 |
| 5. | 27/10/2022 | 06 | 06 |
| 6. | 08/02/2023 | 06 | 06 |

23. DIRECTORS & KEY MANAGERIAL PERSONNAL

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

Ms. Shikha Mundra and Mr. Sachin Kumar Rathi hold the post of Non-Executive Women Director and Non- Executive Director respectively during the Financial Year ended 31st March, 2023.

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

Further, as per the recommendation of Nomination and Remuneration Committee, the Board of Directors in their meeting held on 28th July, 2023 approved appointment of Mr. Himanshu Malhotra, Mr. Harak Chand Sogani and Mr. Tarun Kansal as Additional Non-Executive Independent Directors of the Company, subject to ratification at the ensuing Annual General Meeting of the Company.

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

**(Ms. Pragya Singh (Membership No. A65047) has resigned from the designation of Company Secretary & Compliance Officer of the Company with effect from 16th June, 2023 and the Board had appointed Ms. Prachi Sharma (Membership No. A71389) as Company Secretary of the Company in their meeting held on 28th July, 2023.)*

24. DECLARATION OF INDEPENDENT DIRECTORS

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

25. DIRECTORS RESPONSIBILITY STATEMENT

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

- a.) In the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- b.) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year and of the profit of the company for that period;
- c.) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d.) The directors had prepared the Annual Accounts on a going concern basis;
- e.) The directors had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f.) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws that such systems were adequate and operating effectively.

26. SUBSIDIARY COMPANY

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

27. BOARD COMMITTEE

Company has Six Committees of Board, viz

- Audit Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration Committee
- Independent Directors Committee
- Credit Facility Committee
- Corporate Social Responsibility Committee

A. Audit Committee

The Composition of Audit Committee as on 31st March, 2023.

| | | | |
|---|--------------------------|----------|--------------------------------------|
| 1 | Mr. Chandra Mohan Bahety | Chairman | Non-Executive - Independent Director |
| 2 | Mr. Milap Chand Bothra | Member | Non-Executive - Independent Director |
| 3 | Mr. Brajesh Sadani | Member | Non-Executive - Independent Director |

The Company Secretary of the Company is the Secretary of the Committee.

During the year, the scope of Audit Committee was amended to, inter alia, align with the provisions of SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2022, the details of which are furnished in the Report on Corporate Governance that forms part of this Annual Report.

All the recommendations of the Audit Committee were accepted by the Board.

B. Stakeholders Relationship Committee

The Committee Comprises as on 31st March, 2023.

| | | | |
|----|------------------------|----------|--|
| 1. | Mr. Milap Chand Bothra | Chairman | Non-Executive - Independent Director |
| 2. | Mr. Sachin Kumar Rathi | Member | Non-Executive - Non Independent Director |
| 3. | Mr. Brajesh Sadani | Member | Non-Executive - Independent Director |

The Company Secretary of the Company is the Secretary of the Committee.

The primary objective of Stakeholders Relationship Committee is to consider and resolve the grievances of stakeholders including complaints relating to non-receipt of annual report, transfer or transmission of securities, non-receipt of dividend/interest, issuance of share certificates etc.

C. Nomination and Remuneration Committee

The Committee Comprises as on 31st March, 2023.

| | | | |
|----|--------------------------|----------|--|
| 1. | Mr. Brajesh Sadani | Chairman | Non-Executive - Independent Director |
| 2. | Mr. Chandra Mohan Bahety | Member | Non-Executive - Independent Director |
| 3. | Mr. Sachin Kumar Rathi | Member | Non-Executive - Non Independent Director |

The Company Secretary of the Company is the Secretary of the Committee.

The Nomination and Remuneration Committee oversees the Company's nomination and appointment and determination of remuneration process of Directors and Senior Management Personnel of the Company including the Key Managerial Personnel. The Company also has in place a succession plan for orderly succession of the Directors and Senior Management Personnel of the Company. The Company ensures that all appointments in the Company, including successions are strictly based on seniority, expertise and experience.

D. Independent Directors Committee

The Committee Comprises as on 31st March, 2023.

| | | | |
|----|------------------------|----------|------------------------------------|
| 1. | Mr. Milap Chand Bothra | Chairman | Non-Executive-Independent Director |
|----|------------------------|----------|------------------------------------|

| | | | |
|----|--------------------------|--------|------------------------------------|
| 2. | Mr. Chandra Mohan Bahety | Member | Non-Executive-Independent Director |
| 3. | Mr. Brajesh Sadani | Member | Non-Executive-Independent Director |

The Company Secretary of the Company is the Secretary of the Committee.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and Listing Regulations.

The Board is of the opinion that the Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs, Manesar ("IICA").

E. Credit Facility Committee

The Committee Comprises as on 31st March, 2023.

| | | | |
|----|------------------------|----------|--|
| 1. | Mr. Shiv Narayan Daga | Chairman | Executive Director |
| 2. | Ms. Shikha Mundra | Member | Non-Executive-Non Independent Director |
| 3. | Mr. Sachin Kumar Rathi | Member | Non-Executive-Non Independent Director |

The Company Secretary of the Company is the Secretary of the Committee.

The Board constitutes such committee for review applications for loans and other types of credit. The committee reviews the requests and relevant information to determine how to proceed. Ensuring alignment with standard lending policy and evaluating risk exposure, the lending committee determines whether to approve or deny the application. The Credit Committee is also responsible for reviewing the credit on maturing loans and directing collection efforts on past due loans.

F. Corporate Social Responsibility Committee

The Committee Comprises as on 31st March, 2023.

| | | | |
|----|------------------------|----------|--|
| 1. | Mr. Shiv Narayan Daga | Chairman | Executive Director |
| 2. | Mr. Milap Chand Bothra | Member | Non-Executive-Independent Director |
| 3. | Mr. Sachin Kumar Rathi | Member | Non-Executive-Non Independent Director |

The Company Secretary of the Company is the Secretary of the Committee.

Pursuant to the provisions of Section 135 of the Companies Act, 2013 the Company has constituted a Corporate Social Responsibility Committee for the purpose of formulating and recommending a Corporate Social Responsibility Policy to the Board and indicating activities to be undertaken by the Company as per Schedule VII of the Companies Act, 2013, recommending the budget and monitoring the activities.

G. SHARES

a. Buy Back of Securities

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

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

b. Bonus Shares

No Bonus shares were issued during the year under review.

c. Employee Stock Option Plan

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

H. PARTICULARS OF EMPLOYEES AND RELATED INFORMATION

During the year under review, no employee in the Company drew remuneration in excess of the amounts prescribed under Section 197(12) of the Act, read with Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Further the information pursuant to Section 197 of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time is enclosed as **Annexure-IV**.

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

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

The Company has Zero Tolerance towards sexual harassment at the workplace. A detailed POSH Policy is in place as per the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Act"). The POSH Policy of the Company is available on the website of the Company and can be accessed in the Governance section at the Web-link: <https://www.dbonline.in/Admin/Pdf/1178969109SEXUAL%20HARRASMENT%20POLICY.pdf>. All employees as defined under the Act are covered in this Policy.

During the financial year 2022-23, no cases in the nature of sexual harassment were reported at any workplace of the company.

J. MANAGEMENT DISCUSSION AND ANALYSIS

In Compliance with the Regulation 34(3) read with Schedule V of Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, a detailed report on Management Discussion and Analysis is annexed and forming the part of this Annual Report.

K. DISCLOSURE UNDER SECTION 148 OF COMPANIES ACT, 2013

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

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

During the year under review, any Application is not made and there is no pending proceeding under the Insolvency and Bankruptcy Code, 2016.

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

During the Financial Year 2022-23, this clause is not applicable for the Company.

N. CAUTIONARY STATEMENT

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

O. ACKNOWLEDGEMENTS

The Board of Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company. The Board of Directors would also like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government and regulatory authorities, stock exchanges, customers, vendors, and members for their continued support extended to your Company's activities during the year under review. Directors also acknowledge gratefully the shareholders for their support and confidence reposed on your Company.

For DB (International) Stock Brokers Limited

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

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

Place: New Delhi
Date: 28th July, 2023

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

1. Operating results & financial performance:

DB (International) Stock Brokers Limited is a listed Company. The Company is engaged in single line of business i.e. Stock Broking and Depository Participant services. The Company's total revenue for the year under review is ₹ 2790.98 lakh and Profit before tax amounts to ₹ 824.80 lakh on standalone basis and the Company's total revenue for the year under review is ₹ 2956.92 Lakhs and Profit before tax amounts to ₹ 870.00 Lakhs on consolidated basis.

2. Industry trend and business analysis:

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

3. Opportunities and threats:

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

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

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

For fiscal 2024, we will continue to execute our strategy along the same dimensions. The retail market segments we serve are faced with challenges and opportunities arising from the fast changing world economy, war threats and their resulting impact on the economy. In our strategy, we will enable ourselves to advice and help our clients as they tackle these market conditions. Especially in the areas of digitization of processes, migration to cloud based technologies, workplace transformation, and business model transformation.

4. Future prospects and outlook:

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

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

5. Risks and concerns:

Company's business largely depend on the SEBI norms/ policies, thus, Company's revenue

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

6. Internal Control System and their adequacy:

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

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

7. Human resources:

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

8. Cautionary statement:

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

9. Details of Significant changes in key financial ratios:

| S. No. | Ratios | FY 2022-23 | FY 2021-22 |
|--------|-----------------------------------|------------|------------|
| 1 | Debtor's turnover (days) | NA | 21.89 |
| 2 | Inventory turnover (days) | NA | NA |
| 3 | Interest coverage ratio (times) | 58.21 | 76.54 |
| 4 | Current ratio (times) | 1.91 | 1.48 |
| 5 | Debt equity ratio (times) | NA | NA |
| 6 | Operating profit margin ratio (%) | NA | NA |
| 7 | Net profit margin ratio (%) | 21.42 | 29.04 |

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

| | | Amount in ₹ | |
|-----------------------------------|---|---------------------------------------|---------------------------------------|
| | | As at 31 st March, 2023 | As at 31 st March, 2022 |
| Capital + Free Reserves | | 55,03,24,323 | 41,23,39,887 |
| Less: non-allowable assets | | | |
| (a) | Fixed assets | 2,73,56,107 | 2,90,38,484 |
| (b) | Pledged Securities | - | - |
| (c) | Member's card | - | - |
| (d) | Non-allowable securities (unlisted securities) | 1,25,00,000 | 1,25,00,000 |
| (e) | Bad deliveries | | - |
| (f) | Doubtful debts and advances* | 31,97,847 | 27,80,685 |
| (g) | Prepaid expenses, losses | 29,01,072 | 23,95,393 |
| (h) | Intangible assets | 1,65,09,341 | 3,02,461 |
| (i) | 30% value of marketable securities | 50,21,751 | 3,02,59,483 |
| Net Worth | | 48,28,38,205 | 41,55,15,383 |

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

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

For DB (International) Stock Brokers Limited

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

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

Place: New Delhi
Date: 28th July, 2023

Annexure "II"
DB (International) Stock Brokers Limited
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

(Pursuant to the Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. A brief outline of the Company's CSR policy of the Company:

We have been focusing towards our commitment to ensuring that our activities extend beyond business and include initiatives and endeavors for the benefit and development of the community and society. We focus on our social and environmental responsibilities to fulfill the needs and expectations of the communities around us. Our lays down the guidelines for undertaking programmes geared towards social welfare activities or initiatives. Through this CSR Policy, the Company proposes to adopt short, medium and long term CSR programs and initiatives.

2. The Composition of the CSR Committee as on 31st March, 2023.

| Sr. No. | Name of Director | Designation | Nature of Directorship | Number of meetings of CSR Committee during the year | |
|---------|------------------------|-------------|--|---|---|
| 1 | Mr. Shiv Narayan Daga | Chairman | Executive Director | 3 | 3 |
| 2 | Mr. Milap Chand Bothra | Member | Non-Executive-Independent Director | 3 | 3 |
| 3 | Mr. Sachin Kumar Rathi | Member | Non-Executive-Non Independent Director | 3 | 3 |

3. 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.

The composition of the CSR Committee is available on our website, at <https://www.dbonline.in/Admin/Pdf/704521399COMPOSITION%20OF%20CORPORATE%20SOCIAL%20RESPONSIBILITY%20COMMITTEE.pdf>

The Committee, with the approval of the Board, has adopted the CSR Policy as required under Section 135 of the Companies Act, 2013. The CSR Policy of the Company is available on our website, at https://www.dbonline.in/Admin/Pdf/20066159169236360DB_CSR%20Policy_DB.pdf

The Board of Directors at its meeting, has approved the annual action plan / projects, the details of which are available on our website, at

https://www.dbonline.in/Admin/Pdf/1162315449DB_Annual%20Action%20Plan%20for%20CSR%20Expenditure.pdf

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 - Not Applicable

5. Average net profit of the company as per section 135(5) of the Companies Act, 2013:

₹ 5,44,53,300

| | | |
|----|---|-------------|
| a) | Two percent of average net profit of the company as per section 135(5): | ₹ 1,089,066 |
| b) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years | NIL |
| c) | Amount required to be set off for the financial year, if any | NIL |
| d) | Total CSR obligation for the financial year (5a+5b-5c). | ₹ 10,89,066 |

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):

₹ 11,00,000

(b) Amount spent in Adm(c) Amount spent on Impact Assessment, if applicable: NIL

7. (d) Total amount spent for the Financial Year [(a) + (b) + (c)]: ₹ 11,00,000

8. (e) CSR amount spent or unspent for the Financial Year 2022-23: As below mentioned

| Total Amount Spent for the Financial Year. (in ₹) | Amount Unspent (in ₹) | | | | |
|---|--|-------------------|--|---------|-------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6). | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). | | |
| | Amount. | Date of transfer. | Name of the Fund | Amount. | Date of transfer. |
| ₹ 11,00,000 | NIL | | | | |

(f) Excess amount for set-off, if any:

| Sl. No. | Particular | Amount (in ₹) |
|---------|---|---------------|
| (i) | Two percent of average net profit of the company as per section 135(5) | ₹10,89,066 |
| (ii) | Total amount spent for the Financial Year | ₹11,00,000 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | ₹ 10,934 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | ₹ 10,934 |

7. (a) Details of Unspent CSR amount for the preceding three financial years:

| Sl. No. | Preceding Financial Year. | Amount transferred to Unspent CSR Account under section | Amount spent in the reporting Financial Year (in ₹). | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | | | Amount remaining to be spent in succeeding |
|---------|---------------------------|---|--|--|--------|---------|--|
| | | | | Name of | Amount | Date of | |

| | | 135 (6) (in ₹) | | the Fund | (in ₹). | transfer. | financial years. (in ₹) |
|----|----------------|----------------|----|----------|---------|-----------|-------------------------|
| 1. | FY-1 (2021-22) | NA | NA | NA | NA | NA | NA |
| 2. | FY-2 (2020-21) | NA | NA | NA | NA | NA | NA |
| 3. | FY-3 (2019-20) | NA | NA | NA | NA | NA | NA |

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---------|-------------|----------------------|--|-------------------|---|--|--|---|
| Sl. No. | Project ID. | Name of the Project. | Financial Year in which the project was commenced. | Project duration. | Total amount allocated for the project (in ₹) | Amount spent on the project in the reporting Financial Year (in ₹) | Cumulative amount spent at the end of reporting Financial Year. (in ₹) | Status of the project - Completed /Ongoing. |
| 1 | NA | NA | NA | NA | NA | NA | NA | NA |

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

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: Not Applicable

DB (INTERNATIONAL) STOCK BROKERS LIMITED

Place: New Delhi
Date: 28th July, 2023

Sd/-
Shiv Narayan Daga
(Managing Director and
Chairman of CSR Committee)
DIN: 00072264
Address: B-146, Surajmal
Vihar Delhi-110092

Annexure "III"
Form MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

DB (INTERNATIONAL) STOCK BROKERS LIMITED

U.No 210/211/211A, 2nd Floor, Dalal Street Commercial Co-operative Society Ltd,
Block No 53, Zone5, Gift City Gandhinagar-382355

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **M/s. DB (INTERNATIONAL) STOCK BROKERS LIMITED** (hereinafter called "**the Company**") for the Financial Year ended 31st March, 2023. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2023** ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute's books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the "Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder: **Applicable**;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (including the erstwhile regulation): **Applicable**;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not Applicable**
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **Applicable**
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **N.A.**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **N.A.**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **N.A.**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents Regulations, 1993; **N.A.**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **N.A.**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **N.A.** and
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (SEBI LODR).
- (vi) The other law, as informed and certified by the management of the Company which, is specifically applicable to the Company based on their sector/ industry is:
- SEBI (Stock Brokers and Sub-Brokers) Regulation, 1992.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with Listing regulations;

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and

recorded as part of the minutes.

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

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

**For Surya Gupta & Associates
Company Secretaries**

**Date: 24th May, 2023
Place: Delhi**

**Sd/-
Suryakant Gupta
Prop.
M. No.: F9250
COP No.: 10828
UDIN: F009250E000364605
Peer Review: 907/2020**

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

ANNEXURE "A"**Secretarial Audit Report of DB (International) Stock Brokers Limited**
for the financial year ended 31st March, 2023

To,
The Members,
DB (International) Stock Brokers Limited
U.No 210/211/211A, 2nd Floor, Dalal Street Commercial Co-operative Society Ltd,
Block No 53, Zone5, Gift City Gandhinagar-382355

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

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

For Surya Gupta & Associates
Company Secretaries

Date: 24th May, 2023
Place: Delhi

Sd/-
Suryakant Gupta
Prop.

M. No.: F9250
COP No.: 10828
UDIN: F009250E000364605
Peer Review: 907/2020

Annexure-IV
STATEMENT OF DISCLOSURE OF REMUNERATION

[Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

I. Ratio of remuneration of each Director to the median remuneration of employees for the Financial Year ended 31st March, 2023

(₹ Lakhs)

| Name of Director | Designation | Ratio | Remuneration |
|--------------------------|--|--------|--------------|
| Mr. Shiv Narayan Daga | Executive Director, Managing Director | 1:4.91 | 21.00 |
| Mr. Brajesh Sadani | Non-Executive Independent Director | - | - |
| Mr. Milap Chand Bothra | Non-Executive Independent Director | - | - |
| Mr. Chandra Mohan Bahety | Non-Executive Independent Director | - | - |
| Mr. Sachin Kumar Rathi | Non-Executive Non Independent Director | - | - |
| Ms. Shikha Mundra | Non-Executive Non Independent Director | 1:4.91 | 21.00 |

II. % Increase of remuneration of each Directors & KMPs in the Financial Year ended 31st March, 2023

| Directors | Designation | % Increase in Remuneration |
|---------------------------------------|--|----------------------------|
| Mr. Shiv Narayan Daga | Executive Director, Managing Director | 0 [^] |
| Mr. Brajesh Sadani | Non-Executive Independent Director | - |
| Mr. Milap Chand Bothra | Non-Executive Independent Director | - |
| Mr. Chandra Mohan Bahety | Non-Executive Independent Director | - |
| Mr. Sachin Kumar Rathi | Non-Executive Non Independent Director | - |
| Ms. Shikha Mundra | Non-Executive Non Independent Director | 9.09 [#] |
| Key Managerial Personnel (KMP) | | |
| Mr. Sanjeev Kumar Rawal | Chief Financial Officer | 3.43 |
| Mr. Shiv Narayan Daga | Managing Director | 0 [^] |
| Ms. Pragya Singh | Company Secretary & Compliance Officer | 21.53 |

[^]Mr Shiv Narayan Daga (Managing Director) has forgone his salary for last two financial years i.e F.Y. 2020-21 & F.Y. 2021-22. Last drawn salary for the year ended March 2020 was ₹ 21,00,000.

Hence no increase in remuneration is reported.

Ms. Shikha Mundra (Director) has forgone her salary for last two financial years i.e F.Y. 2020-21 & F.Y. 2021-22. Last drawn salary for the year ended March 2020 was ₹ 19,25,000. Hence increase of 9.09% is reported.

III. % Increase in median remuneration of employees in the Financial Year: 18.52%

IV. Number of permanent Employees on the rolls of the Company: 56

V. Average percentile increases 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:

- Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year: **05.31%**
- Percentile increase in the managerial remuneration: **08.51%**

Average increase in the remuneration of employees is in the line with market scenario and as a measure to motivate employees for better future performance.

VI. It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and employees during the year is as per the remuneration policy of the Company.

Registered office

U.No-210/211/211A, 2nd Floor, Dalal
Street Commercial Co-operative
Society Ltd, Block No 53, Zone 5, Gift
City NA Gandhinagar, Gujrat-382355

Phone No: 011-43606162 ;

Email: compliance@dbonline.in

CIN: L67120GJ1992PLC121278;

Website: <https://www.dbonline.in/>

Date: 28th July, 2023

Place : New Delhi

By order of the Board
For **DB (INTERNATIONAL) STOCK
BROKERS LIMITED**

Sd/-
Shiv Narayan Daga
Managing Director
DIN: 00072264

REPORT ON CORPORATE GOVERNANCE**Pursuant to Regulation 4 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015****Company's Philosophy on Code of Governance**

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

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

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

Our Corporate Governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as to disclosures related to the leadership and governance of the Company.

The Company complies with the requirements stipulated under Regulations 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations'), as applicable, concerning corporate governance.

Board of Directors

The effectiveness of the Board of Directors of a Company leads to a better performance of the Company from the Corporate Governance point of view. The Board of Directors of the Company, along with its Committees, believes that keeping the Corporate Governance on priority results into the ultimate success of the Business.

The Board is entrusted with the ultimate responsibility of the Management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

The Board with its dynamic approach is always prepared to use multiple levels of analysis to understand what is going on within the sector and to adopt best practices to ensure long-term success.

The Board of Directors of the Company comprises of an optimum combination of Executive and Non-Executive Directors including Women Director, which is in conformity with the Companies Act, 2013 ('the Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') as amended from time to time. The composition and category of Board of Directors are as follows:

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

Disclosure of relationships between directors inter-se:

- ⌘ Ms. Shikha Mundra is the daughter of Mr. Shiv Narayan Daga and none of the other directors are related to each other.

Number of shares and convertible instruments held by non- executive directors:

- ⌘ Ms. Shikha Mundra, Non-Independent Director of the Company holds 8,14,402 Equity Shares of the Company as on 31st March, 2023.
- ⌘ None of the Board of Directors holds convertible instruments in the company.

Familiarisation Programme:

- ⌘ The Board members of DB (International) Stock Brokers Limited (Independent and Non-Independent) are afforded every opportunity to familiarize themselves with the Company, its management and its operations and above all, the company perspective & issues. They are made to interact with senior management personnel for enabling a good understanding of the Company, its various operations and the industry of which it is a part.
- ⌘ Web-link of details of familiarisation programmes imparted to Independent Directors: <https://www.dbonline.in/Admin/Pdf/387166172FAMILIARIZATION%20PROGRAMME%20FOR%20INDEPENDENT%20DIRECTORS.pdf>
- ⌘ As the main business of the company is to provide services related to Stock Broking and Depository Participants, taking these business activities in consideration it is necessary that Board of Directors should have knowledge about the same.
- ⌘ All the Directors of the Board are having good knowledge and experience about Stock Broking and DP operations.
- ⌘ None of the Independent Director resigned during the year from his directorship.

Board Meetings:

During the year, the Board of Directors met 6 times on 25th May 2022; 05th July, 2022; 28th July, 2022 and 23rd September, 2022, 27th October, 2022 and 08th February, 2023.

| Name | No. of Board Meetings Attended | Whether attended last AGM | Directorship in other Companies | Committee Membership | Status in Committee |
|--------------------------|--------------------------------|---------------------------|--|---|---------------------|
| Mr. Shiv Narayan Daga | 6 | Yes | Daga Commodities Private Limited | Corporate Social Responsibility Committee | Chairman |
| | | | Daga Business (International) Stock Brokers (IFSC) Private Limited | Credit Facility Committee | |
| Ms. Shikha Mundra | 6 | Yes | NIL | Credit Facility Committee | - |
| Mr. Chandra Mohan Bahety | 6 | Yes | Megapix Tradelink Private Limited | Audit Committee | Chairman |
| | | | Balaji Nirman Private Limited | Nomination & Remuneration Committee Independent Director's Committee | Member Member |
| Mr. Brajesh Sadani | 5 | Yes | NIL | Stakeholders Relationship Committee | Member |
| | | | | Audit Committee | Member |
| | | | | Independent Director's Committee | Member |
| | | | | Nomination & Remuneration Committee | Chairman |
| Mr. Sachin Kumar Rathi | 6 | Yes | Daga Business (International) Stock Brokers (IFSC) Private Limited | Nomination & remuneration Committee | Member |
| | | | | Stakeholders Relationship | Member |

| | | | | | |
|------------------------|---|-----|--|---|----------|
| | | | | Committee | |
| | | | | Corporate Social Responsibility Committee | Member |
| | | | | Credit Facility Committee | |
| Mr. Milap Chand Bothra | 6 | Yes | Bothra Credit and Holdings Private Limited | Stakeholders Relationship Committee | Chairman |
| | | | | Audit Committee | Member |
| | | | | Independent Director`s Committee | Chairman |
| | | | | Corporate Social Responsibility Committee | Member |

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

| Skill / Experience/Competency | Available with Board |
|--|----------------------|
| Board Experience: Experience as a Director of a Company | Yes |
| Planning Experience: Experience in business/corporate planning | Yes |
| Leadership Experience: Experience serving as a Chairperson of Corporate/ Committee, or in other positions of leadership | Yes |
| Financial and Accounting Expertise: Qualifications and experience in accounting and/or finance and the ability to comprehend company accounts, financial material presented to the board and financial reporting requirements | Yes |

| | |
|---|-----|
| Risk Assessment: Experience in the process of identifying principal corporate risks and to ensure that management has implemented the appropriate systems to manage risk | Yes |
| Legal, Regulatory and Compliance: Experience in law and compliance. | Yes |
| Strategy: Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies for the Company | Yes |

COMMITTEES OF THE BOARD

The Board has five committees namely Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Independent Directors Committee. The Committees of Board provide and evaluate the strategic direction to the Company, Management policies and their effectiveness and ensure that the long-term interests of the shareholders are being served. The details as to the composition, terms of reference, number of meetings and related attendance, etc., of these Committees are provided hereunder.

❖ Audit Committee

Terms of Reference

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

Composition, Meetings and Attendance

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

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

During the year, Audit committee met four times on 25th May, 2022; 28th July, 2022; 27th October, 2022 and 08th February, 2023.

❖ Nomination & Remuneration Committee

Terms of reference

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

Composition, Meetings and Attendance

The Nomination & Remuneration Committee comprises of following Directors:

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

During the year Nomination & Remuneration Committee met once in a year on 08th February, 2023.

Performance Evaluation:

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

of the Company, devote sufficient time and attention to their professional obligations for informed and balanced decision making, assist the Company in implementing the best Corporate Governance practices, strive to attend all meetings of the Board of Directors and the Committees, participate

constructively and actively in the Committees of the Board in which they are chairpersons or members, strive to attend the General Meetings of the Company, keep themselves well informed about the Company and the external environment in which it operates, abide by Company's Memorandum and Articles of Association, Company's policies and procedures including Code of Conduct, Insider trading guidelines etc.

Remuneration Policy

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

Remuneration of the Directors

(i) Remuneration of Executive Directors:

During the Financial Year ended 31st March, 2023, the remuneration paid to Directors, is given below:

| Name of The Director | Designation | Salary & Allowances (₹) | Benefits (₹) | Bonuses | Stock Option | Pension | Service Contract |
|----------------------|-------------------|-------------------------|--------------|---------|--------------|---------|------------------|
| Shiv Narayan Daga | Managing Director | 21,00,000 | 2,52,000 | - | - | - | - |

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

| Name of the Non-Executive Director | Remuneration/Sitting Fees (₹) |
|------------------------------------|-------------------------------|
| Mr. Brajesh Sadani | - |
| Mr. Milap Chand Bothra | - |
| Mr. Sachin Kumar Rathi | - |
| Mr. Chandra Mohan Bahety | - |
| Ms. Shikha Mundra | 21,00,000 |

❖ Stakeholders Relationship Committee

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

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

The Committee comprises of following Directors:

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

During the year, Stakeholders Relationship Committee met on 08th February, 2023.

During the year, no complaint was received from investors. The requests received for Share Transfer up to 31st March, 2023 has been completed within the time frame prescribed by the statutory authorities as well as SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015.

The details of Investor Complaints received and resolved for the Financial Year 2022-2023, is as under:

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

❖ Independent Directors Committee

The committee comprises of following Directors:

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

During the year, Independent Directors met once during the year on 25th May, 2022.

❖ Corporate Social Responsibility Committee

The Committee comprises of following Directors:

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

During the year, Corporate Social Responsibility Committee met thrice in a year on 25th May, 2022 and 05th, July, 2022, 16th January, 2023.

During the year, no complaint was received from investors. The requests received for Share Transfer up to 31st March, 2023 has been completed within the time frame prescribed by the statutory authorities as well as SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015.

The details of Investor Complaints received and resolved for the Financial Year 2022-2023, is as under:

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

❖ Credit Facility Committee

The Committee Comprises as on 31st March, 2023.

| | | | |
|----|------------------------|----------|--|
| 1. | Mr. Shiv Narayan Daga | Chairman | Executive Director |
| 2. | Ms. Shikha Mundra | Member | Non-Executive Non Independent Director |
| 3. | Mr. Sachin Kumar Rathi | Member | Non-Executive Non Independent Director |

The Company Secretary of the Company is the Secretary of the Committee.

The Board constitutes such committee for review applications for loans and other types of credit. The committee reviews the requests and relevant information to determine how to proceed. Ensuring alignment with standard lending policy and evaluating risk exposure, the lending committee determines whether to approve or deny the application. The credit committee is also responsible for reviewing the credit on maturing loans and directing collection efforts on past due loans.

General Body Meetings

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

| Year | Date and Time | Location | Particulars of Special Resolution Passed |
|------------|---|---|--|
| 2019- 2020 | 14 th September, 2020 at 04:00 p.m. IST Annual General Meeting | 70 Housing board colony,(old), Near Mini Secretariat, Rewari, Haryana - 123401 | I. Consider Re-Appointment of Mr. Shiv Narayan Daga as a Managing Director. II. Shifting of Registered Office from the State of Haryana to Gujarat. |
| 2020-2021 | 28 th September, 2021 at 09:30 A.M. (IST) Annual General Meeting | P05-02A & P05-02B, 5th Floor, Tower-A, World Trade Center, Block-51, Road 5E, Zone-5, GIFT City, Gandhinagar, Gujarat-382355 | I. Consider Re-appointment of Mr. Milap Chand Bothra (DIN: 00269198) as an Independent Director |
| 2021-2022 | 29 th September, 2021 at 09:30 A.M. (IST) Annual General Meeting | 210/211/211A at 2nd Floor Dalal Street Commercial Co-operative Society Ltd, Block No.53, Zone 5, Gift City, Gandhinagar, Gujarat-382355 | I. To revise the borrowing limit from ₹ 100 Crores to ₹ 300 Crores as per section 180(1)(c) of Companies Act, 2013. |

| | | | |
|-----------|--|---|--|
| 2022-2023 | 10 th November, 2022 at 09:30 A.M. (IST) Extra-Ordinary General Meeting | Unit No. 210/211/211A, 2nd Floor, Dalal Street Commercial Co-operative Society Ltd, Block No 53, Zone 5, Gift City, Gandhinagar, Gujarat-382355 | I. To revise the borrowing limit from ₹ 100 Crores to ₹ 300 Crores as per section 180(1)(c) of Companies Act, 2013 |
|-----------|--|---|--|

Disclosures

- ⌘ The Company has not entered into any transaction of a material nature with the promoters, Directors or the Management, their relatives etc. that may have potential conflict with the interest of the Company.
- ⌘ No penalties have been imposed on the Company by the Stock Exchange, SEBI or other Statutory Authorities on any matter related to capital markets during last three years.
- ⌘ Whistle Blower Policy (Policy on Vigil Mechanism) the company has adopted a whistle blower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the company's code of conduct and ethics and also provides for direct access to the Chairman of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. Details of the policy are available on our website, at <https://www.dbonline.in/Admin/Pdf/449404799WHISTLE%20BLOWER%20POLICY%20AND%20VIGIL%20MECHANISM.pdf>
- ⌘ Details of Material Subsidiary Policy adopted by the Company is available on our website at <https://www.dbonline.in/Admin/Pdf/2018436376MATERIAL%20SUBSIDIARY%20POLICY.pdf>
- ⌘ Details of Related Party Transaction policy is available on our website, at <https://www.dbonline.in/Admin/Pdf/1979511712POLICY%20ON%20RELATED%20PARTY%20TRANSACTIONS.pdf>
- ⌘ No funds raised through preferential Allotment and Qualified Institutions Placement.
- ⌘ Certificate from Practicing Company Secretaries as required under Part C of Schedule V of LODR, received from Mr. Suryakant Gupta, Membership No. F9250, COP No.10828, representing M/s. Surya Gupta & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.
- ⌘ Compliance with Corporate Governance Norms: The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated in Schedule V(E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015). The Company has submitted the compliance report in the prescribed format to the stock exchanges for all the quarters including the quarter ended 31st March 2023. The Statutory Auditors have certified that the Company has complied with the conditions of corporate governance as stipulated in Schedule V (E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015). The said certificate is annexed to this Report.

- ⌘ 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. **NOT APPLICABLE**

Means of Communication

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

- ⌘ Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 information like quarterly and half yearly statement and shareholding pattern are regularly updated on BSE’s & NSE’s website i.e. www.bseindia.com & www.nseindia.com
- ⌘ Management Discussion & Analysis Report has been included in the Annual Report, which forms part of the Annual Reporting being sent to the shareholders of the Company.

Information for General Shareholders

- A. 31st Annual General Meeting : Will be held on Friday, 29th September, 2023 at 09:30 A.M. (IST) at Unit No. 210/211/211A at 210/211/211A at 2nd Floor, Dalal Street, Commercial Co-operative Society Ltd, Block No.53, Zone 5, Gift City, Gandhinagar, Gujarat-382355, the registered office of the Company.
- B. Financial Calendar : 01st April, 2022 to 31st March, 2023
- C. Book Closure Date : 23rd September, 2023 to 29th September, 2023 (Both days are inclusive)
- A. Listing on Stock Exchange : The Shares of the Company are listed on the BSE Limited and National Stock Exchange of India Limited and the Annual Listing Fee for the year 2022-2023 have been paid.
- B. Market Price Data : As follows

MARKET PRICE DATA

| | MONTH | BSE | | NSE | |
|----|-------------|---------------|--------------|---------------|--------------|
| | | HIGHEST PRICE | LOWEST PRICE | HIGHEST PRICE | LOWEST PRICE |
| 1. | April, 2022 | 30.20 | 24.45 | 33.00 | 24.50 |
| 2. | May, 2022 | 27.35 | 20.45 | 27.25 | 20.40 |
| 3. | June, 2022 | 21.30 | 17.70 | 22.35 | 18.30 |

| | | | | | |
|-----|-----------------|-------|--------|-------|-------|
| 4. | July, 2022 | 22.35 | 18.75 | 22.15 | 19.00 |
| 5. | August, 2022 | 23.65 | 19.60 | 24.00 | 18.90 |
| 6. | September, 2022 | 37.65 | 20.60 | 36.50 | 21.00 |
| 7. | October, 2022 | 27.65 | 22.30 | 27.80 | 22.30 |
| 8. | November, 2022 | 25.90 | 21.35 | 26.60 | 21.35 |
| 9. | December, 2022 | 26.80 | 20.80 | 26.95 | 20.70 |
| 10. | January, 2023 | 25.95 | 21.40S | 26.65 | 22.00 |
| 11. | February, 2023 | 37.10 | 19.60 | 37.00 | 22.10 |
| 12. | March, 2023 | 26.70 | 22.00 | 27.00 | 22.50 |

C. NSE SYMBOL : DBSTOCKBRO (National Stock Exchange)

BSE CODE : 530393 (Bombay Stock Exchange)

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

E. ISIN : INE921B01025

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

F. Distribution Schedule as on 31st March, 2023

Distribution Schedule

| Shareholding Nominal Value of ₹ | No. of Shareholders | No. of Shares |
|---------------------------------|---------------------|---------------|
| Upto 100 | 2699 | 54792 |
| 101 - 500 | 451 | 126184 |
| 501 - 1000 | 126 | 103124 |
| 1001 - 2000 | 46 | 70214 |
| 2001 - 5000 | 60 | 194279 |
| 5001 - 10000 | 15 | 105680 |
| 10001 - 20000 | 11 | 161706 |
| 20001 - 30000 | 9 | 230170 |

| | | |
|---------------------------|-----------------|-------------------|
| 30001 - 40000 | 2 | 70744 |
| 40001 - 50000 | 3 | 141869 |
| 50001 - 100000 | 22 | 1692572 |
| 100001 - 500000 | 29 | 6540432 |
| Above 500000 | 17 | 25508234 |
| TOTAL | 3490 | 35000000 |
| Category | No of shares | % of Shareholding |
| Promoter & Promoter Group | 12019984 | 34.34% |
| Others | 22980016 | 65.66% |
| TOTAL | 35000000 | 100% |

G. **Dematerialization of Shares:** 3,49,81,500 equity shares representing 99.95% of total paid up capital in dematerialized form and 18,500 equity shares representing 0.05 % of total paid up capital in physical form as on 31st March,2023.

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

On behalf of the Board of Directors

For DB (International) Stock Brokers Limited

Place: New Delhi
Date: 28th July, 2023

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

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

Sd/-
Sanjeev Kumar Rawal
(Chief Financial Officer)

Sd/-
Prachi Sharma
(Company Secretary)

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

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

- a. I have reviewed Financial Statement and the Cash Flow Statement of the Financial Year ended 31st March, 2023 and that to the best of my knowledge and belief:
 - I. These statements do not contain any materially untrue statement or omit any material factor contained in the statements that might be misleading;
 - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violate of the Company's code of conduct.
- c. I am responsible for establishing and maintaining Internal Controls for financial reporting and that I have evaluated the effectiveness or internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the auditors and the Audit Committee that:
 - I. There have been no significant changes in internal control over financial reporting during the year.
 - II. There have been no significant changes in accounting policies during the year; and
 - III. There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

Sanjeev Kumar Rawal
(Chief Financial Officer)

Place: New Delhi
Date: 28th April, 2023

DB (INTERNATIONAL) STOCK BROKERS LIMITED

**Regd. Office: U.No 210/211/211A, 2nd Floor, Dalal Street Commercial Co-operative Society Ltd,
Block No 53, Zone5, Gift City Gandhinagar-382355**

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

CIN: L67120GJ1992PLC121278

Website: www.dbonline.in

Email Id: compliance@dbonline.in

Tel No: 011-43606162

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

I, Shiv Narayan Daga, Managing Director of the Company, do hereby confirm that all the members of Board and the Key Managerial Personnel of the Company have complied with the 'Code of Conduct for the Directors and Key Managerial Personnel', during the Financial Year 2022-2023.

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

DB (INTERNATIONAL) STOCK BROKERS LIMITED

Place: New Delhi

Date: 28th April, 2023

Sd/-

Shiv Narayan Daga

(Managing Director)

DIN: 00072264

Address: B-146, Surajmal

Vihar Delhi-110092

Certificate on Corporate Governance

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

We, Surya Gupta & Associates, Company Secretaries, the Secretarial Auditor of the Company have examined the compliance of the conditions of Corporate Governance by DB (International) Stock Brokers Limited ('the Company') for the Financial Year ended on 31st March, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 and Para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31st March, 2023.

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

**FOR SURYA GUPTA & ASSOCIATES
COMPANY SECRETARIES**

**Sd/-
SURYAKANT GUPTA
Practicing Company Secretary
C.P. No.: 10828
M. No.: F9250
Peer Review: 907/2020
UDIN No.: F009250E000669976**

**Date- 24th July, 2023
Place: Delhi**

ANNEXURE-V

Form AOC-1

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

Statement containing salient features of the Financial Statement of Subsidiaries/Associate companies/Joint ventures

Part "A": Subsidiaries

| Sl. No. | Particulars | Details FY: 2022-23 | Details FY: 2021-22 |
|---------|---|---|---|
| 1 | Name of the subsidiary | Daga Business (International) Stock Brokers (IFSC) Private Limited | Daga Business (International) Stock Brokers (IFSC) Private Limited |
| 2 | The date since when subsidiary was acquired | 17/05/2017 | 17/05/2017 |
| 3 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | NA | NA |
| 4 | Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries | NA | NA |
| 5 | Share capital | 1,25,00,000 | 1,25,00,000 |
| 6 | Reserves & surplus | 45,22,779 | 68,92,145 |
| 7 | Total Assets | 4,70,38,434 | 5,00,94,540 |
| 8 | Total Liabilities | 4,70,38,434 | 5,00,94,540 |
| 9 | Investments | NIL | NIL |
| 10 | Turnover | 1,65,94,036 | 1,91,24,504 |
| 11 | Profit/Loss before taxation | 45,20,523 | 68,92,637 |
| 12 | Provision for taxation | -2256 | 492 |
| 13 | Profit after taxation | 45,22,779 | 68,92,145 |
| 14. | Proposed Dividend | 00 | 00 |
| 15. | Extent of shareholding (in percentage) | 99.99% | 99.99% |

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

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

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

Part "B": Associates and Joint Ventures

Not applicable as the Company does not have any Associate Company / Joint Venture during the year under review.

Registered office

U.No-210/211/211A, 2nd Floor, Dalal Street
Commercial Co-operative Society Ltd, Block
No 53, Zone 5, Gift City NA Gandhinagar,
Gujrat-382355

Phone No: 011-43606162 ;

Email: compliance@dbonline.in

CIN: L67120GJ1992PLC121278;

Website: <https://www.dbonline.in/>

Date: 28th July, 2023

Place : New Delhi

By order of the Board
For **DB (INTERNATIONAL) STOCK
BROKERS LIMITED**

Sd/-
Shiv Narayan Daga
Managing Director
DIN: 00072264

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DB (INTERNATIONAL) STOCK BROKERS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these

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

| Sr. No. | Key Audit Matters | Auditor's Response |
|---------|---|---|
| 1 | <p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (revenue accounting standard)</p> <p>The application of the revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, revenue accounting standard contains disclosures which involve collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p>Refer note 2(J) to the Standalone Financial Statements</p> | <p>Principal Audit Procedures</p> <p>We assessed the Company's process to identify the impact of adoption of the revenue accounting standard.</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to implementation of the revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures: <ul style="list-style-type: none"> • Read, analyzed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. |

| | | |
|---|--|--|
| | | <ul style="list-style-type: none"> • Samples in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes. • In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems. We also tested the access and change management controls relating to these systems. • Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. • We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. |
| 2 | <p>Accuracy of revenues and onerous obligations in respect of fixed price contracts involves critical estimates</p> <p>Estimated effort is a critical estimate to determine revenues and liability for onerous obligations. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations.</p> | <p>Principal Audit Procedures</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. • Tested the access and application controls pertaining to time recording, allocation and budgeting |

| | | |
|--|--|--|
| | | <p>systems which prevents unauthorized changes to recording of efforts incurred.</p> <ul style="list-style-type: none"> • Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to efforts incurred and estimated. • Selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to complete the contract. • Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations. • Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts. |
|--|--|--|

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

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the 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 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of Internal Financial Controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate Internal Financial Controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on other legal and regulatory requirements

1. Based on our audit, we report that the Company has 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.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company, as detailed in note 27 to the Standalone Financial Statements, has disclosed the impact of pending litigation(s) on its Financial Position as at 31-March-2023;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31-March-2023.
 - iv. a) The management has represented that, to the best of its knowledge and belief, on the date of this Audit Report, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or

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

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31-March-2023.

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

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

UDIN: 23081138BGTUSO8881

**Place: New Delhi
Dated: April 28, 2023**

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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

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

- i. In respect of the Company's property, plant and equipment:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of verification to cover all the items of property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The title deed of the immovable property held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Financial Statements is held in the name of the Company.
 - (d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2023.
 - (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The Company is a service company. Accordingly, reporting under clause 3(ii) of the Order is not applicable to the Company.

(b) The Company has working capital limits in excess of Rs 5 crore during the year, sanctioned by banks against security of fixed deposits held by the Company. However, pursuant to terms of the sanction letter(s), the Company is not required to file any quarterly return or statement with such banks or financial institutions.
- iii. The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of loans, guarantees and security. Accordingly, to that extent reporting under clause 3(iv) of the Order is not applicable to the Company.
- v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

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

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

- ix. (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender. The Company has not issued any Debentures.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilized for long term purposes.
- (e) In our opinion and according to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or joint venture.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. The Company does not have joint-ventures or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party

transactions have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.

- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current year and preceding financial year.
- xviii. There has been no resignation of the Statutory Auditors during the year and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in notes to the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors' and management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. According to the information and explanations given to us, the Company fulfilled the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. However, there is no unspent amount as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

Sd/-
Parmod Kumar
Partner
Membership No.: 081138
UDIN: 23081138BGTUSO8881

Place: New Delhi
Dated: April 28, 2023

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

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

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

In conjunction with our audit of the Standalone Financial Statements of DB (International) Stock Brokers Limited (“the Company”) as at and for the year ended March 31, 2023, we have audited the Internal Financial Controls with reference to Financial Statements of the Company as at that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's Internal Financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's Internal Financial Control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

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

Sd/-
Parmod Kumar
Partner
Membership No.: 081138
UDIN: 23081138BGTUSO8881
Place: New Delhi
Dated: April 28, 2023

DB (International) Stock Brokers Limited
Standalone Balance Sheet as at March 31, 2023

(All amounts in hundred except share data and earning per share)

Regd. Off. Unit No.210/211/211A at Second Floor, Dalal Street Commercial Co.Operative Society Ltd, Block No.53, Zone-5, Gift City, Gandhinagar, Gujarat-382355

CIN No. L67120GJ1992PLC121278

| Particulars | Note No. | As at | As at |
|--|----------|---------------------|---------------------|
| | | March 31, 2023 | March 31, 2022 |
| | | ₹ | ₹ |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3(a) | 2,73,561.07 | 55,940.41 |
| Intangible assets | 3(b) | 1,65,093.41 | 478.62 |
| Right to use asset | 3(c) | 40,388.02 | 50,458.42 |
| Financial assets | | - | - |
| -Investments | 4 (a) | 2,32,934.30 | 10,26,735.53 |
| -Other financial assets | 4 (b) | 9,33,188.15 | 14,13,892.00 |
| Deferred tax assets (net) | 5 | - | 2,545.99 |
| Income tax assets (net) | 6 | 89,919.02 | 87,010.17 |
| Other non-current assets | 7 | - | 1,84,416.01 |
| Total Non-current assets | | 17,35,083.97 | 28,21,477.15 |
| Current assets | | | |
| Financial assets | | | |
| -Investments | 8(i) | 59,457.40 | 1,06,913.91 |
| -Trade receivables | 8(ii) | 1,69,700.04 | 1,64,135.51 |
| -Cash and cash equivalents | 8(iii) | 14,69,613.95 | 13,21,790.40 |
| -Bank balances other than above | 8(iv) | 59,27,102.90 | 44,71,102.90 |
| -Other financial assets | 8(v) | 2,04,983.73 | 2,31,500.46 |
| -Derivatives assets receivable (at fair value) | 8(vi) | 1,294.80 | 1,29,991.07 |
| Current tax assets (net) | 9 | 24,395.20 | 54,455.27 |
| Other current assets | 10 | 66,010.23 | 31,792.49 |
| Total current assets | | 79,22,558.25 | 65,11,682.01 |
| TOTAL ASSETS | | 96,57,642.23 | 93,33,159.16 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 11 | 7,00,000.00 | 7,00,000.00 |
| Other equity | 12 | 48,03,243.25 | 42,27,918.88 |
| Total equity | | 55,03,243.25 | 49,27,918.88 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| -Deferred tax liabilities (net) | 5 | 1,606.43 | - |
| Total non-current liabilities | | 1,606.43 | - |
| Current liabilities | | | |
| Financial liabilities | | | |
| -Borrowings | 14(i) | - | - |
| -Lease liabilities | 14(ii) | 40,228.67 | 51,001.74 |
| -Trade payables: | | | |
| - to micro and small enterprises | 14(iii) | - | - |
| - to other than micro and small enterprises | 14(iii) | 40,95,112.99 | 43,38,856.05 |
| Other financial liabilities | 14(iv) | 7,974.93 | 7,974.93 |
| Other current liabilities | 15 | 9,475.96 | 7,407.56 |
| Total current liabilities | | 41,52,792.55 | 44,05,240.28 |
| Total liabilities | | 41,54,398.98 | 44,05,240.28 |
| TOTAL EQUITY AND LIABILITIES | | 96,57,642.23 | 93,33,159.16 |

The accompanying notes are an integral part of the these standalone financial statements 1-37

As per our report of even date.

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

Sd/-
Parmod Kumar
Partner
Membership No : 081138
UDIN: 23081138BGTU508881

Place: New Delhi
Date: April 28, 2023

For and on behalf of the Board of Directors

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Sachin Kumar Rath
Director
DIN - 01013130

Sd/-
S K Rawal
Chief Financial Officer

Sd/-
Pragya Singh
Company Secretary
Membership No: A65047

DB (International) Stock Brokers Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

Regd. Off. Unit No.210/211/211A at Second Floor, Dalal Street Commercial Co.Operative Society Ltd, Block No.53, Zone-5, Gift City, Gandhinagar, Gujarat-382355

CIN No. L67120GJ1992PLC121278

| Particulars | Note No. | For the year ended | For the year ended |
|--|----------|---------------------|---------------------|
| | | March 31, 2023 | March 31, 2022 |
| | | ₹ | ₹ |
| Income: | | | |
| Revenue from operations | 17 | 27,65,175.81 | 27,36,864.86 |
| Other income | 18 | 25,808.56 | 14,480.82 |
| Total income (i) | | 27,90,984.37 | 27,51,345.68 |
| Expenses: | | | |
| Employee benefits expense | 19 | 3,88,014.45 | 3,67,858.14 |
| Finance costs | 20 | 70,530.23 | 57,848.78 |
| Depreciation and amortisation expense | 21 | 1,07,805.86 | 71,534.73 |
| Other expenses | 22 | 13,99,831.04 | 12,36,895.98 |
| Total expenses (ii) | | 19,66,181.58 | 17,34,137.63 |
| Profit before tax (i-ii=iii) | | 8,24,802.79 | 10,17,208.05 |
| Tax expense: | 23 | | |
| Current tax | | 2,23,232.85 | 1,96,936.41 |
| Deferred tax | | 9,296.96 | 13,375.40 |
| Tax for earlier year | | - | 12,069.68 |
| Total Income tax expense (iv) | | 2,32,529.81 | 2,22,381.49 |
| Profit for the year (iii-iv=v) | | 5,92,272.98 | 7,94,826.56 |
| Other comprehensive income | 24 | | |
| Items that will not be reclassified to profit or loss | | | |
| -Remeasurement of post employment benefit obligations | | (20,440.80) | 12,953.66 |
| -Income tax relating to these items | | 5,144.54 | (3,260.18) |
| Other comprehensive income for the year (vi) | | (15,296.26) | 9,693.48 |
| Total comprehensive income for the year (v+vi) | | 5,76,976.72 | 8,04,520.04 |
| Earnings per equity share (Basic and Diluted) | 25 | 1.69 | 2.27 |

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

1-37

As per our report of even date.

For Gupta Verma & Sethi

Chartered Accountants

Firm Registration No.02605N

Sd/-

Parmod Kumar

Partner

Membership No : 081138

UDIN: 23081138BGTUSO8881

Place: New Delhi

Date: April 28, 2023

For and on behalf of the Board of Directors

Sd/-

Shiv Narayan Daga

Managing Director

DIN - 00072264

Sd/-

S K Rawal

Chief Financial Officer

Sd/-

Sachin Kumar Rathi

Director

DIN - 01013130

Sd/-

Pragya Singh

Company Secretary

Membership No: A65047

DB (International) Stock Brokers Limited
Standalone Statement of changes in equity for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

Regd. Off. Unit No.210/211/211A at Second Floor, Dalal Street Commercial Co.Operative Society Ltd, Block No.53, Zone-5, Gift City, Gandhinagar, Gujarat-382355

CIN No. L67120GJ1992PLC121278

A) Change in equity share capital (In ₹)

| | Amounts |
|---|--------------------|
| Balance as at April 01, 2021 | 7,00,000.00 |
| Changes in equity share capital during the year | - |
| Balance as at March 31, 2022 | 7,00,000.00 |
| Changes in equity share capital during the year | - |
| Balance as at March 31, 2023 | 7,00,000.00 |

B) Changes in other equity (refer note 12)

For the year ended March 31, 2023

| Particulars | Reserves and surplus | | | Total |
|---|----------------------------|--------------------|---------------------|---------------------|
| | Securities premium account | General reserve | Retained earnings | |
| As at April 01, 2022 | 7,60,000.00 | 2,86,484.32 | 31,81,434.58 | 42,27,918.90 |
| Profit for the year | - | - | 5,92,272.98 | 5,92,272.98 |
| Tax Adjustment for earlier year | - | - | (1,652.35) | (1,652.35) |
| Other comprehensive income: | | | | |
| -Impact of remeasurement of post employment benefit obligations | - | - | (15,296.26) | (15,296.26) |
| Total comprehensive income | - | - | 5,75,324.37 | 5,75,324.37 |
| As at March 31, 2023 | 7,60,000.00 | 2,86,484.32 | 37,56,758.95 | 48,03,243.25 |

For the year ended March 31, 2022

| Particulars | Reserves and surplus | | | Total |
|---|----------------------------|--------------------|---------------------|---------------------|
| | Securities premium account | General reserve | Retained earnings | |
| As at April 01, 2021 | 7,60,000.00 | 2,86,484.32 | 23,76,914.55 | 34,23,398.87 |
| Profit for the year | - | - | 7,94,826.55 | 7,94,826.55 |
| Other comprehensive income: | | | | |
| -Impact of remeasurement of post employment benefit obligations | - | - | 9,693.48 | 9,693.48 |
| Total comprehensive income | - | - | 8,04,520.03 | 8,04,520.03 |
| As at March 31, 2022 | 7,60,000.00 | 2,86,484.32 | 31,81,434.58 | 42,27,918.88 |

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

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

As per our report of even date.

For Gupta Verma & Sethi

Chartered Accountants

Firm Registration No.02605N

Sd/-

Parmod Kumar

Partner

Membership No : 081138

For and on behalf of the Board of Directors

Sd/-

Shiv Narayan Daga

Managing Director

DIN - 00072264

Sd/-

Sachin Kumar Rathi

Director

DIN - 01013130

Sd/-

S K Rawal

Chief Financial Officer

Sd/-

Pragya Singh

Company Secretary

Membership No: A65047

Place: New Delhi

Date: April 28, 2023

DB (International) Stock Brokers Limited
Standalone Cash flow statement for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

Regd. Off. Unit No.210/211/211A at Second Floor, Dalal Street Commercial Co.Operative Society Ltd, Block No.53, Zone-5, Gift City, Gandhinagar, Gujarat-382355

CIN No. L67120GJ1992PLC121278

| Particulars | For the year ended | For the year ended |
|--|-----------------------|-----------------------|
| | March 31, 2023 | March 31, 2022 |
| | ₹ | ₹ |
| A Cash flow from operating activities: | | |
| Net profit before taxation | 8,24,802.79 | 10,17,208.05 |
| Adjustments for: | | |
| Depreciation and amortisation expense | 1,07,805.86 | 71,534.73 |
| Interest | 18,058.47 | 6,468.29 |
| Operating profit before working capital changes | 9,50,667.12 | 10,95,211.07 |
| Change in operating assets and liabilities: | | |
| Change in other financial assets (non-current) | (6,867.15) | 2,606.80 |
| Change in trade receivables | (5,564.53) | (21,591.00) |
| Change in other financial assets (current) | 1,55,213.00 | (2,35,964.14) |
| Change in other current assets | (34,217.74) | (44,029.67) |
| Change in provisions | (20,440.80) | (21,343.74) |
| Change in trade payables | (2,43,743.06) | 25,94,265.91 |
| Change in other financial liabilities | (10,773.07) | 28,545.37 |
| Change in other current liabilities | 2,068.40 | (49,652.98) |
| Change in Investment non-current assets | 7,93,801.23 | (8,41,411.53) |
| Cash generated from operations | 15,80,143.40 | 25,06,636.09 |
| Direct taxes paid | (2,34,200.77) | (3,59,414.91) |
| Net cash inflow generated from operating activities (A) | 13,45,942.63 | 21,47,221.18 |
| B Cash flows from investing activities: | | |
| Net (Investment in)/proceeds from property, plant and equipment and capital advances | (2,63,159.09) | 41,960.34 |
| Net proceeds from disposal of equity shares of associate company | - | 1,050.00 |
| Net (Investment in)/ proceeds from bank deposits and other balances | (9,20,542.49) | (14,44,675.58) |
| Net cash from/(used in) investing activities (B) | (11,83,701.58) | (14,01,665.24) |
| C Cash flows from financing activities: | | |
| Finance cost paid | (14,417.50) | (6,468.29) |
| Net cash used in financing activities (C) | (14,417.50) | (6,468.29) |
| Cash and cash equivalents at the beginning of the financial year | 13,21,790.40 | 5,82,702.75 |
| Net increase in cash and cash equivalents (A+B+C) | 1,47,823.55 | 7,39,087.65 |
| Cash and cash equivalents at end of the year | 14,69,613.95 | 13,21,790.40 |
| Cash and cash equivalents include: | | |
| Balance with bank in current accounts | 14,66,756.64 | 13,18,796.57 |
| Cash on hand | 2,857.31 | 2,993.83 |
| Cash and cash equivalents at end of the year | 14,69,613.95 | 13,21,790.40 |

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in IND AS-7 "Statement of Cash Flows"
- Net Cash Flow from Operating activities includes an amount of ₹ 0.11 lakh (2022- ₹ NIL) spent towards Corporate Social Responsibility.

The accompanying notes are an integral part of these standalone financial statements
As per our report of even date.

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

For and on behalf of the Board of Directors

Sd/-
Parmod Kumar
Partner
Membership No : 081138

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Place: New Delhi
Date: April 28, 2023

Sd/-
S K Rawal
Chief Financial Officer

Sd/-
Pragya Singh
Company Secretary
Membership No: A65047

DB (International) Stock Brokers Limited
Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

| Particulars | Property, plant and equipment | | | | | | Intangible assets | |
|--|-------------------------------|-----------------|----------------------|-----------|------------------|-------------|-------------------|-----------------------|
| | 3(a) | | | | | | 3(b) | 3(c) |
| | Computer | Office Building | Furniture & fixtures | Vehicles | Office equipment | Total | Computer software | Right to use an asset |
| Gross block: | | | | | | | | |
| As at April 1, 2022 | 1,04,364.91 | - | 1,883.79 | 36,712.02 | 21,337.47 | 1,64,298.19 | 10,758.43 | 92,906.35 |
| Additions during the year | 29,211.88 | 2,12,870.27 | 6,494.00 | - | 3,644.75 | 2,52,220.90 | 1,94,924.20 | 32,825.82 |
| Sales/adjustments | - | - | - | - | - | - | - | - |
| As at March 31, 2023 | 1,33,576.79 | 2,12,870.27 | 8,377.79 | 36,712.02 | 24,982.22 | 4,16,519.09 | 2,05,682.63 | 1,25,732.17 |
| Accumulated depreciation/ amortisation: | | | | | | | | |
| As at April 1, 2022 | 58,714.79 | - | 1,791.30 | 30,935.02 | 16,916.68 | 1,08,357.78 | 10,279.81 | 42,447.93 |
| Charge for the year | 25,913.73 | 5,533.19 | 109.75 | 1,804.16 | 1,239.40 | 34,600.23 | 30,309.41 | 42,896.22 |
| Sales/adjustments | - | - | - | - | - | - | - | - |
| As at March 31, 2023 | 84,628.52 | 5,533.19 | 1,901.05 | 32,739.18 | 18,156.08 | 1,42,958.01 | 40,589.22 | 85,344.15 |
| Net block: | | | | | | | | |
| As at March 31, 2023 | 48,948.28 | 2,07,337.08 | 6,475.75 | 3,972.84 | 6,826.14 | 2,73,560.08 | 1,65,093.41 | 40,388.02 |
| As at March 31, 2022 | 45,650.13 | - | 92.49 | 5,777.00 | 4,420.79 | 55,940.41 | 478.62 | 50,458.42 |
| Gross block: | | | | | | | | |
| As at April 1, 2021 | 1,06,053.52 | - | 1,883.79 | 36,712.02 | 21,337.47 | 1,65,986.80 | 10,758.43 | - |
| Additions during the year | 16,946.39 | - | - | - | - | 16,946.39 | - | 92,906.35 |
| Sales/adjustments | 18,635.00 | - | - | - | - | 18,635.00 | - | - |
| As at March 31, 2022 | 1,04,364.91 | - | 1,883.79 | 36,712.02 | 21,337.47 | 1,64,298.19 | 10,758.43 | 92,906.35 |
| Accumulated depreciation: | | | | | | | | |
| As at April 1, 2021 | 39,398.14 | - | 1,729.49 | 28,311.56 | 15,631.76 | 85,070.94 | 8,120.62 | - |
| Charge for the year | 22,957.42 | - | 61.81 | 2,623.46 | 1,284.92 | 26,927.61 | 2,159.19 | 42,447.93 |
| Sales/adjustments | 3,640.77 | - | - | - | - | 3,640.77 | - | - |
| As at March 31, 2022 | 58,714.79 | - | 1,791.30 | 30,935.02 | 16,916.68 | 1,08,357.78 | 10,279.81 | 42,447.93 |
| Net block: | | | | | | | | |
| As at March 31, 2022 | 45,650.13 | - | 92.50 | 5,777.00 | 4,420.79 | 55,940.41 | 478.62 | 50,458.42 |
| As at March 31, 2021 | 66,655.38 | - | 154.31 | 8,400.46 | 5,705.71 | 80,915.86 | 2,637.81 | - |

DB (International) Stock Brokers Limited
Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in hundred except shares and earning per share)

DB (International) Stock Brokers Limited
Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

| | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| | Numbers | | ₹ | ₹ |
| Non-current assets | | | | |
| 4 Financial assets (non-current) | | | | |
| 4 (a) Investments: | | | | |
| (i) Trade investments [at amortised cost] | | | | |
| In Equity instrument of subsidiary company (Unquoted)# | | | | |
| -Daga Business (International) Stock Brokers (IFSC) Private Limited Equity Shares of ₹ 10/- each fully paid up | 12,50,000 | 12,50,000 | 1,25,000.00 | 1,25,000.00 |
| (ii) | | | | |
| In Equity instrument of other company (Quoted) [at amortised cost]: | | | | |
| -Effingo Textile & Trading Limited (Formerly known as Malti Textile Mills Limited) Equity shares of ₹ 1 each fully paid up | - | 58,22,400 | - | 10,480.32 |
| (iii) In Equity instrument of other company (Quoted) [at fair value through profit & loss] | | | | |
| Accuracy Shipping Limited (face value of ₹ 10 each) | - | 5,000 | - | 11,502.50 |
| BSE Limited (face value of ₹ 2 each) | 4,500 | 1,500 | 18,713.25 | 13,467.75 |
| Central Depository Services (India) Limited (face value of ₹ 10 each) | 2,500 | 2,500 | 22,277.50 | 36,317.50 |
| Cosmo Films Ltd. (face value of ₹ 10 each) | - | 2,000 | - | 34,034.00 |
| DCM Shriram Industries Ltd. (face value of ₹ 2 each) | - | 5,000 | - | 4,607.50 |
| Dr. Lal PathLabs Ltd. (face value of ₹ 10 each) | - | 700 | - | 18,305.35 |
| E.I.D.-Parry (India) Ltd. (face value of ₹ 1 each) | - | 4,000 | - | 17,404.00 |
| Hindalco Industries Ltd. (face value of ₹ 1 each) | 2,000 | 2,000 | 7,969.00 | 12,626.00 |
| Indian Railway Catering and Tourism Corporation Ltd (face value of ₹ 2 each) | - | 1,000 | - | 7,676.00 |
| Jindal Poly Films Ltd. (face value of ₹ 10 each) | - | 10,370 | - | 1,14,878.86 |
| Jindal Stainless (Hisar) Ltd (face value of ₹ 2 each) | - | 2,000 | - | 7,458.00 |
| Pasupati Acrylon Ltd. (face value of ₹ 10 each) | 84,000 | 53,000 | 25,171.15 | 20,484.50 |
| Polyplex Corporation Ltd. (face value of ₹ 10 each) | - | 5,000 | - | 1,16,840.00 |
| Reliance Power Ltd. (face value of ₹ 10 each) | 2,30,000 | 2,30,000 | 22,517.00 | 29,785.00 |
| Shri Jagdamba Polymers Ltd. (face value of ₹ 1 each) | - | 1,600 | - | 14,224.00 |
| SMC Global Securities Ltd (face value of ₹ 2 each) | 16,000 | 47,000 | 11,286.40 | 37,318.00 |
| Star Health and Allied Insurance Company Ltd (face value of ₹ 10 each) | - | 3,000 | - | 20,640.00 |
| Uflex Ltd. (face value of ₹ 10 each) | - | 4,500 | - | 27,213.75 |
| VLS Finance Ltd. (face value of ₹ 10 each) | - | 2,15,000 | - | 3,46,472.50 |
| Total investments | 15,89,000 | 76,67,570 | 2,32,934.30 | 10,26,735.53 |
| Aggregate book value of quoted investment* | | | 1,07,934.30 | 9,02,003.13 |
| Aggregate amount of unquoted investments | | | 1,25,000.00 | 1,25,000.00 |
| Total | | | 2,32,934.30 | 10,27,003.13 |

* Fully paid-up unless otherwise specified.

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

| | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| | ₹ | ₹ |
| 4 (b) Other financial assets | | |
| Unsecured, considered good | | |
| At amortised cost | | |
| -Security deposits^^ | 23,124.32 | 16,641.00 |
| -Membership deposits | 74,250.00 | 74,250.00 |
| Fixed deposits with original maturity more than 12 months: | | |
| -As margin money against overdraft | 2,58,000.00 | - |
| -Under lien with exchange | 5,77,000.00 | 13,23,001.00 |
| At fair value through profit & loss | | |
| -Security deposits | 813.83 | - |
| Total other financial assets | 9,33,188.15 | 14,13,892.00 |
| ^^ Security deposits | | |
| -Security deposits- Stock exchanges | 5,500.00 | 5,500.00 |
| -Security deposits- Premises | 14,328.49 | 9,741.00 |
| -Security deposits- Others | 3,295.83 | 1,400.00 |
| Total security deposits | 23,124.32 | 16,641.00 |

DB (International) Stock Brokers Limited

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

(All amounts in hundred except shares and earning per share)

| | As at March 31, 2023 ₹ | As at March 31, 2022 ₹ |
|---|------------------------------|------------------------------|
| 5 Deferred tax assets/ (liabilities) (net) | | |
| Deferred tax assets arising on account of: | | |
| Difference in written down value of property, plant and equipment | (1,606.43) | 2,545.99 |
| | <u>(1,606.43)</u> | <u>2,545.99</u> |
| Total deferred tax assets (net) | (1,606.43) | 2,545.99 |

| 5(a) Movement in deferred tax assets (net) for the year ended March 31, 2023 | April 01, 2022 | Utilisation of MAT credit | Recognized in other comprehensive income | Recognised in profit and loss | March 31, 2023 |
|--|-----------------|------------------------------|---|----------------------------------|-------------------|
| Deferred tax assets arising on account of: | | | | | |
| Difference in written down value of property, plant and equipment | 2,545.99 | - | - | (4,152.42) | (1,606.43) |
| | <u>2,545.99</u> | <u>-</u> | <u>-</u> | <u>(4,152.42)</u> | <u>(1,606.43)</u> |
| Total movement in deferred tax assets | 2,545.99 | - | - | (4,152.42) | (1,606.43) |

| 5(b) Movement in deferred tax assets (net) for the year ended March 31, 2022 | April 01, 2021 | Utilisation of MAT credit | Recognized in other comprehensive income | Recognised in profit and loss | March 31, 2022 |
|--|------------------|------------------------------|---|----------------------------------|-----------------|
| Deferred tax assets arising on account of: | | | | | |
| Difference in written down value of property, plant and equipment | 1,717.71 | - | - | 828.28 | 2,545.99 |
| Provision for post employment benefit obligations | 8,631.97 | - | (3,260.18) | (5,371.79) | - |
| Short-term capital loss | 8,831.90 | - | - | (8,831.90) | - |
| | <u>19,181.58</u> | <u>-</u> | <u>(3,260.18)</u> | <u>(13,375.40)</u> | <u>2,545.99</u> |
| MAT credit entitlement * | 59,387.88 | (59,387.88) | - | - | - |
| Total movement in deferred tax assets | 78,569.46 | (59,387.88) | (3,260.18) | (13,375.40) | 2,545.99 |

| | As at March 31, 2023 ₹ | As at March 31, 2022 ₹ |
|--------------------------------------|------------------------------|------------------------------|
| 6 Income tax assets (net) | | |
| Unsecured, considered good: | | |
| Income tax refundable (net) | 89,919.04 | 87,010.17 |
| Total income tax assets (net) | 89,919.04 | 87,010.17 |

| | As at March 31, 2023 ₹ | As at March 31, 2022 ₹ |
|---------------------------------------|------------------------------|------------------------------|
| 7 Other non-current assets | | |
| Unsecured, considered good: | | |
| -Prepaid expenses | - | 430.00 |
| -Capital advances ^ | - | 1,83,986.01 |
| Total other non-current assets | - | 1,84,416.01 |

^ The Company received the possession of property during the year 2022-23 and financial recorded the office building purchase under the caption Property Plant & Equipment during financial year 2022-23.

DB (International) Stock Brokers Limited
Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in hundred except shares and earning per share)

| | As at | As at | As at | As at |
|---|----------------|-----------------|------------------|--------------------|
| | March 31, 2023 | March 31, 2022 | March 31, 2023 | March 31, 2022 |
| | Numbers | | ₹ | ₹ |
| 8 Financial assets (current) | | | | |
| (i) Investments** | | | | |
| In Equity instrument of other companies (Quoted) [at fair value through profit & loss] | | | | |
| Pasupati Acrylon Ltd. (face value of ₹ 10 each) | - | 1,59,355 | - | 61,590.71 |
| Action Construction Equipment Ltd. (face value of ₹ 2 each) | - | 2,000 | - | 4,282.00 |
| IFGL Refractories Ltd (face value of ₹ 10 each) | - | 2,000 | - | 5,277.00 |
| Infibeam Avenues Ltd (face value of ₹ 1 each) | - | 10,000 | - | 1,915.00 |
| Jayaswal Neco Industries Ltd. (face value of ₹ 10 each) | - | 20,000 | - | 4,450.00 |
| Kalyan Jewellers India Ltd (face value of ₹ 10 each) | - | 10,000 | - | 6,080.00 |
| Kingfisher Airlin (face value of ₹ 10 each) | 1,000 | 1,000 | - | - |
| Navneet Education Limited (face value of ₹ 2 each) | - | 5,000 | - | 4,462.50 |
| NBCC (India) Ltd (face value of ₹ 1 each) | - | 10,000 | - | 3,650.00 |
| One 97 Communications Ltd (face value of ₹ 1 each) | - | 400 | - | 2,099.20 |
| Schneider Electric Infrastructure Ltd. (face value of ₹ 2 each) | - | 5,000 | - | 6,077.50 |
| Transformers and Rectifiers (India) Ltd. (face value of ₹ 1 each) | - | 10,000 | - | 3,120.00 |
| Zomato Limited (face value of ₹ 1 each) | - | 5,000 | - | 3,910.00 |
| AJR Infra and Tolling Ltd (face value of ₹ 2 each) | 19,144 | - | 185.70 | - |
| ACC Ltd (face value of ₹ 10 each) | 2,000 | - | 32,526.00 | - |
| Adani Green Energy Ltd (face value of ₹ 10 each) | 1,300 | - | 11,620.70 | - |
| BLS International Service (face value of ₹ 1 each) | 10,000 | - | 15,125.00 | - |
| Total investments | 33,444 | 2,39,755 | 59,457.40 | 1,06,913.91 |

**These equity shares are fully paid up

| | As at | As at |
|----------------------------------|--------------------|--------------------|
| | March 31, 2023 | March 31, 2022 |
| | ₹ | ₹ |
| (ii) Trade receivables*** | | |
| Secured, considered good | | |
| -Trade receivables | 1,69,700.04 | 1,64,135.51 |
| Total trade receivables | 1,69,700.04 | 1,64,135.51 |

Ageing of trade receivables

As on March 31, 2023

| Outstanding for following periods from due date of payment | Undisputed trade receivables-considered good | Disputed trade receivables-considered good | Total |
|--|--|--|--------------------|
| Less than 6 months | 1,41,883.04 | - | 1,41,883.04 |
| 6 months -1 year | 68.86 | - | 68.86 |
| 1-2 years | 5,784.66 | - | 5,784.66 |
| 2-3 years | - | 21,963.48 | 21,963.48 |
| More than 3 years | - | - | - |
| Total | 1,47,736.56 | 21,963.48 | 1,69,700.04 |

As on March 31, 2022

| Outstanding for following periods from due date of payment | Undisputed trade receivables-considered good | Disputed trade receivables-considered good | Total |
|--|--|--|--------------------|
| Less than 6 months | 1,36,387.37 | - | 1,36,387.37 |
| 6 months -1 year | 5,784.66 | - | 5,784.66 |
| 1-2 years | - | 21,963.48 | 21,963.48 |
| 2-3 years | - | - | - |
| More than 3 years | - | - | - |
| Total | 1,42,172.03 | 21,963.48 | 1,64,135.51 |

***No trade or other receivable are due from directors or others officers of the Company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

| | As at | As at |
|--|---------------------|---------------------|
| | March 31, 2023 | March 31, 2022 |
| | ₹ | ₹ |
| (iii) Cash and cash equivalents | | |
| Balance with bank in current accounts | 14,66,756.64 | 13,18,796.57 |
| Cash on hand | 2,857.31 | 2,993.83 |
| Total cash and cash equivalents | 14,69,613.95 | 13,21,790.40 |

DB (International) Stock Brokers Limited

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

(All amounts in hundred except shares and earning per share)

| | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| | ₹ | ₹ |
| (iv) Bank balances other than (iii) above ^^^ | | |
| Fixed deposits with original maturity within 3 to 12 months: | | |
| -As margin money against overdraft (refer note 14(i)) | 11,61,000.00 | 12,94,000.00 |
| -Under lien with exchange | 47,66,102.90 | 31,77,102.90 |
| Total bank balances | 59,27,102.90 | 44,71,102.90 |
| ^^^ Notes: | | |
| -Fixed deposit under lien with exchange includes FDR in lien with banks towards issuance of Bank Guarantees. | | |
| -Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates. | | |
| | As at March 31, 2023 | As at March 31, 2022 |
| | ₹ | ₹ |
| (v) Other financial assets | | |
| Unsecured, considered good [at amortised cost] | | |
| -Due from subsidiary company (towards expenses incurred on behalf of subsidiary) | 4,159.24 | 39,134.75 |
| -Additional base capital | 67,500.00 | 86,790.10 |
| -Accrued interest on fixed deposits | 48,973.52 | 17,930.50 |
| -Accrued Income | 2,696.20 | (45.41) |
| -Receivable from exchanges | 63,804.72 | 85,103.68 |
| -Other advances | 17,850.05 | 2,586.84 |
| Total other financial assets | 2,04,983.73 | 2,31,500.46 |
| (vi) Derivative asset recoverable | | |
| Derivative asset recoverable [fair valued through profit & loss] | 1,294.80 | 1,29,991.07 |
| Total other financial assets | 1,294.80 | 1,29,991.07 |
| | As at March 31, 2023 | As at March 31, 2022 |
| | ₹ | ₹ |
| 9 Current tax assets (net) | | |
| Current tax assets | | |
| Advance tax & TDS receivable | 2,47,628.03 | 2,51,371.67 |
| | 2,47,628.03 | 2,51,371.67 |
| Current tax liabilities | | |
| Provision for income tax | 2,23,232.85 | 1,96,916.41 |
| | 2,23,232.85 | 1,96,916.41 |
| Total current tax assets (net) | 24,395.18 | 54,455.26 |
| | As at March 31, 2023 | As at March 31, 2022 |
| | ₹ | ₹ |
| 10 Other current assets | | |
| Advances other than capital advance [at amortised cost] | | |
| Unsecured, considered good | | |
| -Planned assets (Excess of planned assets over defined obligation - Gratuity) (refer note-28(c)) | 6,996.07 | 8,268.55 |
| -Prepaid expenses | 29,010.72 | 23,523.93 |
| -Input credit under GST | 30,003.42 | - |
| Total other current assets | 66,010.21 | 31,792.48 |

DB (International) Stock Brokers Limited
Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in hundred except shares and earning per share)

| | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| | ₹ | ₹ |
| 11 Equity share capital | | |
| Authorised share capital | 10,00,000.00 | 10,00,000.00 |
| 5,00,00,000 (previous year 5,00,00,000) equity shares of ₹ 2 each | 10,00,000.00 | 10,00,000.00 |
| Issued, subscribed and paid up capital | 7,00,000.00 | 7,00,000.00 |
| 3,50,00,000 (previous year 3,50,00,000) equity shares of ₹ 2 each, fully paid up | 7,00,000.00 | 7,00,000.00 |
| (i) Movements in equity share capital | | |
| | Number of shares | Number of shares |
| Balance as at the beginning of the year | 3,50,00,000 | 3,50,00,000 |
| Add: Issued during the year | - | - |
| Balance as at the end of the year | 3,50,00,000 | 3,50,00,000 |

(ii) Terms/rights attached to equity shares:

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

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

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

| | As at March 31, 2023 | | As at March 31, 2022 | |
|--|-------------------------|-----------|-------------------------|-----------|
| | ₹ | | ₹ | |
| (iii) Details of shareholders holding more than 5% shares of the Company ^* | As at March 31, 2023 | | As at March 31, 2022 | |
| | Number of shares | % holding | Number of shares | % holding |
| New KMS Finance Private Limited | 50,18,661 | 14.34 | 50,18,661 | 14.34 |
| Shiv Narayan Daga | 57,80,000 | 16.51 | 57,80,000 | 16.51 |
| Sharda Daga | 20,48,000 | 5.85 | 20,48,000 | 5.85 |

^* As per the records of the company, including register of members

(iv) Details of shares held by promoters

As at March 31, 2023

| S. No. | Promoter Name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of Total Shares | % change during the year |
|--------|----------------------------------|--|------------------------|--------------------------------------|-------------------|--------------------------|
| 1 | Shiv Narayan Daga HUF | 12,75,000 | - | 12,75,000 | 3.64% | - |
| 2 | Shiv Narayan Daga | 57,80,000 | - | 61,33,349 | 17.52% | 1.01 |
| 3 | Sharda Daga | 20,48,000 | - | 20,48,000 | 5.85% | - |
| 4 | Sheetal Periwal | 7,52,000 | - | 10,98,594 | 3.14% | 0.99 |
| 5 | Shikha Munda | 6,50,000 | - | 8,14,402 | 2.33% | 0.47 |
| 6 | Daga Commodities Private Limited | - | - | 6,50,639 | 1.86% | 1.86 |
| | Total | 1,05,05,000 | - | 1,20,19,984 | 34.34% | 4.33 |

As at March 31, 2022

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

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

DB (International) Stock Brokers Limited

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

(All amounts in hundred except shares and earning per share)

| | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| | ₹ | ₹ |
| 12 Other equity | | |
| (i) Securities premium account | | |
| Balance as at the beginning of the year | 7,60,000.00 | 7,60,000.00 |
| Balance as at the end of the year | 7,60,000.00 | 7,60,000.00 |
| (ii) Other reserves | | |
| General reserve | | |
| Balance as at the beginning of the year | 2,86,484.32 | 2,86,484.32 |
| Balance as at the end of the year | 2,86,484.32 | 2,86,484.32 |
| (iii) Retained earnings | | |
| Balance as at the beginning of the year | 31,81,434.56 | 23,76,914.55 |
| Profit for the year | 5,92,272.98 | 7,94,826.53 |
| Items of OCI recognised | (15,296.26) | 9,693.48 |
| Tax for earlier year | 1,652.35 | - |
| Balance as at the end of the year | 37,56,758.93 | 31,81,434.56 |
| Total other equity | 48,03,243.25 | 42,27,918.88 |

Nature and purpose of reserves

- (i) **Securities premium account:** Securities premium is used to record the premium received on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.
- General reserve:** Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations, however the same is not required to be created under Companies Act, 2013. This reserve can be utilised only in accordance with the specified requirements of Companies Act, 2013
- (ii) **Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to generate reserve, dividends or other distributions paid to Shareholders. It also includes remeasurement gains and losses on defined benefit plans recognised in other comprehensive income (net of taxes).
- (iii)

| | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| | ₹ | ₹ |
| Current liabilities | | |
| 14 Financial liabilities (current) | | |
| (i) Borrowings: | | |
| Bank overdraft (secured)*^ | - | - |
| Total short-term borrowings | - | - |

*^ The Company has sanctioned secured bank overdraft facility with limit upto ₹ 15,00,000.00 as on March 31, 2023 (₹ 15,00,000.00 as on March 31, 2022). The key terms are as mentioned below:

- Nature : Overdraft limit
- Rate : Highest fixed deposit rate plus 1% (as on March 31, 2022 - Highest fixed deposit rate plus 1%)
- Tenor : Repayable on demand
- Secured : Against fixed deposits with banks held as margin money

| | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------|-------------------------|-------------------------|
| | ₹ | ₹ |
| (ii) Lease liabilities | | |
| Opening Balance | 51,001.74 | - |
| Additions | 32,861.42 | 92,906.35 |
| Adjustment/ Deletions | - | - |
| Interest expenses | 3,640.97 | 6,997.99 |
| Lease payments | 47,275.46 | 48,902.60 |
| Closing lease liabilities | 40,228.67 | 51,001.74 |

DB (International) Stock Brokers Limited

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

(All amounts in hundred except shares and earning per share)

| | As at | As at |
|---|---------------------|---------------------|
| | March 31, 2023 | March 31, 2022 |
| | ₹ | ₹ |
| (iii) Trade payables | | |
| Due to micro and small enterprises | - | - |
| Due to other than micro and small enterprises | 40,95,112.99 | 43,38,856.05 |
| Total trade payables | 40,95,112.99 | 43,38,856.05 |

Ageing of Trade Payables

As on March 31, 2023

| Outstanding for following periods from due date of payment | MSME-Undisputed | Others-Undisputed | Total |
|--|-----------------|---------------------|---------------------|
| Unbilled dues | - | 64,234.75 | 64,234.75 |
| Less than 1 year | - | 40,30,878.24 | 40,30,878.24 |
| 1-2 years | - | - | - |
| 2-3 years | - | - | - |
| More than 3 years | - | - | - |
| Total | - | 40,95,112.99 | 40,95,112.99 |

Ageing of Trade Payable

As on March 31, 2022

| Outstanding for following periods from due date of payment | MSME-Undisputed | Others-Undisputed | Total |
|--|-----------------|---------------------|---------------------|
| Unbilled dues | - | 32,244.55 | 32,244.55 |
| Less than 1 year | - | 43,06,611.50 | 43,06,611.50 |
| 1-2 years | - | - | - |
| 2-3 years | - | - | - |
| More than 3 years | - | - | - |
| Total | - | 43,38,856.05 | 43,38,856.05 |

Terms and conditions of the above financial liabilities:

-Trade payables are non-interest bearing and are normally settled on 60-day terms

-Other payables are non-interest bearing and have an average term of six months

-For explanations on the company's credit risk management processes, refer to Note 29.

| | As at | As at |
|--|-----------------|-----------------|
| | March 31, 2023 | March 31, 2022 |
| | ₹ | ₹ |
| (iv) Other financial liabilities | | |
| Deposits (at amortised cost) | 7,974.93 | 7,974.93 |
| Total other financial liabilities | 7,974.93 | 7,974.93 |

| | As at | As at |
|---|-----------------|-----------------|
| | March 31, 2023 | March 31, 2022 |
| | ₹ | ₹ |
| 15 Other current liabilities | | |
| Statutory dues payable ^{**^**} | 9,475.96 | 7,407.56 |
| Total other current liabilities | 9,475.96 | 7,407.56 |

^ It includes PF payable of ₹ 1,459.63 which is paid on April 12, 2023, ESI payable of ₹ 7.62 paid on April 12, 2023 and TDS payable of ₹ 7,705.21 paid on April 28, 2023.

DB (International) Stock Brokers Limited

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

(All amounts in hundred except shares and earning per share)

DB (International) Stock Brokers Limited

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in hundred except share data and earning per share)

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| | ₹ | ₹ |
| 17 Revenue from operations | | |
| Sale of services: | | |
| At the time of delivery of services | | |
| Brokerage and related income | 6,63,597.12 | 6,70,427.80 |
| Incentive income from exchange | 83,034.40 | 1,04,226.87 |
| Income from trading in securities and derivatives, net over the period of time [^] | 16,27,223.21 | 16,61,951.04 |
| Interest income on financial assets (fixed deposits) (at amortised cost) | 3,91,321.08 | 3,00,259.15 |
| Total revenue | 27,65,175.81 | 27,36,864.86 |
| [^] Income from trading in securities and derivatives includes | | |
| - Unrealised loss on current and non- current investments of ₹ 42,376.95 (Previous year gain of ₹ 95,977.02) | | |
| - Dividend income received by the Company | | |
| 18 Other income | | |
| Rental income | 8,094.38 | 4,396.24 |
| Office maintenance | 1,568.15 | 923.90 |
| Interest on | | |
| -Income Tax refund | 2,430.32 | - |
| -Financial asset (fair value through profit & loss) | 813.83 | - |
| -Other interest (at amortised cost) | 12,901.88 | 9,160.68 |
| Total other income | 25,808.56 | 14,480.82 |
| 19 Employee benefits expense | | |
| Salaries and other allowances | 3,67,325.14 | 3,52,906.94 |
| Contribution to provident and other funds (refer note 28) | 9,774.35 | 5,861.01 |
| Post employment benefit obligation (gratuity) (refer note 28(d)) | 4,805.48 | 7,273.54 |
| Staff welfare expenses | 6,109.48 | 1,816.65 |
| Total employee benefit expense | 3,88,014.45 | 3,67,858.14 |
| 20 Finance costs | | |
| Interest on | | |
| -borrowings | 14,417.50 | 6,468.29 |
| -lease liabilities | 3,640.97 | 6,997.99 |
| Bank guarantee commission | 52,471.76 | 44,382.50 |
| Total finance costs | 70,530.23 | 57,848.78 |
| 21 Depreciation and amortisation expense | | |
| Depreciation on property, plant and equipment (refer note 3(a)) | 34,600.23 | 26,927.61 |
| Amortisation of intangible assets (refer note 3(b)) | 30,309.41 | 2,159.19 |
| Amortisation of right to use an asset (refer note 3(c)) | 42,896.22 | 42,447.93 |
| Total depreciation and amortisation expense | 1,07,805.86 | 71,534.73 |
| 22 Other expenses | | |
| Stock exchange expenses | 4,20,282.41 | 2,81,875.99 |
| Connectivity expenses | 2,43,119.85 | 1,72,135.41 |
| Clearing charges | 56.92 | 2,961.63 |
| SEBI fee | 5,722.71 | 7,419.55 |
| Depository charges | 5,751.71 | 6,991.21 |
| Client introduction charges | 60,128.87 | 64,969.08 |
| Rates and taxes | 3,05,091.23 | 3,87,856.20 |
| Rent | 9,289.31 | 5,528.18 |
| Power and water charges | 16,445.18 | 15,747.81 |
| Repairs and maintenance: | | |
| - Computer | 4,455.25 | 20,720.24 |
| - Vehicle | 3,758.70 | 1,090.01 |
| - Office | 7,344.22 | 5,604.82 |
| - Others | 1,727.21 | 1,363.51 |
| Bank charges | 143.40 | - |
| Input credit expense | 46,237.47 | 43,898.88 |
| Travelling and conveyance | 6,737.17 | 1,177.16 |
| Legal and professional | 32,556.14 | 17,930.13 |
| Fees and subscription | 6,880.00 | 8,725.77 |
| Software expenses | 1,80,311.22 | 1,43,336.35 |
| Insurance | 851.22 | 836.35 |
| Printing and stationery | 2,029.97 | 1,422.63 |
| CSR contribution (refer note 32) | 11,000.00 | - |
| Miscellaneous expenses | 13,652.89 | 34,287.24 |
| Total other expenses | 13,99,831.04 | 12,36,895.98 |

DB (International) Stock Brokers Limited

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

(All amounts in hundred except shares and earning per share)

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| | ₹ | ₹ |
| 22(i) Legal and professional expenses include payment to auditor | | |
| As auditor*: | | |
| Audit fee | 300.00 | 251.50 |
| Limited review | 150.00 | 150.00 |
| Tax audit | 150.00 | 100.00 |
| Total | 600.00 | 501.50 |
| * exclusive of Goods and Services Tax (GST) | | |
| 23 Income tax expense # | | |
| Current tax | | |
| -Current tax | 2,23,232.85 | 1,96,936.41 |
| -Tax for earlier years | - | 12,069.68 |
| Total current tax expense | 2,23,232.85 | 2,09,006.09 |
| Deferred tax | | |
| - Deferred tax expense | 9,296.96 | 13,375.40 |
| Total deferred tax expense | 9,296.96 | 13,375.40 |
| Total income tax expense | 2,32,529.81 | 2,22,381.49 |
| 23(a) Effective tax reconciliation | | |
| Enacted Income tax rate applicable to the Company | 25.168% | 25.168% |
| Profit before tax | 8,24,80,279 | 10,17,20,805 |
| Income tax expense/(Deferred tax credit) in profit and loss as per effective tax rate# | 2,07,586.37 | 2,56,010.92 |
| (i) Non deductible expenses for tax purpose | 6,194.71 | 13,375.41 |
| (ii) Impact of taxes of earlier years | 1,652.35 | - |
| (iii) Additional disallowances for tax purposes | 15,622.72 | - |
| (iv) Impact of other miscellaneous items | 1,473.66 | (47,004.84) |
| Expected tax after adjustments | 2,32,529.81 | 2,22,381.50 |
| As per statement of profit and loss | | |
| Tax charged to statement of profit and loss | | |
| -Current tax | 2,23,232.85 | 1,96,936.41 |
| -Deferred tax charge | 9,296.96 | 13,375.41 |
| -Tax for earlier years | - | 12,069.68 |
| | 2,32,529.81 | 2,22,381.50 |
| #The tax rates used for the financial year 2022-23 and 2021-22 reconciliations above are the corporate tax rate of 25.168% and 25.168% respectively, payable on taxable profits under the Income Tax Act, 1961. The company has opted for new tax regime. | | |
| 24 Other comprehensive income | | |
| Items that will not be reclassified to profit or loss | | |
| -Remeasurement of post employment benefit obligations | (20,440.80) | 12,953.66 |
| -Income tax relating to these items | 5,144.54 | (3,260.18) |
| Total other comprehensive income | (15,296.26) | 9,693.48 |
| 25 Earnings/(loss) per equity share (basic and diluted) | | |
| Total number of equity shares outstanding during the year | 3,50,00,000 | 3,50,00,000 |
| Weighted average number of equity shares for basic and diluted earnings per share (face value of ₹ 2 per share) | 3,50,00,000 | 3,50,00,000 |
| Profit/(loss) before OCI attributable to equity shareholder's (for basic and diluted earning) | 5,92,27,298 | 7,94,82,653 |
| Earnings/(loss) per equity share (basic and diluted) | 1.69 | 2.27 |
| 26 Detail of dues to micro and small enterprises defined under the MSMED Act, 2006 | | |

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

DB (International) Stock Brokers Limited

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

(All amounts in hundred except shares and earning per share)

| | For the year ended | For the year ended |
|---|--------------------|--------------------|
| | March 31, 2023 | March 31, 2022 |
| | ₹ | ₹ |
| 27 Contingent liabilities | | |
| Claims against the company not acknowledged as debts | | |
| Income tax matters, disputed and under appeal ^{^*} | 37,510.42 | 37,510.42 |
| | 37,510.42 | 37,510.42 |

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

28 Employee benefits

(i) Defined contribution plan

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss

| | For the year ended | For the year ended |
|--|--------------------|--------------------|
| | March 31, 2023 | March 31, 2022 |
| | ₹ | ₹ |
| Employer's contribution to Provident fund and Employee state insurance | 9,068.15 | 5,861.01 |

(ii) Post-employment benefit plans

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

| | For the year ended | For the year ended |
|--|--------------------|--------------------|
| | March 31, 2023 | March 31, 2022 |
| | ₹ | ₹ |
| a. Changes in defined benefit obligation | | |
| Liability at the beginning of the year | [Funded] 28,610.01 | [Funded] 34,297.40 |
| Interest cost | 2,074.23 | 2,486.56 |
| Current service cost | 5,497.14 | 4,779.71 |
| Benefits paid (if any) | - | - |
| Actuarial (gain)/loss | 20,371.11 | (12,953.66) |
| Liability at the end of the year | 56,552.49 | 28,610.01 |
| b. Bifurcation of total actuarial (gain) / loss on liabilities | | |
| Actuarial gain / losses from changes in demographics assumptions (mortality) | Not Applicable | Not Applicable |
| Actuarial (gain) / losses from changes in financial assumptions | 1,985.91 | (569.36) |
| Experience adjustment (gain)/ loss for plan liabilities | 18,385.20 | (12,384.30) |
| Total amount recognized in other comprehensive Income | 20,371.11 | (12,953.66) |
| c. Key results (the amount to be recognized in the balance sheet): | | |
| Present value of the obligation at the end of the year | 56,552.49 | 28,610.01 |
| Fair value of plan assets at end of year | 63,548.55 | 36,878.56 |
| Net liability/(asset) recognized in balance sheet and related analysis | (6,996.06) | (8,268.55) |
| Funded status - surplus/ (deficit) | 6,996.06 | 8,268.55 |
| d. Expense recognized in the statement of profit and loss: | | |
| Interest cost | 2,074.23 | 2,486.56 |
| Current service cost | 5,497.14 | 4,779.71 |
| Past service cost | - | - |
| Expected return on plan asset | (2,765.89) | - |
| Expenses to be recognized in statement of profit and loss | 4,805.48 | 7,266.27 |
| e. Other comprehensive (income) / expenses (measurement) | | |
| Cumulative unrecognized actuarial (gain)/loss opening. B/F | (18,644.56) | (5,645.49) |
| Actuarial (gain)/loss - obligation | 20,440.80 | (12,999.07) |
| Actuarial (gain)/loss - plan assets | - | - |
| Total actuarial (gain)/loss | 20,440.80 | (12,999.07) |
| Cumulative total actuarial (gain)/loss | 1,796.24 | (18,644.56) |
| f. Net interest cost | | |
| Interest cost on defined benefit obligation | 2,074.23 | 2,486.56 |
| Interest income on plan assets | (2,696.20) | (45.41) |
| Net interest cost (income) | (621.97) | 2,441.15 |
| g. Experience adjustment: | | |
| Experience adjustment (gain) / loss for plan liabilities | 18,385.20 | (12,384.30) |
| Experience adjustment Gain/ (loss) for Plan assets | (69.69) | 45.41 |

DB (International) Stock Brokers Limited

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

(All amounts in hundred except shares and earning per share)

| | As at March 31, 2023 ₹ | As at March 31, 2022 ₹ |
|---|--|--|
| h. Summary of membership data at the date of valuation and statistics based thereon: | | |
| Number of employees | 32 | 31 |
| Total monthly salary | 13,752.00 | 11,765.40 |
| Average past service (years) | 7.5 | 5.9 |
| Average future service (years) | 16.3 | 16.9 |
| Average age (years) | 44.3 | 43.1 |
| Weighted average duration (based on discounted cash flows) in years | 9 | 13 |
| Average monthly salary | 429.75 | 379.53 |
| i. The assumptions employed for the calculations are tabulated: | | |
| Discount rate | 7.50 % per annum | 7.00 % per annum |
| Salary growth rate | 6.00 % per annum | 5.00 % per annum |
| Mortality | IALM 2012-14 | IALM 2012-14 |
| Expected rate of return | - | - |
| Withdrawal rate (per annum) | 5.00% p.a. | 5.00% p.a. |
| The discount rate is based on the market yields of Government bonds as at the balance sheet date for the estimated term of the obligation. The salary escalation rate takes into account inflation, seniority, promotion and other relevant factors. | | |
| j. Benefits valued: | | |
| Normal retirement age | 60 years & 70 years | 60 years |
| Salary | Last drawn qualifying salary | Last drawn qualifying salary |
| Vesting period | 5 Years of service | 5 Years of service |
| Benefits on normal retirement | 15/26 * Salary * Past Service (year) | 15/26 * Salary * Past Service (year) |
| Benefit on early exit due to death and disability | As above except that no | As above except that no |
| Maximum limit | 20,00,000 | 20,00,000 |
| iii) Estimate of expected benefit payments (In absolute terms i.e. undiscounted) | | |
| Year | | ₹ |
| April 01, 2023 to March 31, 2024 | | 21,910.86 |
| April 01, 2024 to March 31, 2025 | | 834.94 |
| April 01, 2025 to March 31, 2026 | | 900.57 |
| April 01, 2026 to March 31, 2027 | | 942.42 |
| April 01, 2027 to March 31, 2028 | | 5,539.73 |
| April 01, 2028 onwards | | 26,423.97 |
| iv) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below: | | |
| Period | As on March 31, 2023 | |
| Defined benefit obligations (base) | 56,552.49 @ Salary Increase Rate : 6%, and | |
| Liability with x% increase in discount rate | 53,366.19; x=1.00% [Change (6) %] | |
| Liability with x% decrease in discount rate | 60,174.14; x=1.00% [Change 6% %] | |
| Liability with x% increase in salary growth rate | 60,052.88; x=1.00% [Change 6% %] | |
| Liability with x% decrease in salary growth rate | 53,431.64; x=1.00% [Change (6) %] | |
| Liability with x% increase in withdrawal rate | 56,717.07; x=1.00% [Change 0% %] | |
| Liability with x% decrease in withdrawal rate | 56,354.35; x=1.00% [Change (0) %] | |
| | For the year ended March 31, 2023 ₹ | For the year ended March 31, 2022 ₹ |
| m. Reconciliation of liability in balance sheet: | | |
| Opening gross defined benefit liability/ (asset) | (8,268.55) | 34,297.40 |
| Expenses to be recognized in P&L | 4,805.48 | 7,266.27 |
| OCI- actuarial (gain)/ loss-total current year | 20,440.80 | (12,999.07) |
| Benefits paid (if any) | (23,973.79) | (36,833.15) |
| Closing gross defined benefit liability/ (asset) | (6,996.06) | (8,268.55) |

DB (International) Stock Brokers Limited

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

(All amounts in hundred except shares and earning per share)

n. Description of risk exposures:

- i) Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow:
 - a) Salary increases- actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
 - b) Investment risk – as the plan is not funded, there is no investment risk
 - c) Discount rate : reduction in discount rate in subsequent valuations can increase the plan's liability.
 - d) Mortality & disability – actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
 - e) Withdrawals – actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.
- ii) During the year the Company has recorded an expense of ₹ 9,068.15 (previous year ₹ 5,861.01) towards provident fund, a defined contribution plan.
- iii) Leaves are encased at the end of the year and not carried forwarded.
- iv) Post employment benefits are determined by an Independent Actuary on overall basis and hence have not been separately provided for key management personnel.

28(a) Leases

Information about leases

- The Company has taken office premises at certain locations on operating lease. The agreements are executed for a period ranging from 11 months to 36 months.

- The aggregate depreciation expenses on right of use assets is included under depreciation and amortisation expenses in the statement of Profit and Loss.

- The movement in lease liabilities has been disclosed in Note 14(ii)

29 Financial risk management objective and policies

The Company is exposed to various financial risks. These risks are categorised into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long-term and short-term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises following types of risks: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at each reporting date, the Company does not have exposure in interest rate risk. Therefore, it is not exposed to interest rate risk

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at each reporting date, the Company does not have exposure in foreign currency. Therefore, it is not exposed to currency risk

(B) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligation. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relation to such limits.

The maximum exposures to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements. The Company's major classes of financial assets are cash and cash equivalents, loans, term deposits, trade receivables and security deposits.

Cash and cash equivalents and term deposits with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks financial institutions as approved by the Board of directors. Security deposits are kept with stock exchange for meeting minimum base capital requirements. These deposits do not have any credit risk.

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated risk management team, which monitors the positions, exposures and margins on a continuous basis.

DB (International) Stock Brokers Limited

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

(All amounts in hundred except shares and earning per share)

Expected credit loss

(a) Trade receivables

The Company applies the Ind AS 109 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance(ECL) for all trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics as follows:

- Receivable from Brokerage (Secured by collaterals mainly in form of Securities of listed Company)
- Receivable from Exchange (Unsecured)
- Receivable from Depository (Secured by collaterals mainly in form of Securities of listed Company)

Receivable from Exchange(Unsecured): There are no historical loss incurred in respect of Receivable from exchange. Entire exposure/receivables as at each reporting period is received and settled within 7 days from reporting period. Therefore, no ECL is recognised in respect of receivable from exchange.

Receivable from Brokerage and depository: Company has large number of customer base with shared credit risk characteristics. As per policy of Company, trade receivable to the extent not covered by collateral(i.e. unsecured trade receivable) is considered as default and are fully written off as bad debt against respective trade receivables and the amount of loss is recognised in the Statement of Profit and Loss. Subsequent recoveries of amounts previously written off are credited to the income statement as bad debts recovered. Trade receivable of the Company are of short duration with credit period ranging up to maximum 30 days. In case of delay in collection, the Company has right to charges interest (commonly referred as delayed payment charges)on overdue amount for the overdue period. However, in case of receivable from depository, the Company doesn't have right to charge interest. Though credit period given to customer in respect of receivable from depository is very short. Incremental borrowing rate is considered as effective interest rate on these trade receivable for the purpose of computing time value loss.

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|----------------------------|--------------------------------------|--------------------------------------|
| | ₹ | ₹ |
| Trade receivable | | |
| Past due 1-30 days | 1,40,204.33 | 91,460.73 |
| Past due 31-60 days | 1,659.72 | 33,686.93 |
| Past due 61-90 days | 16.75 | 11,181.00 |
| Past due more than 90 days | 27,819.24 | 27,806.85 |
| Loss allowances | - | - |
| Carrying amount | 1,69,700.04 | 1,64,135.51 |

(b) Margin Trading facilities

As at each reporting date, the Company does not have exposure in margin trading facility. Therefore, it is not exposed to margin trading facility.

(B) Liquidity risk

Liquidity risk is the risk that the Company will not able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarises the maturity profile of the Company's financial liabilities as at March 31, 2023 **

| | Trade payables | Other financial liabilities | Total |
|----------------|---------------------|--------------------------------|---------------------|
| 0-1 year | 40,95,112.99 | 7,974.93 | 41,03,087.92 |
| 1-2 year | - | - | - |
| 2-3 year | - | - | - |
| 3-4 year | - | - | - |
| Beyond 4 years | - | - | - |
| Total | 40,95,112.99 | 7,974.93 | 41,03,087.92 |

** The Company does not have debt securities and borrowing (other than debt securities and lease liability) as at March 31, 2023

The table below summarises the maturity profile of the Company's financial liabilities as at March 31, 2022 **

| | Trade payables | Other financial liabilities | Total |
|----------------|---------------------|--------------------------------|---------------------|
| 0-1 year | 43,38,856.05 | 7,974.93 | 43,46,830.98 |
| 1-2 year | - | - | - |
| 2-3 year | - | - | - |
| 3-4 year | - | - | - |
| Beyond 4 years | - | - | - |
| Total | 43,38,856.05 | 7,974.93 | 43,46,830.98 |

** The Company does not have debt securities and borrowing (other than debt securities and lease liability) as at March 31, 2022

DB (International) Stock Brokers Limited

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

(All amounts in hundred except shares and earning per share)

30 Maturity analysis of assets and liabilities

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

| | As at March 31, 2023 | | Total |
|--|-------------------------------|-----------------------------------|---------------------|
| | Current (Less than 12 months) | Non-Current (More than 12 months) | |
| Assets | | | |
| -Cash and cash equivalents | 14,69,613.95 | - | 14,69,613.95 |
| -Bank balances other than above | 59,27,102.90 | 8,35,000.00 | 67,62,102.90 |
| -Trade receivables | 1,69,700.04 | - | 1,69,700.04 |
| -Derivatives assets receivable (at fair value) | 1,294.80 | - | 1,294.80 |
| -Investments | 59,457.40 | 2,32,934.30 | 2,92,391.69 |
| -Property, plant and equipment | - | 2,73,561.07 | 2,73,561.07 |
| -Right to use asset | - | 40,388.02 | 40,388.02 |
| -Intangible assets | - | 1,65,093.41 | 1,65,093.41 |
| -Other financial assets | 2,04,983.73 | 98,188.15 | 3,03,171.88 |
| -Income tax assets (net) | - | 89,919.03 | 89,919.03 |
| -Current tax assets (net) | 24,395.20 | - | 24,395.20 |
| -Other non-financial assets | 66,010.23 | - | 66,010.23 |
| Total Assets | 79,22,558.25 | 17,35,083.98 | 96,57,643.22 |
| Liabilities | | | |
| -Trade payables: | 40,95,112.99 | - | 40,95,112.99 |
| -Borrowings | - | - | - |
| -Lease liabilities | 40,228.67 | - | 40,228.67 |
| -Deferred tax liabilities (net) | - | 1,606.43 | 1,606.43 |
| -Other financial liabilities | 7,974.93 | - | 7,974.93 |
| -Other current liabilities | 9,475.96 | - | 9,475.96 |
| Total Liabilities | 41,52,792.55 | 1,606.43 | 41,54,398.98 |

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

| | As at March 31, 2022 | | Total |
|--|-------------------------------|-----------------------------------|---------------------|
| | Current (Less than 12 months) | Non-Current (More than 12 months) | |
| Assets | | | |
| -Cash and cash equivalents | 13,21,790.40 | - | 13,21,790.40 |
| -Bank balances other than above | 44,71,102.90 | 13,23,001.00 | 57,94,103.90 |
| -Trade receivables | 1,64,135.51 | - | 1,64,135.51 |
| -Derivatives assets receivable (at fair value) | 1,29,991.07 | - | 1,29,991.07 |
| -Investments | 1,06,913.91 | 10,26,735.53 | 11,33,649.44 |
| -Property, plant and equipment | - | 55,940.41 | 55,940.41 |
| -Right to use asset | - | 50,458.42 | 50,458.42 |
| -Intangible assets | - | 478.62 | 478.62 |
| -Other financial assets | 2,31,500.46 | 90,891.00 | 3,22,391.46 |
| -Deferred tax assets (net) | - | 2,545.99 | 2,545.99 |
| -Income tax assets (net) | - | 87,010.17 | 87,010.17 |
| -Current tax assets (net) | 54,455.27 | - | 54,455.27 |
| -Other non-financial assets | 31,792.49 | 1,84,416.01 | 2,16,208.50 |
| Total Assets | 65,11,682.01 | 28,21,477.15 | 93,33,159.16 |
| Liabilities | | | |
| -Trade payables: | 43,38,856.05 | - | 43,38,856.05 |
| -Borrowings | - | - | - |
| -Lease liabilities | 51,001.74 | - | 51,001.74 |
| -Deferred tax liabilities (net) | - | - | - |
| -Other financial liabilities | 7,974.93 | - | 7,974.93 |
| -Other current liabilities | 7,407.56 | - | 7,407.56 |
| Total Liabilities | 44,05,240.28 | - | 44,05,240.28 |

30(a) Fair value measurement

A Financial instruments by category:

| | FVOCI | FVTPL | Amortised cost |
|--|----------|--------------------|---------------------|
| As at March 31, 2023 | | | |
| Financial Assets (other than investment in subsidiary)* | | | |
| -Cash and cash equivalents | - | - | 14,69,613.95 |
| -Bank balances other than above | - | - | 59,27,102.90 |
| -Trade receivables | - | - | 1,69,700.04 |
| -Investments | - | 1,67,391.70 | - |
| -Other financial assets | - | - | 11,38,171.88 |
| Total Financial Assets | - | 1,67,391.70 | 87,04,588.77 |
| Financial liabilities | | | |
| -Trade payables: | - | - | 40,95,112.99 |
| -Other financial liabilities | - | - | 7,974.93 |
| Total Financial Liabilities | - | - | 41,03,087.92 |

DB (International) Stock Brokers Limited
Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in hundred except shares and earning per share)

| | FVOCI | FVTPL | Amortised cost |
|--|-------|---------------------|---------------------|
| As at March 31, 2022 | | | |
| Financial Assets (other than investment in subsidiary)* | | | |
| -Cash and cash equivalents | - | - | 13,21,790.40 |
| -Bank balances other than above | - | - | 44,71,102.90 |
| -Trade receivables | - | - | 1,64,135.51 |
| -Investments | - | 10,08,649.44 | - |
| -Other financial assets | - | - | 16,45,392.46 |
| Total Financial Assets | - | 10,08,649.44 | 76,02,421.27 |
| Financial liabilities | | | |
| -Trade payables: | - | - | 43,38,856.05 |
| -Other financial liabilities | - | - | 7,974.93 |
| Total Financial Liabilities | - | - | 43,46,830.98 |

B Fair value hierarchy:

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

| | Level 1 | Level 2 | Level 3 |
|--|---------|---------|-------------|
| As at March 31, 2023 | | | |
| Financial assets | | | |
| Measured at fair value through profit or loss * | | | |
| -Investment in equity instrument | - | - | 1,25,000.00 |
| As at March 31, 2022 | | | |
| Financial assets | | | |
| Measured at fair value through profit or loss * | | | |
| -Investment in equity instrument | - | - | 1,25,000.00 |

31 Capital management

Risk Management

The Company manages its capital structure and makes necessary adjustments in light of changes in economic conditions and the requirement of financial covenants.

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value and to ensure the Company's ability to continue as a going concern. There is no non compliance with any covenants of borrowings.

| | | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--------------------------------------|----------------|--------------------------------------|--------------------------------------|
| | | ₹ | ₹ |
| Borrowings including debt securities | | - | - |
| Less: cash and cash equivalents | | 14,69,613.95 | 13,21,790.40 |
| Net debt | (i) | (14,69,613.95) | (13,21,790.40) |
| Total Equity | (ii) | 55,03,243.25 | 49,27,918.88 |
| Total Capital | (i)+(ii)=(iii) | 40,33,629.30 | 36,06,128.48 |

32 Corporate social responsibility (CSR) expenses

Gross amount required to be spent by the Company during the year Rs. 0.11 lakh (Previous year-NA)

Amount spent during the year ended March 31, 2023:

| | Paid | Yet to be paid | Total |
|--|-----------|----------------|-----------|
| Construction/ acquisition of any asset | - | - | - |
| On purpose of other than above | 11,000.00 | - | 11,000.00 |

DB (International) Stock Brokers Limited

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

(All amounts in hundred except shares and earning per share)

33 Additional regulatory information

Additional Regulatory Information pursuant to General Instructions for preparation of Balance Sheet as given in Division I of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

- a) The title deeds of all immovable property are in the name of Company.
- b) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- c) The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- d) The Company does not have any transactions with struck-off companies.
- e) The Company does not have layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
- f) The company has not advanced or loaned or invested funds to any other person(s) or entity(s), including foreign entities(intermediaries), with the understanding that the intermediary shall;
- (i) 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
- (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- g) 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;
- (i) 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
- (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- h) The Company does not have any transactions which is not recorded in the books of account but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- i) The Company has fulfil the criteria as specified under 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- j) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

34 Subsequent events

- (i) There were no significant events after the end of the reporting period which require any adjustment or disclosure in the financial statements.
- (ii) The financial statements of the Company were authorised for issue in accordance with a resolution of the directors on April 28, 2023.

DB (International) Stock Brokers Limited
Notes to the standalone financial statements for the year ended March 31, 2023
(All amounts in hundred except shares and earning per share)

35 Related party disclosure

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

(a) Subsidiary:

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

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

Mr. Shiv Narayan Daga (Managing Director)
Ms. Sharda Daga (wife of Mr. Shiv Narayan Daga)
Ms. Shikha Mundra (Director) (Daughter of Mr. Shiv Narayan Daga)
Ms. Sheetal Periwal (Executive Vice President) (Daughter of Mr. Shiv Narayan Daga)
Mr. Sanjeev Kumar Rawal (Chief financial offer)
Ms. Pragya Singh (Compliance Officer)

(i) Transactions with related parties:

| | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| | ₹ | ₹ |

(a) Salary and allowances:

Mr. Shiv Narayan Daga (Managing Director) 21,000.00 -
Ms. Shikha Mundra (Director) (Daughter of Mr. Shiv Narayan Daga) 21,000.00 -
Ms. Sheetal Periwal (Executive Vice President) (Daughter of Mr. Shiv Narayan Daga) 8,750.00 21,000.00
Ms. Divya Saluja (Company Secretary & Compliance Officer) (resigned on June 25, 2021) - 750.00
Mr. Sanjeev Kumar Rawal (Chief financial offer) 21,720.00 18,600.00
Ms. Pragya Singh (Compliance Officer) 5,250.00 4,320.00

| | | |
|--|------------------|------------------|
| | 77,720.00 | 44,670.00 |
|--|------------------|------------------|

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

Mr. Shiv Narayan Daga (Managing Director) 2,520.00 -
Ms. Shikha Mundra (Director) (Daughter of Mr. Shiv Narayan Daga) 2,520.00 -
Ms. Sheetal Periwal (Executive Vice President) (Daughter of Mr. Shiv Narayan Daga) 690.00 2,520.00
Mr. Sanjeev Kumar Rawal (Chief financial offer) 2,404.80 2,400.00

| | | |
|--|-----------------|-----------------|
| | 8,134.80 | 4,920.00 |
|--|-----------------|-----------------|

*Does not include post-employment benefit based on actuarial valuation

(c) Rent:

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

| | | |
|--|----------|----------|
| | 2,280.00 | 2,280.00 |
|--|----------|----------|

| | | |
|--|-----------------|-----------------|
| | 2,280.00 | 2,280.00 |
|--|-----------------|-----------------|

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

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

| | | |
|--|-----------|-----------|
| | 32,355.34 | 39,134.75 |
|--|-----------|-----------|

| | | |
|--|------------------|------------------|
| | 32,355.34 | 39,134.75 |
|--|------------------|------------------|

(ii) Closing balance as at the year end:

(a) Reimbursement of expenses (recoverable)

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

| | | |
|--|----------|-----------|
| | 4,159.24 | 39,134.75 |
|--|----------|-----------|

| | | |
|--|-----------------|------------------|
| | 4,159.24 | 39,134.75 |
|--|-----------------|------------------|

36 Financial instruments by category:

| Particulars | Fair value hierarchy | March 31, 2023 | | March 31, 2022 | |
|--|----------------------|--------------------|---------------------|---------------------|---------------------|
| | | FVTPL | Amortised cost* | FVTPL | Amortised |
| Financial assets | | | | | |
| Investments (current) | 1 | 59,457.40 | - | 1,06,913.91 | - |
| Investments (non current) | 1 | 1,07,934.30 | 1,25,000.00 | 8,91,255.21 | 1,35,480.32 |
| Other financial assets (non current) | 3 | - | 9,33,188.15 | - | 14,13,892.00 |
| Trade receivables | 3 | - | 1,69,700.04 | - | 1,64,135.51 |
| Cash and cash equivalents | 3 | - | 14,69,613.95 | - | 13,21,790.40 |
| Bank balance other than above | 3 | - | 59,27,102.90 | - | 44,71,102.90 |
| Derivative instruments not designated as hedging instruments | 2 | 1,294.80 | - | 1,29,991.07 | - |
| Other financial assets (current) | 3 | - | 2,04,983.73 | - | 2,31,500.46 |
| Total financial assets | | 1,68,686.50 | 88,29,588.77 | 11,28,160.19 | 77,37,901.59 |
| Financial liabilities | | | | | |
| Short-term borrowings | 3 | - | - | - | - |
| Trade payables | 3 | - | 40,95,112.99 | - | 43,38,856.05 |
| Lease liabilities | 3 | 40,228.67 | - | 51,001.74 | - |
| Other financial liabilities | 3 | - | 7,974.93 | - | 7,974.93 |
| Total financial liabilities | | 40,228.67 | 41,03,087.92 | 51,001.74 | 43,46,830.98 |

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

Fair value hierarchy

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

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

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

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

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

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

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

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

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

Financial risk management objectives and policies

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

- 36(a) **Credit risk:** Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Company's trade receivables does not have any expected credit loss as these are secured by a collateral.
- 36(b) **Fair value:** The Company has made investment in quoted security (level 1 investment) for which discrete financial information is not available with the Company and hence, the Company has used adjusted net assets value method to arrive at fair value.
- 36(c) **Price risk:** The Company has open positions in derivatives [call & put options, un-hedged] and these are open to volatility in market.
- 36(d) **Liquidity risk:** Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. All current the financial liabilities of the Company are current in nature as disclosed in the financial statements.

37 Financial instruments and cash deposits

March 31, 2023

| Particulars | Estimated gross carrying amount | Expected credit | Carrying amount |
|--|---------------------------------|-----------------|-----------------|
| Investments (non current) | 2,32,934.30 | - | 2,32,934.30 |
| Investments (current) | 59,457.40 | - | 59,457.40 |
| Other financial assets (non current) | 9,33,188.15 | - | 9,33,188.15 |
| Trade receivables | 1,69,700.04 | - | 1,69,700.04 |
| Cash and cash equivalents | 14,69,613.95 | - | 14,69,613.95 |
| Bank balance other than above | 59,27,102.90 | - | 59,27,102.90 |
| Derivative instruments not designated as hedging instruments | 1,294.80 | - | 1,294.80 |
| Other financial assets (current) | 2,04,983.73 | - | 2,04,983.73 |

March 31, 2022

| Particulars | Estimated gross carrying amount | Expected credit | Carrying amount |
|--|---------------------------------|-----------------|-----------------|
| Investments (non current) | 10,26,735.53 | - | 10,26,735.53 |
| Investments (current) | 1,06,913.91 | - | 1,06,913.91 |
| Other financial assets (non current) | 14,13,892.00 | - | 14,13,892.00 |
| Trade receivables | 1,64,135.51 | - | 1,64,135.51 |
| Cash and cash equivalents | 13,21,790.40 | - | 13,21,790.40 |
| Bank balance other than above | 44,71,102.90 | - | 44,71,102.90 |
| Derivative instruments not designated as hedging instruments | 1,29,991.07 | - | 1,29,991.07 |
| Other financial assets (current) | 2,31,500.46 | - | 2,31,500.46 |

38 Schedule III (Additional Disclosures)

DB (International) Stock Brokers Limited

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

Key Financial Information

| Ratio | Numerator | Denominator | March 31, 2023 | March 31, 2022 | % change | Reason for Variance |
|--|--|--|-------------------|-------------------|----------|--|
| Current ratio | Current Assets | Current Liabilities | 1.91 | 1.48 | 29.06% | Current assets has been increased due to increase in fixed deposits by liquidating long term investments |
| Debt- Equity Ratio | Total Debt | Shareholder's Equity | NA | NA | NA | NA |
| Debt Service Coverage ratio | Earnings for debt service = Net profit after taxes + Non-cash operating expenses | Debt service = Interest Expenses (excluding interest cost on leases as per IND AS 116) | 48.61 | 133.94 | -63.70% | Due to decrease in net profit after taxes and increase in interest of temporary overdraft |
| Return on Equity ratio | Net Profits after taxes - Preference Dividend | Average Shareholder's Equity | 1.69 | 2.27 | -25.48% | Due to decrease in net profit after taxes |
| Net Worth (In lakh) | Equity Share Capital + Other Equity | - | Rs. 5,503.24 lakh | Rs. 4,927.92 lakh | - | - |
| Net Profit After Tax (in lakh) | - | - | Rs. 592.27 lakh | Rs. 794.83 lakh | - | - |
| Earning per share (Basic & Diluted) | Profit after Tax | Total number of Equity Shares | 1.69 | 2.27 | -25.48% | Due to decrease in net profit after taxes |
| Inventory Turnover ratio | Cost of goods sold | Average Inventory | NA | NA | NA | NA |
| Trade Receivable Turnover Ratio | Net credit sales = Gross credit sales - sales return | Average Trade Receivable | NA | NA | NA | NA |
| Trade Payable Turnover Ratio | Net credit purchases = Gross credit purchases - purchase return | Average Trade Payables | NA | NA | NA | NA |
| Net Capital Turnover Ratio | Net sales = Total sales - sales return | Working capital = Current assets - Current liabilities | 0.73 | 1.30 | -43.54% | Due to increase in working capital |
| Net Profit ratio | Net Profit | Net sales = Total sales - sales return | 0.21 | 0.29 | -26.25% | Due to decrease in net profit after taxes |
| Return on Capital Employed | Earnings before interest and taxes | Capital Employed = Total Assets - Current Liabilities | 0.15 | 0.21 | -27.41% | Due to decrease in earning before interest and taxes & increase in capital employed |
| Return on Investment (Refer Guidance Note) | {MV(T1) - MV(T0) - Sum [C(t)]} | {MV(T0) + Sum [W(t) * C(t)]} | NA | NA | NA | NA |

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

Sd/-
Parmod Kumar
Partner
Membership No : 081138

Place: New Delhi
Date: April 28, 2023

For and on behalf of the Board of Directors

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
S K Rawal
Chief Financial Officer

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Sd/-
Pragya Singh
Company Secretary
Membership No: A65047

DB (International) Stock Brokers Limited

Summary of Significant Accounting policies and other explanatory information to the Standalone Financial Statements for the Year Ended March 31, 2023

1. Background of the Reporting entity

DB (International) Stock Brokers Limited (the 'Company'), a Public Limited Listed Company is engaged in Stock Broking and Depository Participant services of CDSL. The Company is domiciled in India and its registered office is situated at Unit No. 210, 211 & 211A, 2nd Floor Dalal Street Commercial Co-operative Society Limited, Block-53, Road 5E, Zone-5, GIFT City Gandhinagar, Gujarat - 382355. The Company was incorporated in India on February 28, 1992.

2. Significant Accounting Policies

A) Basis of preparation

i) Statement of compliance

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

The Financial Statements for the year ended March 31, 2023 were authorized and approved for issue by the Board of Directors on April 28, 2023.

ii) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

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

A liability is treated as current when it is:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Summary of Significant Accounting policies and other explanatory information to the Standalone Financial Statements for the Year Ended March 31, 2023

iii) Basis of measurement

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

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

iv) Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

Judgments:

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements is included in the following notes:

Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended March 31, 2023 is included in the following notes:

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

B) Financial instruments

Initial recognition and measurement:

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

Derivatives and hedge accounting

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

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

(i) Fair value hedges:

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

(ii) Cash flow hedges:

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion are recognised in the Statement of Profit and Loss. Amounts previously recognised and accumulated in other comprehensive income are reclassified to profit or loss when the hedged item affects the Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains/losses are transferred from equity (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains/losses recognised in other comprehensive income and accumulated in equity at that time remains in equity and is reclassified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity is recognised immediately in the Statement of Profit and Loss.

Summary of Significant Accounting policies and other explanatory information to the Standalone Financial Statements for the Year Ended March 31, 2023

Non-derivative financial assets

Subsequent measurement:

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

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

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

Investment in equity instruments of subsidiary

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

De-recognition of financial assets:

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

Non-derivative financial liabilities

Subsequent measurement:

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

De-recognition of financial liabilities:

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

C) Foreign currency translation or transaction

Functional and presentation currency:

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

Summary of Significant Accounting policies and other explanatory information to the Standalone Financial Statements for the Year Ended March 31, 2023

Transactions and balances:

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

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

D) Property, plant and equipment

Recognition and measurement:

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

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

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

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

Subsequent expenditure:

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

Depreciation:

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

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

Summary of Significant Accounting policies and other explanatory information to the Standalone Financial Statements for the Year Ended March 31, 2023

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

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

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

E) Intangible assets

i) Initial recognition:

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

ii. Subsequent expenditure:

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

iii. Others:

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

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

F) Employee benefits

Short-term employee benefits:

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

Long-term employee benefits:

i. Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes monthly contributions to statutory provident fund (Government

Summary of Significant Accounting policies and other explanatory information to the Standalone Financial Statements for the Year Ended March 31, 2023

administered provident fund scheme) in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the period(s) during which the related services are rendered by employees.

ii. Defined benefit plans:

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

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

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

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

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

G) Exceptional items

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

H) Measurement of fair values

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

DB (International) Stock Brokers Limited

Summary of Significant Accounting policies and other explanatory information to the Standalone Financial Statements for the Year Ended March 31, 2023

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

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

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

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

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

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

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

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

I) Revenue

i. Rendering of services:

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

ii. Brokerage and related income:

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

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

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

Summary of Significant Accounting policies and other explanatory information to the Standalone Financial Statements for the Year Ended March 31, 2023

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

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

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

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

J) Leases

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

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

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

Summary of Significant Accounting policies and other explanatory information to the Standalone Financial Statements for the Year Ended March 31, 2023

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

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

K) Income tax

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

i. Current tax:

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

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

ii. Deferred tax:

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

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

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

Summary of Significant Accounting policies and other explanatory information to the Standalone Financial Statements for the Year Ended March 31, 2023

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

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

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

L) Earnings per share

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

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

M) Provisions 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 Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

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

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

N) Impairment

Impairment of non-financial assets:

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

Impairment of financial assets:

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

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

Trade receivables:

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

Other financial assets:

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

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

Summary of Significant Accounting policies and other explanatory information to the Standalone Financial Statements for the Year Ended March 31, 2023

O) Cash and cash equivalents

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

P) Cash flow statement

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

Q) Trade and other payables

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

R) Trade receivables

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

GUPTA VERMA & SETHI
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **DB (International) Stock Brokers Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, the consolidated profit (including comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matter | Auditor's Response |
|---------|--|---|
| 1 | <p><i>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (revenue accounting standard)</i></p> <p>The application of the revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, revenue accounting standard contains disclosures which involve collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer note 2(L) to the Consolidated Financial Statements</p> | <p><u><i>Principal Audit Procedures</i></u></p> <p>We assessed the Company's process to identify the impact of adoption of the revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to implementation of the revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the revenue accounting standard. • Selected a sample of continuing and |

| | | |
|--|--|---|
| | | <p>new contracts and performed the following procedures:</p> <ul style="list-style-type: none"> • Read, analyzed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. • Samples in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes. • In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems. We also tested the access and change management controls relating to these systems. • Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. |
|--|--|---|

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

| | | |
|---|--|---|
| | | <p>possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations.</p> <ul style="list-style-type: none"> • Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts. |
| 3 | <p><i>Evaluation of uncertain tax positions</i></p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer note 29 to the Consolidated Financial Statements</p> | <p><u>Principal Audit Procedures</u></p> <p>Obtained details of completed tax assessments and demands for the year ended March 31, 2023 from Management. We involved our internal experts to challenge the Management’s underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating Management’s position on these uncertain tax positions.</p> |
| 4 | <p><i>Recoverability of Indirect tax receivables</i></p> | <p><u>Principal Audit Procedures</u></p> <p>We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.</p> |

Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon

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

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is

materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Management and Board of the 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 each Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the Companies included in the Group, is responsible for assessing the each 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 respective Board of Directors of the Companies included in the Group is responsible for overseeing the each Company's financial reporting process.

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

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

to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of Internal Financial Controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate Internal Financial Controls System in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's and Board of Directors use of the going concern basis of accounting in preparation of the Consolidated Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating

the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

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

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

Report on other legal and regulatory requirements

1. With respect to matters specified in paragraph 3 (xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order" or "CARO"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, according to the information and explanations given to us and based on the CARO reports issued by the respective Auditors of Companies included in the Consolidated Financial Statements, to which reporting under CARO is applicable, we report as under that there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the Companies included in the Consolidated Financial Statements except clause 3(vii)(b): .
2. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to the preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules.
- e) On the basis of the written representations received from the Directors of the Holding Company and the subsidiary company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the subsidiary company, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the holding Company and its Subsidiary Company over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company and the Subsidiary Company to its directors during the year is in accordance with the provisions 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 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 Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements.
 - ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company or the Subsidiary Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, on the date of this audit report, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of

funds) by the Holding Company or the Subsidiary Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall;

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

For Gupta Verma & Sethi
Chartered Accountants
Firm Regn. No 02605N

Sd/-
Parmod Kumar
Partner
Membership No. 081138
UDIN: 23081138BGTUSP5416

Place: New Delhi
Dated: April 28, 2023

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

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

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

Opinion

In conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date. We have audited the Internal Financial Controls with reference to the Consolidated Financial Statements of DB (INTERNATIONAL) STOCK BROKERS LIMITED (“the Company” or “the Holding Company”) and DAGA BUSINESS (INTERNATIONAL) STOCK BROKERS (IFSC) PRIVATE LIMITED (“the Subsidiary”), [hereinafter collectively referred to as “the Group”] over the financial reporting as of and for the year ended March 31, 2023.

In our opinion, the Holding Company and the Subsidiary Company, have, in all material respects, adequate Internal Financial Controls with reference to the Consolidated Financial Statements and such Internal Financial Controls were operating effectively as at March 31, 2023, based on the Internal Financial Controls with reference to Consolidated Financial Statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Internal Financial Controls 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 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 Control System over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's Internal Financial Control with reference to the Consolidated 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 Control with reference to the Consolidated 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 authorizations of Management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

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

**Sd/-
Parmod Kumar
Partner
Membership No. 081138
UDIN: 23081138BGTUSP5416**

**Place: New Delhi
Dated: April 28, 2023**

DB (International) Stock Brokers Limited
Consolidated Balance Sheet as at March 31, 2023
(All amounts in hundred except share data and earning per share)

| Particulars | Note No. | As at | As at |
|--|----------|---------------------|---------------------|
| | | March 31, 2023 | March 31, 2022 |
| | | ₹ | ₹ |
| ASSETS | | | |
| Non-current assets | | | |
| | 3(a) | 2,76,384.69 | 59,172.54 |
| Intangible assets | 3(b) | 1,65,093.41 | 478.62 |
| Right to use asset | 3(c) | 51,975.74 | 64,573.73 |
| Financial assets | | | |
| -Investments | 4(a) | 1,07,934.30 | 9,01,735.53 |
| -Other financial assets | 4(b) | 9,46,747.62 | 14,26,204.49 |
| Deferred tax assets (net) | 5 | - | 2,460.91 |
| Income tax assets (net) | 6 | 1,02,302.45 | 87,010.17 |
| Other non-current assets | 7 | - | 1,84,416.01 |
| Total Non-current assets | | 16,50,438.21 | 27,26,052.00 |
| Current assets | | | |
| Financial assets | | | |
| -Investments | 8(i) | 59,457.40 | 1,06,913.91 |
| -Trade receivables | 8(ii) | 1,69,700.04 | 1,64,135.51 |
| -Cash and cash equivalents | 8(iii) | 15,47,948.18 | 14,54,271.30 |
| -Bank balances other than above | 8(iv) | 62,18,968.55 | 47,35,985.64 |
| -Other financial assets | 8(v) | 2,53,243.91 | 2,91,534.15 |
| -Derivatives assets receivable (at fair value) | 8(vi) | 1,294.80 | 1,29,991.07 |
| Current tax assets (net) | 9 | 31,085.89 | 65,387.96 |
| Other current assets | 10 | 66,730.33 | 34,747.92 |
| Total current assets | | 83,48,429.10 | 69,82,967.46 |
| TOTAL ASSETS | | 99,98,867.31 | 97,09,019.46 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 11 | 7,00,000.00 | 7,00,000.00 |
| Other equity | 12 | 50,20,150.97 | 43,73,702.56 |
| Total equity | | 57,20,150.97 | 50,73,702.56 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| -Borrowings | 13 | 98,660.28 | 1,51,614.20 |
| -Deferred tax liabilities (net) | 5 | 1,651.98 | - |
| Total non-current liabilities | | 1,00,312.26 | 1,51,614.20 |
| Current liabilities | | | |
| Financial liabilities | | | |
| -Borrowings | 14(i) | - | - |
| -Lease liabilities | 14(ii) | 57,469.07 | 68,718.11 |
| -Trade payables: | | | |
| - to micro and small enterprises | 14(iii) | - | - |
| - to other than micro and small enterprises | 14(iii) | 41,00,894.28 | 43,43,352.98 |
| Other financial liabilities | 15 | 10,564.77 | 64,224.05 |
| Other current liabilities | 16 | 9,475.96 | 7,407.56 |
| Total current liabilities | | 41,78,404.08 | 44,83,702.70 |
| Total liabilities | | 42,78,716.34 | 46,35,316.90 |
| TOTAL EQUITY AND LIABILITIES | | 99,98,867.31 | 97,09,019.46 |

The accompanying notes are an integral part of these consolidated financial statements 1-37

As per our report of even date.

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

Sd/-
Parmod Kumar
Partner
Membership No : 081138

Place: New Delhi
Date: April 28, 2023

For and on behalf of the Board of Directors

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Sd/-
S K Rawal
Chief Financial Officer

Sd/-
Pragya Singh
Company Secretary
Membership No: A65047

DB (International) Stock Brokers Limited
Statement of Consolidated Profit and Loss for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

| Particulars | Note No. | For the year ended | For the year ended |
|--|----------|---------------------|---------------------|
| | | March 31, 2023 | March 31, 2022 |
| | | ₹ | ₹ |
| Income: | | | |
| Revenue from operations | 17 | 29,30,465.55 | 29,28,109.89 |
| Other income | 18 | 26,459.18 | 14,480.82 |
| Total income (i) | | 29,56,924.73 | 29,42,590.71 |
| Expenses: | | | |
| Employee benefits expense | 19 | 3,96,492.16 | 3,77,859.11 |
| Finance costs | 20 | 75,387.90 | 64,543.35 |
| Depreciation and amortisation expense | 21 | 1,11,920.95 | 75,477.50 |
| Other expenses | 22 | 15,03,115.72 | 13,38,576.36 |
| Total expenses (ii) | | 20,86,916.73 | 18,56,456.32 |
| Profit before tax (i-ii=iii) | | 8,70,008.00 | 10,86,134.39 |
| Tax expense: | 23 | | |
| Current tax | | 2,23,249.84 | 1,96,936.41 |
| Deferred tax expense | | 9,257.42 | 13,380.34 |
| Tax for earlier year | | - | 12,069.68 |
| Total Income tax expense (iv) | | 2,32,507.25 | 2,22,385.44 |
| Profit for the year (iii-iv=v) | | 6,37,500.75 | 8,63,748.95 |
| Other comprehensive income | 24 | | |
| Items that will not be reclassified to profit or loss | | | |
| -Remeasurement of post employment benefit obligations | | (20,440.80) | 12,953.66 |
| -Exchange rate difference gain/ (loss) | | 25,477.06 | 5,745.17 |
| -Income tax relating to these items | | 5,144.54 | (3,260.18) |
| Other comprehensive income for the year (vi) | | 10,180.80 | 15,438.65 |
| Total comprehensive income for the year (v+vi) | | 6,47,681.55 | 8,79,187.61 |
| Earnings per equity share (Basic and Diluted) | 25 | 1.82 | 2.47 |

The accompanying notes are an integral part of these consolidated financial statements
As per our report of even date.

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

Sd/-
Parmod Kumar
Partner
Membership No : 081138

Place: New Delhi
Date: April 28, 2023

For and on behalf of the Board of Directors

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Sd/-
S K Rawal
Chief Financial Officer

Sd/-
Pragya Singh
Company Secretary
Membership No: A65047

DB (International) Stock Brokers Limited
Statement of consolidated changes in equity for the period ended March 31, 2023
(All amounts in hundred except share data and earning per share)

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

| | Amounts |
|---|-------------|
| Balance as at March 31, 2021 | 7,00,000.00 |
| Changes in equity share capital during the year | - |
| Balance as at March 31, 2022 | 7,00,000.00 |
| Changes in equity share capital during the year | - |
| Balance as at March 31, 2023 | 7,00,000.00 |

B) Changes in other equity

For the period ended year 31, 2023

(₹ in Hundred)

| Particulars | Reserves and surplus | | | | Total |
|---|----------------------------|-----------------|--------------------------------------|-------------------|--------------|
| | Securities premium account | General reserve | Foreign currency translation reserve | Retained earnings | |
| As at April 01, 2022 | 7,60,000.00 | 2,86,484.32 | 23,948.96 | 33,03,269.28 | 43,73,702.56 |
| Profit for the year | - | - | - | 6,37,500.75 | 6,37,500.75 |
| Tax Adjustment for earlier year | - | - | - | (1,233.14) | (1,233.14) |
| Other comprehensive income: | | | | | |
| -Impact of remeasurement of post employment benefit obligations | - | - | - | (15,296.26) | (15,296.26) |
| -Exchange rate difference gain/ (loss) | - | - | 25,477.06 | - | 25,477.06 |
| Transferred to foreign currency translation reserve | - | - | - | - | - |
| Total comprehensive income | - | - | 25,477.06 | 6,20,971.35 | 6,46,448.41 |
| | 0 | 7,60,000.00 | 2,86,484.32 | 49,426.02 | 39,24,240.63 |
| | | | | 39,24,240.63 | 50,20,150.97 |

For the year ended March 31, 2022

(₹ in Hundred)

| Particulars | Reserves and surplus | | | | Total |
|---|----------------------------|-----------------|--------------------------------------|-------------------|--------------|
| | Securities premium account | General reserve | Foreign currency translation reserve | Retained earnings | |
| As at April 01, 2021 | 7,60,000.00 | 2,86,484.32 | 18,203.79 | 24,29,827.84 | 34,94,515.95 |
| Profit for the year | - | - | - | 8,63,747.96 | 8,63,747.96 |
| Other comprehensive income: | | | | | |
| -Impact of remeasurement of post employment benefit obligations | - | - | - | 9,693.48 | 9,693.48 |
| -Exchange rate difference gain/ (loss) | - | - | 5,745.17 | - | 5,745.17 |
| Transferred to foreign currency translation reserve | - | - | - | - | - |
| Total comprehensive income | - | - | 5,745.17 | 8,73,441.44 | 8,79,186.61 |
| As at March 31, 2022 | 7,60,000.00 | 2,86,484.32 | 23,948.96 | 33,03,269.28 | 43,73,702.56 |

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

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

As per our report of even date.

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

Sd/-
Parmod Kumar
Partner
Membership No : 081138

Place: New Delhi
Date: April 28, 2023

For and on behalf of the Board of Directors

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
S K Rawal
Chief Financial Officer

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Sd/-
Pragya Singh
Company Secretary
Membership No: A65047

DB (International) Stock Brokers Limited
Consolidated Cash flow statement for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

| Particulars | For the year ended | For the year ended |
|---|-----------------------|-----------------------|
| | March 31, 2023 | March 31, 2022 |
| | ₹ | ₹ |
| A Cash flow from operating activities: | | |
| Net profit before taxation | 8,70,008.00 | 10,86,134.39 |
| Adjustments for: | | |
| Depreciation and amortisation expense | 1,11,920.95 | 75,477.50 |
| Interest | 22,916.14 | 20,160.84 |
| Unrealised foreign exchange (gain)/loss | 25,477.06 | 5,745.17 |
| Operating profit before working capital changes | 10,30,322.15 | 11,87,517.91 |
| Change in operating assets and liabilities: | | |
| Change in other financial assets (non-current) | (8,114.14) | 2,606.80 |
| Change in trade receivables | (5,564.53) | (21,590.99) |
| Change in other financial assets (current) | 1,66,986.47 | (2,74,772.34) |
| Change in other current assets | (31,982.40) | (45,133.35) |
| Change in provisions | (20,440.80) | (21,343.74) |
| Change in trade payables | (2,42,458.70) | 25,94,265.92 |
| Change in other financial liabilities | (64,908.32) | 75,518.46 |
| Change in other current liabilities | 2,068.41 | (50,049.93) |
| Change in Investment non-current assets | 7,93,801.23 | (8,42,461.53) |
| Cash generated from operations | 16,19,709.38 | 26,04,557.20 |
| Direct taxes paid | (2,43,646.90) | (3,66,721.85) |
| Net cash inflow generated from operating activities (A) | 13,76,062.48 | 22,37,835.35 |
| B Cash flows from investing activities: | | |
| Net (Investment in)/ proceeds from property, plant and equipment and capital advances | (2,64,338.09) | 41,720.34 |
| Net proceeds from disposal of equity shares of associate company | - | 1,050.00 |
| Net (Investment in)/ proceeds from bank deposits and other balances | (9,47,525.40) | (14,52,291.88) |
| Net cash from/(used in) investing activities (B) | (12,11,863.49) | (14,09,521.54) |
| C Cash flows from financing activities: | | |
| Finance cost paid | (17,568.20) | (20,160.85) |
| Net proceeds from long term borrowings | (52,953.92) | 4,604.80 |
| Net cash used in financing activities (C) | (70,522.12) | (15,556.05) |
| Cash and cash equivalents at the beginning of the financial year | 14,54,271.30 | 6,41,513.55 |
| Net increase in cash and cash equivalents (A+B+C) | 93,676.88 | 8,12,757.75 |
| Cash and cash equivalents at end of the year | 15,47,948.18 | 14,54,271.30 |
| Cash and cash equivalents include: | | |
| Balance with bank in current accounts | 15,45,090.87 | 14,51,277.47 |
| Cash on hand | 2,857.31 | 2,993.83 |
| Cash and cash equivalents at end of the year | 15,47,948.18 | 14,54,271.30 |

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in IND AS-7 "Statement of Cash Flows"
- Net Cash Flow from Operating activities includes an amount of ₹ 0.11 lakh (2022- ₹ NIL) spent towards Corporate Social Responsibility.

The accompanying notes are an integral part of these consolidated financial statements
As per our report of even date.

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

Sd/-
Parmod Kumar
Partner
Membership No : 081138

Place: New Delhi
Date: April 28, 2023

For and on behalf of the Board of Directors

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Sd/-
S K Rawal
Chief Financial Officer

Sd/-
Pragya Singh
Company Secretary
Membership No: A65047

DB (International) Stock Brokers Limited
Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share

| Particulars | Property, plant and equipment | | | | | | Intangible assets | |
|--|-------------------------------|-------------|----------------------|-----------|------------------|-------------|---------------------------|----------------------------|
| | Computer | Building | Furniture & fixtures | Vehicles | Office equipment | Total | 3(b) Computer software | 3(c) Right to use asset |
| Gross block: | | | | | | | | |
| As at April 1, 2022 | 1,10,524.62 | - | 1,883.79 | 36,712.02 | 21,337.47 | 1,70,457.90 | 10,758.43 | 1,12,499.34 |
| Additions during the year | 30,390.88 | 2,12,870.27 | 6,494.00 | - | 3,644.75 | 2,53,399.90 | 1,94,924.20 | 32,825.82 |
| Sales/adjustments | - | - | - | - | - | - | - | - |
| As at March 31, 2023 | 1,40,915.50 | 2,12,870.27 | 8,377.79 | 36,712.02 | 24,982.22 | 4,23,857.80 | 2,05,682.63 | 1,45,325.16 |
| Accumulated depreciation/ amortisation: | | | | | | | | |
| As at April 1, 2022 | 61,642.37 | - | 1,791.30 | 30,935.02 | 16,916.68 | 1,11,285.36 | 10,279.81 | 47,925.61 |
| Charge for the year | 27,501.23 | 5,533.19 | 109.75 | 1,804.16 | 1,239.40 | 36,187.73 | 30,309.41 | 45,423.81 |
| Sales/adjustments | - | - | - | - | - | - | - | - |
| As at March 31, 2023 | 89,143.60 | 5,533.19 | 1,901.05 | 32,739.18 | 18,156.08 | 1,47,473.09 | 40,589.22 | 93,349.42 |
| Net block: | | | | | | | | |
| As at March 31, 2023 | 51,771.90 | 2,07,337.08 | 6,475.75 | 3,972.84 | 6,826.14 | 2,76,383.71 | 1,65,093.41 | 51,975.74 |
| As at March 31, 2022 | 48,882.25 | - | 92.49 | 5,777.00 | 4,420.79 | 59,172.54 | 478.62 | 64,573.73 |
| Gross block: | | | | | | | | |
| As at April 1, 2021 | 1,11,973.23 | - | 1,883.79 | 36,712.02 | 21,337.47 | 1,71,906.51 | 10,758.43 | 19,592.99 |
| Additions during the year | 17,186.39 | - | - | - | - | 17,186.39 | - | 92,906.35 |
| Sales/adjustments | 18,635.00 | - | - | - | - | 18,635.00 | - | - |
| As at March 31, 2022 | 1,10,524.62 | - | 1,883.79 | 36,712.02 | 21,337.47 | 1,70,457.90 | 10,758.43 | 1,12,499.34 |
| Accumulated depreciation: | | | | | | | | |
| As at April 1, 2021 | 40,909.59 | - | 1,729.49 | 28,311.56 | 15,631.76 | 86,582.39 | 8,120.62 | 2,951.04 |
| Charge for the year | 24,373.55 | - | 61.81 | 2,623.46 | 1,284.92 | 28,343.74 | 2,159.19 | 44,974.57 |
| Sales/adjustments | 3,640.77 | - | - | - | - | 3,640.77 | - | - |
| As at March 31, 2022 | 61,642.37 | - | 1,791.30 | 30,935.02 | 16,916.68 | 1,11,285.36 | 10,279.81 | 47,925.61 |
| Net block: | | | | | | | | |
| As at March 31, 2022 | 48,882.3 | - | 91.5 | 5,777.0 | 4,420.8 | 59,172.5 | 478.6 | 64,573.7 |
| As at March 31, 2021 | 71,063.6 | - | 154.3 | 8,400.5 | 5,705.7 | 85,324.1 | 2,637.8 | 16,642.0 |

DB (International) Stock Brokers Limited
Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

| | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| | Numbers | | ₹ | ₹ |
| Non-current assets | | | | |
| 4 Financial assets (non-current) | | | | |
| 4 (a) Investments: | | | | |
| In Equity instrument of other company (Quoted) [at amortised cost]: | | | | |
| -Effingo Textile & Trading Limited (Formerly known as Malti Textile Mills Limited) Equity shares of ₹ 1 each fully paid up | - | 58,22,400 | - | 10,480.32 |
| (ii) In Equity instrument of other company (Quoted) [at fair value through profit & loss] | | | | |
| Accuracy Shipping Limited (face value of ₹ 10 each) | - | 5,000 | - | 11,502.50 |
| BSE Limited (face value of ₹ 2 each) | 5,500 | 1,500 | 18,713.25 | 13,467.75 |
| Central Depository Services (India) Limited (face value of ₹ 10 each) | 2,500 | 2,500 | 22,277.50 | 36,317.50 |
| Cosmo Films Ltd. (face value of ₹ 10 each) | - | 2,000 | - | 34,034.00 |
| DCM Shriram Industries Ltd. (face value of ₹ 2 each) | - | 5,000 | - | 4,607.50 |
| Dr. Lal PathLabs Ltd. (face value of ₹ 10 each) | - | 700 | - | 18,305.35 |
| E.I.D.-Parry (India) Ltd. (face value of ₹ 1 each) | - | 4,000 | - | 17,404.00 |
| Hindalco Industries Ltd. (face value of ₹ 1 each) | 2,000 | 2,000 | 7,969.00 | 12,626.00 |
| Indian Railway Catering and Tourism Corporation Ltd (face value of ₹ 2 each) | - | 1,000 | - | 7,676.00 |
| Jindal Poly Films Ltd. (face value of ₹ 10 each) | - | 10,370 | - | 1,14,878.86 |
| Jindal Stainless (Hisar) Ltd (face value of ₹ 2 each) | - | 2,000 | - | 7,458.00 |
| Pasupati Acrylon Ltd. (face value of ₹ 10 each) | 84,000 | 53,000 | 25,171.15 | 20,484.50 |
| Polyplex Corporation Ltd. (face value of ₹ 10 each) | - | 5,000 | - | 1,16,840.00 |
| Reliance Power Ltd. (face value of ₹ 10 each) | 2,30,000 | 2,30,000 | 22,517.00 | 29,785.00 |
| Shri Jagdamba Polymers Ltd. (face value of ₹ 1 each) | - | 1,600 | - | 14,224.00 |
| SMC Global Securities Ltd (face value of ₹ 2 each) | 16,000 | 47,000 | 11,286.40 | 37,318.00 |
| Star Health and Allied Insurance Company Ltd (face value of ₹ 10 each) | - | 3,000 | - | 20,640.00 |
| Uflex Ltd. (face value of ₹ 10 each) | - | 4,500 | - | 27,213.75 |
| VLS Finance Ltd. (face value of ₹ 10 each) | - | 2,15,000 | - | 3,46,472.50 |
| Total investments | 3,40,000 | 64,17,570 | 1,07,934.30 | 9,01,735.53 |
| Aggregate book value of quoted investment* | | | 1,07,934.30 | 9,02,003.13 |
| Total | | | 1,07,934.30 | 9,02,003.13 |

* Fully paid-up unless otherwise specified.

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

| | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| | ₹ | ₹ |
| 4 (b) Other financial assets | | |
| Unsecured, considered good | | |
| At amortised cost | | |
| -Security deposits^^ | 36,683.80 | 28,953.49 |
| -Membership deposits | 74,250.00 | 74,250.00 |
| Fixed deposits with original maturity more than 12 months: | | |
| -As margin money against overdraft | 2,58,000.00 | - |
| -Under lien with exchange | 5,77,000.00 | 13,23,001.00 |
| At fair value through profit & loss | | |
| -Security deposits | 813.83 | - |
| Total other financial assets | 9,46,747.63 | 14,26,204.49 |
| ^^ Security deposits | | |
| -Security deposits- Stock exchanges | 5,500.00 | 5,500.00 |
| -Security deposits- Premises | 27,887.96 | 20,157.66 |
| -Security deposits- Others | 3,295.83 | 3,295.83 |
| Total security deposits | 36,683.79 | 28,953.49 |

| | | | | As at | As at | |
|-------------|--|-----------------------|----------------------------------|---|--------------------------------------|-----------------------|
| | | | | March 31, 2023 | March 31, 2022 | |
| | | | | ₹ | ₹ | |
| 5 | Deferred tax assets/ (liabilities) (net) | | | | | |
| | Deferred tax assets arising on account of: | | | | | |
| | Difference in written down value of property, plant and equipment | | | (1,651.98) | 2,460.91 | |
| | | | | (1,651.98) | 2,460.91 | |
| | Total deferred tax assets (net) | | | (1,651.98) | 2,460.91 | |
| 5(a) | Movement in deferred tax assets (net) for the year ended March 31, 2023 | April 01, 2022 | Utilisation of MAT credit | Recognized in other comprehensive income | Recognised in profit and loss | March 31, 2023 |
| | Deferred tax assets arising on account of: | | | | | |
| | Difference in written down value of property, plant and equipment | 2,460.91 | - | - | (4,112.89) | (1,651.98) |
| | | 2,460.91 | - | - | (4,112.89) | (1,651.98) |
| | Total movement in deferred tax assets | 2,460.91 | - | - | (4,112.89) | (1,651.98) |
| 5(b) | Movement in deferred tax assets (net) for the year ended March 31, 2022 | April 01, 2021 | Utilisation of MAT credit | Recognized in other comprehensive income | Recognised in profit and loss | March 31, 2022 |
| | Deferred tax liabilities arising on account of: | | | | | |
| | Difference in written down value of property, plant and equip | 1,717.71 | - | - | 743.20 | 2,460.91 |
| | Provision for post employment benefit obligations | 8,631.97 | - | (3,260.18) | (5,371.79) | - |
| | Short-term capital loss | 8,831.90 | - | - | (8,831.90) | - |
| | | 19,181.58 | - | (3,260.18) | (13,460.49) | 2,460.91 |
| | MAT credit entitlement | 59,387.88 | (59,387.88) | | | |
| | Total movement in deferred tax assets | 78,569.46 | (59,387.88) | (3,260.18) | (13,460.49) | 2,460.91 |
| 6 | Income tax assets (net) | | | As at | As at | |
| | Unsecured, considered good: | | | March 31, 2023 | March 31, 2022 | |
| | Income tax refundable (net) | | | 1,02,302.45 | 87,010.17 | |
| | Total income tax assets (net) | | | 1,02,302.45 | 87,010.17 | |
| 7 | Other non-current assets | | | As at | As at | |
| | Unsecured, considered good: | | | March 31, 2023 | March 31, 2022 | |
| | -Capital advances ^ | | | - | 1,83,986.01 | |
| | -Prepaid expenses | | | - | 430.00 | |
| | Total other non-current assets | | | - | 1,84,416.01 | |

^ The Company received the possession of property during the year 2022-23 and financial recorded the office building purchase under the caption Property Plant & Equipment during financial year 2022-23.

| | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | Numbers | | ₹ | ₹ |
| 8 Financial assets (current) | | | | |
| (i) Investments** | | | | |
| In Equity instrument of other company (Quoted) [at fair value through profit & loss] | | | | |
| Pasupati Acrylon Ltd. (face value of ₹ 10 each) | - | 1,59,355 | - | 61,590.71 |
| Action Construction Equipment Ltd. (face value of ₹ 2 each) | - | 2,000 | - | 4,282.00 |
| IFGL Refractories Ltd (face value of ₹ 10 each) | - | 2,000 | - | 5,277.00 |
| Infibeam Avenues Ltd (face value of ₹ 1 each) | - | 10,000 | - | 1,915.00 |
| Jayaswal Neco Industries Ltd. (face value of ₹ 10 each) | - | 20,000 | - | 4,450.00 |
| Kalyan Jewellers India Ltd (face value of ₹ 10 each) | - | 10,000 | - | 6,080.00 |
| Kingfisher Airlin (face value of ₹ 10 each) | 1,000 | 1,000 | - | - |
| Navneet Education Limited (face value of ₹ 2 each) | - | 5,000 | - | 4,462.50 |
| NBCC (India) Ltd (face value of ₹ 1 each) | - | 10,000 | - | 3,650.00 |
| One 97 Communications Ltd (face value of ₹ 1 each) | - | 400 | - | 2,099.20 |
| Schneider Electric Infrastructure Ltd. (face value of ₹ 2 each) | - | 5,000 | - | 6,077.50 |
| Transformers and Rectifiers (India) Ltd. (face value of ₹ 1 each) | - | 10,000 | - | 3,120.00 |
| Zomato Limited (face value of ₹ 1 each) | - | 5,000 | - | 3,910.00 |
| AJR Infra and Tolling Ltd (face value of ₹ 2 each) | 19,144 | - | 185.70 | - |
| ACC Ltd (face value of ₹ 10 each) | 2,000 | - | 32,526.00 | - |
| Adani Green Energy Ltd (face value of ₹ 10 each) | 1,300 | - | 11,620.70 | - |
| BLS International Service (face value of ₹ 1 each) | 10,000 | - | 15,125.00 | - |
| Total investments | 33,444 | 2,39,755 | 59,457.40 | 1,06,913.91 |

**These equity shares are fully paid up

| | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------|-------------------------|-------------------------|
| | ₹ | ₹ |
| (ii) Trade receivables*** | | |
| Secured, considered good | | |
| -Trade receivables | 1,69,700.04 | 1,64,135.51 |
| Total trade receivables | 1,69,700.04 | 1,64,135.51 |

Ageing of trade Receivables

As on March 31, 2023

| Outstanding for following periods from due date of payment | Undisputed trade receivables-considered | Disputed trade receivables-considered good | Total |
|--|---|--|--------------------|
| Less than 6 months | 1,41,883.04 | - | 1,41,883.04 |
| 6 months -1 year | 68.86 | - | 68.86 |
| 1-2 years | 5,784.66 | - | 5,784.66 |
| 2-3 years | - | 21,963.48 | 21,963.48 |
| More than 3 years | - | - | - |
| Total | 1,47,736.56 | 21,963.48 | 1,69,700.04 |

As on March 31, 2022

| Outstanding for following periods from due date of payment | Undisputed trade receivables-considered | Disputed trade receivables-considered good | Total |
|--|---|--|--------------------|
| Less than 6 months | 1,36,387.37 | - | 1,36,387.37 |
| 6 months -1 year | 5,784.66 | - | 5,784.66 |
| 1-2 years | - | 21,963.48 | 21,963.48 |
| 2-3 years | - | - | - |
| More than 3 years | - | - | - |
| Total | 1,42,172.03 | 21,963.48 | 1,64,135.51 |

***No trade or other receivable are due from directors or others officers of the Company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

| | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| | ₹ | ₹ |
| (iii) Cash and cash equivalents | | |
| Balance with bank in current accounts | 15,45,090.87 | 14,51,277.47 |
| Cash on hand | 2,857.31 | 2,993.83 |
| Total cash and cash equivalents | 15,47,948.18 | 14,54,271.30 |

| | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| | ₹ | ₹ |
| (iv) Bank balances other than (iii) above ^^^ | | |
| Fixed deposits with original maturity within 3 to 12 months: | | |
| -As margin money against overdraft | 11,61,000.00 | 12,94,000.00 |
| -Under lien with exchange | 50,57,968.55 | 34,41,985.64 |
| Total bank balances | 62,18,968.55 | 47,35,985.64 |
| ^^^ Notes: | | |
| -Fixed deposit under lien with exchange includes FDR in lien with banks towards issuance of Bank Guarantees. | | |
| -Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates. | | |
| | As at | As at |
| | March 31, 2023 | March 31, 2022 |
| | ₹ | ₹ |
| (v) Other financial assets | | |
| Unsecured, considered good [at amortised cost] | | |
| -Due from subsidiary company (towards expenses incurred on behalf of subsidiary) | (0.00) | 39,134.75 |
| -Additional base capital | 81,065.79 | 99,298.27 |
| -Accrued interest on fixed deposits | 48,973.52 | 17,930.50 |
| -Accrued Income | 41,549.84 | 47,480.08 |
| -Receivable from exchanges | 63,804.72 | 85,103.69 |
| -Other advances | 17,850.06 | 2,586.84 |
| Total other financial assets | 2,53,243.93 | 2,91,534.13 |
| (vi) Derivative asset recoverable | | |
| Derivative asset recoverable [fair valued through profit & loss] | 1,294.80 | 1,29,991.07 |
| Total Derivative asset recoverable | 1,294.80 | 1,29,991.07 |
| | As at | As at |
| | March 31, 2023 | March 31, 2022 |
| | ₹ | ₹ |
| 9 Current tax assets (net) | | |
| Current tax assets | | |
| Advance tax & TDS receivable | 2,54,335.72 | 2,62,723.59 |
| | 2,54,335.72 | 2,62,723.59 |
| Current tax liabilities | | |
| Provision for income tax | 2,23,249.83 | 1,97,335.63 |
| | 2,23,249.83 | 1,97,335.63 |
| Total current tax assets (net) | 31,085.89 | 65,387.96 |
| | As at | As at |
| | March 31, 2023 | March 31, 2022 |
| | ₹ | ₹ |
| 10 Other current assets | | |
| Advances other than capital advance [at amortised cost] | | |
| Unsecured, considered good | | |
| -Planned assets (Excess of planned assets over defined obligation - Gratuity) (refer note-28(c)) | 6,996.07 | 8,268.55 |
| -Prepaid expenses | 29,730.84 | 25,135.62 |
| -GST receivable | 30,003.42 | 1,343.75 |
| Total other current assets | 66,730.33 | 34,747.92 |

| | As at March 31, 2023 ₹ | As at March 31, 2022 ₹ |
|---|------------------------------|------------------------------|
| 11 Equity share capital | | |
| Authorised share capital | 10,00,000.00 | 10,00,000.00 |
| 5,00,00,000 (previous year 5,00,00,000) equity shares of ₹ 2 each | | |
| | 10,00,000.00 | 10,00,000.00 |
| Issued, subscribed and paid up capital | 7,00,000.00 | 7,00,000.00 |
| 3,50,00,000 (previous year 3,50,00,000) equity shares of ₹ 2 | | |
| | 7,00,000.00 | 7,00,000.00 |

(i) **Movements in equity share capital**

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

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

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

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

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

| (iii) Details of shareholders holding more than 5% shares of the Company ^* | As at March 31, 2023 | | As at March 31, 2022 | |
|--|----------------------|-----------|----------------------|-----------|
| | Number of shares | % holding | Number of shares | % holding |
| New KMS Finance Private Limited | 50,18,661 | 14.34 | 50,18,661 | 14.34 |
| Shiv Narayan Daga | 57,80,000 | 16.51 | 57,80,000 | 16.51 |
| Sharda Daga | 20,48,000 | 5.85 | 20,48,000 | 5.85 |

^* As per the records of the company, including register of members

(iv) **Details of shares held by promoters**
As at March 31, 2023

| S. No. | Promoter Name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of Total Shares | % change during the year |
|--------|----------------------------------|--|------------------------|--------------------------------------|-------------------|--------------------------|
| 1 | Shiv Narayan Daga HUF | 12,75,000 | - | 12,75,000 | 3.64% | - |
| 2 | Shiv Narayan Daga | 57,80,000 | - | 61,33,349 | 17.52% | 1.01% |
| 3 | Sharda Daga | 20,48,000 | - | 20,48,000 | 5.85% | - |
| 4 | Sheetal Periwal | 7,52,000 | - | 10,98,594 | 3.14% | 0.99% |
| 5 | Shikha Munda | 6,50,000 | - | 8,14,402 | 2.33% | 0.47% |
| 6 | Daga Commodities Private Limited | - | - | 6,50,639 | 1.86% | 1.86% |
| | Total | 1,05,05,000 | - | 1,20,19,984 | 34.34% | 4.33% |

As at March 31, 2022

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

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

| | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| | ₹ | ₹ |
| 12 Other equity | | |
| (i) Securities premium account | | |
| Balance as at the beginning of the year | 7,60,000.00 | 7,60,000.00 |
| Balance as at the end of the year | 7,60,000.00 | 7,60,000.00 |
| (ii) Other reserves | | |
| General reserve | | |
| Balance as at the beginning of the year | 2,86,484.32 | 2,86,484.32 |
| Balance as at the end of the year | 2,86,484.32 | 2,86,484.32 |
| Foreign currency translation reserve | | |
| Balance as at the beginning of the year | 23,948.96 | 18,203.79 |
| Add: transferred from surplus in the statement of profit and loss | 25,477.06 | 5,745.17 |
| Balance as at the end of the year | 49,426.02 | 23,948.96 |
| (iii) Retained earnings | | |
| Balance as at the beginning of the year | 33,03,269.28 | 24,29,827.84 |
| Profit for the year | 6,37,500.75 | 8,63,747.96 |
| Items of OCI recognised | (15,296.26) | 9,693.48 |
| Tax for earlier year | 1,233.14 | - |
| Balance as at the end of the year | 39,24,240.63 | 33,03,269.28 |
| Total other equity | 50,20,150.97 | 43,73,702.56 |

Nature and purpose of reserves

(i) **Securities premium account:** Securities premium is used to record the premium received on issue of shares. The reserve can be utilised only for limited

(ii) **General reserve:** Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations, however the same is not required to be created under Companies Act, 2013. This reserve can be utilised only in accordance with the specified requirements of Companies Act, 2013

(iii) **Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to generate reserve, dividends or other distributions paid to Shareholders. It also includes remeasurement gains and losses on defined benefit plans recognised in other comprehensive income (net of taxes).

| | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| | ₹ | ₹ |
| 13 Financial liabilities (non-current) | | |
| (i) Borrowings: | | |
| Unsecured loans **^ | 98,660.28 | 1,51,614.20 |
| Total long-term borrowings | 98,660.28 | 1,51,614.20 |

**^ The Company has taken unsecured loan of \$1,20,000 (₹ 98,660.28/-) as on March 31, 2023). The key terms are as mentioned below:

- Nature : Unsecured loan
- Rate : 7% p.a.
- Tenor : Repayable on Demand
- Related party or not : Yes

| | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| | ₹ | ₹ |
| 14 Financial liabilities (current) | | |
| (i) Borrowings: | | |
| Bank overdraft (secured)**^* | - | - |
| Total short-term borrowings | - | - |

**^* The Company has sanctioned secured bank overdraft facility with limit upto ₹ 15,00,000.00 as on March 31, 2023 (₹ 15,00,000.00 as on March 31, 2022). The key terms are as mentioned below:

- Nature : Overdraft limit
- Rate : Highest fixed deposit rate plus 1% (as on March 31, 2022 - Highest fixed deposit rate plus 1%)
- Tenor : Repayable on demand
- Secured : Against fixed deposits with banks held as margin money

| | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------|-------------------------|-------------------------|
| | ₹ | ₹ |
| (ii) Lease liabilities | | |
| Opening Balance | 68,718.11 | 18,631.58 |
| Additions | 32,861.42 | 92,906.35 |
| Adjustment/ Deletions | - | - |
| Interest expenses | 5,347.55 | 8,852.83 |
| Lease payments | 49,458.01 | 51,672.65 |
| Total lease liabilities | 57,469.07 | 68,718.11 |

DB (International) Stock Brokers Limited
Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

| | For the year ended | For the year ended |
|---|---------------------|---------------------|
| | March 31, 2023 | March 31, 2022 |
| | ₹ | ₹ |
| 17 Revenue from operations | | |
| Sale of services: | | |
| At the time of delivery of services | | |
| Brokerage and related income | 6,63,597.12 | 6,70,427.80 |
| Incentive income from exchange | 2,56,904.10 | 3,22,168.98 |
| Income from trading in securities and derivatives, net over the period of time [^] | 16,11,670.84 | 16,31,536.26 |
| Interest income on financial assets (fixed deposits) (at amortised cost) | 3,98,293.49 | 3,03,976.85 |
| Total revenue | 29,30,465.54 | 29,28,109.88 |
| [^] Income from trading in securities and derivatives includes | | |
| - Unrealised loss on current and non-current investments of ₹ 42,37,695 (Previous year gain of ₹ 95,97,702) | | |
| - Dividend income received by the Company | | |
| 18 Other income | | |
| Rental income | 8,094.38 | 4,396.24 |
| Office maintenance | 1,568.15 | 923.90 |
| Interest on | | |
| -Income Tax refund | 2,430.32 | - |
| -Financial asset (fair value through profit & loss) | 813.83 | - |
| -Other interest | 12,901.88 | 9,160.68 |
| Other income | 650.62 | - |
| Total other income | 26,459.18 | 14,480.82 |
| 19 Employee benefits expense | | |
| Salaries and other allowances | 3,75,802.85 | 3,62,907.91 |
| Contribution to provident and other funds (refer note) | 9,774.35 | 5,861.01 |
| Post employment benefit obligation (gratuity) (refer note 28(d)) | 4,805.48 | 7,273.54 |
| Staff welfare expenses | 6,109.48 | 1,816.65 |
| Total employee benefit expense | 3,96,492.16 | 3,77,859.11 |
| 20 Finance costs | | |
| Interest on | | |
| -borrowings | 17,568.20 | 11,308.02 |
| -lease liabilities | 5,347.94 | 8,852.83 |
| Bank guarantee commission | 52,471.76 | 44,382.50 |
| Total finance costs | 75,387.90 | 64,543.35 |
| 21 Depreciation and amortisation expense | | |
| Depreciation on property, plant and equipment (refer note 3(a)) | 36,187.73 | 28,343.74 |
| Amortisation of intangible assets (refer note 3(b)) | 30,309.41 | 2,159.19 |
| Amortisation of right to use an asset (refer note 3(c)) | 45,423.81 | 2,526.64 |
| Total depreciation and amortisation expense | 1,11,920.95 | 33,029.57 |
| 22 Other expenses | | |
| Stock exchange expenses | 4,20,282.41 | 3,01,238.52 |
| Clearing charges | 2,60,755.12 | 1,92,500.78 |
| SEBI fee | 77,581.01 | 60,358.69 |
| Depository charges | 5,722.71 | 7,419.55 |
| Client introduction charges | 5,751.71 | 6,991.21 |
| Rates and taxes | 60,128.87 | 64,969.08 |
| Rent | 3,05,091.23 | 3,90,319.69 |
| Power and water charges | 9,275.59 | 5,621.84 |
| Repairs and maintenance: | | |
| - Computer | 16,800.10 | 15,747.81 |
| - Vehicle | 4,455.25 | 20,861.38 |
| - Office | 3,758.70 | 1,090.01 |
| - Others | 8,159.02 | 6,013.71 |
| Bank charges | 1,727.21 | 1,363.51 |
| Input credit written off | 499.04 | - |
| Travelling and conveyance | 46,690.06 | 43,898.88 |
| Legal and professional | 6,752.94 | 1,177.16 |
| Fees and subscription | 33,709.86 | 18,803.34 |
| Software Expenses | 10,435.54 | 8,733.31 |
| Insurance | 1,80,311.22 | 1,43,336.35 |
| Annual maintenance charges | 851.22 | 836.35 |
| Printing and stationery | 16,257.99 | 11,017.83 |
| CSR contribution | 2,029.97 | 1,422.63 |
| Miscellaneous expenses | 11,000.00 | - |
| | 15,088.95 | 34,854.74 |
| Total other expenses | 15,03,115.72 | 13,38,576.37 |

DB (International) Stock Brokers Limited
Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| | ₹ | ₹ |
| 22(i) Legal and professional expenses include payment to auditor | | |
| As auditor*: | | |
| Audit fee | 325.00 | 276.50 |
| Limited review | 150.00 | 150.00 |
| Tax audit | 150.00 | 100.00 |
| Total | 625.00 | 526.50 |
| * exclusive of Goods and Services Tax (GST) | | |
| 23 Income tax expense # | | |
| Current tax | | |
| -Current tax | 2,23,249.84 | 1,96,936.41 |
| -Tax for earlier years | - | 12,069.68 |
| Total current tax expense | 2,23,249.84 | 2,09,006.09 |
| Deferred tax | | |
| - Deferred tax expense | 9,257.42 | 13,380.34 |
| Total deferred tax expense | 9,257.42 | 13,380.34 |
| Total income tax expense | 2,32,507.25 | 2,22,385.43 |
| 23(a) Effective tax reconciliation | | |
| Profit before tax | 8,70,008.00 | 10,86,134.39 |
| Income tax expense/(Deferred tax credit) in profit and loss as per effective tax rate# | 2,11,817.58 | 2,79,809.81 |
| (i) Non deductible expenses for tax purpose | 6,354.48 | 7,831.01 |
| (ii) Impact of taxes of earlier years | 2,071.56 | 12,069.68 |
| (iii) Additional disallowances for tax purposes | 15,287.64 | - |
| (iv) Impact of other miscellaneous items | (3,024.01) | (77,324.07) |
| Expected tax after adjustments | 2,32,507.25 | 2,22,386.43 |
| As per statement of profit and loss | | |
| Tax charged to statement of profit and loss | | |
| -Current tax | 2,23,249.84 | 1,96,936.41 |
| -Deferred tax charge | 9,257.42 | 13,380.34 |
| -Tax for earlier year | - | 12,069.68 |
| | 2,32,507.25 | 2,22,386.43 |
| #The tax rates used for the financial year 2022-23 and 2021-22 reconciliations above are the corporate tax rate of 25.168% & 9.36% and 25.168% & 9.36% respectively, payable on taxable profits under the Income Tax Act, 1961. The company has opted for new tax regime. | | |
| 24 Other comprehensive income | | |
| Items that will not be reclassified to profit or loss | | |
| -Remeasurement of post employment benefit obligations | (20,440.80) | 12,953.66 |
| -Exchange rate difference gain/(loss) | 25,477.06 | 5,745.17 |
| -Income tax relating to these items | 5,144.54 | (3,260.18) |
| Total other comprehensive income | 10,180.80 | 15,438.65 |
| 25 Earnings/(loss) per equity share (basic and diluted) | | |
| Total number of equity shares outstanding during the year | 3,50,00,000 | 3,50,00,000 |
| Weighted average number of equity shares for basic and diluted earnings per share (face value of ₹ 2 per share) | 3,50,00,000 | 3,50,00,000 |
| Profit/(loss) before OCI attributable to equity shareholder's (for basic and diluted earning) | 6,37,50,075 | 8,63,74,796 |
| Earnings/(loss) per equity share (basic and diluted) | 1.82 | 2.47 |
| 26 Detail of dues to micro and small enterprises defined under the MSMED Act, 2006 | | |

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

DB (International) Stock Brokers Limited
Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| | ₹ | ₹ |
| 27 Contingent liabilities | | |
| Claims against the company not acknowledged as debts | | |
| Income tax matters, disputed and under appeal ^{^^} | 37,510.42 | 37,510.42 |
| | 37,510.42 | 37,510.42 |

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

28 Employee benefits

(i) Defined contribution plan

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| | ₹ | ₹ |
| Employer's contribution to Provident fund and Employee state insurance | 9,068.15 | 5,861.01 |

(ii) Post-employment benefit plans

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

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| | ₹ | ₹ |
| a. Changes in defined benefit obligation | | |
| Liability at the beginning of the year | [Funded] 28,610.01 | [Funded] 34,297.40 |
| Interest cost | 2,074.23 | 2,486.56 |
| Current service cost | 5,497.14 | 4,779.71 |
| Benefits paid (if any) | - | - |
| Actuarial (gain)/loss | 20,371.11 | (12,953.66) |
| Liability at the end of the year | 56,552.49 | 28,610.01 |

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| | ₹ | ₹ |
| b. Bifurcation of total actuarial (gain) / loss on liabilities | | |
| Actuarial gain / losses from changes in demographics assumptions (mortality) | Not Applicable | Not Applicable |
| Actuarial (gain)/ losses from changes in financial assumptions | 1,985.91 | (569.36) |
| Experience adjustment (gain)/ loss for plan liabilities | 18,385.20 | (12,384.30) |
| Total amount recognized in other comprehensive Income | 20,371.11 | (12,953.66) |

| | | |
|---|------------|-------------|
| c. Key results (the amount to be recognized in the balance sheet): | | |
| Present value of the obligation at the end of the year | 56,552.49 | 22,922.62 |
| Fair value of plan assets at end of year | 63,548.55 | - |
| Net liability/(asset) recognized in balance sheet and related analysis | (6,996.06) | 22,922.62 |
| Funded status - surplus/ (deficit) | 6,996.06 | (22,922.62) |

| | | |
|---|-----------------|-----------------|
| d. Expense recognized in the statement of profit and loss: | | |
| Interest cost | 2,074.23 | 2,486.56 |
| Current service cost | 5,497.14 | 4,779.71 |
| Past service cost | - | - |
| Expected return on plan asset | (2,765.89) | - |
| Expenses to be recognized in statement of profit and loss | 4,805.48 | 7,266.27 |

| | | |
|---|------------------|--------------------|
| e. Other comprehensive (income) / expenses (measurement) | | |
| Cumulative unrecognized actuarial (gain)/loss opening, B/F | (18,644.56) | (5,645.49) |
| Actuarial (gain)/loss - obligation | 20,440.80 | (12,999.07) |
| Actuarial (gain)/loss - plan assets | - | - |
| Total actuarial (gain)/loss | 20,440.80 | (12,999.07) |
| Cumulative total actuarial (gain)/loss | 1,796.24 | (18,644.56) |

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| | ₹ | ₹ |
| f. Net interest cost | | |
| Interest cost on defined benefit obligation | 2,074.23 | 2,486.56 |
| Interest income on plan assets | (2,696.20) | (45.41) |
| Net interest cost (income) | (621.97) | 2,441.15 |

| | | |
|--|-----------|-------------|
| g. Experience adjustment: | | |
| Experience adjustment (gain) / loss for plan liabilities | 18,385.20 | (12,384.30) |
| Experience adjustment Gain/ (loss) for Plan assets | (69.69) | 45.41 |

DB (International) Stock Brokers Limited
Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

| | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| | ₹ | ₹ |
| h. Summary of membership data at the date of valuation and statistics based thereon: | | |
| Number of employees | 32 | 31 |
| Total monthly salary | 13,752.00 | 11,765.40 |
| Average past service (years) | 7.5 | 5.9 |
| Average future service (years) | 16.3 | 16.9 |
| Average age (years) | 44.3 | 43.1 |
| Weighted average duration (based on discounted cash flows) in years | 9 | 13 |
| Average monthly salary | 429.75 | 379.53 |
| i. The assumptions employed for the calculations are tabulated: | | |
| Discount rate | 7.50 % per annum | 7.00 % per annum |
| Salary growth rate | 6.00 % per annum | 5.00 % per annum |
| Mortality | IALM 2012-14 | IALM 2012-14 |
| Expected rate of return | - | - |
| Withdrawal rate (per annum) | 5.00% p.a. | 5.00% p.a. |

The discount rate is based on the market yields of Government bonds as at the balance sheet date for the estimated term of the obligation. The salary escalation rate takes into account inflation, seniority, promotion and other relevant factors.

| | | |
|---|--|--|
| j. Benefits valued: | | |
| Normal retirement age | 60 years & 70 years | 60 years |
| Salary | Last drawn qualifying salary | Last drawn qualifying salary |
| Vesting period | 5 Years of service | 5 Years of service |
| Benefits on normal retirement | 15/26 * Salary * Past Service (year) | 15/26 * Salary * Past Service (year) |
| Benefit on early exit due to death and disability | As above except that no vesting conditions apply | As above except that no vesting conditions apply |
| Maximum limit | 20,00,000 | 20,00,000 |

| | As at March 31, 2023 |
|--|-------------------------|
| | ₹ |
| (iii) Estimate of expected benefit payments (In absolute terms i.e. undiscounted) | |
| Year | |
| April 01, 2023 to March 31, 2024 | 21,910.86 |
| April 01, 2024 to March 31, 2025 | 834.94 |
| April 01, 2025 to March 31, 2026 | 900.57 |
| April 01, 2026 to March 31, 2027 | 942.42 |
| April 01, 2027 to March 31, 2028 | 5,539.73 |
| April 01, 2028 onwards | 26,423.97 |

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

| Period | As on March 31, 2023 |
|--|--|
| Defined benefit obligations (base) | 56,552.49 @ Salary Increase Rate : 6%, and |
| Liability with x% increase in discount rate | 53,366.19; x=1.00% [Change (6) %] |
| Liability with x% decrease in discount rate | 60,174.14; x=1.00% [Change 6%] |
| Liability with x% increase in salary growth rate | 60,052.88; x=1.00% [Change 6%] |
| Liability with x% decrease in salary growth rate | 53,431.64; x=1.00% [Change (6) %] |
| Liability with x% increase in withdrawal rate | 56,717.07; x=1.00% [Change 0%] |
| Liability with x% decrease in withdrawal rate | 56,354.35; x=1.00% [Change (0) %] |

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| | ₹ | ₹ |
| m. Reconciliation of liability in balance sheet: | | |
| Opening gross defined benefit liability/ (asset) | (8,269) | 34,297.40 |
| Expenses to be recognized in P&L | 4,805.48 | 7,266.27 |
| OCL- actuarial (gain)/ loss-total current year | 20,440.80 | (12,999.07) |
| Benefits paid (if any) | (23,973.79) | (36,833.15) |
| Closing gross defined benefit liability/ (asset) | (6,996.06) | (8,268.55) |

DB (International) Stock Brokers Limited
Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

n. Description of risk exposures:

- i) Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow:
- a) Salary increases- actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
 - b) Investment risk – as the plan is not funded, there is no investment risk
 - c) Discount rate : reduction in discount rate in subsequent valuations can increase the plan's liability.
 - d) Mortality & disability – actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
 - e) Withdrawals – actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.
- ii) During the year the Company has recorded an expense of ₹ 9,068.15 (previous year ₹ 5,861.01) towards provident fund, a defined
- iii) Leaves are encashed at the end of the year and not carried forwarded.
- iv) Post employment benefits are determined by an Independent Actuary on overall basis and hence have not been separately provided for key management personnel.

28(a) Leases

Information about leases

- The Company has taken office premises at certain locations on operating lease. The agreements are executed for a period ranging from 11 months to 36 months.

- The aggregate depreciation expenses on right of use assets is included under depreciation and amortisation expenses in the statement of Profit and Loss.

- The movement in lease liabilities has been disclosed in Note 14(ii)

29 Financial risk management objective and policies

The Copmany is exposed to various financial risks. These risks are categorised into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long-term and short-term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises following types of risks: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at each reporting date, the Company does not have exposure in interest rate risk. Therefore, it is not exposed to interest rate risk

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at each reporting date, the Company does not have exposure in foreign currency. Therefore, it is not exposed to currency risk.

(B) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligation. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relation to such limits.

The maximum exposures to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements. The Company's major classes of financial assets are cash and cash equivalents, loans, term deposits, trade receivables and security deposits.

Cash and cash equivalents and term deposits with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks financial institutions as approved by the Board of directors. Security deposits are kept with stock exchange for meeting minimum base capital requirements. These deposits do not have any credit risk.

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated risk management team, which monitors the positions, exposures and margins on a continuous basis.

DB (International) Stock Brokers Limited
Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

Expected credit loss

(a) Trade receivables

The Company applies the Ind AS 109 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance(ECL) for all trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics as follows:

- Receivable from Brokerage (Secured by collaterals mainly in form of Securities of listed Company)
- Receivable from Exchange (Unsecured)
- Receivable from Depository (Secured by collaterals mainly in form of Securities of listed Company)

Receivable from Exchange(Unsecured): There are no historical loss incurred in respect of Receivable from exchange. Entire exposure/receivables as at each reporting period is received and settled within 7 days from reporting period. Therefore, no ECL is recognised in respect of receivable from exchange.

Receivable from Brokerage and depository: Company has large number of customer base with shared credit risk characteristics. As per policy of Company, trade receivable to the extent not covered by collateral(i.e. unsecured trade receivable) is considered as default and are fully written off as bad debt against respective trade receivables and the amount of loss is recognised in the Statement of Profit and Loss. Subsequent recoveries of amounts previously written off are credited to the income statement as bad debts recovered. Trade receivable of the Company are of short duration with credit period ranging up to maximum 30 days. In case of delay in collection, the Company has right to charges interest (commonly referred as delayed payment charges)on overdue amount for the overdue period. However, in case of receivable from depository, the Company doesn't have right to charge interest. Though credit period given to customer in respect of receivable from depository is very short. Incremental borrowing rate is considered as effective interest rate on these trade receivable for the purpose of computing time value loss.

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|----------------------------|--------------------------------------|--------------------------------------|
| | ₹ | |
| Trade receivable | | |
| Past due 1-30 days | 1,40,204.33 | 91,460.73 |
| Past due 31-60 days | 1,659.72 | 33,686.93 |
| Past due 61-90 days | 16.75 | 11,181.00 |
| Past due more than 90 days | 27,819.24 | 27,806.85 |
| Loss allowances | - | - |
| Carrying amount | 1,69,700.04 | 1,64,135.51 |

(b) Margin Trading facilities

As at each reporting date, the Company does not have exposure in margin trading facility, Therefore it is not exposed to margin trading facility.

(B) Liquidity risk

Liquidity risk is the risk that the Company will not able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarises the maturity profile of the Company's financial liabilities as at March 31, 2023 **

| | Borrowings | Trade payables | Other financial liabilities | Total |
|----------------|------------------|---------------------|--------------------------------|---------------------|
| 0-1 year | - | 41,00,894.28 | 10,564.77 | 41,11,459.05 |
| 1-2 year | - | - | - | - |
| 2-3 year | 98,660.28 | - | - | 98,660.28 |
| 3-4 year | - | - | - | - |
| Beyond 4 years | - | - | - | - |
| Total | 98,660.28 | 41,00,894.28 | 10,564.77 | 42,10,119.33 |

** The Company does not have debt securities as at March 31, 2023

The table below summarises the maturity profile of the Company's financial liabilities as at March 31, 2022 **

| | Borrowings | Trade payables | Other financial liabilities | Total |
|----------------|--------------------|---------------------|--------------------------------|---------------------|
| 0-1 year | - | 43,43,352.98 | 64,224.05 | 44,07,577.03 |
| 1-2 year | - | - | - | - |
| 2-3 year | 1,51,614.20 | - | - | 1,51,614.20 |
| 3-4 year | - | - | - | - |
| Beyond 4 years | - | - | - | - |
| Total | 1,51,614.20 | 43,43,352.98 | 64,224.05 | 45,59,191.23 |

** The Company does not have debt securities as at March 31, 2022

DB (International) Stock Brokers Limited
Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

30 Maturity analysis of assets and liabilities

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

| | As at March 31, 2023 | | Total |
|--|-------------------------------|-----------------------------------|---------------------|
| | Current (Less than 12 months) | Non-Current (More than 12 months) | |
| Assets | | | |
| -Cash and cash equivalents | 15,47,948.18 | - | 15,47,948.18 |
| -Bank balances other than above | 62,18,968.55 | 8,35,000.00 | 70,53,968.55 |
| -Trade receivables | 1,69,700.04 | - | 1,69,700.04 |
| -Derivatives assets receivable (at fair value) | 1,294.80 | - | 1,294.80 |
| -Investments | 59,457.40 | 1,07,934.30 | 1,67,391.70 |
| -Property, plant and equipment | - | 2,76,384.69 | 2,76,384.69 |
| -Right to use asset | - | 51,975.74 | 51,975.74 |
| -Intangible assets | - | 1,65,093.41 | 1,65,093.41 |
| -Other financial assets | 2,53,243.91 | 1,11,747.62 | 3,64,991.52 |
| -Income tax assets (net) | - | 1,02,302.45 | 1,02,302.45 |
| -Current tax assets (net) | 31,085.89 | - | 31,085.89 |
| -Other non-financial assets | 66,730.33 | - | 66,730.33 |
| Total Assets | 83,48,429.10 | 16,50,438.21 | 99,98,867.30 |
| Liabilities | | | |
| -Trade payables: | 41,00,894.28 | - | 41,00,894.28 |
| -Borrowings | - | 98,660.28 | 98,660.28 |
| -Lease liabilities | 57,469.07 | - | 57,469.07 |
| -Deferred tax liabilities (net) | - | 1,651.98 | 1,651.98 |
| -Other financial liabilities | 10,564.77 | - | 10,564.77 |
| -Other current liabilities | 9,475.96 | - | 9,475.96 |
| Total Liabilities | 41,78,404.08 | 1,00,312.26 | 42,78,716.34 |

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

| | As at March 31, 2022 | | Total |
|--|-------------------------------|-----------------------------------|---------------------|
| | Current (Less than 12 months) | Non-Current (More than 12 months) | |
| Assets | | | |
| -Cash and cash equivalents | 14,54,271.30 | - | 14,54,271.30 |
| -Bank balances other than above | 47,35,985.64 | 13,23,001.00 | 60,58,986.64 |
| -Trade receivables | 1,64,135.51 | - | 1,64,135.51 |
| -Derivatives assets receivable (at fair value) | 1,29,991.07 | - | 1,29,991.07 |
| -Investments | 1,06,913.91 | 9,01,735.53 | 10,08,649.44 |
| -Property, plant and equipment | - | 59,172.54 | 59,172.54 |
| -Right to use asset | - | 64,573.73 | 64,573.73 |
| -Intangible assets | - | 478.62 | 478.62 |
| -Other financial assets | 2,91,534.15 | 1,03,203.49 | 3,94,737.64 |
| -Deferred tax assets (net) | - | 2,460.91 | 2,460.91 |
| -Income tax assets (net) | - | 87,010.17 | 87,010.17 |
| -Current tax assets (net) | 65,387.96 | - | 65,387.96 |
| -Other non-financial assets | 34,747.92 | 1,84,416.01 | 2,19,163.93 |
| Total Assets | 69,82,967.46 | 27,26,052.00 | 97,09,019.46 |
| Liabilities | | | |
| -Trade payables: | 43,43,352.98 | - | 43,43,352.98 |
| -Borrowings | - | 1,51,614.20 | 1,51,614.20 |
| -Lease liabilities | 68,718.11 | - | 68,718.11 |
| -Deferred tax liabilities (net) | - | - | - |
| -Other financial liabilities | 64,224.05 | - | 64,224.05 |
| -Other current liabilities | 7,407.56 | - | 7,407.56 |
| Total Liabilities | 44,83,702.70 | 1,51,614.20 | 46,35,316.90 |

30(a) Fair value measurement

A Financial instruments by category:

| | FVOCI | FVTPL | Amortised cost |
|--|----------|--------------------|---------------------|
| As at March 31, 2023 | | | |
| Financial Assets (other than investment in subsidiary)* | | | |
| -Cash and cash equivalents | - | - | 15,47,948.18 |
| -Bank balances other than above | - | - | 62,18,968.55 |
| -Trade receivables | - | - | 1,69,700.04 |
| -Investments | - | 1,67,391.70 | - |
| -Other financial assets | - | - | 11,99,991.52 |
| Total Financial Assets | - | 1,67,391.70 | 91,36,608.29 |
| Financial liabilities | | | |
| -Trade payables: | - | - | 41,00,894.28 |
| -Other financial liabilities | - | - | 10,564.77 |
| Total Financial Liabilities | - | - | 41,11,459.05 |

DB (International) Stock Brokers Limited
Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

| | FVOCI | FVTPL | Amortised cost |
|--|----------|---------------------|---------------------|
| As at March 31, 2022 | | | |
| Financial Assets (other than investment in subsidiary)* | | | |
| -Cash and cash equivalents | - | - | 14,54,271.30 |
| -Bank balances other than above | - | - | 47,35,985.64 |
| -Trade receivables | - | - | 1,64,135.51 |
| -Investments | - | 10,08,649.44 | - |
| -Other financial assets | - | - | 17,17,738.64 |
| Total Financial Assets | - | 10,08,649.44 | 80,72,131.09 |
| Financial liabilities | | | |
| -Trade payables: | - | - | 43,43,352.98 |
| -Other financial liabilities | - | - | 64,224.05 |
| Total Financial Liabilities | - | - | 44,07,577.03 |

B Fair value hierarchy:

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

| | Level 1 | Level 2 | Level 3 |
|--|---------|---------|-------------|
| As at March 31, 2023 | | | |
| Financial assets | | | |
| Measured at fair value through profit or loss * | | | |
| -Investment in equity instrument | - | - | 1,25,00,000 |
| As at March 31, 2022 | | | |
| Financial assets | | | |
| Measured at fair value through profit or loss * | | | |
| -Investment in equity instrument | - | - | 1,25,00,000 |

31 Capital management

Risk Management

The Company manages its capital structure and makes necessary adjustments in light of changes in economic conditions and the requirement of financial covenants.

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value and to ensure the Company's ability to continue as a going concern. There is no non compliance with any covenants of borrowings.

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--------------------------------------|--------------------------------------|--------------------------------------|
| | ₹ | |
| Borrowings including debt securities | 98,660.28 | 1,51,614.20 |
| Less: cash and cash equivalents | 15,47,948.18 | 14,54,271.30 |
| Net debt | (i) (14,49,287.90) | (13,02,657.10) |
| Total Equity | (ii) 57,20,150.97 | 50,73,702.56 |
| Total Capital | (i)+(ii)=(iii) 42,70,863.07 | 37,71,045.46 |

32 Corporate social responsibility (CSR) expenses

Gross amount required to be spent by the Company during the year ₹ 0.11 lakh (Previous year-NA)

Amount spent during the year ending March 31, 2023:

| | Paid | Yet to be paid | Total |
|--|-----------|----------------|-----------|
| Construction/ acquisition of any asset | - | - | - |
| On purpose of other than above | 11,000.00 | - | 11,000.00 |

DB (International) Stock Brokers Limited

Notes to the consolidated financial statements for the year ended March 31, 2023

(All amounts in hundred except share data and earning per share)

33 Additional regulatory information

Additional Regulatory Information pursuant to General Instructions for preparation of Balance Sheet as given in Division I of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

- a) The title deeds of all immovable property are in the name of Company.
- b) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- c) The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- d) The Company does not have any transactions with struck-off companies.
- e) The Company does not have layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
- f) The company has not advanced or loaned or invested funds to any other person(s) or entity(s), including foreign entities(intermediaries), with the understanding that the intermediary shall;
- (i) 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
- (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- g) 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;
- (i) 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
- (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- h) The Company does not have any transactions which is not recorded in the books of account but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- i) The Company has fulfil the criteria as specified under 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- j) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

34 Subsequent events

- (i) There were no significant events after the end of the reporting period which require any adjustment or disclosure in the financial statements.
- (ii) The financial statements of the Company were authorised for issue in accordance with a resolution of the directors on April 28, 2023.

DB (International) Stock Brokers Limited
Notes to the consolidated financial statements for the year ended March 31, 2023
(All amounts in hundred except share data and earning per share)

35 Related party disclosure

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

(a) Subsidiary:

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

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

Mr. Shiv Narayan Daga (Managing Director)
Ms. Sharda Daga (wife of Mr. Shiv Narayan Daga)
Ms. Shikha Mundra (Director) (Daughter of Mr. Shiv Narayan Daga)
Ms. Sheetal Periwal (Executive Vice President) (Daughter of Mr. Shiv Narayan Daga)
Mr. Sanjeev Kumar Rawal (Chief Financial Officer)
Ms. Pragya Singh (Company Secretary & Compliance Officer)

(i) Transactions with related parties:

(a) Salary and allowances:

Mr. Shiv Narayan Daga (Managing Director)
Ms. Shikha Mundra (Director) (Daughter of Mr. Shiv Narayan Daga)
Ms. Sheetal Periwal (Executive Vice President) (Daughter of Mr. Shiv Narayan Daga)
Ms. Divya Saluja (Company Secretary & Compliance Officer) (resigned on June 25, 2021)
Mr. Sanjeev Kumar Rawal (Chief Financial Officer)
Ms. Pragya Singh (Company Secretary & Compliance Officer)

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

Mr. Shiv Narayan Daga (Managing Director)
Ms. Shikha Mundra (Director) (Daughter of Mr. Shiv Narayan Daga)
Ms. Sheetal Periwal (Executive Vice President) (Daughter of Mr. Shiv Narayan Daga)
Mr. Sanjeev Kumar Rawal (Chief Financial Officer)

*Does not include post-employment benefit based on actuarial valuation

(c) Rent:

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

| | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| | ₹ | ₹ |
| | 21,000.00 | - |
| | 21,000.00 | - |
| | 8,750.00 | 21,000.00 |
| | - | 750.00 |
| | 21,720.00 | 18,600.00 |
| | 5,250.00 | 4,320.00 |
| | 77,720.00 | 44,670.00 |
| | 2,520.00 | - |
| | 2,520.00 | - |
| | 690.00 | 2,520.00 |
| | 1,202.40 | 2,400.00 |
| | 6,932.40 | 4,920.00 |
| | 2,280.00 | 2,280.00 |
| | 2,280.00 | 2,280.00 |

36 Financial instruments by category:

| Particulars | Fair value hierarchy (levels) | March 31, 2023 | | March 31, 2022 | |
|--|-------------------------------|------------------|---------------------|-------------------|---------------------|
| | | FVTPL | Amortised cost* | FVTPL | Amortised cost* |
| Financial assets | | | | | |
| Investments (current) | 1 | - | 59,457.40 | - | 106,913.91 |
| Investments (non current) | 1 | - | 107,934.30 | - | 901,735.53 |
| Other financial assets (non current) | 3 | - | 946,747.62 | - | 1,426,204.49 |
| Trade receivables | 3 | - | 169,700.04 | - | 164,135.51 |
| Cash and cash equivalents | 3 | - | 1,547,948.18 | - | 1,454,271.30 |
| Bank balance other than above | 3 | - | 6,218,968.55 | - | 4,735,985.64 |
| Derivative instruments not designated as hedging instruments | 2 | 1,294.80 | - | 129,991.07 | - |
| Other financial assets (current) | 3 | - | 253,243.91 | - | 291,534.15 |
| Total financial assets | | 1,294.80 | 9,304,000.00 | 129,991.07 | 9,080,780.53 |
| Financial liabilities | | | | | |
| Short-term borrowings | 3 | - | - | - | - |
| Trade payables | 3 | - | 4,100,894.28 | - | 4,343,352.98 |
| Lease liabilities | 3 | 57,469.07 | - | 68,718.11 | - |
| Other financial liabilities | 3 | - | 10,564.77 | - | 64,224.05 |
| Total financial liabilities | | 57,469.07 | 4,111,459.05 | 68,718.11 | 4,407,577.03 |

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

Fair value hierarchy

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

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

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

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

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

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

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

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

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

Financial risk management objectives and policies

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

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

37 Financial instruments and cash deposits

March 31, 2023

| Particulars | In ₹ | | |
|--|---------------------------------|------------------------|-----------------|
| | Estimated gross carrying amount | Expected credit losses | Carrying amount |
| Investments (non current) | 107,934.30 | - | 107,934.30 |
| Other financial assets (non current) | 946,747.62 | - | 946,747.62 |
| Trade receivables | 169,700.04 | - | 169,700.04 |
| Cash and cash equivalents | 1,547,948.18 | - | 1,547,948.18 |
| Bank balance other than above | 6,218,968.55 | - | 6,218,968.55 |
| Derivative instruments not designated as hedging instruments | 1,294.80 | - | 1,294.80 |
| Other financial assets (current) | 253,243.91 | - | 253,243.91 |

March 31, 2022

| Particulars | In ₹ | | |
|--|---------------------------------|------------------------|-----------------|
| | Estimated gross carrying amount | Expected credit losses | Carrying amount |
| Investments (non current) | 901,735.53 | - | 901,735.53 |
| Other financial assets (non current) | 1,426,204.49 | - | 1,426,204.49 |
| Trade receivables | 164,135.51 | - | 164,135.51 |
| Cash and cash equivalents | 1,454,271.30 | - | 1,454,271.30 |
| Bank balance other than above | 4,735,985.64 | - | 4,735,985.64 |
| Derivative instruments not designated as hedging instruments | 129,991.07 | - | 129,991.07 |
| Other financial assets (current) | 291,534.15 | - | 291,534.15 |

Key Financial Information

| Ratio | Numerator | Denominator | March 31, 2023 | March 31, 2022 | % change | Reason for Variance |
|--|--|--|------------------|------------------|----------|--|
| Current ratio | Current Assets | Current Liabilities | 2.00 | 1.56 | 28.29% | Current assets has been increased due to increase in fixed deposits by liquidating long term investments |
| Debt- Equity Ratio | Total Debt | Shareholder's Equity | 0.02 | 0.03 | -42.28% | Debt equity ratio decreases due to repayment of borrowings |
| Debt Service Coverage ratio | Earnings for debt service = Net profit after taxes + Non-cash operating expenses | Debt service = Interest Expenses (excluding interest cost on leases as per IND AS 116) | 42.70 | 83.06 | -48.59% | Due to decrease in net profit after taxes and increase in interest of temporary overdraft |
| Return on Equity ratio | Net Profits after taxes - Preference Dividend | Average Shareholder's Equity | 1.82 | 2.47 | -26.19% | Due to decrease in net profit after taxes |
| Net Worth (In lakh) | Equity Share Capital + Other Equity | - | Rs. 5720.15 lakh | Rs. 5073.70 lakh | - | - |
| Net Profit After Tax (in lakh) | - | - | Rs. 637.50 lakh | Rs. 863.75 lakh | - | - |
| Earning per share (Basic & Diluted) | Profit after Tax | Total number of Equity Shares | 1.82 | 2.47 | -26.19% | Due to decrease in net profit after taxes |
| Inventory Turnover ratio | Cost of goods sold | Average Inventory | NA | NA | NA | NA |
| Trade Receivable Turnover Ratio | Net credit sales = Gross credit sales - sales return | Average Trade Receivable | NA | NA | NA | NA |
| Trade Payable Turnover Ratio | Net credit purchases = Gross credit purchases - purchase return | Average Trade Payables | NA | NA | NA | NA |
| Net Capital Turnover Ratio | Net sales = Total sales - sales return | Working capital = Current assets - Current liabilities | 0.70 | 1.17 | -40.02% | Due to increase in working capital |
| Net Profit ratio | Net Profit | Net sales = Total sales - sales return | 0.22 | 0.29 | -26.25% | Due to decrease in net profit after taxes |
| Return on Capital Employed | Earnings before interest and taxes | Capital Employed = Total Assets - Current Liabilities | 0.15 | 0.21 | -28.09% | Due to decrease in earning before interest and taxes & increase in capital employed |
| Return on Investment (Refer Guidance Note) | {MV(T1) - MV(T0) - Sum [C(t)]} | {MV(T0) + Sum [W(t) * C(t)]} | NA | NA | NA | NA |

* Average= (Opening+Closing)/2

As per our report of even date.

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

Sd/-
Parmod Kumar
Partner
Membership No : 081138

Place: New Delhi
Date: April 28, 2023

For and on behalf of the Board of Directors

Sd/-
Shiv Narayan Daga
Managing Director
DIN - 00072264

Sd/-
S K Rawal
Chief Financial Officer

Sd/-
Sachin Kumar Rathi
Director
DIN - 01013130

Sd/-
Pragya Singh
Company Secretary
Membership No: A65047

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

1. Background of the Reporting entity

DB (International) Stock Brokers Limited (the 'Holding Company'), a public limited listed Company, together with its subsidiary and associate (collectively referred to as the 'Group'), is engaged in stock broking and depository participant services of CDSL. The Group is also engaged as an intermediary as per the Securities and Exchange Board of India Guidelines, 2015 in an IFSC (International Financial Service Centre). The Holding Company is domiciled in India and its Registered Office is situated at Unit No.210, 211 & 211A, 2nd Floor Dalal Street Commercial Co-operative Society Limited, Block-53, Road 5E, Zone-5, GIFT City Gandhinagar, Gujarat - 382355. The Holding Company was incorporated in India on February 28, 1992.

2. Significant Accounting Policies

A) Overall Consideration

The Consolidated Financial Statements have been prepared using the Significant Accounting Policies and measurement bases summarised below. These were used throughout all periods presented in the Financial Statements, except where the Group has applied certain Accounting Policies and exemptions upon transition to IND-AS.

B) Basis of Consolidation

i) Subsidiary

Subsidiary is entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiary is fully consolidated from the date on which control is transferred to the Group. Statement of Profit and Loss (including Other Comprehensive Income ('OCI')) of Subsidiary acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the Financial Statements of the Holding Company and its Subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group Companies are eliminated. Accounting Policies of Subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a Subsidiary's Statement of Profit and Loss and net assets that is not held by the Group. Statement of Profit and Loss balance (including other comprehensive income ('OCI')) is attributed to the equity holders of the Holding Company and to the non-controlling interests basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the Subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

ii) Associate

Investment in entity in which there exists Significant Influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition changes in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The Consolidated Statement of Profit and Loss (including the Other Comprehensive Income) includes the Group's share of the results of the operations of the investee. The Group discontinues the use of equity method from the date when investment ceases to be an associate.

C) Basis of preparation

i) Statement of Compliance

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

The Financial Statements for the Year ended March 31, 2023 were authorized and approved for issue by the Board of Directors on April 28, 2023.

ii) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

A liability is treated as current when it is:

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

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

iii) Basis of measurement

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

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

iv) Use of estimates and judgements

In preparing these Financial Statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

Judgments:

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

Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended March 31, 2023 is included in the following notes:

- Note 5 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 30 – measurement of defined benefit obligations: key actuarial assumptions;

D) Recent accounting pronouncement

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

- Shareholding of promoters at the end of the year and changes during the year.
- Use of borrowings from Banks and FIs for other purpose.
- Ageing Schedule of Trade payables, Trade receivables, capital work in progress and Intangible asset under development.
- Title deeds of Immovable Property not held in name of the Company in prescribed format.
- Loans granted to promoters, directors, KMPs & their relatives in prescribed format.
- Details of Benami Property held.
- Disclosure with respect to Wilful Defaulter.
- Compliance with approved Scheme of Arrangement.
- Relationship with struck off companies if companies has any transaction with such companies.
- Details of pending Registration or Satisfaction of Charge.
- Compliance with number of layers of Companies.
- Utilization of Borrowed funds and share premium for third party funding.
- Specified Accounting Ratios.
- Details of undisclosed income not recorded in the Books of Accounts.
- Details of CSR & Crypto Currency or Virtual Currency.

E) Financial Instruments

Initial recognition and measurement:

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

Derivatives and hedge accounting

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

The Group complies with the principles of hedge accounting where derivative contracts are designated as Hedge Instruments. At the inception of the Hedge Relationship, the Group

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

documents the relationship between the hedge instrument and the hedged item, along with the risk management objectives and its strategy for undertaking hedge transaction, which can be a fair value hedge or a cash flow hedge.

(i) Fair value hedges:

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

(ii) Cash Flow Hedges:

The effective portion of changes in the fair value of derivatives that are designated and qualify as Cash Flow Hedges is recognised in the other Comprehensive Income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion are recognised in the Statement of Profit and Loss. Amounts previously recognised and accumulated in other comprehensive income are reclassified to profit or loss when the hedged item affects the Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains/losses are transferred from equity (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains/losses recognised in Other Comprehensive Income and accumulated in equity at that time remains in equity and is reclassified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity is recognised immediately in the Statement of Profit and Loss.

Non-derivative financial assets

Subsequent measurement:

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

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

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

Investments in equity instruments of subsidiary

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

De-recognition of financial assets:

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

Non-derivative financial liabilities

Subsequent measurement:

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

De-recognition of financial liabilities:

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

F) Foreign currency translation or transaction

Functional and presentation currency:

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

Transactions and balances:

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

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

G) Property, plant and equipment

Recognition and measurement:

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

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

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

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

Subsequent expenditure:

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

Depreciation:

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

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

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

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

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

H) Intangible assets

i) Initial recognition:

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

ii. Subsequent expenditure:

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

iii. Others:

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

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

I) Employee benefits

Short-term employee benefits:

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

Long-term employee benefits:

i. Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes monthly contributions to Statutory Provident Fund (Government administered Provident Fund Scheme) in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined Contribution Plan. Obligations for

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the period(s) during which the related services are rendered by employees.

ii. Defined benefit plans:

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

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

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

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

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

J) Exceptional items

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

K) Measurement of fair values

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

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

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

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

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

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

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

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

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

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

L) Revenue

i. Rendering of services:

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

ii. Brokerage and related income:

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

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

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

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

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

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

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

M) Leases

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

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

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

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

N) Income tax

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

i. Current tax:

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

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

ii. Deferred tax:

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

- temporary differences related to investments in subsidiary and associate to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

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

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

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

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

O) Earnings per share

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

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

P) Provisions 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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

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

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

Q) Impairment

Impairment of non-financial assets:

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

Impairment of financial assets:

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

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

Trade receivables:

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

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023

Other financial assets:

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

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

R) Cash and cash equivalents

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

S) Cash flow statement

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

T) Trade and other payables

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

U) Trade receivables

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

DB (INTERNATIONAL) STOCK BROKERS LIMITED

Regd. Office: U. No. 210/211/211A, 2nd Floor, Dalal Street Commercial Co-operative Society Ltd,
Block No 53, Zone5, Gift City Gandhinagar GJ 382355

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

CIN: L67120GJ1992PLC121278

Website: www.dbonline.in

Email Id: compliance@dbonline.in

Tel No: 011-43606162

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the entrance of the meeting hall. Joint shareholders may obtain Additional attendance slip on request.

| | |
|--|-----------------------------|
| Ledger Folio No.: DP ID/CLIENT ID | No. of Shares held : |
| Name : | |
| Address : | |

I hereby record my presence at the 31st Annual General Meeting of the Company to be held on **Friday, 29th September, 2023 at 09:30 A.M.** Indian Standard Time ("IST") at Unit No. 210/211/211A at 2nd Floor Dalal Street Commercial Co-operative Society Ltd, Block No.53, Zone 5, Gift City, Gandhinagar, Gujarat-382355.

| |
|-----------------------------------|
| Signature of Shareholder / Proxy: |
|-----------------------------------|

| Electronic Voting Particulars | | |
|---------------------------------|--------------------------------|--------------------------------|
| EVSN (E Voting Sequence Number) | User ID | Password |
| 230812005 | As per the Notes in the Notice | As per the Notes in the Notice |

Note: Please refer to the Instructions printed under the Notes to the Notice of the 31st Annual General Meeting. The E-voting period starts from September 26, 2023 (9:00 A.M.) and ends on September 28, 2023 (5:00 P.M.)

.....

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PROXY FORM

{Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(1) of the Companies (Management and Administration) Rules, 2014}

I/We.....holdingno. of shares being a member of DB (International) Stock Brokers Limited hereby appoint..... of or failing him.....ofas my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf on **Friday, 29th September, 2023 at 09:30 A.M.** Indian Standard Time ("IST") at Unit No. 210/211/211A at 2nd Floor Dalal Street Commercial Co-operative Society Ltd, Block No.53, Zone 5, Gift City, Gandhinagar, Gujarat-382355, or at any adjournment thereof.

Signed this..... day of _____ 2023

Signature of Shareholder: _____

Signature of Proxy holder(s): _____

| | |
|--------------------------|-----------------------------|
| Ledger Folio No.: | No. of Shares held : |
| Name : | |
| Address : | |

NOTE:

- a) The Proxy in order to be effective must be deposited at the registered office of the Company duly stamped, completed and signed, at least 48 hours before the time for holding of the meeting.
- b) The Proxy form should be signed across the stamp as per specimen signature registered with the Company.

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FORM NO. MGT-12

BALLOT PAPER

[Pursuant to Section 109(5) of the Companies Act, 2013 and Rule21 (1)(c) of the Companies
(Management and Administration) Rules,2014]

31st ANNUAL GENERAL MEETING - To be Held on Friday, 29th September, 2023 at 09:30 A.M. IST

| S.No. | Particulars | Details |
|-------|--|---------|
| 1. | Name of the first named Shareholder /Proxy Holder (INBLOCK LETTERS) | |
| 2. | Postal address | |
| 3. | Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form) | |
| 4. | Class of share | |

I hereby exercise my vote in respect of resolutions enumerated below, by recording my assent or dissent to the said resolution in the following manner:

| S. No. | Item No. | Type of Resolution | No. of Equity shares held by me | I assent to the Resolution ('For') (No. of Shares) | I dissent from the resolution ('Against') (No. of Shares) |
|--------------------------|---|--------------------|---------------------------------|--|---|
| Ordinary Business | | | | | |
| 1. | Adoption of the Audited Financial Statements (including the Consolidated Financial Statements) of the Company for the Financial Year ended 31 st March, 2023 and the Reports of the Board of Directors and Statutory Auditors thereon. | Ordinary | | | |
| 2. | Appointment of Director in place of Ms. Shikha Mundra (DIN: 06882693), who | Ordinary | | | |

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| | | | | | |
|-------------------------|---|----------|--|--|--|
| | retires by rotation and being eligible offers herself for re-appointment. | | | | |
| Special Business | | | | | |
| 3. | Appointment of Statutory Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of 36th Annual General Meeting and to fix their remuneration. | Ordinary | | | |
| 4. | Appointment of Mr. Himanshu Malhotra (DIN: 06732164) as Non-Executive Independent Director of the Company for a term of 5 consecutive years | Special | | | |
| 5. | Appointment of Mr. Harak Chand Sogani (DIN: 10236862) as Non-Executive Independent Director of the Company for a term of 5 consecutive years. | Special | | | |
| 6. | Appointment of Mr. Tarun Kansal (DIN: 00574554) as Non-Executive Independent Director of the Company for a term of 5 consecutive years. | Special | | | |
| 7. | Continuation the Appointment of Mr. Shiv Narayan Daga (DIN: 00072264) as Managing Director, upon attaining the age of 70 years. | Special | | | |
| 8. | Revision of the Remuneration payable to Mr. Shiv Narayan Daga (DIN: 00072264), Managing Director of the Company. | Special | | | |
| 9. | Change in the terms of appointment of Ms. Shikha Mundra (DIN: 06882693), Director of the Company along with revision in the remuneration payable. | Special | | | |

Place: **New Delhi**

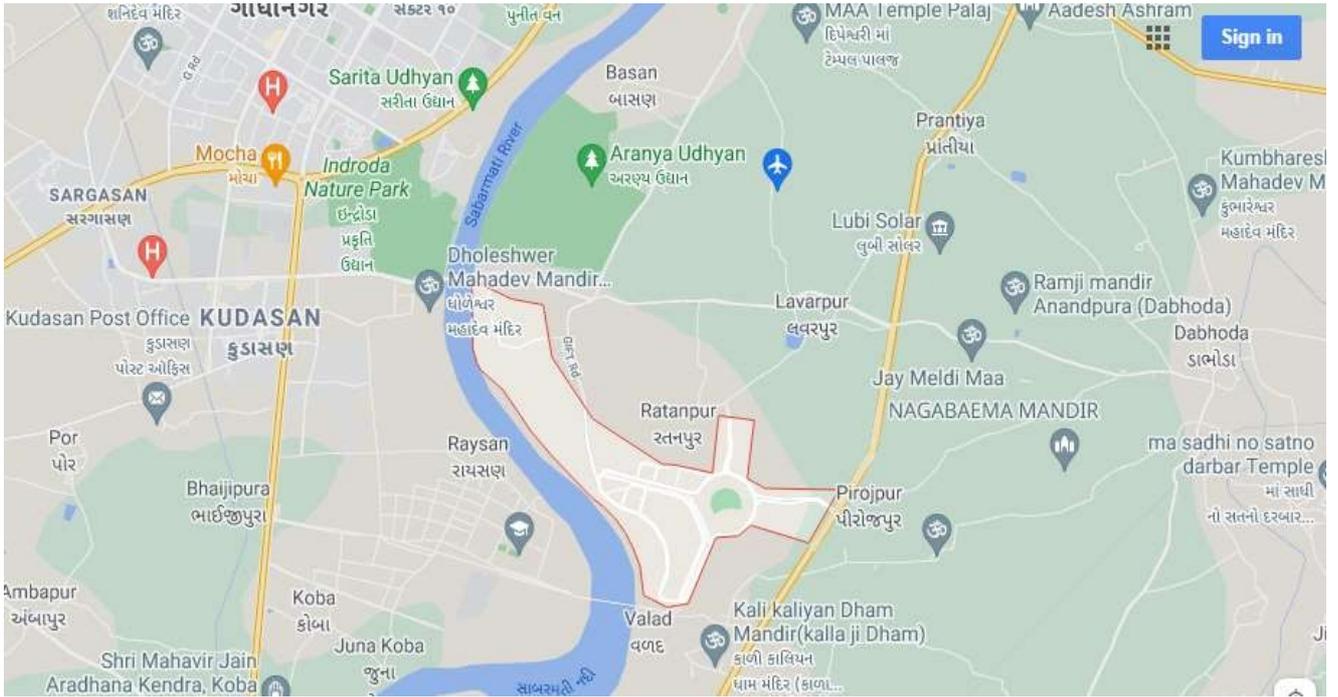
Date:

Signature of Shareholder/Proxy/Authorized Representative



ROUTE MAP TO THE AGM VENUE

Unit No. 210/211/211A at 2nd floor Dalal Street Commercial Co-operative Society Ltd,Block No.53, Zone 5, Gift City, Gandhinagar, Gujarat-382355



Link:

<https://www.google.com/maps/search/google+map+address++Dalal+Street+Commercial+Cooperative+Society+Ltd,+Block+No.53,+Zone+5,+Gift+City,+Gandhinagar,+Gujarat-382355/@23.1698948,72.6313695,13z>



IF UNDELIVERED PLEASE RETURN TO:

DB (INTERNATIONAL) STOCK BROKERS LIMITED

**114, NEW DELHI HOUSE, 27, BARAKHAMBA ROAD,
NEW DELHI-110001**